



# City of Fredericksburg

City Council Regular Meeting Agenda  
Tuesday, September 15, 2026 ~ 9:00 AM  
City Hall at East Campus  
2818 E. U.S. Hwy. 290  
Fredericksburg, Texas 78624

Randy Briley, Mayor  
Bobby Watson, Mayor Pro-Tem  
Tony Klein, Councilmember

Todd Eidson, Councilmember  
Gary Neffendorf, Councilmember  
Clinton Bailey, City Manager

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The City of Fredericksburg City Council will meet in a regular session on Tuesday, September 15, 2026, at 9:00 AM. The meeting will be live-streamed & available for re-watch on the City's website: [fredericksburgtx.portal.civicclerk.com](https://fredericksburgtx.portal.civicclerk.com).

**The City Council welcomes citizen participation and comments at all City Council Meetings on Agenda Items.**

Comment Card for Written or Verbal Comments-submitted by 4:00 p.m. the day before the meeting.

- i. Complete the Comment Card online at [FBGTX.org](https://FBGTX.org);
- ii. Make sure to check the appropriate box (verbal or written);
- iii. Only one agenda item per Comment Card.

Sign up in person between 8:30 a.m. and 9:00 a.m. at the meeting location.

- i. Only one agenda item per Comment Card;
- ii. Speakers will be limited to three minutes to speak. **Please Note:** The Mayor can reduce the number of minutes for any speaker during Public Comment on a single agenda item depending on the number of people who sign up for it.
- iii. Any citizen with handouts should provide them to the City Secretary before speaking. If you wish the City Council to receive your handouts for the meeting, please provide 10 copies; if not, the City Council will receive your handouts the following day.

**NOTE:** The City Council may recess into Executive Session to consider any item listed on this agenda if a matter is raised that is appropriate for discussion. An announcement will be made on the basis of the Executive Session discussion. The City Council may also publicly discuss any item listed on the agenda during the Executive Session.

**Attendance By Other Elected or Appointed Officials:** It is anticipated that the Planning & Zoning Commission, Historic Review Board, and Zoning Board of Adjustment members may attend the City Council Meeting at the date and time above in numbers that may constitute a quorum. Notice is hereby given that at the City Council Meeting at the date and time above, no Board or Commission action will be taken by such in attendance unless such item and action are specifically provided on a separate agenda posted subject to the Texas Open Meeting Act.

1. **CALL TO ORDER - Mayor Randy Briley**
2. **INVOCATION - John Cruz, Pastor of New Life Church**
3. **PLEDGES OF ALLEGIANCE - Mayor Randy Briley**
4. **PROCLAMATION - City of Fredericksburg Preparedness Month, Fire Chief Bizzell**
5. **COUNCIL COMMENTS**
6. **CONSENT**

THE FOLLOWING ITEMS MAY BE ACTED UPON IN A SINGLE MOTION. NO SEPARATE DISCUSSION OR ACTION ON ANY OF THESE ITEMS WILL BE HELD UNLESS PULLED AT THE REQUEST OF A MEMBER OF THE CITY COUNCIL.

  - A. Consider approval of City Council Minutes for the Regular Meeting of September 1, 2026. (Leticia Vacek, City Secretary/RMO)
7. **ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS**
  - A. Discussion and possible action related to the use of General Fund Reserves to cover additional Unbudgeted Expenses for the following items: (City Council)
    - 1) Traffic Signal on Friendship at \$500,000
    - 2) Tennis Court Lights at \$250,000
    - 3) Police and Fire Renovation of Old City Hall Bldg at \$700,000 (To be Split @ \$350K Each)
  - B. Consider approval of the Convention and Visitor Bureau (CVB) Funding Agreement for 2027. (Barbara Quirk, City Attorney)
  - C. Consider the approval of Public Works Utility Fee amendments, including Electric and Drainage. (Kris Kneese, Director of Public Works and Utilities)
    - i. Ordinance 2026-35 amending Article 11.702 - Electric Rates, of Appendix A - Fee Schedule, of the Code of Ordinances, to update and amend the fees for electric service provided by the City.
    - ii. Ordinance 2026-36 amending Article 21.000 - Drainage Utility Fees, of Appendix A - Fee Schedule, of the Code of Ordinances, to update and amend the fees for drainage utility services provided by the City
  - D. Consider and approve Ordinance 2026-33 adopting the Annual Budget for the City of Fredericksburg, Texas for the Fiscal Year beginning October 1, 2026, and ending September 30, 2027, in accordance with Chapter 102, Local Government Code; and appropriating the various amounts thereof. (Krista Wareham, Finance Director)
    - i. Presentation by Staff.
    - ii. Action Required — Motion to adopt Ordinance 2026-33 for the City of Fredericksburg's Annual Budget for Fiscal Year 2027 beginning October 1, 2026



and ending on September 30, 2027 (roll call vote).

- E. Ratify the property tax revenue increase reflected in the Fiscal Year 2026-2027 Budget. (Krista Wareham, Finance Director)
  - i. Action Required — Motion to Ratify the property tax revenue increase reflected in the City of Fredericksburg's Fiscal Year 2026-2027 Budget (if the adopted tax rate exceeds the no-new-revenue rate).
- F. Consider and approve Ordinance 2026-34 setting the Ad Valorem Property Tax Rate for the 2026 Tax Year. (Krista Wareham, Director of Finance)
  - i. Presentation on the Proposed Ad Valorem Property Tax Rate for the 2026 Tax Year at \$0.244342 cents per each \$100 of taxable value
  - ii. Action Required — Motion to Adopt the tax rate of \$0.223138 one hundred dollars (\$100.00) of the assessed valuation for the General Fund Maintenance and Operations
  - iii. Action Required — Motion to Adopt a tax rate of \$0.021204 per one hundred dollars (\$100.00) of assessed valuation for the retirement of debt service through the Interest and Sinking Fund
  - iv. Action Required - Motion to Adopt Ordinance 2026-34, an Ordinance setting the Ad Valorem Property Tax Rate for the 2026 Tax Year at 0.244342 cents per each \$100 of taxable value (roll call vote)
- G. Consider approval of Resolution 2026-04 the City of Fredericksburg's Charity Care Policy for Ambulance Services for the Fire Department to discontinue collection of ambulance service fees for uninsured patients without the financial means in order to enroll in the Ambulance Supplemental Payment Program (ASPP). ASPP is a partnership between the State of Texas and Federal Government to recoup losses from uninsured patients. (Lynn Bizzell, Fire Chief & Krista Wareham, Finance Director)
- H. **REQUEST – DEV-2026-83-ZC:** By Short Elliott Hendrickson, Inc to Consider the Following: (Cliff Cross, Director of Development Services).

A zoning change for .90 acres from Commercial (C2) To Single Family Residential (R1) and a Zoning Change for 1.35 Acres from Single Family Residential (R1) to Commercial (C2) for property legally described as ABS A0298 and commonly known as 111 Owl Lane, Fredericksburg, Texas. *The Planning & Zoning Commission recommended Approval, with an amended less intense C1 Neighborhood Commercial Designation, by a unanimous vote of 8-0.*

  - i Presentation by the Applicant
  - ii Presentation by the Staff
  - iii Hold Public Hearing
  - iv Take Action - Approve Ordinance 2026-32 for the Rezoning.
- I. **DEV-2026-97-CUP - 1403 E Main** - By the Nature Shoppe, LLC (Brenda Rather) to consider a Conditional Use Permit (CUP) Per Section 3.200 To Establish and operate a "Limited - Retail Sales" use for the property known as 1403 E Main

Street and referred to as ABS A0002 W H Anderson #197, .347 Acres (FCSE) City Southeast.

(Cliff Cross, Director of Development Services). *The Planning & Zoning Commission recommended Approval with a unanimous vote of 8-0.*

- i Presentation by the Applicant
  - ii Presentation by the Staff
  - iii Hold Public Hearing
  - iv Take Action - Approve Ordinance 2026-37 for the CUP.
- J. **DEV-2026-110-CUP:** By Steven & Ellen Scott to consider a Conditional Use Permit (CUP) Per Section 6.110 to Operate and expand upon a Legal Non-Conforming "STR-UNOCCUPIED" use for the property commonly known as 301 E. Burbank Street and referred to as Mutual #2 Lot 13A, - Replat (FCNE) City Northeast. (Cliff Cross, Director of Development Services). *The Planning & Zoning Commission recommended Approval with a vote of 5-3 subject to the conditions identified within the agenda memo.*
- i Presentation by the Applicant
  - ii Presentation by the Staff
  - iii Hold Public Hearing
  - iv Take Action - Approve Ordinance 2026-38 for the CUP.
- K. Consideration and possible action relating to a mediation agreement in the case of Fredericksburg, Texas, Plaintiff, vs. Michael A. Meier, Defendant; pending in 216th District Court - Cause No. 26-18655 (Barbara Quirk, City Attorney)

## 8. ITEMS FOR FUTURE AGENDA

- A. City Manager Bailey will review the Future Agenda Items list with the City Council.

## 9. EXECUTIVE SESSION

The City Council will recess its open meeting and reconvene in Executive Session pursuant to Texas Government Code Sections as denoted below.

- A. Deliberation regarding Economic Development negotiations — Pursuant to Texas Government Code Section 551.087 regarding potential incentives for a development interested in locating in the city at 405 Goehmann Lane and consultation with the City Attorney pursuant to Texas Government Code Section 551.071 regarding legal matters related to same. (Barbara Quirk, City Attorney & Clinton Bailey, City Manager)
- B. Consultation with the City Attorney pursuant to Texas Government Code Section 551.071, to seek legal advice regarding a potential mediation agreement in the case of Fredericksburg, Texas, Plaintiff, vs. Michael A. Meier, Defendant; pending in 216th District Court Cause No. 26-18655 (Mick McKamie - TOASE)

## 10. ADJOURN

City of Fredericksburg, Texas  
Taxpayer Impact Statement For  
Median-Valued Homestead Property  
Section 551.043(c), Texas Government Code

| Fiscal Year (Tax Year)                                                | Median-Valued<br>Homestead | Tax Rate per \$100 of Value | Estimated Property<br>Tax Bill |
|-----------------------------------------------------------------------|----------------------------|-----------------------------|--------------------------------|
| Adopted 2025 Tax Rate:                                                |                            |                             |                                |
| FY 2025-2026 (Tax Year 2025)                                          | \$ 473,057                 | \$0.227427                  | \$ 1,075.86                    |
| 2026 No-New-Revenue Tax Rate:                                         |                            |                             |                                |
| FY 2026-2027 (Tax Year 2026)                                          | \$ 450,690                 | \$0.241342                  | \$ 1,087.70                    |
| Proposed 2026 Tax Rate based on<br>the proposed budget for 2026-2027: |                            |                             |                                |
| FY 2026-2027 (Tax Year 2026)                                          | \$ 450,690                 | \$0.260884                  | \$ 1,175.78                    |

**CERTIFICATION**

This is to certify that I, Leticia Vacek, posted this agenda on September 9, 2026, in the bulletin board of the City of Fredericksburg City Hall, 2818 E. U.S. Hwy. 290, Fredericksburg, Texas.

***Leticia Vacek***

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Leticia Vacek, TRMC/CMC/MMC  
City Secretary



## **CITY COUNCIL AGENDA MEMO**

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**DEPARTMENT:** City Secretary

**TO:** Mayor & City Council Members

**FROM:** Leticia Vacek, City Secretary

**MEETING DATE:** September 15, 2026

**CATEGORY:** CONSENT

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**CAPTION:** Consider approval of City Council Minutes for the Regular Meeting of September 1, 2026.  
(Leticia Vacek, City Secretary/RMO)

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**SUMMARY:**

The minutes of the City Council are official and permanent documents of the City of Fredericksburg. The minutes are typically submitted for the following Regular Meeting Agenda for approval.

**BACKGROUND:**

In accordance with the Texas State Library Commission Retention Schedule, the City Council Minutes are permanent record of the City of Fredericksburg and shall be preserved permanently.

**FUNDING SOURCE:** n/a

**FINANCIAL IMPACT:**  
n/a

**STAFF RECOMMENDATION:**

City Secretary Vacek recommends approval of the minutes.

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**COMPREHENSIVE PLAN GUIDING PRINCIPLE:**

Neighborhood Quality  
Workforce  
Tourism  
City Center  
Mobility  
Small Town Sensitive Growth  
Governance

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**ATTACHMENTS:**

1. City Council Regular Meeting Sept 1 2026 Minutes

**APPROVAL/REVIEW:**



Leticia Vacek, City Secretary

Date: September 09, 2026



Clinton Bailey, City Manager

Date: September 09, 2026



# City of Fredericksburg

City Council Regular Meeting Minutes  
Tuesday, September 1, 2026 ~ 9:00 AM  
City Hall at East Campus  
2818 E. U.S. Hwy. 290  
Fredericksburg, Texas 78624

## City Council:

Randy Briley Mayor  
Bobby Watson, Mayor Pro-Tem  
Tony Klein, Councilmember  
Todd Eidson, Councilmember  
Gary Neffendorf, Councilmember

## City Staff:

Clinton Bailey, City Manager  
Garret Bonn, Asst. City Manager  
Leticia Vacek, City Secretary  
Barbara Quirk, City Attorney  
Cliff Cross, Development Services Director  
Kris Kneese, Public Works/Utilities Director  
Krista Wareham, Finance Director  
Brian Vorauer, Police Chief  
Lynn Bizzell, Fire Chief  
Aaron Anderegg, IT Director  
Tammie Loth, Human Resources Director  
Andrea Schmidt, Parks/Recreation Director  
Sean Doerre, Communications Director  
David Kellum, Finance Manager  
Brandon Gold, Asst. Director IT  
Laurie Cassidy, Deputy City Secretary  
Cody Oris, IT Specialist  
Alyssa Rivera, PD Outreach Specialist

### 1. CALL TO ORDER

Mayor Briley called the meeting to order and noted a quorum was present.

### 2. INVOCATION

Tommy Hays, Pastor of Ministries, Bridge Church delivered the invocation.

### 3. PLEDGES OF ALLEGIANCE

Mayor Briley led the Pledges.

### 4. COUNCIL COMMENTS

Councilmember Eidson reported that on 8/20 he attended the first UDC-TAC Meeting and attended the CVB Meeting.

Mayor Pro-Tem Watson reported that on 8/20 he also attended the first UDC-TAC Meeting. On 8/21 he attended the Hill Country Mayor's Alliance Meeting in Bulverde with Rick Ramirez of TML as their Speaker. He added that on 8/25 he attended the "100 Men who give a Damm" Fundraiser where \$8,500 was raised that evening. He reported that the Texas Animal Health Commission has lifted the release of the zones related to the screwworm.

Councilmember Klein reported that he attended County Commissioner's Meeting and the County is looking at building another hangar at the Airport as well as making improvements to the tarmac. He reported on the agreement with the Marshall Springs Center. Lastly, he reported that the professional services audit contract was renewed as that contract will start with the year 2025. He added that year 2024 has been audited and completed.

Mayor Briley acknowledged the City's Electric Department as they were recognized by the Texas Public Power Association at their Annual Conference in Austin for the System Achievement Award.

## **5. CONSENT**

THE FOLLOWING ITEMS MAY BE ACTED UPON IN A SINGLE MOTION. NO SEPARATE DISCUSSION OR ACTION ON ANY OF THESE ITEMS WILL BE HELD UNLESS PULLED AT THE REQUEST OF A MEMBER OF THE CITY COUNCIL.

- A. Consider approval of City Council Minutes for the August 18, 2026, Regular Meeting. (Leticia Vacek, City Secretary)
- B. Consider approving Street Closure Request for the 64th Annual St. Mary's Catholic School Turkey Dinner (Jennifer Krupa, Assistant Director of Parks & Recreation/Special Events Coordinator)

Councilmember Eidson moved to approve Consent Agenda Items 6A and 6B as presented. Councilmember Neffendorf seconded the motion. The motion carried unanimously.

## **6. ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS**

- A. Consider adopting Ordinance 2026-08 approving a negotiated settlement agreement between the ATMOS Cities Steering Committee and Atmos Energy Corp. Mid-Tex Division regarding the 2026 Rate Review Mechanism Filing Declaring Existing Rates to be Unreasonable; Adopting Tariffs that reflect Rate Adjustments consistent with the Negotiated Settlement, Finding the Rates to be set by the Attached Settlement Tariffs to be Just and Reasonable and in the Public Interest; Approving an Attachment establishing a benchmark for Pensions and Retiree Medical Benefits, Requiring the Company to Reimburse ACSC's Reasonable Ratemaking expenses. (Kris Kneese, Director of Public Works and Utilities)

Mayor Pro-Tem Watson moved to approve Ordinance 2026-31, while denoting the corrected ordinance number as recommended by staff. Councilmember Eidson seconded the motion. The motion carried unanimously.

## **7. ITEMS FOR FUTURE AGENDA**

- A. City Manager Bailey will review the Future Agenda Items List with the City Council. (Clinton Bailey, City Manager)

City Manager Bailey reported on the upcoming meetings for the Public Hearing on the Proposed Budget and the Tax Rate on September 8<sup>th</sup> at 9am in the Council Chambers. The Regular Meeting for the Adoption of the FY2027 Budget and Tax Rate to be held on September 15<sup>th</sup> at 9am in the Council Chambers.

He also stated the upcoming Coffee with the City Manager on September 9<sup>th</sup> will be held in the Community Room at 8am with the Historical Society & Pioneer Museum. He mentioned the Chamber State of the City Leader's Breakfast also to be held on September 9<sup>th</sup> at 8am at the Inn at Barron's Creek. Lastly, he reported that on September 10<sup>th</sup>; the unveiling of America 250 Community Mural will take place at 5:30p in the Community Room.

## **8. EXECUTIVE SESSION**

The City Council will recess its open meeting and reconvene in Executive Session pursuant to Texas Government Code Sections as denoted below.

- A. Attorney Briefing on Legal Issues related to the Hospital Authority and the related Hospital Foundation - pursuant to Texas Government Code Section 551.071. (Barbara Quirk, City Attorney)
- B. Deliberation regarding Economic Development negotiations - Pursuant to Texas Government Code Section 551.087 regarding potential incentives for a development interested in locating in the city at 405 Goehmann Lane and consultation with the City Attorney pursuant to Texas Government Code Section 551.071 regarding legal matters related to same. (Barbara Quirk, City Attorney & Clinton Bailey, City Manager)

Mayor Briley announced the Council would recess into Executive Session at 9:17 am to discuss Items 8A and 8B. Mayor Briley reconvened the meeting from the Executive Session at 10:33 am and stated that no action would be taken.

