

STATE OF THE CITY – OCTOBER 29, 2019

WE NOW ARE OVER TWO YEARS AFTER CATEGORY 4 HURRICANE HARVEY AND.....THE STATE OF THE CITY IS GOOD. THIS IS POSSIBLE BECAUSE OF THE HARD AND EFFECTIVE WORK OF THE MAYOR AND CITY COUNCIL, OF AN EXCELLENT STAFF AND BECAUSE OF THE RESIDENTS OF ARANSAS PASS. IMPORTANTLY, IN ADDITION TO THE STATE OF THE CITY BEING GOOD.....THE SIGNS FOR THE FUTURE ARE VERY PROMISING. WE OFTEN HEAR THAT ARANSAS PASS IS ON THE CUSP OF AN ECONOMIC EXPLOSION. LAST YEAR, I SAID IF THAT DOES HAPPEN, WE MUST BE READY TO HANDLE THE GROWTH. THIS YEAR, I CAN SAY..... ALTHOUGH IN THE EARLY STAGES.... IT IS HAPPENING. NOW, THE CITY MUST BE IN A POSITION TO NOT ONLY HANDLE THE EARLY STAGES, BUT WE MUST BE READY FOR THE UPCOMING EXPLOSION. IT IS POSSIBLE HARVEY IS FORCING US INTO MAKING SOME TOUGH DECISIONS THAT PRIMES US FOR THE FUTURE. SUCH AS A LONG-NEEDED CLEANING UP THE COMMUNITY. MORE ON THAT IN A MOMENT. FIRST, WHERE ARE WE WITH THE IMMEDIATE FEMA WORK? HERE ARE SOME OF THE MAJOR FEMA RELATED PROJECTS:

FEMA STATUS

- VETERANS MEMORIAL PARK – COMPLETED
- SOFTBALL FIELDS – COMPLETED
- SHRIMPOREE GROUNDS AND BUILDING- COMPLETED
- ROADWAY CULVERT WASHOUTS –COMPLETED
- MCSWAIN BUILDING – COMPLETED
- MCMULLEN LIFT STATION – COMPLETED
- LITTLE LEAGUE BASEBALL FIELDS AND BUILDING – COMPLETED
- LIBRARY – COMPLETED
- CIVIC CENTER – ALL WORK NEARING COMPLETION.
- DEBRIS REMOVAL – COMPLETED
- CITY HALL BUILDING (ROOF) – UNDER CONSTRUCTION
- AQUATIC BUILDING – IN PROGRESS
- NEW HARBOR MASTER BUILDING – IN PROGRESS
- CONN BROWN BULKHEAD – IN PROGRESS/PLANNING STAGE
- LIGHTHOUSE TRAILS PARK ROAD – NOT YET STARTED
- LIGHTHOUSE LAKES PARK – NOT YET STARTED
- ½ MILLION GALLON WATER TOWER REPLACEMENT – substantially complete

These simply are some of the many FEMA projects. All of the FEMA related projects total just under \$20 million. FEMA'S share is \$16,500,000. After insurance and assistance from the state and from grants, the City-s share is \$860,000.

MAJOR GRANT

LAST YEAR AT THIS TIME, I REPORTED TO YOU THAT “WE ARE ABOUT READY TO ANNOUNCE SOME MAJOR \$5 MILLION IMPROVEMENTS AT CONN BROWN HARBOR THAT WILL BENEFIT EVERYONE WHO VISITS THERE.” THESE ARE NOT RELATED TO FEMA. THAT GRANT FROM THE ECONOMIC DEVELOPMENT ADMINISTRATION IS APPROVED AND CONSTRUCTION STARTS THIS SPRING. CONN BROWN IS GETTING A NEW ROADS WITH AN ADJACENT WALKING/BIKE PATH. ALSO LAST YEAR I

REPORTED TO YOU THAT FROM THIS YEAR'S CITY BUDGET, WE PLAN SEVERAL SMALLER, BUT VERY VISIBLE IMPROVEMENTS AT CONN BROWN...A SMALL PARK AT THE TIP OF HARBOR POINT PARK AT THE EDGE OF THE PARKING LOT. WE COMPLETED PLANS TO EXTEND THE SIDEWALK FROM WHERE IT DID END OVER TO THE FISH CLEANING STATION.

