

**RESOLUTION NO. 2020- R**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS DIRECTING THE INTERIM DIRECTOR OF FINANCE OF THE CITY OF SAN MARCOS TO CALCULATE THE VOTER-APPROVAL TAX RATE OF THE CITY OF SAN MARCOS IN THE MANNER PROVIDED FOR A SPECIAL TAXING UNIT BY USING AN 8% THRESHOLD FOR NEW REVENUE INSTEAD OF 3.5% AS AUTHORIZED BY TEXAS TAX CODE SECTION 26.04(C-1) DUE TO THE GOVERNOR'S STATE-WIDE DECLARATION OF DISASTER IN RESPONSE TO THE COVID-19 PANDEMIC; AND DECLARING AN EFFECTIVE DATE.**

**RECITALS:**

1. On March 13, 2020, the President of the United States issued a proclamation declaring that the COVID-19 pandemic in the United States constitutes a national emergency.
2. March 13, 2020, the Governor of the State of Texas declared a disaster in every Texas county due to the COVID-19 pandemic.
3. The COVID-19 pandemic has impacted the City of San Marcos and the City Council foresees that an increased expenditure of money by the City of San Marcos will be necessary to respond to the disaster.
4. As a result of the disaster declaration, an election is not required under Section 26.07 of the Texas Tax Code to approve the tax rate adopted by the San Marcos City Council for the year following the year in which the disaster occurred.
5. The City of San Marcos imposed the "additional sales and use tax" to which Section 26.041 of the Texas Tax Code refers.
6. As a result of the foregoing, Section 26.041(c-1) of the Texas Tax Code authorizes the City Council of the City of San Marcos to direct the designated officer or employee to calculate the voter-approval tax rate of the City of San Marcos in the manner provided for a special taxing unit.
7. Section 26.04(c-1) of the Texas Tax Code provides that the officer or employee continue calculating the voter approval tax rate in the same manner until the earlier of (1) the second tax year in which the total taxable value of property taxable by the City of San Marcos as shown on the appraisal roll for the City of San Marcos submitted by the tax assessor for the City of San Marcos to the San Marcos City Council exceeds the total taxable value of property taxable by the City of San Marcos on January 1 of the tax year in which the disaster occurred, or (2) the third tax year after the tax year in which the disaster occurred.

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS,**

**TEXAS:**

**PART 1.** The City Council finds that the recitals above are true and they are hereby adopted as a matter of public record. The recitals shall become a part of the legislative history pertaining to the adoption of this resolution and shall serve to document the extraordinary circumstances existing at the time of its approval.

**PART 2.** The Interim Finance Director of the City of San Marcos, as the designated officer of the City of San Marcos, is directed to calculate the voter-approval tax rate of the City of San Marcos in the manner provided for a special taxing unit as provided in Chapter 26 of the Texas Tax Code.

**PART 3.** As set forth in Texas Tax Code Section 26.04(c)(2)(A), the voter-approval rate for a special taxing unit is the city's maintenance and operations rate times 1.08 plus the current debt rate.

**PART 4.** The Interim Finance Director or her successor shall continue calculating the voter-approval tax rate in the manner provided by this resolution until the earlier of:

- (1) the second tax year in which the total taxable value of property taxable by the City of San Marcos as shown on the appraisal roll for the City of San Marcos submitted by the tax assessor for the City of San Marcos to the San Marcos City Council exceeds the total taxable value of property taxable by the City of San Marcos on January 1 of the current tax year; or
- (2) the third tax year after the current tax year.

**PART 5.** This resolution shall be in full force and effect from and after its passage.

**ADOPTED** on June 2, 2020.

Jane Hughson  
Mayor

Attest:

Tammy K. Cook  
Interim City Clerk