## **9. ADJOURN**

There being no further discussion, Mayor Briley adjourned the meeting at 10:33 am.

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Randy Briley, Mayor

Attest:

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Leticia Vacek, TRMC, CMC, MMC  
City Secretary/RMO





## **CITY COUNCIL AGENDA MEMO**

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**DEPARTMENT:** City Manager

**TO:** Mayor & City Council Members

**FROM:** Leticia Vacek, City Secretary

**MEETING DATE:** September 15, 2026

**CATEGORY:** ORDINANCES, RESOLUTIONS  
AND PUBLIC HEARINGS

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**CAPTION:** Discussion and possible action related to the use of General Fund Reserves to cover additional Unbudgeted Expenses for the following items: (City Council)

- 1) Traffic Signal on Friendship at \$500,000
  - 2) Tennis Court Lights at \$250,000
  - 3) Police and Fire Renovation of Old City Hall Bldg at \$700,000 (To be Split @ \$350K Each)
- 

**SUMMARY:**

At the Council Budget/Tax Rate Public Hearing Meeting, the City Council discussed utilizing the General Fund Reserves to cover additional unbudgeted expenses for the renovation of the Police and Fire Department offices at the old City Hall Building in the amount of \$350,000 each. The Tennis Court Lights replacement in the amount of \$250,000 and a Traffic Signal on Friendship Lane at \$500,000.

**BACKGROUND:**

For the upcoming budget adoption said item must be approved in order to proceed with same.

**FUNDING SOURCE:** General Fund Reserves

**FINANCIAL IMPACT:**  
To be Determined

**STAFF RECOMMENDATION:**

Staff will incorporate the items agreed upon by Council during said meeting.

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**COMPREHENSIVE PLAN GUIDING PRINCIPLE:**

Comprehensive Guiding Principles

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**ATTACHMENTS:**

None

**APPROVAL/REVIEW:**



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Garret Bonn, Assistant City Manager

Date: September 09, 2026



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Barbara Quirk, City Attorney

Date: September 09, 2026



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Leticia Vacek, City Secretary

Date: September 09, 2026



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Clinton Bailey, City Manager

Date: September 09, 2026



## CITY COUNCIL AGENDA MEMO

**DEPARTMENT:** City Attorney

**TO:** Mayor & City Council Members

**FROM:**

**MEETING DATE:** September 15, 2026

**CATEGORY:** ORDINANCES, RESOLUTIONS  
AND PUBLIC HEARINGS

**CAPTION:** Consider approval of the Convention and Visitor Bureau (CVB) Funding Agreement for 2027. (Barbara Quirk, City Attorney)

**SUMMARY:**

**BACKGROUND:**

**FUNDING SOURCE:**

**FINANCIAL IMPACT:**

**STAFF RECOMMENDATION:**

**COMPREHENSIVE PLAN GUIDING PRINCIPLE:**

Comprehensive Plan Guiding Principles

**ATTACHMENTS:**

1. 2026-09.09 CVB HOT Grant Agreement 3yr Master.Final
2. 2026-09.09 CVB HOT Grant Agreement 3yr Master.clean

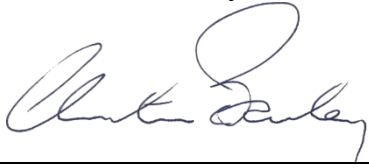
**APPROVAL/REVIEW:**

Barbara Quirk, City Attorney

Date: September 09, 2026

Date: September 09, 2026

Leticia Vacek, City Secretary

A handwritten signature in blue ink, appearing to read "Clinton Bailey", written over a horizontal line.

Clinton Bailey, City Manager

Date: September 09, 2026

**HOTEL OCCUPANCY TAX GRANT AGREEMENT  
FISCAL YEAR 2027 THROUGH FISCAL YEAR 2029**

This Hotel Occupancy Tax Grant Agreement (this “Agreement”) is entered into by and between the City of Fredericksburg (“City”), a political subdivision of the State of Texas with an address of 2818 E. U.S. Highway 290, Fredericksburg, Texas, 78624, and the Fredericksburg Convention and Visitor Bureau, Inc. (“Grantee”), with an address of 302 E. Austin Street, Fredericksburg, Texas, 78624.

**NOW, THEREFORE**, the City and Grantee hereby agree as follows:

- 1) **Term.** Unless terminated earlier as provided herein, this Agreement shall commence on October 1, 2026, and terminate on September 30, 2029.
- 2) **Grantee Activities.**
  - a) **Services.** Grantee shall conduct activities or hold programs or events (to be known collectively as “Services”) as follows:
    - 1) Conduct a continuing program of advertising and promotion for the purpose of attracting visitors, tourists, and conventions to the local area and to the City of Fredericksburg, by publishing and distributing brochures and community information packets, by advertising in various tourist publications and general media publications which are appropriate, by representing the City of Fredericksburg and its vicinity at travel shows and other such events, by participating with state, regional, national, and international agencies in tourist development programs of benefit to the local area and to the City of Fredericksburg, and by using all appropriate means to increase the traveling public’s awareness of the resort and recreational advantages of the local area and the City of Fredericksburg; and
    - 2) Provide tourist-related information about the City of Fredericksburg and its vicinity upon request, and serve as an advisory body to the City, upon request, in matters related to enhancing and promoting tourism and the convention and hotel industry within the City; and
    - 3) Provide employees, equipment, supplies and other administrative support or materials as may be necessary to perform the Grantee’s duties and obligations under this Agreement, and to accomplish the purposes of this Agreement.
  - b) **Promotion of Tourism.** The Services shall directly enhance and promote tourism and the convention and hotel industry within the City and shall comply with the requirements set forth in Chapter 351 of the Texas Tax Code.

- 3) **Grant of Funds.** As consideration of Grantee's promise to perform the Services, City shall pay a disbursement of municipal Hotel Occupancy Tax revenue ("HOT Funds") to Grantee. The Grantee shall only expend the HOT Funds in compliance with Chapter 351 of the Texas Tax Code, for expenses incurred by Grantee in the performance of the Services and for actual administrative costs incurred in day-to-day operations, including supplies, salaries, office rental, travel expenses, and other administrative costs, if City has previously approved same in the budget and if directly related to the promotion of tourism and the convention and hotel industry.

Consistent with the action of the City Council on January 20, 2026, the HOT Funds granted to Grantee for each fiscal year within the term shall be in an amount equal to five-sevenths (5/7) of the municipal Hotel Occupancy Tax revenue projected to be collected by the City for that fiscal year, with the City retaining the remaining two-sevenths (2/7).

The dollar amount of the HOT Funds granted for each fiscal year is not fixed by this Agreement. The amount for each fiscal year shall be established by the City Council's approval of the Grantee's annual budget for that fiscal year under Section 4(a), applying the five-sevenths (5/7) measure stated above, and shall be set forth in the Exhibit for that fiscal year as follows: Fiscal Year 2027 in Exhibit A, Fiscal Year 2028 in Exhibit B, and Fiscal Year 2029 in Exhibit C. Upon approval of the corresponding annual budget and attachment to this Agreement, each Exhibit is incorporated into this Agreement for all purposes.

The City shall pay the HOT Funds for each fiscal year in quarterly installments, on or before October 30, January 30, April 30, and July 30 of that fiscal year, in the amounts set forth in the applicable Exhibit. The City will pay visitor center maintenance costs up to \$22,700 from the City's remaining 2/7ths of the HOT funds. Otherwise, the amounts identified in any Exhibit as Visitor Center Maintenance shall be expended by Grantee for the sole purpose of performing building maintenance and grounds maintenance to the visitor center facilities operated by the Grantee.

If the City Council has not approved the Grantee's annual budget for a fiscal year and the corresponding Exhibit has not been completed and attached to this Agreement, the City shall have no obligation to disburse HOT Funds for that fiscal year. This Agreement is at all times subject to the availability and appropriation of HOT Funds as provided in Section 5(b).

#### 4) **Grantee Budget, Recordkeeping and Reporting.**

- a) **Budget.** Before disbursing any HOT Funds to the Grantee for a fiscal year under this Agreement, the Grantee shall submit a proposed budget for that fiscal year. This budget must be approved by the City Council of the City of Fredericksburg

(“City Council”). The Parties agree and acknowledge that a fiduciary duty is established in the Grantee regarding the disbursement and use of HOT Funds according to the approved budget, and any amendments to the budget must be approved in advance by the City Council. Upon the City Council’s approval of the Grantee’s annual budget for a fiscal year, the amount and quarterly payment schedule of HOT Funds for that fiscal year shall be completed in the Exhibit for that fiscal year and attached to this Agreement.

- b) **Recordkeeping.** Grantee shall maintain complete and accurate financial records (“HOT Records”) of each expenditure of HOT Funds received by Grantee under this Agreement. Grantee shall retain HOT Records required under this Agreement for a period of ~~four~~ two (2) years from the date of expenditure and shall promptly make said HOT Records available for inspection and review by City upon request. In providing payroll records to the City under this Agreement Grantee may remove payroll records containing personally identifiable information regarding CVB employees other than the CEO. The Grantee shall maintain HOT Funds in a segregated bank account established for the sole purpose of holding HOT Funds, and Grantee shall not commingle HOT Funds with any other funds. ~~[Consider extending the retention period to four (4) years to align with Comptroller record-retention guidance.]~~
- c) **Reports.** Grantee shall provide to the City a quarterly financial report (“HOT Report”), listing the activities that are conducted by Grantee using HOT Funds received under this Agreement. The quarterly HOT Report shall be submitted to the City on or before January 31, April 30, July 31, and October 31 of each year. Grantee shall provide to the City an audited annual financial statement, on or before March 31 following the end of each fiscal year (specifically March 31, 2028, March 31, 2029, and March 31, 2030), listing all expenditures of HOT Funds by Grantee under this Agreement.

## 5) Termination.

- a) **Breach.** This Agreement may be terminated by the non-defaulting party upon a breach of a material term or condition of this Agreement, when said breach is not cured by defaulting party within ninety (90) calendar days of receiving written notice of breach from the non-defaulting party.
- b) **Non-appropriation.** This Agreement is subject to the availability and appropriation of budgeted HOT Funds by City. ~~In the event receipt of HOT Funds by the City are inadequate to meet the payment schedule set forth in this Agreement, the City agrees that it will utilize any available unallocated funds within the Hotel Occupancy Tax account of the City to make such payments, and if said available~~

~~unallocated funds are inadequate, the City will pro-rate the available HOT Funds among all recipients thereof. In the event that receipt of HOT Funds by the City are inadequate to meet the payment schedule set forth in this Agreement, any delinquent HOT Funds collected by the City will be paid to the Grantee when received by City, up to the amount set forth in Paragraph 3 of this Agreement. The parties acknowledge that the City is subject to statutory budgetary limitations and that any obligations under this Agreement are contingent upon the timely appropriation of sufficient funds by the City of Fredericksburg City Council for each fiscal year. If, in any fiscal year during the term of this Agreement, the City Council fails to appropriate the funds necessary to fulfill the obligations herein, the City may elect to either re-negotiate the payment amount in good faith or terminate this Agreement without penalty, liability, or further obligation to pay.~~ Upon the occurrence of non-availability of HOT funds to City, for any reason, this Agreement shall terminate, and the City shall not be obligated to pay any City funds to the Grantee.

- 6) **Survival upon Termination.** Upon termination of this Agreement, the provisions set forth in Section 4(b), Section 4(c), and Section 10(h) of this Agreement shall survive termination of this Agreement.
- 7) **Relationship of Parties.** The Parties agree and acknowledge that the Grantee is not an employee or agent of City. The City shall not be liable for employment or withholding taxes for the Grantee. The Grantee is solely liable for Grantee's expenses incurred in performing the Services. Grantee shall not, by reason of this Agreement, acquire any benefits, privileges or rights under any benefit offered by City or its subsidiaries or affiliates for the benefit of City employees or volunteers. The Grantee agrees and acknowledges that Grantee is not authorized to enter any contract or obligation on behalf of, or as an agent of, the City.
- 8) **Force Majeure.** A defaulting party shall not be liable for delays in the performance of its obligations hereunder when the default is caused by acts of God, inability to obtain labor or materials or reasonable substitutes therefor, governmental restrictions or regulations, acts of war, civil unrest, fire or other casualty, or any causes beyond the reasonable control of the defaulting party.
- 9) **Assignment.** This Agreement may not be assigned by Grantee without the prior written consent of City, which consent may be withheld in the sole discretion of City. This Agreement shall inure to the benefit of City and its successors or assigns. Grantee may contract with state, regional, national, and international tourism programs or agencies for participation in joint promotion programs.

**10) Miscellaneous.**



- a) This Agreement shall be governed by the laws of the State of Texas. Any litigation or other legal action under this Agreement shall be filed in a court of proper jurisdiction in Gillespie County, Texas.
- b) This Agreement may only be amended or modified by a written amendment executed by the Parties.
- c) All notices and other communications hereunder shall be in writing and shall be given by certified mail, return receipt requested, postage prepaid, addressed and sent to the party's address set forth in the first paragraph of this Agreement, or to such other address as either party may have furnished to the other party. Notices and communications are deemed effective upon deposit with the U.S. Mail.
- d) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement. This Agreement may be executed in counterparts that together shall constitute a single agreement.
- e) The failure of City at any time to enforce performance by Grantee of any provisions of this Agreement shall in no way affect City's rights thereafter to enforce the same, nor shall the waiver by City of any breach of any provision hereof be held to be a waiver of any other breach of the same or any other provision.
- f) It is expressly agreed by the Parties that this Agreement does not bind the City in the future as to any action of the City Council in connection with the alteration, repeal, or amendment of the City's Hotel Occupancy Tax Ordinance (Chapter 41, Article IV). It is expressly agreed by the Parties that if HOT funds are not collected by the City under the provisions of the City's Hotel Occupancy Tax Ordinance, for any reason, the City shall not be obligated under this Agreement to pay any funds of the City to the Grantee. It is expressly agreed by the Parties that the Grantee shall have no right or demand upon the City for funds payable under this Agreement if HOT funds are not available, for any reason.
- g) The Grantee shall carry general liability insurance with minimum coverage limits of FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$500,000.00) for each occurrence and ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) cumulative. Said insurance policy shall name the City as an additional insured, and an insurance certificate evidencing coverage shall be filed with the City.
- h) **GRANTEE SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS CITY AND ITS OFFICERS, DIRECTORS, AGENTS, EMPLOYEES AND VOLUNTEERS, FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION, LOSSES, DAMAGES, COSTS AND**

**EXPENSES INCLUDING REASONABLE ATTORNEYS’ FEES, ARISING OUT OF OR RELATING TO GRANTEE’S PERFORMANCE UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO GRANTEE’S ACTS OR OMISSIONS, INCLUDING NEGLIGENT OR WILLFUL ACTS OR OMISSIONS BY GRANTEE OR ANYONE GRANTEE HAS ENGAGED TO PERFORM ANY PORTION OF THE SERVICES, GRANTEE’S BREACH OF THIS AGREEMENT, OR ANY CLAIM FOR TAXES THAT MIGHT ARISE OR BE IMPOSED DUE TO THIS AGREEMENT OR THE GRANTEE’S PERFORMANCE OF SERVICES HEREUNDER.**

- i) This Agreement shall in all cases be construed simply and in accordance with its fair meaning. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect. In the event of an ambiguity in or dispute regarding the interpretation of this Agreement, this Agreement shall not be interpreted or construed against the party preparing it.

**IN WITNESS WHEREOF**, the parties hereto have duly executed this Agreement as of the date set forth below.

**City of Fredericksburg**

By: \_\_\_\_\_  
Clinton Bailey, City Manager

Date: \_\_\_\_\_

**Grantee – Fredericksburg Convention and Visitor Bureau, Inc.**

By: \_\_\_\_\_  
Lisa Oliveira, President and Chief Executive Officer

Date: \_\_\_\_\_

**EXHIBIT A**  
**HOT FUNDS FOR FISCAL YEAR 2027**  
**(October 1, 2026 through September 30, 2027)**

The City Council approved the Grantee's annual budget for Fiscal Year 2027 on \_\_\_\_\_. The HOT Funds granted to Grantee for Fiscal Year 2027, in an amount equal to five-sevenths (5/7) of the municipal Hotel Occupancy Tax revenue projected to be collected by the City for Fiscal Year 2027, shall be paid as follows:

| <b>Date of Payment</b> | <b>Grant Installment</b> | <b>Visitor Center Maintenance</b> |
|------------------------|--------------------------|-----------------------------------|
| October 30, 2026       | \$[_____]                | \$[_____]                         |
| January 30, 2027       | \$[_____]                | \$[_____]                         |
| April 30, 2027         | \$[_____]                | \$[_____]                         |
| July 30, 2027          | \$[_____]                | \$[_____]                         |
| <b>Total</b>           | <b>\$[_____]</b>         | <b>\$[_____]</b>                  |

The amounts identified in the Visitor Center Maintenance column shall be expended by Grantee for the sole purpose of performing building maintenance and grounds maintenance to the visitor center facilities operated by the Grantee.

**EXHIBIT B**  
**HOT FUNDS FOR FISCAL YEAR 2028**  
**(October 1, 2027 through September 30, 2028)**

The City Council approved the Grantee's annual budget for Fiscal Year 2028 on \_\_\_\_\_. The HOT Funds granted to Grantee for Fiscal Year 2028, in an amount equal to five-sevenths (5/7) of the municipal Hotel Occupancy Tax revenue projected to be collected by the City for Fiscal Year 2028, shall be paid as follows:

| <b>Date of Payment</b> | <b>Grant Installment</b> | <b>Visitor Center Maintenance</b> |
|------------------------|--------------------------|-----------------------------------|
| October 30, 2027       | \$[_____]                | \$[_____]                         |
| January 30, 2028       | \$[_____]                | \$[_____]                         |
| April 30, 2028         | \$[_____]                | \$[_____]                         |
| July 30, 2028          | \$[_____]                | \$[_____]                         |
| <b>Total</b>           | <b>\$[_____]</b>         | <b>\$[_____]</b>                  |

The amounts identified in the Visitor Center Maintenance column shall be expended by Grantee for the sole purpose of performing building maintenance and grounds maintenance to the visitor center facilities operated by the Grantee.

