



ARANSAS PASS CITY NEWS

Issue 42

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ARANSAS PASS ECONOMIC OUTLOOK

Harbor Freight Store Coming to Aransas Pass

A Message From Mayor Ramiro Gomez

The recovery from Hurricane Harvey is winding down. So, how does our post hurricane economy look? Many millions in FEMA recovery dollars are now invested in our community. The new \$1.7 mil state-of-the-art water tower is just one example. The \$2 mil bulkhead repair is another. There are many more. Even during the Pandemic, the sales tax continued to not only perform well but it has set new records. The sales tax is a good indicator of the City's economic health. The ad valorem tax is our major source of revenue. Property valuations are regaining their post-Harvey dip, caused by damaged or destroyed businesses, apartments and homes. In our most recent audit, the General Fund Balance is even higher than last year. Another good indicator.

A strong measurement of a city's economic outlook is the number of utility connections. Is it increasing or decreasing? The number of water customers has dramatically rebounded and surpassed pre-Harvey numbers. See full story in this newsletter.

A city does not grow economically until it has houses. New homes are being built in subdivisions. In-fill homes are being built to replace many of those destroyed or damaged by Hurricane Harvey. All of the apartment complexes shut down by Harvey are now open. An attractive apartment complex opened on Wheeler.

Hotels have been built and are under construction. A new Motel 6 at the City's entrance now is being built. The new Candlewood Suites have renovated and are now open. The City first multiplex movie theater has survived COVID and is showing first run shows. It is attracting movie goers from throughout the region. A Starbucks is under construction. Harbor Freight, a major national hardware retailer, will be renovating and moving into the former Bealls store located on Wheeler. This business should be a major sales tax producer for Aransas Pass.

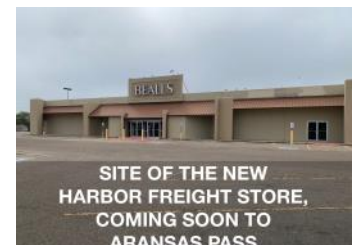
In sum, the economic outlook for Aransas Pass is very bright.



NEW MOTEL 6 NOW UNDER CONSTRUCTION



NEW STARBUCKS UNDER CONSTRUCTION



SITE OF THE NEW HARBOR FREIGHT STORE, COMING SOON TO ARANSAS PASS



THE CITY'S 1st EVER MULTIPLEX THEATER



A NEW AND MODERN APARTMENT COMPLEX IS NOW OPEN ON WHEELER



Conn Brown Parking Lot Paving is Completed. The Rebuild and Paving of Bigelow has begun.

The long-awaited paving of the Conn Brown Harbor is finished (see above pic). This parking lot holds hundreds of trucks and trailers for fishermen every weekend. Recreational fishing is an important part of the local economy. Fishermen come from across the state to Aransas Pass. The old parking lot was filled with potholes and crumbling pavement. The pic below is of Bigelow Street at Conn Brown Harbor. Paving has started on that portion of the harbor. The work is being paid mostly with a grant from The Economic Development Administration. The entire project should be completed in August.