LAST YEAR AT THIS TIME LAST YEAR WE DID NOT KNOW ABOUT A \$10 MILLION GRANT FROM THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM. THE CITY HAS SUBMITTED STREET/STORMWATER AND SEWER PROJECTS TO BE PAID BY THE GRANT. WE HAVE NOT YET HEARD HOW MANY OF THE PROJECTS WILL BE APPROVED BY CDBG. SOME OF THE CITY'S MAJOR STORMWATER/ROAD ISSUES ARE SLATED FOR REPAIR UNDER THIS GRANT.

A CDBG GRANT FOR A NEW SANITARY SEWER FOR OAK LANE AND SHERWOOD FOREST. AND A NEW SANITARY SEWER SYSTEM FOR DENIPAT, BENOIT, OWENS, GENA LANE AND OAK LANE.

A HAZARD MITIGATION GRANT THROUGH FEMA FOR 23 BACK UP GENERATOR SYSTEMS FOR LIFT STATIONS AND THE CIVIC CENTER. THESE WILL SERVE AS BACK-UP FOR THE EXISTING SYSTEMS. THE PUBLIC WORKS DEPARTMENT SPEARHEADED THIS EFFORT.

GRANTS FROM THE REBUILD TEXAS FUND....INCLUDING ONE TO BUILD THE CITY'S FIRST EMERGENCY OPERATIONS CENTER WITHIN THE EXISTING CITY COUNCIL CHAMBERS. CONSTRUCTION IS UNDERWAY. REBUILD TEXAS ALSO PROVIDED MAJOR ASSISTANCE TO THE CIVIC CENTER REPAIRS.

ROADS

WE HAVE ROADS AND INFRASTRUCTURE SLATED TO BE IMPROVED USING 2016 BOND SAVINGS. MUCH OF THIS COULD OCCUR IN THE CURRENT FISCAL YEAR. ROADS, IN ADDITION TO A LOT OF OTHER INFRASTRUCTURE WORK, WILL BE REPAIRED FROM THE \$10 MILLION CDBG GRANT. THIS WILL BE OCCURRING IN THE CURRENT AND UPCOMING FISCAL YEAR.

COMPREHENSIVE PLAN

THE CITY HAS NEVER HAD A COMPREHENSIVE PLAN UNTIL NOW. IT IS NOW COMPLETED. THE PLANNING AND ZONING COMMISSION REVIEWS ONE CHAPTER A MONTH TO MAKE SURE IT DOESN'T SET ON THE SHELF AND COLLECT DUST. A COMPREHENSIVE PLAN PROVIDES CONTINUITY, DIRECTION AND A PLANNING FOUNDATION FOR A CITY.

ENVIRONMENTAL

The City is CONTINUING TO RESOLVE SOME DECADES OLD ENVIRONMENTAL PROBLEMS AT CONN BROWN HARBOR. THE HARBOR CANNOT BE DEVELOPED UNTIL THESE ARE COMPLETED. OF THE THREE TCEQ IDENTIFIED PROBLEM SITES, ONE IS RESOLVED. ANOTHER HAS BEEN GIVEN THE OK BY TCEQ FOR A PLAN OF ACTION. A DESPERATELY NEEDED CITYWIDE DRAINAGE PLAN IS VIRTUALLY COMPLETE. IT IS THE CITY'S FIRST EVER COMPREHENSIVE DRAINAGE PLAN

COMMUNICATIONS

IT IS CRUCIAL THAT CITIES TAKE ADVANTAGE OF AVAILABLE MEDIA TO COMMUNICATE WITH CITIZENS, AND WHEN POSSIBLE, ENGAGE CITIZENS IN THE CITY GOVERNMENT PROCESS. . THE POLICE DEPARTMENT HAS LED THE WAY IN THIS AREA WITH THEIR USE OF SOCIAL MEDIA AND COMMUNITY INVOLVEMENT. HOWEVER, ADDITIONAL STEPS ARE BEING TAKEN TO STRENGTHEN THIS IMPORTANT AREA OF CITY GOVERNMENT.