**EXHIBIT C**  
**HOT FUNDS FOR FISCAL YEAR 2029**  
**(October 1, 2028 through September 30, 2029)**

The City Council approved the Grantee's annual budget for Fiscal Year 2029 on \_\_\_\_\_. The HOT Funds granted to Grantee for Fiscal Year 2029, in an amount equal to five-sevenths (5/7) of the municipal Hotel Occupancy Tax revenue projected to be collected by the City for Fiscal Year 2029, shall be paid as follows:

| <b>Date of Payment</b> | <b>Grant Installment</b> | <b>Visitor Center Maintenance</b> |
|------------------------|--------------------------|-----------------------------------|
| October 30, 2028       | \$[_____]                | \$[_____]                         |
| January 30, 2029       | \$[_____]                | \$[_____]                         |
| April 30, 2029         | \$[_____]                | \$[_____]                         |
| July 30, 2029          | \$[_____]                | \$[_____]                         |
| <b>Total</b>           | <b>\$[_____]</b>         | <b>\$[_____]</b>                  |

The amounts identified in the Visitor Center Maintenance column shall be expended by Grantee for the sole purpose of performing building maintenance and grounds maintenance to the visitor center facilities operated by the Grantee.

**HOTEL OCCUPANCY TAX GRANT AGREEMENT  
FISCAL YEAR 2027 THROUGH FISCAL YEAR 2029**

This Hotel Occupancy Tax Grant Agreement (this “Agreement”) is entered into by and between the City of Fredericksburg (“City”), a political subdivision of the State of Texas with an address of 2818 E. U.S. Highway 290, Fredericksburg, Texas, 78624, and the Fredericksburg Convention and Visitor Bureau, Inc. (“Grantee”), with an address of 302 E. Austin Street, Fredericksburg, Texas, 78624.

**NOW, THEREFORE**, the City and Grantee hereby agree as follows:

- 1) **Term.** Unless terminated earlier as provided herein, this Agreement shall commence on October 1, 2026, and terminate on September 30, 2029.
- 2) **Grantee Activities.**
  - a) **Services.** Grantee shall conduct activities or hold programs or events (to be known collectively as “Services”) as follows:
    - 1) Conduct a continuing program of advertising and promotion for the purpose of attracting visitors, tourists, and conventions to the local area and to the City of Fredericksburg, by publishing and distributing brochures and community information packets, by advertising in various tourist publications and general media publications which are appropriate, by representing the City of Fredericksburg and its vicinity at travel shows and other such events, by participating with state, regional, national, and international agencies in tourist development programs of benefit to the local area and to the City of Fredericksburg, and by using all appropriate means to increase the traveling public’s awareness of the resort and recreational advantages of the local area and the City of Fredericksburg; and
    - 2) Provide tourist-related information about the City of Fredericksburg and its vicinity upon request, and serve as an advisory body to the City, upon request, in matters related to enhancing and promoting tourism and the convention and hotel industry within the City; and
    - 3) Provide employees, equipment, supplies and other administrative support or materials as may be necessary to perform the Grantee’s duties and obligations under this Agreement, and to accomplish the purposes of this Agreement.
  - b) **Promotion of Tourism.** The Services shall directly enhance and promote tourism and the convention and hotel industry within the City and shall comply with the requirements set forth in Chapter 351 of the Texas Tax Code.

- 3) **Grant of Funds.** As consideration of Grantee's promise to perform the Services, City shall pay a disbursement of municipal Hotel Occupancy Tax revenue ("HOT Funds") to Grantee. The Grantee shall only expend the HOT Funds in compliance with Chapter 351 of the Texas Tax Code, for expenses incurred by Grantee in the performance of the Services and for actual administrative costs incurred in day-to-day operations, including supplies, salaries, office rental, travel expenses, and other administrative costs, if City has previously approved same in the budget and if directly related to the promotion of tourism and the convention and hotel industry.

Consistent with the action of the City Council on January 20, 2026, the HOT Funds granted to Grantee for each fiscal year within the term shall be in an amount equal to five-sevenths (5/7) of the municipal Hotel Occupancy Tax revenue projected to be collected by the City for that fiscal year, with the City retaining the remaining two-sevenths (2/7).

The dollar amount of the HOT Funds granted for each fiscal year is not fixed by this Agreement. The amount for each fiscal year shall be established by the City Council's approval of the Grantee's annual budget for that fiscal year under Section 4(a), applying the five-sevenths (5/7) measure stated above, and shall be set forth in the Exhibit for that fiscal year as follows: Fiscal Year 2027 in Exhibit A, Fiscal Year 2028 in Exhibit B, and Fiscal Year 2029 in Exhibit C. Upon approval of the corresponding annual budget and attachment to this Agreement, each Exhibit is incorporated into this Agreement for all purposes.

The City shall pay the HOT Funds for each fiscal year in quarterly installments, on or before October 30, January 30, April 30, and July 30 of that fiscal year, in the amounts set forth in the applicable Exhibit. The City will pay visitor center maintenance costs up to \$22,700 from the City's remaining 2/7ths of the HOT funds. Otherwise, the amounts identified in any Exhibit as Visitor Center Maintenance shall be expended by Grantee for the sole purpose of performing building maintenance and grounds maintenance to the visitor center facilities operated by the Grantee.

If the City Council has not approved the Grantee's annual budget for a fiscal year and the corresponding Exhibit has not been completed and attached to this Agreement, the City shall have no obligation to disburse HOT Funds for that fiscal year. This Agreement is at all times subject to the availability and appropriation of HOT Funds as provided in Section 5(b).

#### 4) **Grantee Budget, Recordkeeping and Reporting.**

- a) **Budget.** Before disbursing any HOT Funds to the Grantee for a fiscal year under this Agreement, the Grantee shall submit a proposed budget for that fiscal year. This budget must be approved by the City Council of the City of Fredericksburg

(“City Council”). The Parties agree and acknowledge that a fiduciary duty is established in the Grantee regarding the disbursement and use of HOT Funds according to the approved budget, and any amendments to the budget must be approved in advance by the City Council. Upon the City Council’s approval of the Grantee’s annual budget for a fiscal year, the amount and quarterly payment schedule of HOT Funds for that fiscal year shall be completed in the Exhibit for that fiscal year and attached to this Agreement.

- b) **Recordkeeping.** Grantee shall maintain complete and accurate financial records (“HOT Records”) of each expenditure of HOT Funds received by Grantee under this Agreement. Grantee shall retain HOT Records required under this Agreement for a period of four (4) years from the date of expenditure and shall promptly make said HOT Records available for inspection and review by City upon request. In providing payroll records to the City under this Agreement Grantee may remove payroll records containing personally identifiable information regarding CVB employees other than the CEO. The Grantee shall maintain HOT Funds in a segregated bank account established for the sole purpose of holding HOT Funds, and Grantee shall not commingle HOT Funds with any other funds.
- c) **Reports.** Grantee shall provide to the City a quarterly financial report (“HOT Report”), listing the activities that are conducted by Grantee using HOT Funds received under this Agreement. The quarterly HOT Report shall be submitted to the City on or before January 31, April 30, July 31, and October 31 of each year. Grantee shall provide to the City an audited annual financial statement, on or before March 31 following the end of each fiscal year (specifically March 31, 2028, March 31, 2029, and March 31, 2030), listing all expenditures of HOT Funds by Grantee under this Agreement.

## **5) Termination.**

- a) **Breach.** This Agreement may be terminated by the non-defaulting party upon a breach of a material term or condition of this Agreement, when said breach is not cured by defaulting party within ninety (90) calendar days of receiving written notice of breach from the non-defaulting party.
- b) **Non-appropriation.** This Agreement is subject to the availability and appropriation of budgeted HOT Funds by City. The parties acknowledge that the City is subject to statutory budgetary limitations and that any obligations under this Agreement are contingent upon the timely appropriation of sufficient funds by the City of Fredericksburg City Council for each fiscal year. If, in any fiscal year during the term of this Agreement, the City Council fails to appropriate the funds necessary to fulfill the obligations herein, the City may elect to either re-negotiate the payment



amount in good faith or terminate this Agreement without penalty, liability, or further obligation to pay. Upon the occurrence of non-availability of HOT funds to City, for any reason, this Agreement shall terminate, and the City shall not be obligated to pay any City funds to the Grantee.

- 6) **Survival upon Termination.** Upon termination of this Agreement, the provisions set forth in Section 4(b), Section 4(c), and Section 10(h) of this Agreement shall survive termination of this Agreement.
- 7) **Relationship of Parties.** The Parties agree and acknowledge that the Grantee is not an employee or agent of City. The City shall not be liable for employment or withholding taxes for the Grantee. The Grantee is solely liable for Grantee's expenses incurred in performing the Services. Grantee shall not, by reason of this Agreement, acquire any benefits, privileges or rights under any benefit offered by City or its subsidiaries or affiliates for the benefit of City employees or volunteers. The Grantee agrees and acknowledges that Grantee is not authorized to enter any contract or obligation on behalf of, or as an agent of, the City.
- 8) **Force Majeure.** A defaulting party shall not be liable for delays in the performance of its obligations hereunder when the default is caused by acts of God, inability to obtain labor or materials or reasonable substitutes therefor, governmental restrictions or regulations, acts of war, civil unrest, fire or other casualty, or any causes beyond the reasonable control of the defaulting party.
- 9) **Assignment.** This Agreement may not be assigned by Grantee without the prior written consent of City, which consent may be withheld in the sole discretion of City. This Agreement shall inure to the benefit of City and its successors or assigns. Grantee may contract with state, regional, national, and international tourism programs or agencies for participation in joint promotion programs.

**10) Miscellaneous.**

- a) This Agreement shall be governed by the laws of the State of Texas. Any litigation or other legal action under this Agreement shall be filed in a court of proper jurisdiction in Gillespie County, Texas.
- b) This Agreement may only be amended or modified by a written amendment executed by the Parties.
- c) All notices and other communications hereunder shall be in writing and shall be given by certified mail, return receipt requested, postage prepaid, addressed and sent to the party's address set forth in the first paragraph of this Agreement, or to

such other address as either party may have furnished to the other party. Notices and communications are deemed effective upon deposit with the U.S. Mail.

- d) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement. This Agreement may be executed in counterparts that together shall constitute a single agreement.
- e) The failure of City at any time to enforce performance by Grantee of any provisions of this Agreement shall in no way affect City's rights thereafter to enforce the same, nor shall the waiver by City of any breach of any provision hereof be held to be a waiver of any other breach of the same or any other provision.
- f) It is expressly agreed by the Parties that this Agreement does not bind the City in the future as to any action of the City Council in connection with the alteration, repeal, or amendment of the City's Hotel Occupancy Tax Ordinance (Chapter 41, Article IV). It is expressly agreed by the Parties that if HOT funds are not collected by the City under the provisions of the City's Hotel Occupancy Tax Ordinance, for any reason, the City shall not be obligated under this Agreement to pay any funds of the City to the Grantee. It is expressly agreed by the Parties that the Grantee shall have no right or demand upon the City for funds payable under this Agreement if HOT funds are not available, for any reason.
- g) The Grantee shall carry general liability insurance with minimum coverage limits of FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$500,000.00) for each occurrence and ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) cumulative. Said insurance policy shall name the City as an additional insured, and an insurance certificate evidencing coverage shall be filed with the City.
- h) **GRANTEE SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS CITY AND ITS OFFICERS, DIRECTORS, AGENTS, EMPLOYEES AND VOLUNTEERS, FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION, LOSSES, DAMAGES, COSTS AND EXPENSES INCLUDING REASONABLE ATTORNEYS' FEES, ARISING OUT OF OR RELATING TO GRANTEE'S PERFORMANCE UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO GRANTEE'S ACTS OR OMISSIONS, INCLUDING NEGLIGENT OR WILLFUL ACTS OR OMISSIONS BY GRANTEE OR ANYONE GRANTEE HAS ENGAGED TO PERFORM ANY PORTION OF THE SERVICES, GRANTEE'S BREACH OF THIS AGREEMENT, OR ANY CLAIM FOR TAXES THAT MIGHT ARISE OR BE IMPOSED DUE TO THIS AGREEMENT OR THE GRANTEE'S PERFORMANCE OF SERVICES HEREUNDER.**

- i) This Agreement shall in all cases be construed simply and in accordance with its fair meaning. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect. In the event of an ambiguity in or dispute regarding the interpretation of this Agreement, this Agreement shall not be interpreted or construed against the party preparing it.

**IN WITNESS WHEREOF**, the parties hereto have duly executed this Agreement as of the date set forth below.

**City of Fredericksburg**

By: \_\_\_\_\_  
Clinton Bailey, City Manager

Date: \_\_\_\_\_

**Grantee – Fredericksburg Convention and Visitor Bureau, Inc.**

By: \_\_\_\_\_  
Lisa Oliveira, President and Chief Executive Officer

Date: \_\_\_\_\_

**EXHIBIT A**  
**HOT FUNDS FOR FISCAL YEAR 2027**  
**(October 1, 2026 through September 30, 2027)**

The City Council approved the Grantee's annual budget for Fiscal Year 2027 on \_\_\_\_\_. The HOT Funds granted to Grantee for Fiscal Year 2027, in an amount equal to five-sevenths (5/7) of the municipal Hotel Occupancy Tax revenue projected to be collected by the City for Fiscal Year 2027, shall be paid as follows:

| <b>Date of Payment</b> | <b>Grant Installment</b> | <b>Visitor Center Maintenance</b> |
|------------------------|--------------------------|-----------------------------------|
| October 30, 2026       | \$[_____]                | \$[_____]                         |
| January 30, 2027       | \$[_____]                | \$[_____]                         |
| April 30, 2027         | \$[_____]                | \$[_____]                         |
| July 30, 2027          | \$[_____]                | \$[_____]                         |
| <b>Total</b>           | <b>\$[_____]</b>         | <b>\$[_____]</b>                  |

The amounts identified in the Visitor Center Maintenance column shall be expended by Grantee for the sole purpose of performing building maintenance and grounds maintenance to the visitor center facilities operated by the Grantee.

**EXHIBIT B**  
**HOT FUNDS FOR FISCAL YEAR 2028**  
**(October 1, 2027 through September 30, 2028)**

The City Council approved the Grantee's annual budget for Fiscal Year 2028 on \_\_\_\_\_. The HOT Funds granted to Grantee for Fiscal Year 2028, in an amount equal to five-sevenths (5/7) of the municipal Hotel Occupancy Tax revenue projected to be collected by the City for Fiscal Year 2028, shall be paid as follows:

| <b>Date of Payment</b> | <b>Grant Installment</b> | <b>Visitor Center Maintenance</b> |
|------------------------|--------------------------|-----------------------------------|
| October 30, 2027       | \$[_____]                | \$[_____]                         |
| January 30, 2028       | \$[_____]                | \$[_____]                         |
| April 30, 2028         | \$[_____]                | \$[_____]                         |
| July 30, 2028          | \$[_____]                | \$[_____]                         |
| <b>Total</b>           | <b>\$[_____]</b>         | <b>\$[_____]</b>                  |

The amounts identified in the Visitor Center Maintenance column shall be expended by Grantee for the sole purpose of performing building maintenance and grounds maintenance to the visitor center facilities operated by the Grantee.

**EXHIBIT C**  
**HOT FUNDS FOR FISCAL YEAR 2029**  
**(October 1, 2028 through September 30, 2029)**

The City Council approved the Grantee's annual budget for Fiscal Year 2029 on \_\_\_\_\_. The HOT Funds granted to Grantee for Fiscal Year 2029, in an amount equal to five-sevenths (5/7) of the municipal Hotel Occupancy Tax revenue projected to be collected by the City for Fiscal Year 2029, shall be paid as follows:

| <b>Date of Payment</b> | <b>Grant Installment</b> | <b>Visitor Center Maintenance</b> |
|------------------------|--------------------------|-----------------------------------|
| October 30, 2028       | \$[_____]                | \$[_____]                         |
| January 30, 2029       | \$[_____]                | \$[_____]                         |
| April 30, 2029         | \$[_____]                | \$[_____]                         |
| July 30, 2029          | \$[_____]                | \$[_____]                         |
| <b>Total</b>           | <b>\$[_____]</b>         | <b>\$[_____]</b>                  |

The amounts identified in the Visitor Center Maintenance column shall be expended by Grantee for the sole purpose of performing building maintenance and grounds maintenance to the visitor center facilities operated by the Grantee.



## **CITY COUNCIL AGENDA MEMO**

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**DEPARTMENT:** Public Works and Utilities

**TO:** Mayor & City Council Members

**FROM:** Kris Kneese, Director of Public Works,  
Utilities, and Engineer

**MEETING DATE:** September 15, 2026

**CATEGORY:** ORDINANCES, RESOLUTIONS  
AND PUBLIC HEARINGS

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**CAPTION:** Consider the approval of Public Works Utility Fee amendments, including Electric and Drainage. (Kris Kneese, Director of Public Works and Utilities)

- i. Ordinance 2026-35 amending Article 11.702 - Electric Rates, of Appendix A - Fee Schedule, of the Code of Ordinances, to update and amend the fees for electric service provided by the City.
  - ii. Ordinance 2026-36 amending Article 21.000 - Drainage Utility Fees, of Appendix A - Fee Schedule, of the Code of Ordinances, to update and amend the fees for drainage utility services provided by the City
- 

**SUMMARY:**

Consider adopting revised utility rates in the Electric and Drainage Departments.

**BACKGROUND:**

The last electric utility rate study and adjustment was in 2022. Over the last 8 months, SEnergy completed an electric utility rate study for the city. The rate study included a review of expenses, revenues, and future capital infrastructure projects (from the recently completed 5-yr system study). The study recommends two options to increase rates. Option one, a one-time rate increase of 15% OR Option 2, a phased rate increase of 5% each of the next three years. City staff recommends a 5% rate increase effective October 1, 2027 and will evaluate future electric rate adjustments.

The Stormwater Drainage Department continues to add work duties, including stormwater drainage infrastructure improvements and repairs, tree trimming, mowing of right-of-ways, and vegetation removal within drainage channels, ponds, etc. Operation, maintenance and personnel costs continue to increase, resulting in the expenses outpacing revenues. As a result, capital projects and equipment have been eliminated from the fiscal year 2027 budget. After review of expenses and revenues, city staff recommends a 5% rate increase effective October 1, 2027.

The ordinances for each rate adjustment are included below.

**FUNDING SOURCE:**

**FINANCIAL IMPACT:**

**STAFF RECOMMENDATION:**

City Staff recommends approving the revised Electric and Drainage Utility rates shown in the attached Ordinances.