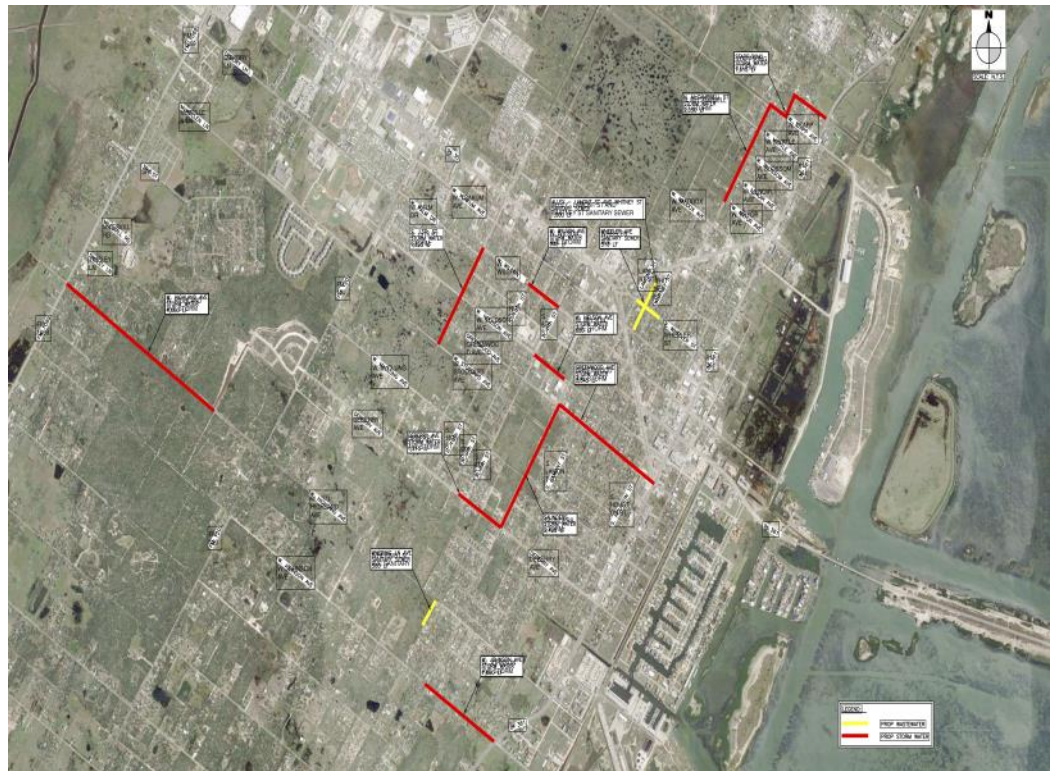
New Dump Trucks are In

After many years of working with dump trucks that literally were falling apart and costing the City many dollars in repair bills, the Public Works department finally has two new trucks (see pic below). Dump trucks are a major component of a public works operation. Before being allowed to operate the new trucks, qualified city drivers are going through operation and maintenance training. New tractor mowers also have arrived and are in use. The vehicles were obtained through a plan created by the city financing department.



Is Aransas Pass Growing?

The answer to this question is most definitely YES!, Here are the stats to back up that statement. In 2017, Prior to Hurricane Harvey, the City had 3,958 water accounts. Today in 2021 we have 4,474 customers. That is an increase of 516. That 516 number does not take into consideration the approximately 200 accounts that were lost immediately after the hurricane when people had to leave their homes because of storm damage. So, in reality, the City has not only recovered the 200 or so lost accounts, but we have added 516 compared to what the number was prior to the hurricane. Instead of an increase of 516, it really is approximately 700. It is estimated that there are 2 to 3 people per water connection. Of course, when you add all of the new homes and new businesses here in town, this is further evidence that Aransas Pass is growing.



The Stapp-N. McCampbell Project Out For Bid

The City is receiving sealed bids for the Community Development Block Grant—Drainage Improvement project. Bids will be opened on April 15th. This work is made up of 15 different projects around town (see above map). The first to begin is the Stapp—N. McCampbell portion. Construction should begin shortly after April 15th. The above map shows the drainage work in red. The sewer work is in yellow. The drainage work will address those areas of town that have storm drainage problems. This work is being paid for with a \$10.4 mil grant from CDBG. Mayor Ram Gomez with assistance from the City Council in 2019 were instrumental in obtaining the funds from the Federal and State governments.

CITY DEBT DATES BACK 16 YEARS

There has been a lot of talk lately about the amount of City debt. It has been variably described as anywhere from \$30 million to \$36 million. That is not totally accurate. Also, the misleading implication is that the current Mayor and Council are responsible for adding all of that debt. Nothing could be further from the truth. The total amount of city debt issued is \$36,205,000. The current Mayor and Council inherited \$30,005,000 of the total amount from previous Mayors and Councils dating back to 2005. The current Mayor and Council, which began in 2017, are responsible for \$6,200,000. Although the current Mayor and Council were handed the debt of other Mayors and Councils, it is a responsibility they accepted. That is part of the job. It is up to the current Mayor and Council to find the funding to pay those debts going back to 2005. They have successfully done so and have helped provide a secure financial future for the City. The debt is down to \$24,375,283. In 2020 this Mayor and Council paid nearly \$2 mil toward the debt. More precisely it was \$1,774,199.



The debt , for which the City now is paying, was issued in the years 2005, 2006, 2012, 2014, 2016, 2018, 2019, 2020. The largest amount of debt was issued during the years of 2014 and 2016. The current Mayor and Council took office in 2017.

ARANSAS PASS GETS GOOD AUDIT REPORT

On March 30th the Aransas Pass City Council received its annual City audit report from Auditor, Brenda McElwee, CPA . Again this year, the City received a good audit. A strong indicator of a City's financial health is the General Fund Balance. In early 2018, Immediately after Hurricane Harvey, we promised Standard Poors, our financial rating agency, that within 5 years we would have a General Fund Balance of 40%. At that time we were in the single digits. Last year, we essentially reach that goal. This year it is \$4,351,907. This means we have surpassed that 40% goal. The strong 2020 audit is the result of a vigilant Mayor and City Council and efficient Finance Department.