LA VERNIA

MUNICIPAL DEVELOPMENT DISTRICT

3-YEAR ECONOMIC DEVELOPMENT STRATEGIC PLAN

WORKSHOP

2025-2027

La Vernia Municipal Development District Overview	4
Financial Health and Strategic Investments	4
La Vernia Demographics and Business Insights	5
Housing	6
Proposed Target Areas and Actions	8
2025 Priorities	8
FUTURE OF LV MDD ADMIN	8
Position Summary	8
Key Responsibilities	9
Requirements:	
Preferred Skills:	
Workforce Development	
Quality of Life	
Business Support & Growth	
Infrastructure Improvements	
Downtown Development	
2026 Priorities	13
Workforce Development	
Quality of Life Enhancements	
Business Support & Growth	
Infrastructure Improvements	
Downtown Development	16
2027 Priorities	16
Workforce Development	
Quality of Life Enhancements	
Business Support & Growth	
Infrastructure & Downtown Development	
Survey Responses	
SWOT	
Summary of Strengths	23
Summary of Weaknesses	

Summary of Opportunities	23
Summary of Threats	24
Business Survey Responses	24
Appendix	27
Local Govt Code 377	27
SUBCHAPTER A. GENERAL PROVISIONS	27
SUBCHAPTER B. MUNICIPAL DEVELOPMENT DISTRICT	28
SUBCHAPTER C. BOARD OF DIRECTORS	29
SUBCHAPTER D. POWERS AND DUTIES	
SUBCHAPTER E. SALES AND USE TAX	34

La Vernia Municipal Development District Overview

The La Vernia Municipal Development District (MDD) was established in 2008 with a bold and lasting mission: to foster economic growth, support local businesses, and enhance the overall quality of life for the La Vernia community. Funded through a voter-approved sales tax, the MDD reinvests these resources into targeted initiatives that strengthen infrastructure, stimulate development, and build a resilient, prosperous future.

Today, La Vernia is home to approximately 250 diverse businesses that represent the heart of its economy and the spirit of its community. From retailers and service providers to restaurants and manufacturers, these enterprises preserve the small-town charm that defines La Vernia while powering its economic progress. Their success is vital to the city's growth, and the MDD is committed to creating an environment where they can thrive.

Over the years, the MDD has evolved into a strategic organization focused on four pillars: economic development, workforce development, quality of life, and infrastructure investment. Its work is visible in projects like Bear Tracks Analytics, which empowers local businesses with data-driven insights; the Visit La Vernia platform, which promotes tourism and commerce; and beautification efforts like façade grants and public art installations. Signature events including the Boutique Hop, Hometown Hoedown, and Christmas in the Park continue to unite the community and support small businesses.

As La Vernia plans for the future, the MDD is implementing a detailed Three-Year Plan to expand these efforts. Priorities for 2025 include new pickleball courts, a summer wellness series, expanded business education, and a community job fair. Plans for 2026 and 2027 focus on growing business partnerships with schools, launching a loyalty program and business awards, enhancing parks, and developing a business incubator downtown. Major infrastructure investments, including a new police headquarters and water conservation systems, will reinforce La Vernia's long-term sustainability.

Every initiative is guided by the <u>Texas Local Government Code</u> and MDD bylaws, ensuring that all actions are transparent, accountable, and aligned with community priorities. The vision is clear: to strengthen today's businesses, develop tomorrow's workforce, and create a thriving La Vernia for generations to come.

Financial Health and Strategic Investments

The La Vernia Municipal Development District (LVMDD) continues to demonstrate strong financial health and forward-thinking strategic planning, supported by consistent growth in

sales tax revenue and proactive investment exploration through TexPool and TexPool Prime.

Currently, the MDD collects an average of \$52,542.50 in monthly sales tax revenue. Over the past four years, collections have risen steadily from \$454,708 in 2021 to \$630,470 in 2024, representing a 38.6% increase—a testament to the district's vibrant economy and impactful initiatives. Sales trends show seasonal variation, with May yielding the highest revenue (\$62,243), likely due to increased summer activity. Even the lowest month, April (\$46,351), reflects a solid and resilient revenue stream with consistent year-over-year gains.

To further strengthen its financial strategy, the LVMDD is exploring participation in TexPool, a state-managed investment pool offering secure, highly liquid fund management. TexPool allows daily deposits and withdrawals, while TexPool Prime provides enhanced yields (currently 4.51% vs. TexPool's 4.38%) through investments in top-tier commercial paper. TexPool has a 50-year track record of reliability—even during financial downturns—and is overseen by the State of Texas, ensuring transparency and safety.

Plans are underway to establish TexPool accounts for general, bond, and MDD funds, with careful initial testing of TexPool Prime for potential higher returns. Although other options, such as Certificates of Deposit (CDs), were evaluated, they were ultimately not pursued due to lower flexibility and returns amid the current interest rate environment.

With its solid revenue base, strategic investment planning, and conservative approach to financial stewardship, the LVMDD is well-positioned to maintain fiscal security while supporting La Vernia's continued economic development and community enrichment.

La Vernia Demographics and Business Insights

La Vernia, Texas, with an estimated population of approximately 1,451 residents and around 200 businesses, is a vibrant community experiencing notable growth. The city has seen a significant increase in its trade area population, expanding from 40,257 in 2010 to 53,223 in 2022, reflecting a growth rate of 4.1% between 2020 and 2022. This upward trend is expected to continue over the next five years.

The community's demographic profile aligns with the "Flourishing Families" segment within the "Booming with Confidence" group, as defined by the Mosaic USA classification system. This segment comprises prosperous, established couples in their peak earning years, often approaching retirement. Many households have dual incomes and few children, allowing them to afford modern homes in suburban neighborhoods. They tend to have sophisticated tastes, enjoying activities such as attending plays, concerts, and museums, and they value quality education and community engagement. Overall, La Vernia's growing population, economic development, and affluent, engaged community contribute to its appeal as a desirable place to live, work, and play.

Housing

During the last session of the Texas Legislature, there were several bills that threatened to reduce municipal control over land use rules. Some notable ones include:

- SB 9 / HB 2127 (Local Control Preemption Bills): These bills were introduced to limit the ability of municipalities to regulate certain land use decisions, particularly zoning rules. They aimed to prevent cities from restricting the development of single-family homes or certain types of businesses, including placing limits on local zoning ordinances that restrict property owners' ability to develop their land as they see fit.
- 2) **SB 1777 (Short-Term Rentals)**: This bill aimed to reduce local control over the regulation of short-term rental properties (like Airbnb). It sought to restrict the ability of cities to enforce rules and restrictions on short-term rentals, making it harder for municipalities to regulate these properties in residential areas.
- 3) **HB 1474 (Affordable Housing)**: This bill would have restricted municipalities from enacting certain zoning policies that make it difficult to develop affordable housing. It would have limited the control cities have over certain housing regulations, such as density or housing types, in an effort to promote more affordable housing development.