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**COMPREHENSIVE PLAN GUIDING PRINCIPLE:**

Neighborhood Quality  
Workforce  
Tourism  
City Center  
Mobility  
Small Town Sensitive Growth  
Governance

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**ATTACHMENTS:**

1. Ordinance 2026-35 Electric Rates
2. Ordinance 2026- 36 Drainage Utility Fees

**APPROVAL/REVIEW:**



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Kris Kneese, Director of Public Works, Utilities, and Engineer

Date: September 09, 2026



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Garret Bonn, Assistant City Manager

Date: September 09, 2026



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Barbara Quirk, City Attorney

Date: September 09, 2026



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Leticia Vacek, City Secretary

Date: September 09, 2026



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Clinton Bailey, City Manager

Date: September 09, 2026



**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS, AMENDING ARTICLE 11.702 - ELECTRIC RATES, OF APPENDIX A - FEE SCHEDULE, OF THE CODE OF ORDINANCES, TO UPDATE AND AMEND THE FEES FOR ELECTRIC SERVICE PROVIDED BY THE CITY.**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS:**

**Section 1.** That, Article 11.702(a) - *Residential service electric rate: Schedule R. Rate I*, of Appendix A - "Fee Schedule", of the Code of Ordinances, is amended as follows:

(4) *Monthly rate.*

|                      |                                                        |
|----------------------|--------------------------------------------------------|
| Customer charge:     | <del>\$15.34</del> <u>16.11</u> PLUS                   |
|                      |                                                        |
| Energy charge        |                                                        |
| Distribution charge: | <del>\$0.0195</del> <u>0.0205</u> (all kWh per month)  |
|                      |                                                        |
| PCRF:                | See subsection (f) of this section (all kWh per month) |
|                      |                                                        |

{End of code text}

**Section 2.** That, Article 11.702(b) - *General service nondemand electric rate: Schedule Commercial/Secondary, Rate 2*, of Appendix A - "Fee Schedule", of the Code of Ordinances, is amended as follows:

(4) *Monthly rate.*

|                  |                                                        |
|------------------|--------------------------------------------------------|
| Customer charge: | <del>\$46.05</del> <u>48.35</u> PLUS                   |
|                  |                                                        |
| Energy charge    |                                                        |
|                  |                                                        |
| Distribution:    | <del>\$0.0163</del> <u>0.0171</u> (All kWh per month)  |
|                  |                                                        |
| PCRF:            | See subsection (f) of this section (all kWh per month) |
|                  |                                                        |

**Section 3.** That, Article 11.702(c) - *Large power electric/large secondary rate: Schedule LP, Rate 3*, of Appendix A - "Fee Schedule", of the Code of Ordinances, is amended as follows:

(4) *Monthly rate.*

|                  |                                                        |
|------------------|--------------------------------------------------------|
| Customer charge: | <del>\$1,841.83</del> <u>1933.92</u> PLUS              |
|                  |                                                        |
| Energy charge:   |                                                        |
|                  |                                                        |
| Distribution:    | <del>\$0.0125</del> <u>0.0131</u>                      |
|                  |                                                        |
| PCRF:            | See subsection (t) of this section (all kWh per month) |
|                  |                                                        |

{E11d 11fcode text}

**Section 4.** That Article 11.702(d) - *Security lighting electric rate: Schedule SL*, of Appendix A - "Fee Schedule", of the Code of Ordinances, is amended as follows:

(4) *Monthly rate.*

|                                   |                                 |
|-----------------------------------|---------------------------------|
| Customer Charge:                  |                                 |
|                                   |                                 |
| 175 Watts or smaller              | <del>\$10.58</del> <u>11.11</u> |
|                                   |                                 |
| 175 Watts and less than 400 Watts | <del>\$24.89</del> <u>26.13</u> |
|                                   |                                 |
| Over 400 Watts                    | <del>\$30.84</del> <u>32.35</u> |
|                                   |                                 |

{E11d of code text}

**Section 5.** That, Article 11.702(e) - *Street lighting electric rate: Schedule STL*, of Appendix A - "Fee Schedule", of the Code of Ordinances, is amended as follows:

(4) *Monthly rate.*

|                |                                                        |
|----------------|--------------------------------------------------------|
| Energy charge: |                                                        |
|                |                                                        |
| Distribution:  | <del>\$0.0630</del> <u>0.0662</u> (All kWh per month)  |
|                |                                                        |
| PCRF:          | See subsection (t) of this section (all kWh per month) |

{E11d of code text}

**Section 6. Severability or Invalidity.** If any provision of this ordinance or the application hereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without defeating the purpose or objective of the provisions, and to this end, the provisions of this ordinance are declared to be severable.

**Section 7. Repealer.** All ordinances and parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

**Section 8. Effective Date.** This Ordinance shall be effective on and after the 1<sup>st</sup> day of October, 2026.

PASSED AND APPROVED on this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Randy Briley, Mayor

City of Fredericksburg, Texas

ATTEST:

\_\_\_\_\_  
Leticia Vacek, TRMC, CMC, MMC  
City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Barbara Quirk, City Attorney

**ORDINANCE NO. 2026-\_\_\_\_\_**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS, AMENDING ARTICLE 21.000 DRAINAGE UTILITY FEES, OF APPENDIX A - FEE SCHEDULE, OF THE CODE OF ORDINANCES, TO UPDATE AND AMEND THE FEES FOR DRAINAGE UTILITY SERVICES PROVIDED BY THE CITY; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Fredericksburg, Texas (“City”) is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

**WHEREAS**, the City Council of the City of Fredericksburg has determined that an amendment to Article 21.000 – Drainage Utility Fees of Appendix A – Fee Schedule, of the Code of Ordinances, is necessary to update and amend such fees for drainage utility services provided by the City is necessary.

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS, THAT:**

**SECTION 1.**

Article 21.000, entitled "Drainage Utility Fees" of Appendix A “Fee Schedule”, of the Code of Ordinances, is amended by deletion of Article 21.000 in its entirety, and the following substituted therefore:

**ARTICLE 21.000. DRAINAGE UTILITY FEES**

- (a) The following drainage utility fees are hereby established and shall be collected pursuant to Sec. 47-273 of this Code of Ordinances.
- (b) The owner or occupant of any residential lot or tract within the drainage utility service area, that receives any type of utility service (electricity, water and/or sewer) from the City of Fredericksburg, shall be assessed a monthly drainage utility fee as follows, based on the Main Building Area upon the lot or tract:

| Residential Tier | Main Building Area<br>(sq. ft.) | Monthly Fee                     |
|------------------|---------------------------------|---------------------------------|
| 1                | ≤ 1,000                         | <del>\$4.50</del> <u>4.73</u>   |
| 2                | >1,000 but ≤1,300               | <del>\$6.00</del> <u>6.30</u>   |
| 3                | >1,300 but ≤1,600               | <del>\$7.50</del> <u>7.88</u>   |
| 4                | >1,600 but ≤2,000               | <del>\$9.00</del> <u>9.45</u>   |
| 5                | >2,000 but ≤3,000               | <del>\$10.50</del> <u>11.03</u> |
| 6                | >3,000                          | <del>\$13.50</del> <u>14.18</u> |

- (c) The owner or occupant of any non-residential lot or tract within the drainage utility service area, that receives any type of utility service (electricity, water and/or sewer) from the City of Fredericksburg, shall be assessed a monthly drainage utility fee as follows, based on the Total Impervious Area of the lot or tract:

| Non-Residential Tier | Total Impervious Area (sq. ft.) | Monthly Fee                       |
|----------------------|---------------------------------|-----------------------------------|
| 1                    | ≤1,800                          | <del>\$4.50</del> <u>4.73</u>     |
| 2                    | >1,800 but ≤2,800               | <del>\$7.50</del> <u>7.88</u>     |
| 3                    | >2,800 but ≤5,500               | <del>\$13.50</del> <u>14.18</u>   |
| 4                    | >5,500 but ≤12,000              | <del>\$27.00</del> <u>28.35</u>   |
| 5                    | >12,000 but ≤50,000             | <del>\$75.00</del> <u>78.75</u>   |
| 6                    | >50,000                         | <del>\$300.00</del> <u>315.00</u> |

- (d) Property owned by a religious organization that is exempt from taxation pursuant to V.T.C.A., Tax Code § 11.20 shall be exempt from any monthly drainage utility fee.
- (e) Property used for cemetery purposes, if the cemetery is closed to new interments and does not accept new burials, shall be exempt from any monthly drainage utility fee.
- (f) The Director of Public Works and Utilities, or his/her designee, shall be responsible for determining the Main Building Area and/or Total Impervious Area for all lots or tracts, based on reliable data, including but not limited to, Gillespie County Appraisal District data, GIS database data, aerial photography, information received by the City through the building permit process, or other reliable means for determining Main Building Area and/or Total Impervious Area. The Director of Public Works and Utilities, or his/her designee, may request additional information from a property owner or occupant as reasonably necessary to determine each property's impact to the drainage utility of the City.

## **SECTION 2. SEVERABILITY**

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

## **SECTION 3. EFFECTIVE DATE**

This Ordinance shall be effective on and after the 1st day of October, 2026.

**PASSED, APPROVED, AND ADOPTED ON** this \_\_\_\_ day of September, 2026.

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Randy Briley, Mayor

ATTEST:

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Leticia Vacek, TRMC, CMC, MMC,  
City Secretary

APPROVED AS TO FORM:

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Barbara Quirk, City Attorney



## **CITY COUNCIL AGENDA MEMO**

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**DEPARTMENT:** Finance Department  
**TO:** Mayor & City Council Members  
**FROM:** Krista Wareham, Director of Finance  
**MEETING DATE:** September 15, 2026

**CATEGORY:** ORDINANCES, RESOLUTIONS  
AND PUBLIC HEARINGS

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**CAPTION:** Consider and approve Ordinance 2026-33 adopting the Annual Budget for the City of Fredericksburg, Texas for the Fiscal Year beginning October 1, 2026, and ending September 30, 2027, in accordance with Chapter 102, Local Government Code; and appropriating the various amounts thereof. (Krista Wareham, Finance Director)

- i. Presentation by Staff.
  - ii. Action Required — Motion to adopt Ordinance 2026-33 for the City of Fredericksburg's Annual Budget for Fiscal Year 2027 beginning October 1, 2026 and ending on September 30, 2027 (roll call vote).
- 

### **SUMMARY:**

Consider and approve Ordinance 2026-33 adopting the annual budget for the City of Fredericksburg, Texas, for the fiscal year beginning October 1, 2026, and ending September 30, 2027, in accordance with Chapter 102 of the Local Government Code; and appropriating the various amounts thereof.

### **BACKGROUND:**

On July 10, 2026, the first draft of the Fiscal Year 2027 budget was sent to the City Council for review. A Special City Council meeting was held on Tuesday, July 14, at 9 am in the City Hall Council Chambers, where an overview and discussion of the Fiscal Year 2027 City Budget occurred. Also, on July 14, at 1:30 pm, a Special City Council meeting with the Gillespie County Commissioners was held in the City Hall Council Chambers. During the joint meeting, mutual services and funds were discussed, including the Economic Development Commission, Gillespie County Health, Fire/EMS and Emergency Management, County Rural Fire, Law Enforcement Center, Emergency Dispatch, Animal Shelter, and the Convention Visitor's Bureau (CVB). Truth-in-Taxation rates were published in late July and presented at the Regular City Council meeting on Tuesday, August 4, 2026. On Friday, August 14, 2026, the Fiscal Year 2027 budget was filed with the City Secretary's office. The proposed budget was also published online for public viewing, and a hard copy was made available at City Hall. On Tuesday, August 18, 2026, the City Council voted and set the proposed tax rate at the Voter Approval Rate of \$0.260884 per \$100 valuation. To ensure a thorough and transparent budget process, we held an additional Special City Council meeting to discuss the proposed budget and tax rate in greater detail on Wednesday, August 26, 2026. A public hearing for the proposed budget and tax rate was held in the City Hall Council Chambers during a Special City Council meeting on Tuesday, September 8, 2026. The link to the proposed budget,

published on August 14, 2026, is available on our website (FBGTX.org) or directly at this link:  
<https://www.fbgtx.org/DocumentCenter/View/8896/FY27-Proposed-Budget-81426-final?bidId=>

**FUNDING SOURCE:**

**FINANCIAL IMPACT:**

The adoption of the Fiscal Year 2026-2027 Budget will fund existing and new programs as recommended by the City Manager.

**STAFF RECOMMENDATION:**

Staff recommends that City Council approve Ordinance 2026-33 adopting the Fiscal Year 2026-2027 Budget for the City of Fredericksburg, Texas commencing on October 1, 2026, and ending on September 30, 2027; providing appropriations for each department and fund; establishing a department-level budget with line-items as supporting data rather than being a line-item budget; providing for severability; and providing for an effective date.

This action item requires a roll call vote.

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**COMPREHENSIVE PLAN GUIDING PRINCIPLE:**

Comprehensive Plan Guiding Principles

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**ATTACHMENTS:**

1. Budget Ordinance 2026-33
2. 9-9-26 Personnel
3. 9.15.2026 Changes to Proposed Budget
4. Revenue and Expense Summary
5. Capital

**APPROVAL/REVIEW:**

\_\_\_\_\_  
David Kellam, Senior City Accountant

Date: September 09, 2026

  
\_\_\_\_\_  
Krista Wareham, Director of Finance

Date: September 09, 2026

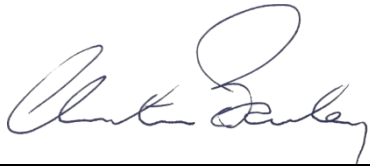
  
\_\_\_\_\_  
Barbara Quirk, City Attorney

Date: September 09, 2026

  
\_\_\_\_\_  
Leticia Vacek, City Secretary

Date: September 09, 2026





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Clinton Bailey, City Manager

Date: September 09, 2026

## **ORDINANCE NO. 2026-33**

### **AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR THE CITY OF FREDERICKSBURG, TEXAS, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2026, AND ENDING SEPTEMBER 30, 2027, IN ACCORDANCE WITH CHAPTER 102 OF THE LOCAL GOVERNMENT CODE; AND APPROPRIATING THE VARIOUS AMOUNTS THEREOF**

**WHEREAS**, in accordance with Section 10.07 of the City Charter and Section 102.005 of the Texas Local Government Code, the City Manager, on August 14, 2026, prepared and filed with the City Secretary and had placed on the City's website for at least thirty (30) days available for inspection by any taxpayer, a proposed budget for the City of Fredericksburg, Texas, for the fiscal year beginning October 1, 2026, and ending September 30, 2027.

**WHEREAS**, in accordance with the City Charter and the Texas Local Government Code, and after providing the required public notice in the City's official newspaper not less than ten days prior to the date of the public hearing, a public hearing was duly held on September 8, 2026, at the time and place set forth in the public notice, at which time all interested persons were given an opportunity to be heard for or against any item within the proposed budget; and

**WHEREAS**, after due deliberation, study, and consideration of the proposed budget, to include the opportunity of making any amendments to the budget proposed by the City Manager that City Council has determined are (1) warranted by law or (2) in the best interest of the taxpayers of the City, City Council is of the opinion that the Official Budget for the Fiscal Year 2026-2027, with any such amendments described and discussed, should be approved and adopted, in accordance with the City Charter and the Texas Local Government Code.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS:**

**SECTION 1.** The Official Budget of the City of Fredericksburg, Texas, a copy of which is on file in the office of the City Secretary, on the City's website, and incorporated herein by reference as if fully set out herein, is adopted, in accordance with Article X of the City Charter and Chapter 102 of the Texas Local Government Code.

**SECTION 2.** The appropriations by department, fund, or other organization unit and the authorization and allocation for each program or activity are hereby deemed to provide a complete financial plan of City funds and activities for the Fiscal Year 2026-2027, in accordance with the City Charter and the Texas Local Government Code.

**SECTION 3.** The provisions of this Ordinance are to be cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein; provided, however, that all prior ordinances or parts of ordinances inconsistent with or in conflict with any of the provisions of this Ordinance are hereby expressly repealed to the extent of any such inconsistency or conflict.

**SECTION 4.** If any section, subsection, sentence, clause, or phrase of this Ordinance is, for any reason, held to be unconstitutional or invalid, such holding shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Fredericksburg, Texas,

hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

PASSED, APPROVED, AND ADOPTED on the 15th day of September, 2026.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

| General Fund                                |                    |                   |               | Allocations |                 |           |                  |      |                          |
|---------------------------------------------|--------------------|-------------------|---------------|-------------|-----------------|-----------|------------------|------|--------------------------|
|                                             |                    |                   |               | 0.0765      | 0.2249          | 11,895.00 |                  |      |                          |
| Position                                    | Headcount Increase | Department        | GL Account    | 2027 Wage   | Social Security | TMRS      | Health Insurance | %    | Total New Personnel Cost |
| Aquatics Tech                               | 1.00               | Parks             | 01-25-1030-00 | 52,000      | 3,978           | 11,695    | 11,895           | 100% | 79,568                   |
| Crew Worker                                 | 1.00               | Parks             | 01-25-1030-00 | 43,680      | 3,342           | 9,824     | 11,895           | 100% | 68,740                   |
| Deputy Emergency Management Coordinator     | 1.00               | Emergency Mgmt.   | 14-21-1030-00 | 20,000      | 1,530           | 4,498     | 2,974            | 50%  | 29,002                   |
| **funding split with County                 |                    |                   |               |             |                 |           |                  |      |                          |
| School Resource Officer                     | 1.00               | Police Department | 01-22-1030-00 | 25,700      | 1,966           | 5,780     | 4,758            | 40%  | 38,204                   |
| **funding shared with FSD                   |                    |                   |               | 4.00        |                 |           |                  |      |                          |
| General Fund Total                          |                    |                   |               | 141,380     | 10,816          | 31,796    | 31,522           |      | 215,514                  |
| Total FY 2027 Requested General Fund Impact |                    |                   |               | 141,380     | 10,816          | 31,796    | 31,522           |      | 215,514                  |

|                                                           |      |            |               | Allocations |                 |        |                  |      |                          |
|-----------------------------------------------------------|------|------------|---------------|-------------|-----------------|--------|------------------|------|--------------------------|
| Enterprise Funds                                          |      |            |               | 2027 Wage   | Social Security | TMRS   | Health Insurance | %    | Total New Personnel Cost |
| Position                                                  |      | Department | GL Account    | 2027 Wage   | Social Security | TMRS   | Health Insurance | %    | Total New Personnel Cost |
| Special Events Coordinator                                | 1.00 | Tourism    | 07-21-1030-00 | 48,942      | 3,744           | 11,007 | 11,895           | 100% | 75,589                   |
|                                                           |      |            |               |             |                 |        |                  |      |                          |
| Enterprise Funds Total                                    |      |            |               | 48,942      | 3,744           | 11,007 | 11,895           |      | 75,589                   |
| Total FY 2027 Requested Enterprise Funds Impact           |      |            |               | 48,942      | 3,744           | 11,007 | 11,895           |      | 75,589                   |
| Total FY 2027 Requested General & Enterprise Funds Impact |      |            |               | 190,322     | 14,560          | 42,804 | 43,417           |      | 291,103                  |