1. **NEW WEBPAGE.** THIS WAS COMPLETED SINCE I LAST REPORTED TO YOU. OUR I.T. DEPARTMENT LED THE WAY WITH THIS SUCCESSFUL PROJECT.
2. **NEWSLETTER** IN LATE 2017 WE STARTED PRODUCING THE CITY E-NEWSLETTER. WE STARTED WITH ABOUT 600 NAMES OF PEOPLE WHO RECEIVED THE NEWSLETTER. WE NOW ARE UP TO ABOUT NEARLY 2,000 AND GROWING. YOU ARE ENCOURAGED TO SIGN UP FOR THE NEWSLETTER.
3. **CITYWIDE SURVEY** IN 2019 WE SENT OUT THE SECOND CITYWIDE SURVEY ASKING QUESTIONS ABOUT CITY SERVICES. A GOAL IS TO USE THE INFORMATION FROM THE SURVEYS TO STRENGTHEN OUR WEAKNESSES AND BUILD UPON OUR STRONG POINTS.
4. **THE EMERGENCY REVERSE 911 SYSTEM.** IF YOU DON'T HAVE ACCESS TO THIS SYSTEM AND LIVE WITHIN THE CITY...YOU CAN SUBSCRIBE FREE OF CHARGE. IT IS A GREAT TOOL FOR CONTACTING YOU ABOUT EMERGENCIES, WATER BREAKS, ETC. CONTACT THE PD OR CITY HALL TO LEARN HOW TO SUBSCRIBE.

IN THE CASE OF THE NEW WEBPAGE, THE E-NEWSLETTER, AND THE CITYWIDE SURVEY.....ALL ARE BEING PRODUCED AND DISSEMINATED WITHOUT COSTS TO THE CITY.

COMMUNITY CLEAN-UP

ALTHOUGH THERE ARE SOME BEAUTIFUL AREAS OF TOWN.....A MAJOR CHALLENGE IS THE COMMUNITY'S APPEARANCE. IT HAS BEEN A CHALLENGE FOR MANY YEARS. WE ARE TAKING STEPS TO ADDRESS THIS ISSUE. CLEAN-UP IS NOT AN OVERNIGHT SOLUTION. CLEANUP IS A PART OF THE COMPREHENSIVE PLAN. THIS ISSUE WAS ADDRESSED IN THIS YEAR'S AND LAST YEAR'S CITY CITIZEN SURVEY WE SENT TO VIRTUALLY EVERY HOUSEHOLD. THIS YEAR 75% RATE THE APPEARANCE OF THE CITY AS FAIR TO POOR. ABOUT THE SAME AS LAST YEAR. 56% SAID CODE ENFORCEMENT IS VERY IMPORTANT TO THE CITY AND 29% SAID IMPORTANT. TAKEN TOGETHER THAT IS 85%. HERE IS WHAT WE ARE DOING IN THIS BUDGET:

- WE HIRED A SECOND CODE ENFORCEMENT PERSON.
- WE INITIALLY HIRED A PART-TIME PERSON TO KEEP CONN BROWN HARBOR PARK WASTECANS, RESTROOM AND GROUNDS CLEAN. THAT PERSON HAS BECOME FULL-TIME. HE ALSO HELPS CLEAN THE DOWNTOWN.
- PUBLIC WORKS MONITORS THE WASTECANS AT HARBOR POINT PARK.
- OUR DEMOLITION PROGRAM CONTINUES TO SUCCEED. THE CITY ATTORNEY HAS LED THE WAY WITH THIS PROGRAM. IN OVER ONE YEAR, THERE HAVE BEEN OVER 100 UNSAFE STRUCTURES DEMOLISHED. THAT IS PHENOMENAL.