These bills were part of a larger trend of state-level efforts to reduce the power of local governments to regulate land use, which has been a point of contention between state lawmakers and municipalities in Texas. Local officials often argue that they should retain control over land use decisions to address the unique needs of their communities, while proponents of the bills argue for reducing local restrictions to promote development and growth.

This context is important as we consider the future of our own community. Survey results have shown that our residents do not want us to prioritize housing development, and both the board and the council have expressed similar concerns. That said, we are regularly approached with proposals for new housing developments, and we have several in the pipeline currently. Therefore, we must emphasize the importance of actively choosing the types of developments we want to pursue while we still have the ability to do so.

We must focus on maintaining strong zoning codes while we still can and ensure that we create quality developments like Woodbridge Farms and the upcoming Heights at La Vernia. Community input has guided our direction, and while not all housing developments may be welcomed, it's

important to acknowledge that housing development is happening and will continue. Simply ignoring these changes won't benefit our community in the long run.

Proposed Target Areas and Actions

The La Vernia Municipal Development District (LVMDD) is committed to fostering a thriving, vibrant, and future-focused community. This three-year plan outlines core focus areas designed to improve quality of life, support business development, expand workforce opportunities, and strengthen infrastructure. LVMDD will pursue three targeted projects within each focus area, resulting in a total of 12 strategic initiatives over the next three years. Through these efforts, LVMDD aims to position La Vernia as a dynamic, sustainable destination for living, working, and visiting.

The MDD Board has identified the following as top priorities for the next three years, with targeted goals for each year:

2025 Priorities

In 2025, the La Vernia Municipal Development District (LV MDD) is advancing a comprehensive plan to enhance workforce development, community engagement, quality of life, and economic growth. Central to this strategy is the proposed addition of two part-time Community Engagement Coordinator positions to support event execution, social media outreach, and business relations. Workforce priorities include launching a centralized job board, hosting a Job and Education Expo, and offering free business education workshops. Quality of life initiatives feature bluebonnet-themed mile markers, a rotating mural program, new pickleball courts, and a summer movie and wellness series. Business support includes monthly spotlights, a local branding campaign, and expanded façade grants. Infrastructure improvements focus on the development of a new police headquarters, water conservation projects, and branded street signage. Downtown revitalization will be driven by a festive Christmas in Downtown initiative, a business opportunity map, and efforts to attract foot traffic and reinvestment. Together, these priorities aim to strengthen La Vernia's identity, boost economic vitality, and create a more vibrant, connected community.

FUTURE OF LV MDD ADMIN

Proposed: Addition of Two Part-Time Positions

Position Summary

The Community Engagement Coordinator will assist the La Vernia Municipal Development District (MDD) in fostering connections within the community, enhancing small business engagement, and supporting events that promote La Vernia as a vibrant destination. This role is perfect for a motivated individual eager to gain experience in event coordination, social media marketing, content creation, and community relations.

Key Responsibilities

- 1. Assistance In Event Coordination and Execution:
 - a. Assist in the planning, preparation, and execution of all La Vernia MDD events.
 - b. Help with event setup, including arranging vendor spaces, decorations, and technical equipment.
 - c. Provide on-site support during events, ensuring smooth operations and assisting vendors and attendees.
 - d. Manage event breakdown, including cleanup, packing, and finalizing event reports.
 - e. Be available to work the entire event day, from preparation to closing and wrapping up.
- 2. Assistance In Content Creation and Social Media:
 - a. Create engaging social media content, including posts, stories, reels, and videos, to promote events and programs.
 - b. Use tools like Adobe and Canva to design professional-quality videos and graphics.
 - c. Write compelling copy for posts, flyers, and newsletters that align with MDD's tone and objectives.
 - d. Monitor social media platforms @visitlavernia, respond to comments, and track analytics to improve engagement.
- 3. Business Relations:
 - a. Foster relationships with local businesses to promote participation in MDD programs such as grants and events.
 - b. Share valuable insights, including traffic and demographic reports, to support business growth.
 - c. Assist in securing event sponsors and partnerships.
- 4. Administrative Support:
 - a. Draft communications such as emails, newsletters, and reports.
 - b. Maintain databases for business contacts, vendors, and event participants.
 - c. Assist with scheduling, documentation, and operational tasks.

Requirements:

- Availability: Must be able to work on all La Vernia MDD events, including preparation, setup, on-site management, and event breakdown.
- High school diploma or equivalent required; pursuing or holding a degree in Marketing, Communications, Business, or a related field is preferred.
- Proficiency in social media platforms (Facebook, Instagram) and content creation tools (e.g., Adobe, Canva).
- Strong copywriting skills and attention to detail.
- Proficiency in Microsoft Office Suite (Word, Excel, PowerPoint).
- Strong organizational and communication skills, both written and verbal.
- Ability to multitask and meet deadlines.
- Passion for community engagement and small business support.
- Ability to lift and move event equipment and materials as needed.

Preferred Skills:

- Experience in event coordination and marketing.
- Familiarity with La Vernia and its local businesses.
- Basic understanding of marketing analytics tools, such as Placer.ai.
- Creative problem-solving and collaborative mindset.

This position offers a hands-on opportunity to develop skills in event planning, content creation, and community relations while contributing to La Vernia's growth and vibrancy. Workforce Development

• Host Community Job Fair & Education Expo (Fall 2025)

Plan and execute a community-wide job fair designed to connect La Vernia residents with local employers and introduce both high school students and adults to continuing education opportunities. The event will feature resume-building assistance, mock interviews, and booths from regional colleges, technical training centers, and actively hiring businesses.

Goal: 150 in attendance, businesses attending 20, Continued Education 7 groups.

Cost: \$1,500

• Launch a Centralized Job Board

Create and maintain an online job board, hosted on the City of La Vernia website, where local employers can post job openings. This platform will simplify the hiring process, promote local employment, and increase visibility for job seekers and businesses within the community.

Goal: Post as many jobs as possible in the City

Cost: \$0 – Free to develop and available to all.