| Positions Requested:             |       | Status   |
|----------------------------------|-------|----------|
| Police Officers                  | 4.00  |          |
| Police School Resource Officer   | 1.00  | Approved |
| Fire/EMS (Firefighter/Paramedic) | 3.00  |          |
| Emergency Management Deputy      | 1.00  | Approved |
| GIS Administrator (across depts) | 1.00  |          |
| Parks-Crew Worker                | 1.00  | Approved |
| Parks-Aquatics Tech              | 1.00  | Approved |
| Tourism-Special Events Coord.    | 1.00  | Approved |
|                                  | 13.00 |          |

| Annual Merit/Cost-of-Living:     |          |
|----------------------------------|----------|
| Tiered approach (3.5%/4.5%/5.5%) | Approved |

| Citywide                       | FY 2026              |                        |                      |            | 8.14.26              |                         |                      | 9.15.2026          |           |  |
|--------------------------------|----------------------|------------------------|----------------------|------------|----------------------|-------------------------|----------------------|--------------------|-----------|--|
|                                | Amended<br>Budget    | FY 2026<br>Actuals YTD | Variance             | Variance % | Proposed<br>Budget   | Variance %<br>2026/2027 | Proposed<br>Budget   | Variance           |           |  |
| <b>Revenues</b>                | <b>\$75,120,860</b>  | <b>\$68,668,360</b>    | <b>\$6,452,500</b>   | <b>91%</b> | <b>\$75,651,631</b>  | <b>1%</b>               | <b>\$76,764,155</b>  | <b>\$1,112,524</b> | <b>2%</b> |  |
| Personnel                      | \$27,051,821         | \$23,726,649           | \$3,325,172          | 88%        | \$28,798,440         | 6%                      | \$28,864,528         | \$66,088           |           |  |
| Administration Fees            | \$87,489             | \$95,992               | (\$8,503)            | 110%       | \$87,489             | 0%                      | \$87,489             | \$0                |           |  |
| Hotel Tax Distributions        | \$4,034,915          | \$4,026,915            | \$8,000              | 100%       | \$3,834,915          | -5%                     | \$4,834,915          | \$1,000,000        |           |  |
| Maintenance & Operations       | \$23,856,290         | \$20,205,586           | \$3,650,704          | 85%        | \$24,595,786         | 3%                      | \$24,590,786         | (\$5,000)          |           |  |
| Intercompany Transfer Out      | \$5,459,755          | \$4,276,432            | \$1,183,323          | 78%        | \$5,373,413          | -2%                     | \$5,322,433          | (\$50,980)         |           |  |
| Intergovernmental Transfer Out | \$1,786,195          | \$1,217,723            | \$568,472            | 68%        | \$1,488,769          | -17%                    | \$1,538,769          | \$50,000           |           |  |
| Food & Wine Fest Expenses      | \$125,000            | \$125,000              | \$0                  | 100%       | \$0                  | -100%                   | \$0                  | \$0                |           |  |
| Capital                        | \$12,340,950         | \$8,537,117            | \$3,803,833          | 69%        | \$11,207,875         | -9%                     | \$10,984,375         | (\$223,500)        |           |  |
| Debt Requirement               | \$6,696,527          | \$5,508,926            | \$1,187,601          | 82%        | \$5,585,971          | -17%                    | \$5,585,971          | \$0                |           |  |
| <b>Total Expenses</b>          | <b>\$81,438,942</b>  | <b>\$67,720,340</b>    | <b>\$13,718,602</b>  | <b>83%</b> | <b>\$80,972,658</b>  | <b>-1%</b>              | <b>\$81,809,266</b>  | <b>\$836,608</b>   | <b>0%</b> |  |
| <b>Net Income/(Deficit)</b>    | <b>(\$6,318,082)</b> | <b>\$948,020</b>       | <b>(\$7,266,102)</b> |            | <b>(\$5,321,027)</b> |                         | <b>(\$5,045,111)</b> | <b>\$275,916</b>   |           |  |

| General Fund                  | FY 2026             |                     |                      |            | 8.14.26 Proposed    |                      | 9.15.26 Proposed    |                  | Variance   |  |
|-------------------------------|---------------------|---------------------|----------------------|------------|---------------------|----------------------|---------------------|------------------|------------|--|
|                               | Amended Budget      | FY 2026 Actuals YTD | Variance             | Variance % | Budget              | Variance % 2026/2027 | Budget              | Variance         |            |  |
| <b>Revenues</b>               | <b>\$26,911,832</b> | <b>\$25,381,656</b> | <b>\$1,530,175</b>   | <b>94%</b> | <b>\$27,069,416</b> | <b>1%</b>            | <b>\$27,236,326</b> | <b>\$166,910</b> | <b>1%</b>  |  |
| Personnel                     | \$14,333,055        | \$12,266,656        | \$2,066,399          | 86%        | \$15,307,639        | 7%                   | \$15,307,639        | \$0              |            |  |
| Maintenance & Operations      | \$5,458,545         | \$4,261,365         | \$1,197,180          | 78%        | \$5,377,617         | -1%                  | \$5,397,617         | \$20,000         |            |  |
| Intercompany Transfer Out     | \$2,501,469         | \$1,896,932         | \$604,537            | 76%        | \$2,415,127         | -3%                  | \$2,486,537         | \$71,410         |            |  |
| Intergovernmental Transfer Or | \$1,453,451         | \$1,011,571         | \$441,880            | 70%        | \$1,246,709         | -14%                 | \$1,296,709         | \$50,000         |            |  |
| Capital                       | \$2,512,423         | \$2,097,241         | \$415,182            | 83%        | \$1,329,632         | -47%                 | \$1,355,132         | \$25,500         |            |  |
| Debt Requirement              | \$1,393,678         | \$1,245,354         | \$148,324            | 89%        | \$1,392,692         | 0%                   | \$1,392,692         | \$0              |            |  |
| <b>Total Expenses</b>         | <b>\$27,652,621</b> | <b>\$22,779,119</b> | <b>\$4,873,502</b>   | <b>86%</b> | <b>\$27,069,416</b> | <b>-2%</b>           | <b>\$27,236,326</b> | <b>\$166,910</b> | <b>-2%</b> |  |
| <b>Net Income/(Deficit)</b>   | <b>(\$740,789)</b>  | <b>\$2,602,537</b>  | <b>(\$3,343,327)</b> |            | <b>\$0</b>          |                      | <b>\$0</b>          | <b>\$0</b>       |            |  |

Notes:

**Revenues increased by \$167k:**

- \*Property Tax -\$89k (Balanced Budget with Tax Rate of 0.244342)
- \*Sales Tax + \$25k
- \*Franchise Tax +\$45k
- \*Development Services Grant +\$150k (UDC)
- \*Intercompany Transfers In +\$98k (Revised Public Works Revenues)
- \*Intergovernmental Transfers -\$62k (FISD-SRO)

**Expenses increased by \$167k:**

- \*Computer Software +\$20k
- \*City Contribution to EMS +\$97k
- \*City Contribution to E.M. -\$26k
- \*City Contribution to Rural Fire +\$50k
- \*Street Dept - Sidewalks +26k (carry over from 2026)
- \*Personnel Expenses = 56% of total expenses

| Enterprise & Special Funds     | FY 2026              |                      |                      |            | 8.14.26              |                      |                      |                  | 9.15.2026 |  |  |
|--------------------------------|----------------------|----------------------|----------------------|------------|----------------------|----------------------|----------------------|------------------|-----------|--|--|
|                                | Amended Budget       | FY 2026 Actuals YTD  | Variance             | Variance % | Proposed Budget      | Variance % 2026/2027 | Proposed Budget      | Variance         |           |  |  |
| <b>Revenues</b>                | <b>\$48,209,029</b>  | <b>\$43,284,229</b>  | <b>\$4,924,799</b>   | <b>90%</b> | <b>\$48,582,215</b>  | <b>1%</b>            | <b>\$49,527,829</b>  | <b>\$945,614</b> | <b>3%</b> |  |  |
| Personnel                      | \$12,718,766         | \$11,459,993         | \$1,258,773          | 90%        | \$13,490,801         | 6%                   | \$13,556,889         | \$66,088         |           |  |  |
| Administration Fees            | \$87,489             | \$95,992             | (\$8,503)            | 110%       | \$87,489             | 0%                   | \$87,489             | \$0              |           |  |  |
| Hotel Tax Distributions        | \$4,034,915          | \$4,026,915          | \$8,000              | 100%       | \$3,834,915          | -5%                  | \$4,834,915          | \$1,000,000      |           |  |  |
| Maintenance & Operations       | \$18,397,745         | \$15,944,221         | \$2,453,524          | 87%        | \$19,218,169         | 4%                   | \$19,193,169         | (\$25,000)       |           |  |  |
| Intercompany Transfer Out      | \$2,958,286          | \$2,379,500          | \$578,786            | 80%        | \$2,958,286          | 0%                   | \$2,835,896          | (\$122,390)      |           |  |  |
| Intergovernmental Transfer Out | \$332,744            | \$206,152            | \$126,592            | 62%        | \$242,060            | -27%                 | \$242,060            | \$0              |           |  |  |
| Capital                        | \$9,828,527          | \$6,439,876          | \$3,388,651          | 66%        | \$9,878,243          | 1%                   | \$9,629,243          | (\$249,000)      |           |  |  |
| Debt Requirement               | \$5,302,849          | \$4,263,572          | \$1,039,277          | 80%        | \$4,193,279          | -21%                 | \$4,193,279          | \$0              |           |  |  |
| <b>Total Expenses</b>          | <b>\$53,661,321</b>  | <b>\$44,816,221</b>  | <b>\$8,845,100</b>   | <b>84%</b> | <b>\$53,903,242</b>  | <b>0%</b>            | <b>\$54,572,940</b>  | <b>\$669,698</b> | <b>2%</b> |  |  |
| <b>Net Income/(Deficit)</b>    | <b>(\$5,452,292)</b> | <b>(\$1,531,992)</b> | <b>(\$3,920,301)</b> |            | <b>(\$5,321,027)</b> |                      | <b>(\$5,045,111)</b> | <b>\$275,916</b> |           |  |  |

Notes:

**Revenues increased by \$945k:**

- \*Electric Utility Revenues +\$763k (5% increase)
- \*Intergovernmental Transfers In -\$5k
- \*Intercompany Transfer from General Fund +\$71k
- \*StormWater Utility Revenues +\$116k (5% increase)

**Expenses increased by \$670k:**

- \*Hotel Tax Distributions +\$1M (CVB)
- \*Intercompany Transfer Out -\$(122k) - In Lieu
- \*StormWater Capital -(\$249k) -Smokehouse Rd., Equipment
- \*Personnel-EMS Overtime +\$118k, Emergency Mgmt. -(\$52k)
- \*StormWater M&O -(\$25k)

\*Water/Wastewater includes \$4M Water Well (to be funded-Impact Fees)



City of Fredericksburg  
2027 Budget Summary



| FY 2027<br>Budgeted Revenues vs<br>Budgeted Expenditures | FY 2027<br>Budgeted<br>Revenues | FY 2027<br>Budgeted<br>Expenditures | Revenues in<br>Excess (Deficiency)<br>of Expenditures |
|----------------------------------------------------------|---------------------------------|-------------------------------------|-------------------------------------------------------|
| <b>Governmental Funds</b>                                |                                 |                                     |                                                       |
| Administrative                                           | 22,536,275                      | 4,453,246                           | 18,083,029                                            |
| Police                                                   | 313,500                         | 9,624,134                           | (9,310,634)                                           |
| Fire                                                     | 1,625,526                       | 3,737,076                           | (2,111,550)                                           |
| Street                                                   | 2,000                           | 3,038,775                           | (3,036,775)                                           |
| Park                                                     | 784,875                         | 3,428,109                           | (2,643,234)                                           |
| Development Services                                     | 1,449,742                       | 1,358,843                           | 90,899                                                |
| Health                                                   | 337,808                         | 499,515                             | (161,707)                                             |
| Municipal Court                                          | 186,600                         | 900,307                             | (713,707)                                             |
| Engineering                                              | -                               | 196,321                             | (196,321)                                             |
| Sub-total                                                | <b>27,236,326</b>               | <b>27,236,326</b>                   | -                                                     |
| Market Square/Food & Wine Fest                           | -                               | -                                   | -                                                     |
| <b>Total Governmental Funds</b>                          | <b>27,236,326</b>               | <b>27,236,326</b>                   | -                                                     |
| <b>Special Revenue Funds</b>                             |                                 |                                     |                                                       |
| Tourism                                                  | 6,144,700                       | 7,655,989                           | (1,511,289)                                           |
| Police Forfeiture                                        | -                               | 3,500                               | (3,500)                                               |
| Emergency Management                                     | 371,806                         | 371,806                             | -                                                     |
| Animal Shelter                                           | 12                              | 41,024                              | (41,012)                                              |
| Parks & Recreation                                       | 35,000                          | 35,000                              | -                                                     |
| <b>Total Special Revenue Funds</b>                       | <b>6,551,518</b>                | <b>8,107,319</b>                    | <b>(1,555,801)</b>                                    |
| <b>Enterprise Funds</b>                                  |                                 |                                     |                                                       |
| Electric                                                 | 16,943,902                      | 16,517,409                          | 426,493                                               |
| Water & Sewer                                            | 10,284,350                      | 14,468,053                          | (4,183,703)                                           |
| Golf                                                     | 155,723                         | 155,723                             | -                                                     |
| Sanitation                                               | 4,191,600                       | 4,110,829                           | 80,771                                                |
| EMS                                                      | 6,364,703                       | 6,364,703                           | -                                                     |
| Stormwater / Vegetation Mgt                              | 1,150,325                       | 1,088,118                           | 62,207                                                |
| <b>Total Enterprise Funds</b>                            | <b>39,090,603</b>               | <b>42,704,835</b>                   | <b>(3,614,232)</b>                                    |
| <b>Capital Project Fund</b>                              |                                 |                                     |                                                       |
| Water & Wastewater                                       | -                               | -                                   | -                                                     |
| <b>Total Capital Project Fund</b>                        |                                 | -                                   | -                                                     |
| <b>Internal Service Funds</b>                            |                                 |                                     |                                                       |
| Health Insurance                                         | 3,075,862                       | 2,836,776                           | 239,086                                               |
| <b>Total Internal Service Funds</b>                      |                                 |                                     |                                                       |
| <b>Debt Service</b>                                      | <b>809,846</b>                  | <b>924,010</b>                      | <b>(114,164)</b>                                      |
| <b>Total All Funds</b>                                   | <b>76,764,155</b>               | <b>81,809,266</b>                   | <b>(5,045,111)</b>                                    |

\* Animal Shelter funded with prior year donations

\* Funds with deficiencies utilizing prior fiscal year fund balance

\* \$4M Water Project - Groundwater Well-Phase 1 will be partly funded with Impact Fees.





| <u>Proposed FY 2027 Capital</u>               | <u>Departments Name</u>           | <u>Account Code</u> | <u>FY27 CIP</u> | <u>Total Capital</u> |
|-----------------------------------------------|-----------------------------------|---------------------|-----------------|----------------------|
| Admin-Servers 2027                            | Admin                             | 01-20-5659          | 51,750          |                      |
|                                               | <b>Total Admin</b>                |                     |                 | <b>51,750</b>        |
| Police Dept-Police Equipment                  | Police                            | 01-22-5230          | 224,554         |                      |
| Police Dept-Police Vehicles                   | Police                            | 01-22-5240          | 385,520         |                      |
|                                               | <b>Total Police</b>               |                     |                 | <b>610,074</b>       |
| Fire - Extractor                              | Fire                              | 01-23-5656          | 18,773          |                      |
|                                               | <b>Total Fire</b>                 |                     |                 | <b>18,773</b>        |
| Street-Street Equipment                       | Street                            | 01-24-5110          | 5,000           |                      |
| Street-Sidewalks                              | Street                            | 01-24-5465          | 125,500         |                      |
| Street-Trans Bond - Professional Services     | Street                            | 01-24-5493          | 100,000         |                      |
| Street-Tennis Club Parking Lot                | Street                            | 01-24-5494          | 30,000          |                      |
| Street-Street Sign Machine                    | Street                            | 01-24-5656          | 78,000          |                      |
|                                               | <b>Total Street</b>               |                     |                 | <b>338,500</b>       |
| Parks-LBJMP Gate                              | Park                              | 01-25-5656          | 48,000          |                      |
| Parks-Pioneer Pavilion Renovation             | Park                              | 01-25-5590          | 88,410          |                      |
| Parks-Oakcrest Storage Roof                   | Park                              | 01-25-5592          | 13,500          |                      |
|                                               | <b>Total Park</b>                 |                     |                 | <b>149,910</b>       |
| Development Services-Unified Development Code | Development Services              | 01-27-5015          | 175,000         |                      |
|                                               | <b>Total Development Services</b> |                     |                 | <b>175,000</b>       |
| Engineering-Update Aerial Photos              | Engineering                       | 01-30-5100          | 11,125          |                      |
|                                               | <b>Total Engineering</b>          |                     |                 | <b>11,125</b>        |
|                                               | <b>Total 01 - General Fund</b>    |                     |                 | <b>1,355,132</b>     |
| Electric-Reconductor Main/Cherry              | Electric                          | 02-21-5490          | 240,000         |                      |
| Electric-Reconductor San Antonio/Llano/Miliam | Electric                          | 02-21-5491          | 350,000         |                      |
| Electric-Meter Testing Equipment              | Electric                          | 02-21-5493          | 37,000          |                      |
| Electric-Servers 2027                         | Electric                          | 02-21-5659          | 3,000           |                      |
|                                               | <b>Total 02 - Electric Fund</b>   |                     |                 | <b>630,000</b>       |
| Water-Water Main Rehab Proj 2022- 2"          | Water                             | 03-21-5452          | 250,000         |                      |
| Water-Sewer Main Rehab Proj 2022- 4"          | Water                             | 03-21-5453          | 250,000         |                      |
| Water-Maintenance for New Generators          | Water                             | 03-21-5457          | 40,000          |                      |
| Water-Water Well Field Exploration            | Water                             | 03-21-5459          | 100,000         |                      |
| Water-N Llano St Water Line Rehab             | Water                             | 03-21-5464          | 300,000         |                      |
| Water-Windcrest Water Pressure Improv         | Water                             | 03-21-5483          | 450,000         |                      |
| Water-Float Brush Aerators-WRF                | Water                             | 03-21-5590          | 245,000         |                      |
| Water-Grit Classifier 2027                    | Water                             | 03-21-5656          | 115,000         |                      |
| Water-Vibratory Roller 2027                   | Water                             | 03-21-5657          | 70,000          |                      |
| Water-Equipment Trailer 2027                  | Water                             | 03-21-5658          | 13,000          |                      |
| Water-Servers-2027                            | Water                             | 03-21-5659          | 6,750           |                      |
| Water-New GroundWater Well-Phase 1            | Water                             | 03-21-5660          | 4,000,000       |                      |
|                                               | <b>Total 03 - Water Fund</b>      |                     |                 | <b>5,839,750</b>     |
| Sanitation-Fiber to Scale House               | Sanitation                        | 05-21-5565          | 105,000         |                      |
| Sanitation-Servers                            | Sanitation                        | 05-21-5659          | 5,250           |                      |
|                                               | <b>Total 05 - Sanitation Fund</b> |                     |                 | <b>110,250</b>       |
| EMS-Tactical Medic Gear                       | EMS                               | 06-21-5481          | 30,000          |                      |
| EMS - Servers                                 | EMS                               | 06-21-5659          | 8,250           |                      |
|                                               | <b>Total 06 - EMS Fund</b>        |                     |                 | <b>38,250</b>        |
| Tourism-Bollards                              | Tourism                           | 07-21-5503          | 240,000         |                      |
| Tourism-Substation Prof Fees                  | Tourism                           | 07-21-5504          | 75,000          |                      |
| Tourism-Substation Renovation                 | Tourism                           | 07-21-5507          | 382,500         |                      |
| Tourism-Christmas Light Replacements-MP       | Tourism                           | 07-21-5718          | 100,000         |                      |
| Tourism-Parade-Traffic Route                  | Tourism                           | 07-21-5722          | 17,000          |                      |
| Tourism-Replace 15 Main St Benches            | Tourism                           | 07-21-5723          | 45,000          |                      |
| Tourism-Rock Wall Repairs                     | Tourism                           | 07-21-5725          | 63,600          |                      |
| Tourism-Water Wheel Fence                     | Tourism                           | 07-21-5726          | 12,000          |                      |
| Tourism-MP Trash Cans                         | Tourism                           | 07-21-5727          | 32,000          |                      |
| Tourism-Limestone Repairs                     | Tourism                           | 07-21-5728          | 25,000          |                      |