- A CLEAN-UP PROGRAM IS KEY TO A STRONG ECONOMIC DEVELOPMENT PROGRAM – WE NOW ARE WORKING WITH OUR WASTE HAULER ON SOME ADDITIONAL CLEAN-UP PROJECTS.
- CITY PUBLIC WORKS CREWS ARE CLEANING UP THE ENTRANCES TO THE CITY.
- THE CITY COUNCIL HAS PURCHASED A NEW STREET SWEEPER FOR THE CITY. IT IS IN USE.

HOUSING

HURRICANE HARVEY DEVASTED OUR HOUSING STOCK. A CITY DOES NOT ATTRACT RETAIL UNTIL IT HAS THE ROOFTOPS. THE GOOD NEWS IS THAT THE APARTMENT HOUSES DAMAGED BY HARVEY ARE RETURNING. HOGAN HOMES IS SELLING WELL. NEW APARTMENT COMPLEXES ARE BEING BUILT.

A NEW BUDGET PROCESS

THE CITY HAS STARTED A NEW BUDGET PROECESS AND IT IS WORKING. STANDARD AND POORS HAD US ON A WATCH LIST FOLLOWING THE HURRICANE AND AFTER THEY NOTED MANY, MANY YEARS OF WEAK BUDGETS. LATE LAST YEAR WE WERE REMOVED FROM THE WATCH LIST AND ARE NOW CONSIDERED STABLE...IN LARGE PART BECAUSE OF THE WORK OF MAYOR AND CITY COUNCIL AND OUR FINANCE DEPARTMENT. ABOUT 30 DAYS AGO, THIS STABILITY WAS CONFIRMED BY THE TEXAS WATER DEVELOPMENT BOARD. WE ARE SUCCESSFULLY REBUILDING THE BUDGET....THE LIFEBLOOD OF ANY CITY.

PROPERTY AND SALES TAXES

THE CITY'S TWO LARGEST REVENUE SOURCES ARE PROPERTY AND SALES TAXES. OF THESE TWO, AS IS THE CASE THROUGHOUT TEXAS, THE LARGEST IS THE PROPERTY TAX. ALSO WE HAVE TIGHTENED OUR BELT ON EXPENDITURES. IT IS A BARE BONE BUDGET AGAIN THIS YEAR. INTERESTINGLY, THE SALES TAX IS DOING WELL AND HAS THROUGHOUT THIS PAST FISCAL YEAR.

DOWNTOWN DEVELOPMENT

IN THE RECENT CITYWIDE SURVEY RESIDENTS WERE ASKED THEIR OPINION OF DOWNTOWN. 55% SAID DOWNTOWN WAS FAIR TO POOR AND 40% SAID GOOD TO EXCELLENT. THESE ARE BETTER FIGURES THAN LAST YEAR'S SURVEY. IN 2018 THE CITY BROUGHT IN A DOWNTOWN EXPERT WHO PROVIDED RECOMMENDATONS. WE NOW ARE FOLLOWING UP ON THOSE RECOMMENDATIONS.

INFRASTRUCTURE

THE CITY IS FACING SOME MAJOR INFRASTRUCTURE CHALLENGES. FORTUNATELY, WE HAVE HAD AN EFFECTIVE PUBLIC WORKS DEPARTMENT KEEPING THINGS RUNNING UNDER CHALLENGING CONDITIONS. SOME WOULD CALL THE INFRASTRUCTURE CHALLENGE.....AN INFRASTRUCTURE EMERGENCY. WE HAVE DETERIORIATING WATER AND SEWER LINES. REPAIR AND REPLACEMENT HAVE BEEN DELAYED FOR YEARS AND DECADES. BUT THEY CAN'T BE DELAYED ANY LONGER. REPAIRS ARE STARTING WITH CURRENT GRANTS. ALL THE WORK WILL NEED TO BE DONE INCREMENTALLY. DEPENDABLE INFRASTRUCTURE IS THE BACKBONE OF A CITY'S ECONOMIC DEVELOPMENT ATTRACTIVENESS.