• Deliver Business Education & Support

Offer a series of business education workshops and provide individualized consulting to help at least 25 local businesses enhance their marketing strategies, streamline operations, and make smarter decisions using data. Support will be tailored to the unique needs of small businesses in La Vernia. Cost: Free

Quality of Life

Bluebonnet Mile Markers & Moveable Murals

Enhance sidewalks and walking trails with bluebonnet-themed mile markers that add visual interest and reflect local charm. These colorful markers will encourage walking, promote wellness, and serve as fun photo opportunities for residents and visitors. In addition, introduce moveable murals—large art panels created by local artists and students. These murals will rotate across the city throughout the year, offering fresh visuals, celebrating creativity, and supporting community engagement through seasonal themes and civic pride. Cost: \$13,000

• New Pickleball Courts at City Park

Expand recreational amenities in La Vernia by installing dedicated pickleball courts at City Park, funded through the GVEC Power Up Grant. Pickleball is a fast-growing sport appealing to a wide age range, and these courts will meet rising demand while also attracting visitors. The addition supports active lifestyles, provides more options for local recreation, and adds to the park's long-term value as a regional destination for outdoor activity. Cost: This is a matching grant the MDD will put \$10,000 of cost towards this project.

• Summer Movie & Wellness Series

Host a free, family-friendly movie night series during the summer at La Vernia City Park. Partner with the Parks and Recreation Committee to enhance the experience with wellness activities like yoga classes, walking groups, fitness demos, and children's games. This initiative promotes healthier lifestyles, encourages family time outdoors, and creates a regular, inviting space for community connection and engagement throughout the warmer months. Cost: With Felps funding for summer movies we have a budget of 1,600 and the wellness series will be inviting exercise instructors to host Free classes. Cost can go up to \$2,000

Business Support & Growth

- Monthly Business Spotlights: Highlight one business each month with signage, social media coverage, and community features to boost visibility and engagement. Cost: Signs \$200
- La Vernia Business Branding & Marketing Campaign: Launch a branded marketing effort to position La Vernia as a destination to shop, dine, and enjoy. Promote this brand across surrounding areas to increase visibility and attract new visitors and customers. Cost: 1,000 in Advertising.

Infrastructure Improvements

• La Vernia Police Department (LVPD) Headquarters

Advance the planning and potential construction of a new, state-of-the-art police headquarters to support La Vernia's growing population and public safety needs. A modern facility will enhance operational efficiency, improve working conditions for officers, and ensure the department is equipped to serve the community effectively for years to come. Cost: \$700,000 To the building and land expenses

• Water Infrastructure & Conservation Projects

Focus on strengthening La Vernia's water infrastructure through proactive maintenance, timely repairs, and long-term sustainability efforts. In addition, explore the implementation of a water recycling system for the City Park Splash Pad to reduce waste and promote conservation. Grant funding will be pursued through the Texas Parks and Wildlife Department to support this eco-friendly initiative.

Cost: Undefined

Branded Street Signage Program

Launch a citywide effort to replace or upgrade existing street signs with custom, branded designs that showcase La Vernia's identity. These visually cohesive signs will promote community pride, enhance wayfinding, and contribute to a stronger sense of place throughout the city.

Cost: \$4,000

Downtown Development

• Christmas in Downtown Launch

- Decorate Downtown La Vernia with festive holiday lights and seasonal displays to brighten the city, foster community cheer, and encourage foot traffic to support local businesses during the holiday season. Goal: 25+ lighted features (trees, poles, garlands, etc.). Increase in Downtown Foot Traffic – Goal: 15–25% increase (use Placer.ai or business reports) Cost: \$15,000
- Façade Grant Boost & Business Spotlight Campaign
 - Encourage storefront improvements ahead of holidays
 - Launch monthly spotlight series featuring downtown businesses
 - o Goal: 2 Businesses Cost: \$10,000
- Downtown Property Inventory & Opportunity Map
 - o Identify vacant/underutilized buildings
 - Begin outreach to property owners to explore incubator possibilities
 - Goal: All Businesses inventory by September 2025 and Cost: \$0

2026 Priorities

The **2026 priorities** for the La Vernia Municipal Development District (MDD) will build on the momentum of 2025 by deepening impact across key areas: **workforce development**, **quality of life**, **business growth**, **infrastructure**, and **downtown revitalization**.

In **Workforce Development**, the MDD will expand partnerships between local businesses and LVISD through the "Adopt-a-Program" initiative and strengthen the pipeline by formalizing mentorships, internships, and technical training opportunities. The centralized job board and job fair efforts will scale, and new workforce data will be used to align training with real job market demand.

In **Quality of Life**, 2026 will introduce new park amenities, including expanded wellness events, additional swings or seating, and enhancements to community trails. Seasonal programming like fun runs and fitness events will become staples, reinforcing La Vernia's identity as an active and inclusive place to live.

For **Business Support**, the loyalty program will mature, potentially incorporating a digital platform, while the "Best of La Vernia" awards will grow in community recognition. The MDD will provide digital marketing training and mentorship to local entrepreneurs and continue monthly business spotlights to boost visibility.

Infrastructure improvements will focus on sidewalk expansions, rainwater storage implementation, and the next phase of planning or construction for a new police department headquarters. Street signage upgrades and additional conservation projects will continue reinforcing community identity and sustainability.

In **Downtown Development**, a small **pocket park** will be completed and programmed with events like storytime, live music, and pop-up markets. The **business incubator** project will advance, offering startup support and possibly activating vacant spaces. Seasonal decor, façade grants, and lighting will boost downtown foot traffic year-round, continuing the transformation toward a lively, walkable district.

Workforce Development

"Adopt-a-Program" Business Partnership Initiative Launch a program connecting local businesses with La Vernia High School programs such as welding, culinary arts, and graphic design—to offer mentorship, job shadowing opportunities, and equipment sponsorships. This partnership builds a stronger bridge between education and real-world workforce needs.

