

At its August 9, 2010 meeting, the Terrell Hills City Council will consider whether to hold a bond election November 2, 2010. The bond would allow the City of Terrell Hills to make major improvements to streets and city facilities by 2014, rather than piecemeal over the next 10-15 years. It would allow the City to take advantage of current low interest rates and construction costs. And it should not require a tax rate increase. The bonds would be paid for through reductions to the existing budget.

Many of the main streets in Terrell Hills, such as Garraty Road, Terrell Road, Geneseo Road and Newbury Terrace, have not been resurfaced since 1962, nearly 50 years ago. The bond would allow the City to improve them all within the next four years; otherwise, some of these street projects may not be addressed until 2017. Also, the San Antonio Water System is currently tearing up these streets to replace aging water and sewer mains, which will leave additional patches in the roadway. The bond would allow the City to repave the streets when SAWS is finished. When these projects are completed, the majority of the City's roads will have been improved since 1993.

Terrell Hills City Hall is more than 80 years old -- a 1920s former fire station that needs to be modernized and expanded. Currently, employee offices double as supply rooms; there are no separate bathroom facilities for men and women; there are no audio/video capabilities; and there is not adequate space for community meetings. The City often uses space at St. David's Church to host town hall meetings. The City also buys custom-made fire trucks to fit into the 1920s fire bay. The new City Hall would help improve customer service and recruit and retain quality employees. Without the bond, the \$4.9 million City Hall project would likely be put off until 2024.

The City expects to be able to secure an interest rate of just over 4%. The City's annual Maintenance and Operations budget would be reduced by about \$400,000 per year to service the debt. Assuming a conservative 1% annual growth in property valuations over the next 20 years, the City expect to be able to continue the City's track record of not raising the tax rate.