

## Alice sales tax revenue boosts budget, mayor's spirits

By Julie Silva

Wednesday, January 18, 2012

ALICE — Property taxes remain low, about \$15 million in reserve funds haven't been touched, and the city has money to spend on new concession stands and playgrounds in parks.

Being the mayor of Alice, that's a good thing right now.

"Everybody's getting on the bus," said Mayor John Lemon during his State of the City address Wednesday, emphasizing the city's partnership with the county and school district. "I don't care who's driving the bus as long as it's going the same direction."

Alice's sales tax revenue in 2011 was about 25 percent of Corpus Christi's revenue, Lemon said. Yet its population is about 6 percent of Corpus Christi's population.

"Do you understand how phenomenal that is?" the mayor asked. "Look at the economic diversity in Corpus Christi, and we have a quarter of their sales tax revenue."

City officials anticipate even higher sales tax revenue because of the Eagle Ford Shale boom, but they purposefully budgeted with low sales tax revenue estimates this fiscal year.

It's about saving for future projects when the oil and gas boom slows while still improving Alice's quality of life now, City Manager Ray De Los Santos said.

He said he was asked when he came on board three years ago to put together an assessment on the community's needs. About 65 percent of those projects are complete, he said. The estimated total for the projects is \$30 million.

When the assessment's project were about halfway complete, the city began focusing on quality of life issues, including new parks' concession stands, a walking trail and playground equipment.

Funding has come through bond money in both 2007 and 2009 as well as stimulus funds and excess sales tax revenue.

Alice finished construction on a landfill expansion as well as adding waterlines. Twenty-seven percent of the city's sewer system has been replaced.

The city is reconstructing Texas Boulevard with the second phase two weeks ahead of schedule and is about two years from completion, Lemon said.

The city will do more with less when it comes to a proposed multipurpose facility that includes a convention center and natatorium, Lemon said. Monthly sales tax surplus revenue and money they previously set aside are paying for the project.

"This is going to happen, and this is going to happen starting this year," he said, estimating it would take 18 to 24 months to construct.

The city's property tax rate, 28.89 cents per \$100 in appraised property value, is down from 36.45 in 2010 and 37.00 in 2009. Kingsville's rate is 84.42 cents and Corpus Christi's is 57.06 cents.

"They (Corpus Christi) are 16 times our size and they are our biggest competitor," Lemon said. "Well, I say bring it on."



© 2012 Scripps Newspaper Group — Online