Goal: Five local businesses formally participate in the program. A group of 10 students engaged in mentorship, job shadowing, or using sponsored equipment. Cost: Undefined

• "From La Vernia, For La Vernia" Career Stories

Promote success stories of residents who built their careers in La Vernia through social media features and short video spotlights. These inspiring profiles will highlight career pathways, celebrate community talent, and encourage young residents to build their futures locally. Goal: To inspire and retain local talent by showcasing at least 12 success stories per year of La Vernia residents who have built meaningful careers in the community—highlighting diverse career paths, fostering pride in local opportunities, and encouraging youth to envision a future in La Vernia. Cost: \$1,000 social media advertising and ramed certificate or small gift for each featured individual

• La Vernia Job Fair for Small Businesses

Organize a community job fair dedicated to showcasing employment opportunities at small and locally owned businesses. The event will connect job seekers with local employers and promote workforce retention within La Vernia. Goal: 20-30 Businesses Participating, 10 Education Institutions, Promote the event across Wilson County via social media. Cost: \$500; for setup, marketing, materials, hospitality

Quality of Life Enhancements

Inclusive Park Swings for All Ages

Install outdoor swings and comfortable seating in City Parks designed for both children and adults. These additions will create inviting spaces that promote relaxation, physical wellness, and accessibility for residents of all ages and abilities. Goal: 4 bench swings at La Vernia City Park. Cost: \$8,500

• Seasonal Health & Wellness Activities

Launch seasonal community health events such as a La Vernia Fun Run, beginner-friendly pickleball clinics, and group fitness classes. These activities will encourage active lifestyles, build community connections, and add variety to La Vernia's recreational offerings. Goal: To foster a healthier, more connected La Vernia by hosting at least four free or low-cost seasonal health and wellness events annually—such as fun runs, beginner pickleball clinics, and group fitness classes—welcoming residents of all ages and fitness levels to participate in active community life. Cost: \$4,000

Business Support & Growth

• Local Shop Loyalty Program

Launch a citywide loyalty program to encourage shopping at La Vernia's small businesses. Offer stamp cards, exclusive promotions, and giveaways to reward frequent shoppers and increase foot traffic in local stores. The program will build community pride while supporting long-term business sustainability. Goal: 20 businesses participating in the first year. Cost: \$5,000

• Best of La Vernia Business Awards

Establish an annual awards program to celebrate exceptional local businesses, entrepreneurs, and community leaders. This initiative will highlight success stories, boost visibility for standout contributors, and recognize those shaping La Vernia's economic growth and small-town character.

Goal: business participation and business engagement Cost Estimated at \$5,000

Infrastructure Improvements

• City Park Water Conservation Solutions

To advance environmental sustainability, the City of La Vernia is exploring the implementation of graywater systems at City Park. These systems would reuse lightly-used water from sinks and similar sources for irrigating landscapes and green spaces. Additionally, the city plans to expand rainwater harvesting by installing collection tanks throughout the park to store rainwater for use during dry seasons. As part of long-term efforts, a water reuse system for the Splash Pad is also being considered. If approved and funded by a Texas Parks and Wildlife grant, this system will significantly reduce municipal water use and support eco-conscious park development. Cost: Undefined the TPW grant is a matching grant.

Best Lawn Awards Program

The Best Lawn Awards is a community-driven program designed to recognize residents who maintain beautifully landscaped and well-kept yards. This friendly competition

encourages neighborhood pride, promotes cleanliness, and highlights those who help enhance the visual appeal of La Vernia through thoughtful landscaping and outdoor care.

Cost for signs and advertising

Downtown Development

Pocket Park Development

- Add seating, shade, swings, planters, and possibly public art
- Host small events: live music, outdoor fitness, or Storytime
- Cost: Cost of decor and plants and land renovations

Business Incubator Launch

- Partner with local mentors
- Support 3-5 entrepreneurs with startup space or grants
- Cost: Cost of land and any renovations

2027 Priorities

The 2027 La Vernia MDD priorities focus on sustaining momentum from prior years while introducing new, long-term strategies across workforce development, quality of life, business support, and downtown revitalization. In **Workforce Development**, the district aims to formalize a student-to-business pipeline connecting 20 students with 10 local businesses, expand internship programs into city departments, and host biannual job fairs with skills training components. **Quality of Life** efforts include continued community events at City Park and the development of a new partner park in La Vernia Heights, while also assessing past projects through community feedback and engagement data. In **Business Support**, the MDD will introduce sustainability-focused incentives, review multi-year business performance data, and launch a new workforce program targeting seniors and retirees for part-time roles. **Infrastructure and Downtown Development** will highlight the completion of the TXDOT project with a celebratory event, implement branded wayfinding signage, and conduct evaluations of all major initiatives from 2025-2026 to guide future planning.

Workforce Development

• Establish a Long-Term Student-to-Business Workforce Pipeline Develop a structured program connecting La Vernia ISD students with local businesses through internships, mentorships, and career exploration opportunities. The goal is to align 20 students with 10 local businesses, fostering a sustainable, future-ready workforce.

Goal: 20 students with 10 businesses **Estimated Cost:** TBD

Host Biannual Job Fairs & Continuing Education Events

Organize job fairs in **February and September** to connect students, adults, and retirees with employment opportunities. Incorporate skill-building workshops on resume writing, digital literacy, and certifications to support long-term career growth. **Goal:** Increased participation annually with onsite interviews **Estimated Cost:** TBD (dependent on venue)

Expand Internship Opportunities Within City Departments
 Offer internships for high school or college students in departments such as MDD,
 Parks & Recreation, and City Hall. These positions provide hands-on experience in
 public service and community engagement.

 Goal: Place one student per summer with the City of La Vernia

Estimated Cost: \$12,000 (8-week program)

Quality of Life Enhancements

- Continue Hosting Community Events at City Park
 Maintain and grow a year-round calendar of events—such as movie nights, concerts, and seasonal festivals—to enhance community connection and encourage park use.

 Estimated Cost: TBD
- Establish a Partner Park in La Vernia Heights
 Develop a neighborhood park featuring playground equipment, shaded seating, and
 walking trails to serve La Vernia Heights residents and enhance recreational access.
 Estimated Cost: TBD.
- Maintenance & Evaluation of 2025–2026 Projects

Evaluate event turnout, community feedback, and social media engagement. Review budget and attendance trends from prior events to inform future planning

Business Support & Growth

Provide Long-Term Incentives for Business Sustainability

Introduce or continue programs such as tax incentives, grant matching, and facade improvement funds to support the success and longevity of both new and existing businesses.

Estimated Cost: TBD

Track and Analyze Business Success Metrics

Use multi-year data to identify trends in business sustainability and guide prospective entrepreneurs. Adjust support strategies based on findings to encourage long-term growth.

Goal: Conduct a 3-year business performance review

Estimated Cost: TBD

Launch an Elderly Workforce Program

Create part-time work opportunities for seniors and retirees, encouraging community involvement and providing roles in mentoring, customer service, and event support. **Estimated Cost:** TBD

Maintenance & Evaluation of 2025-2026 Projects

Evaluate event turnout, community feedback, and social media engagement. Review budget and attendance trends from prior events to inform future planning

Infrastructure & Downtown Development

• **Downtown TXDOT Project Celebration & Marketing** Host a downtown revitalization event to showcase improvements and encourage foot traffic through a ribbon-cutting ceremony, walk & shop activities, and local business promotions.