SOON, YOU WON'T RECOGNIZED WHEELER

A LOT IS GOING ON WHEELER. A NEW APARTMENT COMPLEX IS UNDER CONSTRUCTION. A NEW BANK. A NEW BOWLING ALLEY. A NEW MOTEL. MORE IS COMING. ALL OF THIS IS OCCURRING AT OUR TOWN ENTRANCE. THE MOVIE THEATER IS OPEN AND ALSO IS AT THE TOWN ENTRANCE.

ECONOMIC DEVELOPMENT

THIS IS THE GIANT ELEPHANT IN THE ROOM. A LOT OF ECONOMIC GROWTH...BOTH INDUSTRIAL AND RETAIL ARE OCCURRING IN THE COASTAL BEND AREA. THIS GROWTH SHOULD NOT ONLY CONTINUE...BUT INCREASE SUBSTANTIALLY. ARANSAS PASS IS BEING AND WILL BE IMPACTED. SOMEONE HAS SAID WE WON'T RECONGIZE THIS AREA IN 10 TO 20 YEARS. BUT IT ALSO IS IMPORTANT TO MAINTAIN OUR QUALITY OF LIFE. IT IS CRITICAL THAT WE PLAN AHEAD FOR THE COMING GROWTH. THE DAYS OF PLANNING BY THE SEAT OF OUR PANTS ARE LONG GONE. PLANNING MUST BE MORE PROFESSIONAL. WE ARE TAKING STEPS TO MEET THAT CHALLENGE. IT IS IMPORTANT FOR ARANSAS PASS TO BE READY FOR THIS GROWTH WITH SUCH INVESTMENTS AS INFRASTRUCTURE.

CONCLUSION

THE STATE OF THE CITY IS GOOD. I SAY THAT BECAUSE THE RECOVERY IS PROGRESSING. IN THE RECENT CITY SURVEY 80% OF THOSE RESPONDING SAID THEY HAVE SEEN IMPROVEMENTS IN THE TWO YEARS SINCE THE HURRICANE. I SAY THE STATE OF THE CITY IS GOOD BECAUSE OUR FUTURE LOOKS GOOD...BOTH GROWTH AND ECONOMIC DEVELOPMENT OPPORTUNITIES ARE OCCURRING ON A REGULAR BASIS. I SAY THE STATE OF THE CITY IS GOOD BECAUSE YOU HAVE AN EXCELLENT COMMUNITY, MAYOR, COUNCIL AND STAFF. SOMETHING I HAVE TO KEEP REMINDING MYSELF OF.....A RECOVERY IS NOT A ONE-YEAR HUNDRED YARD SPRINT.....IT IS A MULTI-YEAR MARATHON. IT ALSO IS IMPORTANT TO EMPHASIZE THE GRAVITY OF THE CITY BUDGET...AT ALL TIMES, BUT ESPECIALLY FOLLOWING A DISASTER. THE BUDGET LET'S US KNOW WHAT WE CAN AFFORD TO SPEND DURING THE RECOVERY, AND IT PROVIDES THE FISCAL DISCIPLINE NEEDED TO ACCOMPLISH OUR GOALS AND IT LOOKS LIKE THIS FY20 BUDGET WILL BE THE STRONGEST IN MANY YEARS. BUT WE HAVE A LONG WAY TO GO BEFORE WE CAN SAY THE BUDGT IS AS STRONG AS WE WOULD LIKE FINALLY, OUR CONTINUED GOAL IS TO HAVE ARANSAS PASS COME OUT STRONGER POST HARVEY THAN IT WAS BEFORE THE HURRICANE. WE ARE SUCCESSFULLY WORKING TOWARD THAT GOAL.