City of Fredericksburg  
2027 Budget Capital



| <u>Proposed FY 2027 Capital</u>        | <u>Departments Name</u>                    | <u>Account Code</u> | <u>FY27 CIP</u> | <u>Total Capital</u> |
|----------------------------------------|--------------------------------------------|---------------------|-----------------|----------------------|
| Tourism-Bucket Truck                   | Tourism                                    | 07-21-5729          | 195,000         |                      |
| Tourism-Wayfinding Signs               | Tourism                                    | 07-21-5730          | 500,000         |                      |
|                                        | <b>Total 07 - Tourism Fund</b>             |                     |                 | <b>1,687,100</b>     |
| Storm Water/Vegetation Mgmt-Mower 2027 | Stormwater/Veg Mgmt                        | 10-21-5603          | 15,000          |                      |
|                                        | <b>Total 10 - Stormwater/Veg Mgmt Fund</b> |                     |                 | <b>15,000</b>        |
|                                        | <b>Capital Grand Total</b>                 |                     |                 | <b>9,675,482</b>     |



## **CITY COUNCIL AGENDA MEMO**

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**DEPARTMENT:** Finance Department

**TO:** Mayor & City Council Members

**FROM:**

**MEETING DATE:** September 15, 2026

**CATEGORY:** ORDINANCES, RESOLUTIONS  
AND PUBLIC HEARINGS

---

**CAPTION:** Ratify the property tax revenue increase reflected in the Fiscal Year 2026-2027 Budget.  
(Krista Wareham, Finance Director)

i. Action Required — Motion to Ratify the property tax revenue increase reflected in the City of Fredericksburg's Fiscal Year 2026-2027 Budget (if the adopted tax rate exceeds the no-new-revenue rate).

---

### **SUMMARY:**

### **BACKGROUND:**

### **FUNDING SOURCE:**

### **FINANCIAL IMPACT:**

### **STAFF RECOMMENDATION:**

If the adopted tax rate exceeds the No-New-Revenue Rate of \$0.241342, the City Council must take action to ratify the adoption of the tax rate.

This action item requires a roll call vote.

Proposed motion:

"I move to ratify the property tax revenue increase reflected in the Fiscal Year 2026-2027 Budget.:

Tax Code 26.05(d)

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### **COMPREHENSIVE PLAN GUIDING PRINCIPLE:**

Comprehensive Plan Guiding Principles

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### **ATTACHMENTS:**

None

**APPROVAL/REVIEW:**

\_\_\_\_\_  
David Kellam, Senior City Accountant

Date: September 09, 2026



\_\_\_\_\_  
Krista Wareham, Director of Finance

Date: September 09, 2026



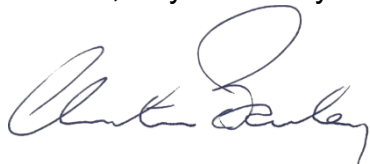
\_\_\_\_\_  
Barbara Quirk, City Attorney

Date: September 09, 2026



\_\_\_\_\_  
Leticia Vacek, City Secretary

Date: September 09, 2026



\_\_\_\_\_  
Clinton Bailey, City Manager

Date: September 09, 2026



## **CITY COUNCIL AGENDA MEMO**

**DEPARTMENT:** Finance Department  
**TO:** Mayor & City Council Members  
**FROM:** Krista Wareham, Director of Finance  
**MEETING DATE:** September 15, 2026

**CATEGORY:** ORDINANCES, RESOLUTIONS  
AND PUBLIC HEARINGS

**CAPTION:** Consider and approve Ordinance 2026-34 setting the Ad Valorem Property Tax Rate for the 2026 Tax Year. (Krista Wareham, Director of Finance)

- i. Presentation on the Proposed Ad Valorem Property Tax Rate for the 2026 Tax Year at \$0.244342 cents per each \$100 of taxable value
- ii. Action Required — Motion to Adopt the tax rate of \$0.223138 one hundred dollars (\$100.00) of the assessed valuation for the General Fund Maintenance and Operations
- iii. Action Required — Motion to Adopt a tax rate of \$0.021204 per one hundred dollars (\$100.00) of assessed valuation for the retirement of debt service through the Interest and Sinking Fund
- iv. Action Required - Motion to Adopt Ordinance 2026-34, an Ordinance setting the Ad Valorem Property Tax Rate for the 2026 Tax Year at 0.244342 cents per each \$100 of taxable value (roll call vote)

### **SUMMARY:**

The Texas Tax Code provides strict requirements for the tax rate adoption process. The City has followed these requirements of meetings, public hearings, and notice postings. The wording for the different motions will be provided at the meeting. All motions will require a roll call vote.

### **BACKGROUND:**

On July 30, 2026, the Gillespie Central Appraisal District (GCAD) submitted the No-New-Revenue and the Voter Approval tax rates for the City's Fiscal Year 2026-2027 Budget. The tax rate for the 2026 Tax Year was discussed at the August 18, 2026 Regular City Council Meeting, and the Council set the not-to-exceed tax rate at \$0.260884 per \$100 valuation. The tax rate of \$0.260884 is the Voter-Approval Tax Rate. The Voter-Approval Tax Rate is the maximum tax rate a local government, such as a city or county, can set without needing approval from voters through an election. On Tuesday, September 8, the City Council held a Special Meeting to conduct a public hearing on the proposed tax increase. The Truth-in-Taxation calculation worksheet is attached to this agenda and is summarized below:

|                |                            |
|----------------|----------------------------|
| No-New-Revenue | \$0.241342/\$100 valuation |
| Voter-Approval | \$0.260884/\$100 valuation |
| De Minimis     | \$0.253362/\$100 valuation |



**FUNDING SOURCE:** The tax rate of \$0.244342 funds the General Fund and Debt Service Fund budgets as presented during the budget presentation. The proposed maintenance and operations (M&O) rate is \$0.223138, and the proposed interest and sinking (I&S) rate is \$0.021204.

**FINANCIAL IMPACT:**

The adoption of the Fiscal Year 2026-2027 proposed tax rate of \$0.244342 will generate an estimated \$525,600 in additional revenue for the General Fund, helping fund essential services.

**STAFF RECOMMENDATION:**

Staff recommends City Council to adopt Ordinance 2026-34, levying taxes for the use and support of the municipal government of the City of Fredericksburg, Texas, and providing for the interest and sinking fund for the Fiscal Year 2026-2027; apportioning each levy for the specific purpose; providing for severability; and providing for an effective date.

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**COMPREHENSIVE PLAN GUIDING PRINCIPLE:**

Business Visioning  
Government Vision  
Family Life Vision  
Quality of Life Vision

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**ATTACHMENTS:**

1. Tax Rate Ordinance-2026-34
2. 2026 CFB TNT Calculations Worksheet 50-856
3. 2026 CFB Notice of Public Hearing on Tax Rate Increase 50-876
4. CFB 2026 Notice About Tax Rates 50-212

**APPROVAL/REVIEW:**



\_\_\_\_\_  
Leticia Vacek, City Secretary

Date: September 09, 2026



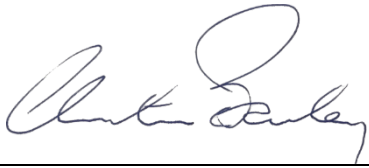
\_\_\_\_\_  
Barbara Quirk, City Attorney

Date: September 09, 2026



\_\_\_\_\_  
Leticia Vacek, City Secretary

Date: September 09, 2026

A handwritten signature in blue ink, appearing to read "Clinton Bailey", written over a horizontal line.

Clinton Bailey, City Manager

Date: September 09, 2026

**ORDINANCE NO. 2026-34**

**AN ORDINANCE SETTING THE AD VALOREM PROPERTY TAX RATE FOR THE 2026 TAX YEAR AT \$0.244342 CENTS PER EACH \$100 OF TAXABLE VALUE**

**WHEREAS**, Texas Local Government Code gives the City of Fredericksburg City Council the authority to levy an ad valorem tax on real property within the territorial limits of the City; and

**WHEREAS**, all notices of public meeting held on September 15, 2026, as required by law as a prerequisite to the passage, approval, and adoption of said tax rate ordinance have been timely and properly given;

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS:**

Section 1. The City Council levies, approves, and orders to be assessed and collected for Fiscal Year 2026-2027 on all property in the corporate limits of the City of Fredericksburg that is not exempt from taxation, a property (ad valorem) tax at the rate of \$0.244342 cents per \$100 of taxable value and shall be apportioned and distributed as follows:

- a. For the payment of current expenses to be deposited in the general fund for the purposes of paying maintenance and operation expenditures of the City for the coming year of \$0.223138 cents per \$100 of taxable value.
- AND
- b. To provide for a sinking fund for the payment of the principal and interest and the retirement of the bonded debt of the City as it becomes due \$0.021204 cents per \$100 of taxable value.

Section 2. **THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 10.92 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$21.98.**

Section 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

PASSED, APPROVED, AND ADOPTED on the 15th day of September, 2026.

APPROVED:

ATTEST:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney



# 2026 Tax Rate Calculation Worksheet

## Taxing Units Other Than School Districts or Water Districts

Form 50-856

City of Fredericksburg

Taxing Unit Name

126 W Main St, Fredericksburg, TX, 78624-3708

Taxing Unit's Address, City, State, ZIP Code

(830) 997-7521

Phone (area code and number)

<https://www.fbgtx.org/>

Taxing Unit's Website Address

**GENERAL INFORMATION:** Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller Form 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 and JETI Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 and JETI Agreements*.

Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet*.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

Taxing units must include a hyperlink to a document that evidences the accuracy of each entry in the worksheet other than an entry making a mathematical calculation.<sup>1</sup> Source materials must contain data for all worksheets used, including supplemental worksheets.

Insert hyperlink:

<https://gillespiecad.org/wp-content/uploads/2026/07/2026-TNT-Data-CFB.pdf>

### SECTION 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

| Line | No-New-Revenue Tax Rate Worksheet                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Amount/Rate                          |
|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| 1.   | <b>Prior year total taxable value.</b> Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17). <sup>2</sup> | \$ 4,318,011,929                     |
| 2.   | <b>Prior year tax ceilings.</b> Counties, cities and junior college districts. Enter the prior year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision last year or a prior year for homeowners age 65 or older or disabled, use this step. <sup>3</sup>                                                                                                                                                                                                                                       | \$ 907,424,439                       |
| 3.   | <b>Preliminary prior year adjusted taxable value.</b> Subtract Line 2 from Line 1.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | \$ 3,410,587,490                     |
| 4.   | <b>Prior year total adopted tax rate.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | \$ 0.227427 /\$100                   |
| 5.   | <b>Prior year taxable value lost because court appeals of ARB decisions reduced the prior year's appraised value.</b><br><br><b>A. Original prior year ARB values:</b> ..... \$ 70,133,449<br><br><b>B. Prior year values resulting from final court decisions:</b> ..... - \$ 66,199,898<br><br><b>C. Prior year value loss.</b> Subtract B from A. <sup>4</sup>                                                                                                                                                                                                                                                                                          | <br><br><br><br><br><br>\$ 3,933,551 |

<sup>1</sup> Tex. Tax Code §§5.07(g)(4) and 26.04(d-1)

<sup>2</sup> Tex. Tax Code §26.012(14)

<sup>3</sup> Tex. Tax Code §26.012(14)

<sup>4</sup> Tex. Tax Code §26.012(13)

| Line | No-New-Revenue Tax Rate Worksheet                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Amount/Rate      |
|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| 6.   | <b>Prior year taxable value subject to an appeal under Chapter 42, as of July 25.</b><br><b>A. Prior year ARB certified value:</b> ..... \$ 14,193,694<br><b>B. Prior year disputed value:</b> ..... - \$ 1,807,890<br><b>C. Prior year undisputed value.</b> Subtract B from A. <sup>5</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | \$ 12,385,804    |
| 7.   | <b>Prior year Chapter 42 related adjusted values.</b> Add Line 5C and Line 6C.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | \$ 16,319,355    |
| 8.   | <b>Prior year taxable value, adjusted for actual and potential court-ordered adjustments.</b> Add Line 3 and Line 7.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | \$ 3,426,906,845 |
| 9.   | <b>Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1 of the prior year.</b> Enter the prior year value of property in deannexed territory. <sup>6</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | \$ 0             |
| 10.  | <b>Prior year taxable value lost because property first qualified for an exemption in the current year.</b> If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value.<br><b>A. Absolute exemptions.</b> Use prior year market value: ..... \$ 3,787,140<br><b>B. Partial exemptions.</b> Current year exemption amount or current year percentage exemption times prior year value: ..... + \$ 859,919<br><b>C. Value loss.</b> Add A and B. <sup>7</sup> | \$ 4,647,059     |
| 11.  | <b>Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in the current year.</b> Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year.<br><b>A. Prior year market value:</b> ..... \$ 0<br><b>B. Current year productivity or special appraised value:</b> ..... - \$ 0<br><b>C. Value loss.</b> Subtract B from A. <sup>8</sup>                                                                                                                                                                                                                                | \$ 0             |
| 12.  | <b>Total adjustments for lost value.</b> Add Lines 9, 10C and 11C.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$ 4,647,059     |
| 13.  | <b>Prior year captured value of property in a TIF.</b> Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year taxes were deposited into the tax increment fund. <sup>9</sup> If the taxing unit has no captured appraised value in line 18D, enter 0.                                                                                                                                                                                                                                                                                                                                                                                                                              | \$ 0             |
| 14.  | <b>Prior year total value.</b> Subtract Line 12 and Line 13 from Line 8.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | \$ 3,422,259,786 |
| 15.  | <b>Adjusted prior year total levy.</b> Multiply Line 4 by Line 14 and divide by \$100.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | \$ 7,783,142     |
| 16.  | <b>Taxes refunded for years preceding the prior tax year.</b> Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for the prior tax year. This line applies only to tax years preceding the prior tax year. <sup>10</sup>                                                                                                                                                                                                                                                                                                                                                            | \$ 5,913         |
| 17.  | <b>Adjusted prior year levy with refunds.</b> Add Lines 15 and 16. <sup>11</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | \$ 7,789,055     |

<sup>5</sup> Tex. Tax Code §26.012(13)<sup>6</sup> Tex. Tax Code §26.012(15)<sup>7</sup> Tex. Tax Code §26.012(15)<sup>8</sup> Tex. Tax Code §26.012(15)<sup>9</sup> Tex. Tax Code §26.03(c)<sup>10</sup> Tex. Tax Code §26.012(13)<sup>11</sup> Tex. Tax Code §26.012(13) and (15)

| Line | No-New-Revenue Tax Rate Worksheet                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Amount/Rate      |
|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| 18.  | <b>Total current year taxable value on the current year certified appraisal roll today.</b> This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. <sup>12</sup> <p><b>A. Certified values:</b> ..... \$ 4,122,044,943</p> <p><b>B. Counties:</b> Include railroad rolling stock values certified by the Comptroller's office: ..... + \$ 0</p> <p><b>C. Pollution control and energy storage system exemption:</b> Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: ..... - \$ 0</p> <p><b>D. Tax increment financing:</b> Deduct the current year captured appraised value of property taxable by a taxing unit in a tax increment reinvestment zone for which the current year taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 24 below.<sup>13</sup> Adjustments to the taxable value must be calculated separately for each reinvestment zone using Form 50-110.<sup>14</sup> Enter the total from Form 50-110: ..... - \$ 0</p> <p><b>E. Total current year value.</b> Add A and B, then subtract C and D.</p>                                     | \$ 4,122,044,943 |
| 19.  | <b>Total value of properties under protest or not included on certified appraisal roll.</b> <sup>15</sup> <p><b>A. Current year taxable value of properties under protest.</b> The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest.<sup>16</sup> ..... \$ 49,653,716</p> <p><b>B. Current year value of properties not under protest or included on certified appraisal roll.</b> The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll.<sup>17</sup> ..... + \$ 0</p> <p><b>C. Total value under protest or not certified.</b> Add A and B.</p> | \$ 49,653,716    |
| 20.  | <b>Current year tax ceilings.</b> Counties, cities and junior colleges enter current year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in the prior year or a previous year for homeowners age 65 or older or disabled, use this step. <sup>18</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | \$ 860,572,106   |
| 21.  | <b>Anticipated contested value.</b> Affected taxing units enter the contested taxable value for all property that is subject to anticipated substantial litigation. <sup>19</sup> An affected taxing unit is wholly or partly located in a county that has a population of less than 500,000 and is located on the Gulf of Mexico. <sup>20</sup> If completing this line, the taxing unit must include supporting documentation in Section 9. <sup>21</sup> Taxing units that are not affected, enter 0.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | \$ 0             |
| 22.  | <b>Current year total taxable value.</b> Add Lines 18E and 19C, then subtract Lines 20 and 21. <sup>22</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | \$ 3,311,126,553 |
| 23.  | <b>Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year.</b> Include both real and personal property. Enter the current year value of property in territory annexed. <sup>23</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | \$ 0             |
| 24.  | <b>Total current year taxable value of new improvements and new personal property located in new improvements.</b> New means the item was not on the appraisal roll in the prior year. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, of the prior year and be located in a new improvement. New improvements <b>do</b> include property on which a tax abatement agreement has expired for the current year. <sup>24</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | \$ 83,738,101    |