Budget: \$1,000

- Wayfinding Signage & Downtown Branding Install custom wayfinding signage and artistic elements with La Vernia branding to enhance downtown identity and improve navigation. Budget: \$5,000
- Maintenance & Evaluation of 2025–2026 Projects

Evaluate event turnout, community feedback, and social media engagement. Review budget and attendance trends from prior events to inform future planning

Survey Responses

The La Vernia Municipal Development District conducted a community survey to gather valuable feedback for shaping La Vernia's economic development strategy over the next three years. With 100 respondents, the survey captured diverse perspectives. The most common age groups represented were 35–44 and 45–54. A significant 81% of participants identified as La Vernia residents, with 40% residing within the city limits and 50% from the surrounding Wilson County area. The survey provided meaningful insights from residents and community members, offering a clearer understanding of the needs and priorities of the La Vernia area.

Q: What does successful economic development in La Vernia mean to you? (Please check up to 3):

When asking the respondents' their perspectives on what successful economic development in La Vernia means reveals several key priorities. The most frequently cited category is enhancing the "Quality of Life" through diverse amenities and services, reflecting a strong desire for improvements that directly impact residents' daily experiences. Infrastructure improvements, such as expanded utilities and better streets, rank as the second-highest priority, emphasizing the need for foundational upgrades to support growth. Economic growth and partnerships to foster a vibrant business ecosystem follow closely, highlighting the importance of collaboration in driving development. Workforce opportunities and educational training are also significant, underscoring the community's focus on preparing individuals for employment. Lastly, a focus on hosting events to bolster the business climate demonstrates interest in creating a dynamic environment that encourages local commerce. These insights provide a clear roadmap for initiatives to address community aspirations effectively.

Q: What are the top THREE reasons you have chosen to live, work, or spend time in La Vernia?

The analysis of respondents' top reasons for choosing to live, work, or spend time in La Vernia highlights several core community values. The most frequently cited reason is safety, with residents valuing the town's low crime rate and secure environment. The second most common reason is La Vernia's small-town charm, appreciated for its friendly atmosphere and close-knit community. Proximity to larger cities is also a significant factor, showcasing the appeal of La Vernia's convenient location for work and leisure. Quality of life, characterized by access to parks, recreation, and family-friendly activities, is another notable driver. Additionally, family and roots play a role, with many respondents choosing La Vernia due to personal ties to the area. These findings underline the town's unique combination of safety, charm, accessibility, and strong community connections.

Q: Please pick Three (3) industries from the list below that you think are a good fit for the La Vernia economy:

In the survey, respondents were asked to identify three industries where La Vernia could benefit from more options. The top choice was dining, with 65 responses, followed by entertainment with 56 responses, and retail with 45 responses. These findings highlight a strong community interest in these industries, suggesting their significant potential to drive economic growth and success in La Vernia.

Q: What infrastructure improvement would you prioritize to support economic development?

The most prioritized infrastructure improvement for supporting economic development is "Additional Parks and Recreational Areas," which received 49 responses. This was followed by "Improved Roads: Traffic Signage, Street Repairs, and Street Lighting," with 29 responses. These responses highlight the community's focus on enhancing recreational spaces while addressing critical utility and road infrastructure to support sustainable growth and improve the quality of life in La Vernia.

Q: What kinds of events or community activities could improve the quality of life for residents of La Vernia?

Respondents identified several types of events and activities that could enhance the quality of life in La Vernia. The most popular suggestion was "Youth programs such as art, music, or STEM activities," with 22 mentions, highlighting a community preference for initiatives that foster creativity and engagement. This was closely followed by "Family-friendly events such as holiday parades and farmers' markets," which also received 22 mentions, showcasing an interest in events that bring people together in a celebratory or recreational setting. The responses emphasize a strong desire for diverse, family-friendly events to create a more vibrant and connected community.

Q: What is one specific action La Vernia leaders can take to enhance the community for residents?

La Vernia residents have highlighted several actionable priorities to enhance the community. A recurring recommendation is the development of outdoor trails and

recreational spaces, emphasizing the importance of creating more opportunities for outdoor activities and improving quality of life. Respondents also stressed the need to upgrade and maintain City Parks, calling for enhancements like modern restrooms, pickleball courts, and additional amenities to better serve residents. There is a strong desire for a more updated and clearly defined downtown area, which could become a focal point for community activities and local business growth. Furthermore, many suggested better infrastructure planning, including more sidewalks, improved lighting, and traffic management, to ensure safety and accessibility. The community also expressed the need for spaces for teenagers and young adults to gather, fostering inclusivity and engagement. Lastly, calls for more community-oriented programs and events—including youth activities, cultural initiatives, and fitness opportunities—underscore the importance of building a vibrant, connected, and welcoming environment for all residents.

Q: What is one specific action La Vernia leaders can take to enhance the community a better place for business?

To enhance La Vernia for both businesses and residents, respondents suggest a multifaceted approach focusing on economic development, community identity, and infrastructure improvements. Key recommendations include:

- Hosting more business functions and signature events to stimulate local commerce and establish La Vernia as a recognizable destination, similar to Poteet's Strawberry Festival or Gruene Hall in Gruene.
- **Fostering creativity and innovation** to create a standout event or attraction that puts La Vernia "on the map" beyond its borders.
- **Supporting small businesses** with affordable rental spaces, incubator programs, and streamlined permitting processes to encourage growth and success.
- Enhancing local infrastructure with better sidewalks, lighting, and traffic management while addressing gaps in goods and services to meet residents' needs and keep spending local.
- Increasing marketing and visibility to promote local enterprises and attract visitors.

These strategies highlight the need for proactive leadership, strategic planning, and community engagement to create a thriving, recognizable, and supportive environment for both businesses and residents in La Vernia

SWOT

La Vernia is a community rich in charm, with a close-knit atmosphere, vibrant local events, and a strong educational foundation. As the town continues to grow, it faces both

opportunities and challenges that shape its economic future. A comprehensive SWOT analysis highlights the strengths that make La Vernia a desirable place to live, the weaknesses that require attention, the opportunities that could drive progress, and the threats that should be addressed to ensure sustainable development. This analysis serves as a roadmap for leveraging the town's assets while overcoming obstacles to create a thriving and resilient community.

Summary of Strengths

- 1) Charming Small-Town Atmosphere: A close-knit community that fosters warmth, friendliness, and a welcoming environment.
- 2) Engaging Events: A vibrant calendar of local events that unite residents and celebrate the community.
- 3) Convenient Location: Enjoy the peacefulness of small-town living with easy access to nearby city amenities.
- 4) Exceptional School System: A strong and supportive educational environment that benefits students and families.

