

## **AGENDA MEMO**

## Business of the City Council City of Sweeny, Texas

| Meeting Date                 | 06.26.2023  | Agenda Item  |                                  |
|------------------------------|---|--------------|----------------------------------|
| Approved by City Manager     | Yes   | Presenter(s) | Lindsay Koskiniemi, City Manager |
| Reviewed by<br>City Attorney | No  | Department   | Budget & Strategy                |
| Subject                      | Discussion and possible action on adopting an ordinance for a local homestead exemption of 10% in the City of Sweeny.                 |              |                                  |
| Attachments                  | 2022 Tax Rate Chart from Brazoria County Appraisal District     Email between City Manager and Brazoria County Tax Assessor-Collector |              |                                  |
| Financial<br>Information     | Expenditure Required: Amount Budgeted: Account Number: Additional Appropriation Required: Additional Account Number:                  |              | N/A<br>N/A                       |

## **Executive Summary**

The governing body of the City of Sweeny has the latitude to adopt a local homestead exemption in addition to other exemptions allowed by local and state law. Currently, the City of Sweeny does not offer a local homestead exemption but can adopt a local homestead exemption of at least a minimum amount of \$5,000 or a maximum of 20%.

Of other municipalities in Brazoria County that offer a local homestead exemption, the range is 1% to 20%. Due to anticipated increases in property valuation, city staff believe now is a good time to adopt a local homestead exemption with the offset of increased property valuation. This rate can always be adjusted in subsequent years.

A local homestead exemption is required to be adopted by a majority of City Council and reported to the Brazoria County Tax Assessor-Collector no later than June 30, 2023.

## **Recommended Action**

Staff recommends approving the ordinance drafted per councils requested amount of 10%