<sup>12</sup> Tex. Tax Code §§26.012(6) and 26.04(c-2)<sup>13</sup> Tex. Tax Code §26.03(c)<sup>14</sup> Tex. Tax Code §26.03(e)<sup>15</sup> Tex. Tax Code §26.01(c) and (d)<sup>16</sup> Tex. Tax Code §26.01(c)<sup>17</sup> Tex. Tax Code §26.01(d)<sup>18</sup> Tex. Tax Code §26.012(6)(B)<sup>19</sup> Tex. Tax Code §§26.012(6)(C) and 26.012(1-b)<sup>20</sup> Tex. Tax Code §26.012(1-a)<sup>21</sup> Tex. Tax Code §26.04(d-3)<sup>22</sup> Tex. Tax Code §26.012(6)<sup>23</sup> Tex. Tax Code §26.012(17)<sup>24</sup> Tex. Tax Code §26.012(17)

| Line | No-New-Revenue Tax Rate Worksheet                                                                                                                             | Amount/Rate        |
|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| 25.  | <b>Total adjustments to the current year taxable value.</b> Add Lines 23 and 24.                                                                              | \$ 83,738,101      |
| 26.  | <b>Adjusted current year taxable value.</b> Subtract Line 25 from Line 22.                                                                                    | \$ 3,227,388,452   |
| 27.  | <b>Current year NNR tax rate.</b> Divide Line 17 by Line 26 and multiply by \$100. <sup>25</sup>                                                              | \$ 0.241342 /\$100 |
| 28.  | <b>COUNTIES ONLY.</b> Add together the NNR tax rates for each type of tax the county levies. The total is the current year county NNR tax rate. <sup>26</sup> | \$ 0.000000 /\$100 |

### Voter Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the tax rate. The type of taxing unit will determine the rate components that apply to a taxing unit's overall voter-approval tax rate.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

### SECTION 2: Maintenance and Operations (M&O) and Debt Tax Rate Worksheet

This section calculates two components of the voter-approval tax rate:

- Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
- Debt Rate:** The debt rate includes the minimum dollar amount required to be paid toward debt service for the current year.<sup>27</sup> This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

| Line | M&O and Debt Tax Rate Worksheet                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Amount/Rate        |
|------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| 29.  | <b>Prior year M&amp;O tax rate.</b> Enter the prior year M&O tax rate.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$ 0.201161 /\$100 |
| 30.  | <b>Prior year taxable value, adjusted for actual and potential court-ordered adjustments.</b> Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | \$ 3,426,906,845   |
| 31.  | <b>Total prior year M&amp;O levy.</b> Multiply Line 29 by Line 30 and divide by \$100.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$ 6,893,600       |
| 32.  | <b>Adjusted prior year levy for calculating NNR M&amp;O rate.</b> <p><b>A. M&amp;O taxes refunded for years preceding the prior tax year.</b> Enter the amount of M&amp;O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2025. This line applies only to tax years preceding the prior tax year..... + \$ 5,254</p> <p><b>B. Prior year taxes in TIF.</b> Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no current year captured appraised value in Line 18D, enter 0..... - \$ 0</p> <p><b>C. Prior year transferred function.</b> If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. .... +/- \$ 0</p> <p><b>D. Prior year M&amp;O levy adjustments.</b> Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function..... \$ 5,254</p> <p><b>E. Add Line 31 to 32D.</b></p> | \$ 6,898,854       |
| 33.  | <b>Adjusted current year taxable value.</b> Enter the amount in Line 26 of the <i>No-New-Revenue Tax Rate Worksheet</i> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | \$ 3,227,388,452   |
| 34.  | <b>Current year NNR M&amp;O rate (unadjusted).</b> Divide Line 32E by Line 33 and multiply by \$100.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | \$ 0.213759 /\$100 |

<sup>25</sup> Tex. Tax Code §26.04(c)

<sup>26</sup> Tex. Tax Code §26.04(d)

<sup>27</sup> Tex. Tax Code §26.012(3)

| Line | M&O and Debt Tax Rate Worksheet                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Amount/Rate               |
|------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| 35.  | <b>Rate adjustment for state criminal justice mandate.</b> <sup>28</sup><br><b>A. Current year state criminal justice mandate.</b> Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. \$ <u>0</u><br><b>B. Prior year state criminal justice mandate.</b> Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies. .... - \$ <u>0</u><br><b>C.</b> Subtract B from A and divide by Line 33 and multiply by \$100..... \$ <u>0.000000</u> /\$100<br><b>D.</b> Enter the rate calculated in C. If not applicable, enter 0.                                                                                                                                                                                                              | \$ <u>0.000000</u> /\$100 |
| 36.  | <b>Rate adjustment for indigent health care expenditures.</b> <sup>29</sup><br><b>A. Current year indigent health care expenditures.</b> Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose..... \$ <u>0</u><br><b>B. Prior year indigent health care expenditures.</b> Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2024 and ending on June 30, 2025, less any state assistance received for the same purpose..... - \$ <u>0</u><br><b>C.</b> Subtract B from A and divide by Line 33 and multiply by \$100..... \$ <u>0.000000</u> /\$100<br><b>D.</b> Enter the rate calculated in C. If not applicable, enter 0.                                                                                                                                                                                                                                                                                           | \$ <u>0.000000</u> /\$100 |
| 37.  | <b>Rate adjustment for county indigent defense compensation.</b> <sup>30</sup><br><b>A. Current year indigent defense compensation expenditures.</b> Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state grants received by the county for the same purpose..... \$ <u>0</u><br><b>B. Prior year indigent defense compensation expenditures.</b> Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2024 and ending on June 30, 2025, less any state grants received by the county for the same purpose. .... \$ <u>0</u><br><b>C.</b> Subtract B from A and divide by Line 33 and multiply by \$100..... \$ <u>0.000000</u> /\$100<br><b>D.</b> Multiply B by 0.05 and divide by Line 33 and multiply by \$100..... \$ <u>0.000000</u> /\$100<br><b>E.</b> Enter the lesser of C and D. If not applicable, enter 0. | \$ <u>0.000000</u> /\$100 |
| 38.  | <b>Rate adjustment for county hospital expenditures.</b> <sup>31</sup><br><b>A. Current year eligible county hospital expenditures.</b> Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year. .... \$ <u>0</u><br><b>B. Prior year eligible county hospital expenditures.</b> Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2024 and ending on June 30, 2025. .... \$ <u>0</u><br><b>C.</b> Subtract B from A and divide by Line 33 and multiply by \$100..... \$ <u>0.000000</u> /\$100<br><b>D.</b> Multiply B by 0.08 and divide by Line 33 and multiply by \$100..... \$ <u>0.000000</u> /\$100<br><b>E.</b> Enter the lesser of C and D, if applicable. If not applicable, enter 0.                                                                                                                                                                                                                                                                                                                       | \$ <u>0.000000</u> /\$100 |

<sup>28</sup> Tex. Tax Code §26.044<sup>29</sup> Tex. Tax Code §26.0441<sup>30</sup> Tex. Tax Code §26.0442<sup>31</sup> Tex. Tax Code §26.0443

| Line | M&O and Debt Tax Rate Worksheet                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Amount/Rate                |
|------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| 39.  | <p><b>Rate adjustment for defunding municipality.</b> This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information.</p> <p><b>A. Amount appropriated for public safety in the prior year.</b> Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year. .... \$ <u>0</u></p> <p><b>B. Expenditures for public safety in the prior year.</b> Enter the amount of money spent by the municipality for public safety during the preceding fiscal year ..... \$ <u>0</u></p> <p><b>C.</b> Subtract B from A and divide by Line 33 and multiply by \$100 ..... \$ <u>0.000000</u> / \$100</p> <p><b>D.</b> Enter the rate calculated in C. If not applicable, enter 0.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | \$ <u>0.000000</u> / \$100 |
| 40.  | <b>Adjusted current year NNR M&amp;O rate.</b> Add Lines 34, 35D, 36D, 37E, and 38E. Subtract Line 39D.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | \$ <u>0.213759</u> / \$100 |
| 41.  | <p><b>Adjustment for prior year sales tax specifically to reduce property taxes.</b> Cities, counties and hospital districts that collected and spent additional sales tax on M&amp;O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero.</p> <p><b>A.</b> Enter the amount of additional sales tax collected and spent on M&amp;O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent ..... \$ <u>3,202,830</u></p> <p><b>B.</b> Divide Line 41A by Line 33 and multiply by \$100 ..... \$ <u>0.099239</u> / \$100</p> <p><b>C.</b> Add Line 41B to Line 40.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | \$ <u>0.312998</u> / \$100 |
| 42.  | <p><b>Current year voter-approval M&amp;O rate.</b> Enter the rate as calculated by the appropriate scenario below.</p> <p><b>Special Taxing Unit.</b> If the taxing unit qualifies as a special taxing unit, multiply Line 41C by 1.08.</p> <p>- or -</p> <p><b>Other Taxing Unit.</b> If the taxing unit does not qualify as a special taxing unit, multiply Line 41C by 1.035.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | \$ <u>0.323952</u> / \$100 |
| D42. | <p><b>Disaster Line 42 (D42): Current year voter-approval M&amp;O rate for taxing unit affected by disaster declaration.</b> <sup>32</sup> If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate a rate equal to the lesser of:</p> <p><b>A.</b> The voter-approval tax rate calculated in the manner provided for a special taxing unit. Multiply line 41C by 1.08 <sup>33</sup> ..... \$ <u>0.338037</u> / \$100</p> <p>- or -</p> <p><b>B.</b> The voter-approval M&amp;O tax rate calculated in the manner provided for a taxing unit other than a special taxing unit plus the disaster relief rate. <sup>34</sup> Complete Section 5 through Line 68 to complete D42(B).</p> <p>a. Enter the <b>disaster relief cost</b>. .... \$ _____</p> <p>b. <b>Disaster relief rate.</b> Divide Line D42(B)(a) by Line 26 and multiply by 100 ..... \$ _____ / \$100</p> <p>c. Add Line D42(B)(b) to Line 42 ..... \$ _____ / \$100</p> <p>d. Enter the <b>current year unused increment rate</b> from Line 68 ..... \$ _____ / \$100</p> <p>e. Add Line D42(c) to Line D42(d). .... \$ _____ / \$100</p> <p>The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of:</p> <p>1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred; or</p> <p>2) the third tax year after the tax year in which the disaster occurred.</p> <p><b>C.</b> Enter Line D42(A) if less than Line D42(B)(e). If Line D42(B)(e) is less than line D42(A), enter Line D42(B)(c). <sup>35</sup></p> <p>If the taxing unit does not qualify, do not complete Disaster Line 42 (Line D42).</p> | \$ _____ / \$100           |

<sup>32</sup> Tex. Tax Code §26.042<sup>33</sup> Tex. Tax Code §26.042(a-2)(1)<sup>34</sup> Tex. Tax Code §§26.042(a-1) and 26.042(a-2)(2)<sup>35</sup> Tex. Tax Code §26.042(a-2)

| Line | M&O and Debt Tax Rate Worksheet                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Amount/Rate        |
|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| 43.  | <b>Total current year debt to be paid with property taxes and additional sales tax revenue.</b> Debt means the interest and principal that will be paid on debts that: <ul style="list-style-type: none"> <li>(1) are paid by property taxes;</li> <li>(2) are secured by property taxes;</li> <li>(3) are scheduled for payment over a period longer than one year; and</li> <li>(4) are not classified in the taxing unit's budget as M&amp;O expenses.</li> </ul> <p><b>A. Debt</b> also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. <sup>36</sup></p> <p>Enter debt amount ..... \$ 924,010</p> <p><b>B. Subtract unencumbered fund amount</b> used to reduce total debt. .... - \$ 0</p> <p><b>C. Subtract certified amount spent from sales tax to reduce debt</b> (enter zero if none) ..... - \$ 0</p> <p><b>D. Subtract amount paid</b> from other resources ..... - \$ 0</p> <p><b>E. Adjusted debt.</b> Subtract B, C and D from A. .... \$ 924,010</p> |                    |
| 44.  | <b>Certified prior year excess debt collections.</b> Enter the amount certified by the collector. <sup>37</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | \$ 120,530         |
| 45.  | <b>Adjusted current year debt.</b> Subtract Line 44 from Line 43E.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | \$ 803,480         |
| 46.  | <b>Current year anticipated collection rate.</b> <ul style="list-style-type: none"> <li><b>A.</b> Enter the current year anticipated collection rate certified by the collector. <sup>38</sup> ..... 99.03 %</li> <li><b>B.</b> Enter the prior year actual collection rate..... 98.52 %</li> <li><b>C.</b> Enter the 2024 actual collection rate. .... 99.16 %</li> <li><b>D.</b> Enter the 2023 actual collection rate. .... 99.40 %</li> <li><b>E.</b> If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. <sup>39</sup> ..... 99.03 %</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                    |
| 47.  | <b>Current year debt adjusted for collections.</b> Divide Line 45 by Line 46E.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | \$ 811,350         |
| 48.  | <b>Current year total taxable value.</b> Enter the amount on Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | \$ 3,311,126,553   |
| 49.  | <b>Current year debt rate.</b> Divide Line 47 by Line 48 and multiply by \$100.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | \$ 0.024503 /\$100 |
| 50.  | <b>Current year voter-approval M&amp;O rate plus current year debt rate.</b> Add Lines 42 and 49.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$ 0.348455 /\$100 |
| D50. | <b>Disaster Line 50 (D50): Current year voter-approval M&amp;O and debt tax rate for taxing unit affected by disaster declaration.</b><br>Complete this line if the taxing unit calculated the voter-approval M&O tax rate in the manner provided by Line D42.<br>Add Line D42(C) and 49.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | \$ _____ /\$100    |
| 51.  | <b>COUNTIES ONLY.</b> Add together the voter-approval M&O and debt tax rates for each type of tax the county levies. The total is the current year county voter-approval M&O and debt tax rate.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | \$ 0.000000 /\$100 |

<sup>36</sup> Tex. Tax Code §26.012(7)<sup>37</sup> Tex. Tax Code §§26.012(10) and 26.04(b)<sup>38</sup> Tex. Tax Code §26.04(b)<sup>39</sup> Tex. Tax Code §26.04(h), (h-1) and (h-2)



**SECTION 3: Adjustments for Additional Sales Tax to Reduce Property Taxes**

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

| Line | Additional Sales and Use Tax Worksheet                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Amount/Rate        |
|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| 52.  | <b>Taxable Sales.</b> For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters. <sup>40</sup> Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage.<br><br>Taxing units that adopted the sales tax before November of the prior year, enter 0.                                                                                                                                                                                                          | \$ 0               |
| 53.  | <b>Estimated sales tax revenue.</b> Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. <sup>41</sup><br><br><b>Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year.</b> Multiply the amount on Line 52 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. <sup>42</sup><br><br>- or -<br><br><b>Taxing units that adopted the sales tax before November of the prior year.</b> Enter the sales tax revenue for the previous four quarters. Do not multiply by .95. | \$ 3,202,830       |
| 54.  | <b>Current year total taxable value.</b> Enter the amount from Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | \$ 3,311,126,553   |
| 55.  | <b>Sales tax adjustment rate.</b> Divide Line 53 by Line 54 and multiply by \$100.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | \$ 0.096729 /\$100 |
| 56.  | <b>Current year NNR tax rate, unadjusted for sales tax.</b> <sup>43</sup> Enter the rate from Line 27 or 28, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | \$ 0.241342 /\$100 |
| 57.  | <b>Current year NNR tax rate, adjusted for sales tax.</b><br><b>Taxing units that adopted the sales tax in November the prior tax year or in May of the current tax year.</b><br>Subtract Line 55 from Line 56. Skip to Line 58 if you adopted the additional sales tax before November of the prior tax year.                                                                                                                                                                                                                                                                                                                                      | \$ _____ /\$100    |
| 58.  | <b>Current year voter-approval tax rate, unadjusted for sales tax.</b> <sup>44</sup> Enter the rate from Line 50, Line D50 (disaster) or Line 51 (counties) as applicable, of the <i>M&amp;O and Debt Tax Rate Worksheet</i> .                                                                                                                                                                                                                                                                                                                                                                                                                      | \$ 0.348455 /\$100 |
| 59.  | <b>Current year voter-approval tax rate, adjusted for sales tax.</b> Subtract Line 55 from Line 58.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | \$ 0.251726 /\$100 |

**SECTION 4: Adjustment for Pollution Control**

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

| Line | Adjustment for Pollution Control Requirements Worksheet                                                                                                                                                                                                                | Amount/Rate     |
|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| 60.  | <b>Certified expenses from the Texas Commission on Environmental Quality (TCEQ).</b> Enter the amount certified in the determination letter from TCEQ. <sup>45</sup> The taxing unit shall provide its tax assessor-collector with a copy of the letter. <sup>46</sup> | \$ _____        |
| 61.  | <b>Current year total taxable value.</b> Enter the amount from Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> .                                                                                                                                               | \$ _____        |
| 62.  | <b>Additional rate for pollution control.</b> Divide Line 60 by Line 61 and multiply by \$100.                                                                                                                                                                         | \$ _____ /\$100 |
| 63.  | <b>Current year voter-approval tax rate, adjusted for pollution control.</b> Add Line 62 to one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties) or Line 59 (taxing units with the additional sales tax).                      | \$ _____ /\$100 |

<sup>40</sup> Tex. Tax Code §26.041(d)

<sup>41</sup> Tex. Tax Code §26.041(i)

<sup>42</sup> Tex. Tax Code §26.041(d)

<sup>43</sup> Tex. Tax Code §26.04(c)

<sup>44</sup> Tex. Tax Code §26.04(c)

<sup>45</sup> Tex. Tax Code §26.045(d)

<sup>46</sup> Tex. Tax Code §26.045(i)