Summary of Weaknesses

- 1) Aging Infrastructure: Outdated and overlooked infrastructure, including streets and water resources, requires significant improvements.
- 2) Water Challenges: Frequent water issues, including the need to maintain and consistently operate amenities like the splash pad, remain ongoing concerns.
- 3) Downtown Development: The downtown area needs revitalization to better reflect the town's charm and support economic growth.
- 4) Community Integration: Newcomers often find it challenging to connect and integrate into a community with deep-rooted, long-time residents.

Summary of Opportunities

- 1) Increase Grant Opportunities: Expand grant funding to support community development projects and boost local businesses.
- 2) Enhance Entertainment and Nightlife: Develop more options for dining, entertainment, and evening activities to attract residents and visitors.
- 3) Develop a walkable city: Transform the city area into a vibrant, walkable hub with shopping, dining, and unique experiences that showcase La Vernia's charm.
- 4) Add Children's Amenities: Introduce more recreational options and family-friendly facilities to cater to children and families in the community.

Summary of Threats

- 1) Limited Activities for Youth and Families: A lack of local entertainment and recreational options forces families to seek activities outside the community.
- 2) Insufficient Infrastructure: Rapid population growth has outpaced infrastructure development, creating challenges in supporting the community's needs.
- 3) Inadequate Job Opportunities: The shortage of well-paying jobs fails to meet the rising cost of living and housing demands in the area.

Q: If you had a magic wand, what one change would you make to improve La Vernia's economic future?

- 1. **Downtown Development and Small Business Support**: Create a walkable, vibrant downtown with local shops, dining, and entertainment while encouraging small businesses and limiting large chain stores to maintain the town's unique character.
- 2. **Family-Friendly Amenities and Recreational Spaces**: Invest in parks, nature trails, and recreational areas, along with family-oriented facilities like entertainment centers and multipurpose spaces for all age groups.
- 3. **Strategic Economic Growth with Controlled Development**: Attract industries outside city limits to generate jobs and revenue while implementing controlled growth policies, such as permits and impact fees, to fund infrastructure and maintain the area's small-town appeal.

Business Survey Responses

The survey gathered responses from businesses across various industries in La Vernia, including nutrition, beauty and spas, shopping, professional services, and financial services. Most respondents had operated their businesses for over 11 years, with some newer establishments running for less than five years. The diversity in industries and business tenures highlights the evolving economic landscape of La Vernia.

- 1. Opportunities for Growth: Respondents identified increased local tourism, infrastructure improvements, events to boost foot traffic, and partnerships with other businesses as key growth opportunities. Many also emphasized the importance of attracting new residents and enhancing digital tools and resources.
- 2. Programs and Resources to Prioritize: Businesses ranked grants and financial assistance, marketing support, infrastructure improvements, and community events promoting local shopping as top priorities. Networking events and workforce development were also frequently mentioned.
- 3. Usefulness of Existing MDD Resources: Responses were mixed; some businesses found the analytics tools and events useful, while others were unfamiliar with the available resources.
- Additional Resources Needed: Suggestions included grants for facade improvements, senior citizen events, better advertising, and greater awareness of available resources. Some respondents also called for consistency in event planning and improved infrastructure.
- 5. Strengths for Attracting Businesses: Key strengths included La Vernia's small-town feel, Highway 87's connectivity, strong community support, and population growth. Many appreciated the town's events and its potential for further development.
- 6. Weaknesses in Economic Development: Challenges included a lack of available property and space for businesses, limited affordable housing, and high property costs. Some cited the absence of aesthetic charm and insufficient planning as barriers to growth.
- 7. Businesses to Attract: Entertainment-focused establishments, family-friendly venues, trade schools, and unique dining options were the most desired. Respondents also suggested attracting retail stores, medical services, and businesses supporting the arts and cultural initiatives.
- 8. Vision for the Next Three Years: Businesses hoped to see more family-oriented entertainment, improved infrastructure, a developed downtown district, and greater support for small businesses. Suggestions included creating spaces for community activities and enhancing the town's aesthetics.
- 9. Services the MDD Can Provide: Many businesses suggested advertising and marketing support, grants, and greater communication with business owners. Other ideas included geofencing to attract new customers and better utilities for outlying businesses.
- 10. Feedback on La Vernia's Business Environment: Respondents expressed a need for visionary thinking, support for local history and charm, and quarterly business meetings to foster collaboration. While many felt the environment was improving, they highlighted the need for more inclusivity and opportunities for businesses on the town's outskirts.

Appendix

Local Govt Code 377

LOCAL GOVERNMENT CODE TITLE 12. PLANNING AND DEVELOPMENT SUBTITLE A. MUNICIPAL PLANNING AND DEVELOPMENT CHAPTER 377. MUNICIPAL DEVELOPMENT DISTRICTS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 377.001. DEFINITIONS. In this chapter:

- (1) "Board" means the board of directors of a municipal development district.
- (2) "District" means a municipal development district created under this chapter.
- (3) "Development project" means:
- (A) a "project" as that term is defined by Sections 505.151-505.158; or

(B) a convention center facility or related improvement such as a convention center, civic center, civic center building, civic center hotel, or auditorium, including parking areas or facilities that are used to park vehicles and that are located at or in the vicinity of other convention center facilities.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997. Amended by: Acts 2005, 79th Leg., Ch. 232 (S.B. <u>466</u>), Sec. 1, eff. September 1, 2005. Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. <u>2278</u>), Sec. 3.23, eff. April 1, 2009.

Sec. 377.002. SCOPE. (a) A municipality may create a district as provided in this chapter in:

(1) all or part of the boundaries of the municipality;

(2) all or part of the boundaries of the municipality and all or part of the boundaries of the municipality's extraterritorial jurisdiction; or

(3) all or part of the municipality's extraterritorial jurisdiction.

(b) The municipality may include territory outside of the municipality only to the extent that territory is in the municipality's extraterritorial jurisdiction.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997. Amended by Acts 2001, 77th Leg., ch. 20, Sec. 1, eff. May 1, 2001. Amended by: Acts 2005, 79th Leg., Ch. 232 (S.B. <u>466</u>), Sec. 2, eff. September 1, 2005.

Sec. 377.003. CONSTITUTIONAL PURPOSE. This chapter creates a program under Section <u>52-a</u>, Article III, Texas Constitution.

Added by Acts 2005, 79th Leg., Ch. 232 (S.B. <u>466</u>), Sec. 3, eff. September 1, 2005.

SUBCHAPTER B. MUNICIPAL DEVELOPMENT DISTRICT

Sec. 377.021. CREATION.

(a) A municipality may call an election on the question of creating a municipal development district under this chapter to plan, acquire, establish, develop, construct, or renovate one or more development projects beneficial to the district.

(b) The order calling the election must:

(1) define the boundaries of the district; and

(2) call for the election to be held within those boundaries.

(c) The ballot at an election held under this section must be printed to permit voting for or against the proposition: "Authorizing the creation of the _____ Municipal Development District (insert name of district) and the imposition of a sales and use tax at the rate of _____ of one percent (insert one-eighth, one-fourth, three-eighths, or one-half, as appropriate) for the purpose of financing development projects beneficial to the district."

(d) The district is created if a majority of the registered voters of the proposed district voting at the election favor creation of the district.

(e) If a majority of the registered voters of the proposed district voting at the election to create the district vote against creation of the district, the municipality may not hold another election on the question of creating a municipal development district before the first anniversary of the most recent election concerning creation of a district.

(f) The Election Code governs an election held under this chapter.

(g) In the order calling the election, the municipality may provide for the district boundaries to conform automatically to any changes in the boundaries of the portion of the municipality or the municipality's extraterritorial jurisdiction included in the district, and the election shall be held on one of the four uniform election dates under Section <u>41.001</u>, Election Code.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997. Amended by Acts 2001, 77th Leg., ch. 20, Sec. 2, eff. May 1, 2001. Amended by: Acts 2005, 79th Leg., Ch. 232 (S.B. <u>466</u>), Sec. 4, eff. September 1, 2005.

Sec. 377.022. POLITICAL SUBDIVISION; OPEN MEETINGS. (a) A district is a political subdivision of this state and of the municipality that created the district.(b) A district is subject to Chapter <u>551</u>, Government Code.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997. Amended by: Acts 2005, 79th Leg., Ch. 232 (S.B. <u>466</u>), Sec. 5, eff. September 1, 2005.

SUBCHAPTER C. BOARD OF DIRECTORS

Sec. 377.051. COMPOSITION AND APPOINTMENT OF BOARD. (a) A district is governed by a board of at least four directors.

(b) The board is appointed by the governing body of the municipality that created the district.

(c) Directors serve staggered two-year terms. A director may be removed by the appointing municipality at any time without cause. Successor directors are appointed in the same manner as the original appointees.

(d) To qualify to serve as a director, a person must reside in the municipality that created the district or in that municipality's extraterritorial jurisdiction. An employee, officer, or member of the governing body of the municipality may serve as a director but may not have a personal interest in a contract executed by the district other than as an employee, officer, or member of the governing body of the municipality.

(e) Notwithstanding Subsection (d), a person may qualify to serve as a director of a district if the person resides in the independent school district that serves the majority of the district, and the district is located in a municipality:

(1) with a population of more than 5,000 and less than 6,000 and that is located wholly in a county with a population of more than 20,000 and less than 25,000 and that borders the Brazos River; or

(2) with a population of more than 1,450 and less than 2,500 and that is located wholly in a county with a population of more than 20,000 and less than 30,000 that borders the Neches River and the Trinity River.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997. Amended by: Acts 2005, 79th Leg., Ch. 232 (S.B. <u>466</u>), Sec. 6, eff. September 1, 2005. Acts 2015, 84th Leg., R.S., Ch. 874 (H.B. <u>3186</u>), Sec. 1, eff. June 18, 2015. Acts 2021, 87th Leg., R.S., Ch. 470 (H.B. <u>4356</u>), Sec. 1, eff. June 14, 2021. Acts 2023, 88th Leg., R.S., Ch. 644 (H.B. <u>4559</u>), Sec. 188, eff. September 1, 2023. Sec. 377.052. COMPENSATION. A board member is not entitled to compensation but is entitled to reimbursement for actual and necessary expenses. Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

Sec. 377.053. MEETINGS. The board shall conduct its meetings in the municipality that created the district. Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997. Amended by: Acts 2005, 79th Leg., Ch. 232 (S.B. <u>466</u>), Sec. 7, eff. September 1, 2005.

Sec. 377.054. OFFICERS. The board shall designate from the members of the board a presiding officer, a secretary, and other officers the board considers necessary. Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

SUBCHAPTER D. POWERS AND DUTIES

Sec. 377.071. GENERAL POWERS OF DISTRICT.

(a) A district may:

- (1) perform any act necessary to the full exercise of the district's powers;
- (2) accept a grant or loan from a:
- (A) department or agency of the United States;
- (B) department, agency, or political subdivision of this state; or
- (C) public or private person;

(3) acquire, sell, lease, convey, or otherwise dispose of property or an interest in property, including a development project, under terms and conditions determined by the district;

(4) employ necessary personnel; and

(5) adopt rules to govern the operation of the district and its employees and property.

- (b) A district may contract with a public or private person to:
- (1) plan, acquire, establish, develop, construct, or renovate a development project; or
- (2) perform any other act the district is authorized to perform under this chapter.
- (c) A district may not levy an ad valorem tax.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

Sec. 377.072. DEVELOPMENT PROJECT FUND. (a) A district shall establish by resolution a fund known as the development project fund. The district may establish separate accounts within the fund.

(b) The district shall deposit into the development project fund:

(1) the proceeds from any sales and use tax imposed by the district;

(2) all revenue from the sale of bonds or other obligations by the district; and

(3) any other money required by law to be deposited in the fund.

(c) Except as provided by Subsections (d) and (e), the district may use money in the development project fund only to:

(1) pay the costs of planning, acquiring, establishing, developing, constructing, or renovating one or more development projects located:

(A) in the district; or

(B) outside the district, if:

(i) the project is located in the extraterritorial jurisdiction of the municipality that created the district;

(ii) the board determines that the development project will provide an economic benefit to the district; and

(iii) the following entities, as applicable, by resolution approve the development project:

(a) the municipality that created the district; and

(b) each municipality in whose corporate limits or extraterritorial jurisdiction the project is located;

(2) pay the principal of, interest on, and other costs relating to bonds or other obligations issued by the district or to refund bonds or other obligations; or

(3) pay the costs of operating or maintaining one or more development projects during the planning, acquisition, establishment, development, construction, or renovation or while bonds or other obligations for the planning, acquisition, establishment, development, construction, or renovation are outstanding.

(d) A district located in a county with a population of 3.3 million or more may use money in the development project fund only to:

(1) pay the costs of planning, acquiring, establishing, developing, constructing, or renovating one or more development projects beneficial to the district if the projects are in the district boundaries or the extraterritorial jurisdiction of the municipality where the district is located;

(2) pay the principal of, interest on, and other costs relating to bonds or other obligations issued by the district or to refund bonds or other obligations; or

(3) pay the costs of operating or maintaining one or more development projects during the planning, acquisition, establishment, development, construction, or renovation or while bonds or other obligations for the planning, acquisition, establishment, development, construction, or renovation are outstanding.

(e) A district that is located in a municipality with a population of more than 5,000 and less than 6,000 and that is located wholly in a county with a population of more than 20,000 and less than 25,000 and that borders the Brazos River may use money in the development project fund only to:

(1) pay the costs of planning, acquiring, establishing, developing, constructing, or renovating one or more development projects inside the county in which the district is located, if the project:

(A) accomplishes a public purpose of the district;

(B) allows the district to retain control over the money to ensure that the district's public purpose is accomplished and to protect the district's investment; and

(C) benefits the district;

(2) pay the principal of, interest on, and other costs relating to bonds or other obligations issued by the district or to refund bonds or other obligations; or

(3) pay the costs of operating or maintaining one or more development projects during the planning, acquisition, establishment, development, construction, or renovation or while bonds or other obligations for the planning, acquisition, establishment, development, construction, or renovation are outstanding.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997. Amended by: Acts 2005, 79th Leg., Ch. 911 (H.B. <u>167</u>), Sec. 1, eff. June 18, 2005. Acts 2015, 84th Leg., R.S., Ch. 874 (H.B. <u>3186</u>), Sec. 2, eff. June 18, 2015. Acts 2021, 87th Leg., R.S., Ch. 661 (H.B. <u>1554</u>), Sec. 1, eff. June 15, 2021. Sec. 377.073. BONDS AND OTHER OBLIGATIONS. (a) A district may issue bonds, including revenue bonds and refunding bonds, or other obligations to pay the costs of a development project.

(b) The bonds or other obligations and the proceedings authorizing the bonds or other obligations shall be submitted to the attorney general for review and approval as required by Chapter <u>1202</u>, Government Code.

(c) The bonds or other obligations must be payable from and secured by the revenues of the district.

(d) The bonds or other obligations may mature serially or otherwise not more than 30 years from their date of issuance.

(e) The bonds or other obligations are not a debt of and do not create a claim for payment against the revenue or property of the district other than a development project for which the bonds are issued.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.339, eff. Sept. 1, 2001.

Sec. 377.074. PUBLIC PURPOSE OF PROJECT. (a) The legislature finds for all constitutional and statutory purposes that a development project is owned, used, and held for public purposes by the district.

(b) Section <u>25.07(a)</u>, Tax Code, does not apply to a leasehold or other possessory interest granted by the district while the district owns the development project.

(c) The development project is exempt from taxation under Section <u>11.11</u>, Tax Code, while the district owns the project.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

SUBCHAPTER E. SALES AND USE TAX

Sec. 377.101. SALES AND USE TAX. (a) A district by order may impose a sales and use tax under this subchapter.

(b) A district may impose a tax under this subchapter only if the tax is approved at an election held under Section <u>377.021</u>.

(c) A district may not adopt a sales and use tax under this subchapter if the adoption of the tax under this subchapter would result in a combined tax rate of all local sales and use taxes of more than two percent in any location in the district.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

Sec. 377.102. TAX CODE APPLICABLE. (a) Chapter <u>323</u>, Tax Code, governs the imposition, computation, administration, collection, and remittance of a tax authorized under this subchapter except as inconsistent with this subchapter.
(b) Section <u>323.101</u>(b), Tax Code, does not apply to the tax authorized by this subchapter.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

Sec. 377.103. TAX RATE. The rate of a tax adopted under this subchapter must be oneeighth, one-fourth, three-eighths, or one-half of one percent.

Added by Acts 1997, 75th Leg., Ch. 529, Sec. 1, eff. Sept. 1, 1997.

Sec. 377.104. REPEAL OR RATE CHANGE. (a) A district that has adopted a sales and use tax under this subchapter may by order and subject to Section <u>377.101(c)</u>, change the rate

of the tax or repeal the tax if the change or repeal is approved by a majority of the registered voters of that district voting at an election called and held for that purpose.

(b) The tax may be changed under Subsection (a) in one or more increments of one-eighth of one percent to a maximum of one-half of one percent.

(c) The ballot for an election to change the tax shall be printed to permit voting for or against the proposition: "The adoption of a sales and use tax at the rate of _____ of one percent (insert one-fourth, three-eighths, or one-half, as appropriate)."

(d) The ballot for the election to repeal the tax shall be printed to permit voting for or against the proposition: "The repeal of the sales and use tax for financing development projects in the ______ Municipal Development District (insert name of district)."

Added by Acts 1997, 75th Leg., Ch. 529, Sec. 1, eff. Sept. 1, 1997.

Sec. 377.105. IMPOSITION OF TAX. (a) If the district adopts the tax, a tax is imposed on the receipts from the sale at retail of taxable items in the district at the rate approved at the election.

(b) There is also an excise tax imposed on the use, storage, or other consumption in the district of tangible personal property purchased, leased, or rented from a retailer during the period that the tax is effective in the district. The rate of the excise tax is the same as the rate of the sales tax portion of the tax and is applied to the sale price of the tangible personal property.

Added by Acts 1997, 75th Leg., Ch. 529, Sec. 1, eff. Sept. 1, 1997.

Sec. 377.106. EFFECTIVE DATE OF TAX. Except as provided by Section <u>377.107</u>, the adoption of the tax, the change of the tax rate, or the repeal of the tax takes effect on the first day of the first calendar quarter occurring after the expiration of the first complete quarter occurring after the date on which the comptroller receives a notice of the results of the election adopting, changing, or repealing the tax.

Added by Acts 1997, 75th Leg., Ch. 529, Sec. 1, eff. Sept. 1, 1997.

Sec. 377.107. COLLECTION OF TAX TO PAY BONDS OR OTHER OBLIGATIONS. (a) If the district votes to repeal the sales and use tax under Section <u>377.104</u>, and the district had

issued bonds or incurred other obligations secured by the tax before the date of the election, the district shall continue to collect the tax until the bonds or other obligations are paid.

(b) The district shall immediately notify the comptroller when the bonds or other obligations have been paid.

(c) The repeal of the tax takes effect on the first day of the first calendar quarter occurring after the expiration of the first complete quarter occurring after the date on which the comptroller receives the notice under Subsection (b)

Added by Acts 1997, 75th Leg., Ch. 529, Sec. 1, eff. Sept. 1, 1997.

Sec. 377.108. DEPOSIT OF TAX REVENUES. Revenue from the tax imposed under this subchapter shall be deposited in the development project fund of the district imposing the tax.

Added by Acts 1997, 75th Leg., Ch. 529, Sec. 1, eff. Sept. 1, 1997.