## SECTION 5: Unused Increment Rate

The unused increment rate is the rate equal to the sum of the prior 3 years Foregone Revenue Amounts divided by the current taxable value.<sup>47</sup> The Foregone Revenue Amount for each year is equal to that year's adopted tax rate subtracted from that year's voter-approval tax rate adjusted to remove the unused increment rate multiplied by that year's current total value.<sup>48</sup>

The difference between the adopted tax rate and adjusted voter-approval tax rate is considered zero in the following scenarios:

- a tax year in which a taxing unit affected by a disaster declaration calculates the tax rate under Tax Code Section 26.042;<sup>49</sup>
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);<sup>50</sup> or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval.<sup>51</sup>

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit.<sup>52</sup>

| Line       | Unused Increment Rate Worksheet                                                                                                                                                                                                                                       | Amount/Rate         |
|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| <b>64.</b> | <b>Year 3 Foregone Revenue Amount. Subtract the 2025 unused increment rate and 2025 actual tax rate from the 2025 voter-approval tax rate. Multiply the result by the 2025 current total value</b>                                                                    |                     |
|            | A. Voter-approval tax rate (Line 69) .....                                                                                                                                                                                                                            | \$ 0.227427 /\$100  |
|            | B. Unused increment rate (Line 68) .....                                                                                                                                                                                                                              | \$ 0.008832 /\$100  |
|            | C. Subtract B from A .....                                                                                                                                                                                                                                            | \$ 0.218595 /\$100  |
|            | D. Adopted Tax Rate .....                                                                                                                                                                                                                                             | \$ 0.227427 /\$100  |
|            | E. Subtract D from C .....                                                                                                                                                                                                                                            | \$ -0.008832 /\$100 |
|            | F. 2025 Total Taxable Value (Line 61) .....                                                                                                                                                                                                                           | \$ 3,433,342,408    |
|            | G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero. ....                                                                                                                                                                 | \$ 0                |
| <b>65.</b> | <b>Year 2 Foregone Revenue Amount. Subtract the 2024 unused increment rate and 2024 actual tax rate from the 2024 voter-approval tax rate. Multiply the result by the 2024 current total value</b>                                                                    |                     |
|            | A. Voter-approval tax rate (Line 68) .....                                                                                                                                                                                                                            | \$ 0.205326 /\$100  |
|            | B. Unused increment rate (Line 67) .....                                                                                                                                                                                                                              | \$ 0.000000 /\$100  |
|            | C. Subtract B from A .....                                                                                                                                                                                                                                            | \$ 0.205326 /\$100  |
|            | D. Adopted Tax Rate .....                                                                                                                                                                                                                                             | \$ 0.205326 /\$100  |
|            | E. Subtract D from C .....                                                                                                                                                                                                                                            | \$ 0.000000 /\$100  |
|            | F. 2024 Total Taxable Value (Line 60) .....                                                                                                                                                                                                                           | \$ 3,233,568,772    |
|            | G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero. ....                                                                                                                                                                 | \$ 0                |
| <b>66.</b> | <b>Year 1 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value</b>                                                                    |                     |
|            | A. Voter-approval tax rate (Line 67) .....                                                                                                                                                                                                                            | \$ 0.181386 /\$100  |
|            | B. Unused increment rate (Line 66) .....                                                                                                                                                                                                                              | \$ 0.006408 /\$100  |
|            | C. Subtract B from A .....                                                                                                                                                                                                                                            | \$ 0.174978 /\$100  |
|            | D. Adopted Tax Rate .....                                                                                                                                                                                                                                             | \$ 0.165180 /\$100  |
|            | E. Subtract D from C .....                                                                                                                                                                                                                                            | \$ 0.009798 /\$100  |
|            | F. 2023 Total Taxable Value (Line 60) .....                                                                                                                                                                                                                           | \$ 3,095,126,871    |
|            | G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero. ....                                                                                                                                                                 | \$ 303,260          |
| <b>67.</b> | <b>Total Foregone Revenue Amount. Add Lines 64G, 65G and 66G</b>                                                                                                                                                                                                      | \$ 303,260.000000   |
| <b>68.</b> | <b>2026 Unused Increment Rate. Divide Line 67 by Line 22 of the No-New-Revenue Rate Worksheet. Multiply the result by 100</b>                                                                                                                                         | \$ 0.009158 /\$100  |
| <b>69.</b> | <b>Total 2026 voter-approval tax rate. Add Line 68 to one of the following lines (as applicable): Line 50, Line D50 (only if Line D42(B) was used), Line 51 (counties), Line 59 (taxing units with additional sales tax) or Line 63 (taxing units with pollution)</b> | \$ 0.260884 /\$100  |

<sup>47</sup> Tex. Tax Code §26.013(b)

<sup>48</sup> Tex. Tax Code §26.013(a)(1-a), (1-b), and (2)

<sup>49</sup> Tex. Tax Code §26.04(c)(2)(A) and 26.042(a)

<sup>50</sup> Tex. Tax Code §26.0501(a) and (c)

<sup>51</sup> Tex. Local Gov't Code §120.007(d)

<sup>52</sup> Tex. Local Gov't Code §26.04(c)(2)(B)

**SECTION 6: De Minimis Rate**

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.<sup>53</sup>

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit.<sup>54</sup>

| Line | De Minimis Rate Worksheet                                                                                                          | Amount/Rate        |
|------|------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| 70.  | <b>Adjusted current year NNR M&amp;O tax rate.</b> Enter the rate from Line 40 of the <i>M&amp;O and Debt Tax Rate Worksheet</i> . | \$ 0.213759 /\$100 |
| 71.  | <b>Current year total taxable value.</b> Enter the amount on Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> .             | \$ 3,311,126,553   |
| 72.  | <b>Rate necessary to impose \$500,000 in taxes.</b> Divide \$500,000 by Line 71 and multiply by \$100.                             | \$ 0.015100 /\$100 |
| 73.  | <b>Current year debt rate.</b> Enter the rate from Line 49 of the <i>M&amp;O and Debt Tax Rate Worksheet</i> .                     | \$ 0.024503 /\$100 |
| 74.  | <b>De minimis rate.</b> Add Lines 70, 72 and 73.                                                                                   | \$ 0.253362 /\$100 |

**SECTION 7: Adjustment for Emergency Revenue Rate**

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year.<sup>55</sup>

This section will apply to a taxing unit other than a special taxing unit that:

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago.

Note: This section does not apply if a taxing unit is continuing to calculate its voter-approval tax rate in the manner provided for a special taxing unit because it is still within the disaster calculation time period detailed in Tax Code Section 26.042(a) because it has not met the conditions in Tax Code Section 26.042(a)(1) or (2).

| Line | Emergency Revenue Rate Worksheet                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Amount/Rate     |
|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| 75.  | <b>2025 adopted tax rate.</b> Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | \$ _____ /\$100 |
| 76.  | <b>Adjusted 2025 voter-approval tax rate.</b> Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. <sup>56</sup><br><br>If a disaster occurred in 2025 and the taxing unit calculated its 2025 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 42 (D42) of the 2025 worksheet due to a disaster, complete the applicable sections or lines of <i>Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> .<br><br>- or -<br><br>If a disaster occurred prior to 2025 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 42 (D42) in 2025, complete form 50-856-a, <i>Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> to recalculate the voter-approval tax rate the taxing unit would have calculated in 2025 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster. <sup>57</sup> Enter the final adjusted 2025 voter-approval tax rate from the worksheet. | \$ _____ /\$100 |
| 77.  | <b>Increase in 2025 tax rate due to disaster.</b> Subtract Line 76 from Line 75.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | \$ _____ /\$100 |
| 78.  | <b>Adjusted 2025 taxable value.</b> Enter the amount in Line 14 of the <i>No-New-Revenue Tax Rate Worksheet</i> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | \$ _____        |
| 79.  | <b>Emergency revenue.</b> Multiply Line 77 by Line 78 and divide by \$100.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | \$ _____        |
| 80.  | <b>Adjusted current year taxable value.</b> Enter the amount in Line 26 of the <i>No-New-Revenue Tax Rate Worksheet</i> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | \$ _____        |
| 81.  | <b>Emergency revenue rate.</b> Divide Line 79 by Line 80 and multiply by \$100. <sup>58</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | \$ _____ /\$100 |
| 82.  | <b>Current year voter-approval tax rate, adjusted for emergency revenue.</b> Subtract Line 81 from one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (taxing units with the additional sales tax), Line 63 (taxing units with pollution control) or Line 69 (taxing units with the unused increment rate).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | \$ _____ /\$100 |

<sup>53</sup> Tex. Tax Code §26.012(8-a)

<sup>54</sup> Tex. Tax Code §26.063(a)(1)

<sup>55</sup> Tex. Tax Code §26.042(b)

<sup>56</sup> Tex. Tax Code §26.042(c)

<sup>57</sup> Tex. Tax Code §26.042(b)

<sup>58</sup> Tex. Tax Code §26.042(b)

**SECTION 8: Total Tax Rate**

Indicate the applicable total tax rates as calculated above.

**No-new-revenue tax rate.** ..... \$ 0.241342 /\$100

As applicable, enter the current year NNR tax rate from: Line 27, Line 28 (counties), or Line 57 (adjusted for sales tax).

Indicate the line number used: 27**Voter-approval tax rate.** ..... \$ 0.260884 /\$100

As applicable, enter the current year voter-approval tax rate from: Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (adjusted for sales tax), Line 63 (adjusted for pollution control), Line 69 (adjusted for unused increment), or Line 82 (adjusted for emergency revenue).

Indicate the line number used: 69**De minimis rate.** ..... \$ 0.253362 /\$100

If applicable, enter the current year de minimis rate from Line 74.

**SECTION 9: Addendum**

An affected taxing unit that enters an amount described by Tax Code Section 26.012(6)(C) in line 21 must include the following as an addendum:

1. Documentation that supports the exclusion of value under Tax Code Section 26.012(6)(C); and
2. Each statement submitted to the designated officer or employee by the property owner or entity as required by Tax Code Section 41.48(c)(2) for that tax year.

Insert hyperlinks to supporting documentation:

**SECTION 10: Taxing Unit Representative Name and Signature**Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code.<sup>59</sup>**print  
here** ➡

Scott Fair

Printed Name of Taxing Unit Representative

**sign  
here** ➡

Scott Fair

Taxing Unit Representative

07/30/2026

Date

<sup>59</sup> Tex. Tax Code §26.04(c-2) and (d-2)

*Statements required in notice if the proposed tax rate exceeds the no-new-revenue tax rate but does not exceed the voter-approval tax rate, as prescribed by Tax Code §§26.06(b-2).*

## NOTICE OF PUBLIC HEARING ON TAX INCREASE

*This notice only applies to a taxing unit other than a special taxing unit or municipality with a population of less than 30,000, regardless of whether it is a special taxing unit.*

PROPOSED TAX RATE: \$0.260884 per \$100

NO-NEW-REVENUE TAX RATE: \$0.241342 per \$100

VOTER-APPROVAL TAX RATE: \$0.260884 per \$100

The no-new-revenue tax rate is the tax rate for the 2026 tax year that will raise the same amount of property tax revenue for City of Fredericksburg from the same properties in both the 2025 tax year and the 2026 tax year.

The voter-approval tax rate is the highest tax rate that City of Fredericksburg may adopt without holding an election to seek voter approval of the rate.

The proposed tax rate is greater than the no-new-revenue tax rate. This means that City of Fredericksburg is proposing to increase property taxes for the 2026 tax year.

A PUBLIC HEARING ON THE PROPOSED TAX RATE WILL BE HELD ON 09/08/2026 09:00 AM (CT) at The New City Hall, 2818 E US Hwy 290, Fredericksburg, TX

The proposed tax rate is not greater than the voter-approval tax rate. As a result, City of Fredericksburg is not required to hold an election at which voters may accept or reject the proposed tax rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the City of Fredericksburg at their offices or by attending the public hearing mentioned above.

### **YOUR TAXES OWED UNDER ANY OF THE TAX RATES MENTIONED ABOVE CAN BE CALCULATED AS FOLLOWS:**

$$\text{Property tax amount} = (\text{tax rate}) \times (\text{taxable value of your property}) / 100$$

*(List names of all members of the governing body below, showing how each voted on the proposal to consider the tax increase or, if one or more were absent, indicating absences.)*

FOR the proposal: Randy Briley, Bobby Watson, Tony Klein, Gary Neffendorf, Todd Eidson

AGAINST the proposal: none

PRESENT and not voting: none

ABSENT: none

Visit [Texas.gov/PropertyTaxes](https://texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

The following table compares the taxes imposed on the average residence homestead by City of Fredericksburg last year to the taxes proposed to be imposed on the average residence homestead by City of Fredericksburg this year.

|                                            | 2025        | 2026        | Change          |
|--------------------------------------------|-------------|-------------|-----------------|
| <b>Total tax rate (per \$100 of value)</b> | \$0.227427  | \$0.260884  | 14.71% increase |
| <b>Average homestead taxable value</b>     | \$535,705   | \$515,608   | 3.75% decrease  |
| <b>Tax on average homestead</b>            | \$1,218     | \$1,345     | 10.42% increase |
| <b>Total tax levy on all properties</b>    | \$7,789,055 | \$8,638,199 | 10.9% increase  |

For assistance with tax calculations, please contact the tax assessor for City of Fredericksburg at (830) 997-9809 or [tax@gillcad.org](mailto:tax@gillcad.org), or visit <https://gillespiecad.org/tax-rates/> for more information.

# Notice About 2026 Tax Rates

Property Tax Rates in City of Fredericksburg.

This notice concerns the 2026 property tax rates for City of Fredericksburg.

This notice provides information about two tax rates used in adopting the current tax year's tax rate. The no-new-revenue tax rate would impose the same amount of taxes as last year if you compare properties taxed in both years. In most cases, the voter-approval tax rate is the highest tax rate a taxing unit can adopt without holding an election. In each case, these rates are calculated by dividing the total amount of taxes by the current taxable value with adjustments as required by state law. The rates are given per \$100 of property value.

**This year's no-new-revenue tax rate** ..... \$0.241342/\$100.

**This year's voter-approval tax rate** ..... \$0.260884/\$100.

To see the full calculations, please visit [gillespie.countytaxrates.com](http://gillespie.countytaxrates.com) for a copy of the Tax Rate Calculation Worksheet.

## Unencumbered Fund Balances.

The following estimated balances will be left in the taxing unit's accounts at the end of the fiscal year. These balances are not encumbered by corresponding debt obligation.

| Type of Fund | Balance      |
|--------------|--------------|
| General Fund | \$10,829,000 |

## Current Year Debt Service.

The following amounts are for long-term debts that are secured by property taxes. These amounts will be paid from upcoming property tax revenues (or additional sales tax revenues, if applicable).

| Description of Debt                             | Principal or Contract Payment<br>To be Paid From Property Taxes | Interest to be Paid<br>From Property Taxes | Other<br>Amounts To<br>be Paid | Total<br>Payment |
|-------------------------------------------------|-----------------------------------------------------------------|--------------------------------------------|--------------------------------|------------------|
| 2012 GO Bond-Swimming Pools                     | \$180,000                                                       | \$30,785                                   | \$0                            | \$210,785        |
| 2017 Texas Limited Tax & Revenue CO's-Park land | \$180,000                                                       | \$71,275                                   | \$0                            | \$251,275        |
| Series 2024, CO's                               | \$60,000                                                        | \$401,950                                  | \$0                            | \$464,950        |

|                                                                  |            |
|------------------------------------------------------------------|------------|
| Total required for 2026 debt service                             | \$ 924,010 |
| - Amount (if any) paid from funds listed in unencumbered funds   | \$ 0       |
| - Amount (if any) paid from other resources                      | \$ 0       |
| - Excess collections last year                                   | \$ 120,530 |
| = Total to be paid from taxes in 2026                            | \$ 803,480 |
| + Amount added in anticipation that the taxing unit will collect |            |
| only 99.030000% of its taxes in 2026                             | \$ 7,870   |
| = Total Debt Levy                                                | \$ 811,350 |

This notice contains a summary of the no-new-revenue and voter-approval calculations as certified by Scott Fair, Chief Appraiser, 08/09/2026.

Visit [Texas.gov/PropertyTaxes](http://Texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.



## **CITY COUNCIL AGENDA MEMO**

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**DEPARTMENT:** City Secretary

**TO:** Mayor & City Council Members

**FROM:**

**MEETING DATE:** September 15, 2026

**CATEGORY:** ORDINANCES, RESOLUTIONS  
AND PUBLIC HEARINGS

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**CAPTION:** Consider approval of Resolution 2026-04 the City of Fredericksburg's Charity Care Policy for Ambulance Services for the Fire Department to discontinue collection of ambulance service fees for uninsured patients without the financial means in order to enroll in the Ambulance Supplemental Payment Program (ASPP). ASPP is a partnership between the State of Texas and Federal Government to recoup losses from uninsured patients. (Lynn Bizzell, Fire Chief & Krista Wareham, Finance Director)

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**SUMMARY:**

**BACKGROUND:**

**FUNDING SOURCE:**

**FINANCIAL IMPACT:**

**STAFF RECOMMENDATION:**

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**COMPREHENSIVE PLAN GUIDING PRINCIPLE:**

Neighborhood Quality  
Workforce  
Tourism  
City Center  
Mobility  
Small Town Sensitive Growth  
Governance

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**ATTACHMENTS:**

1. Attachment A-FBG Charity Policy-6.22.2026
2. Resolution 2026-04 FIRE Charity\_Care

**APPROVAL/REVIEW:**



Leticia Vacek, City Secretary

Date: September 09, 2026



Lynn Bizzell, Fire/EMS Chief

Date: September 09, 2026



Krista Wareham, Director of Finance

Date: September 09, 2026



Barbara Quirk, City Attorney

Date: September 09, 2026



Leticia Vacek, City Secretary

Date: September 09, 2026



Clinton Bailey, City Manager

Date: September 09, 2026



## **PURPOSE**

The purpose of this policy is to recognize that the Fredericksburg Fire EMS Department may provide ambulance services to patients who may not have the means to pay the ambulance transport fee due to circumstances beyond their control. It is not the intent of this policy to provide charity care to patients who have the ability to pay, or to patients who have private insurance, Medicare, Medicaid, or other third-party coverage.

## **POLICY**

It is the policy of Fredericksburg Fire EMS Department to provide ambulance services to our community without regard to a patient's and/or guarantor's ability to pay for these services. We maintain a charity care policy for patients who are unable to pay for all or part of their care for various reasons. Charity care is not available for patients who are able to pay for their care. For those patients who can pay for their care, Fredericksburg Fire EMS Department shall require payment but may offer special arrangements, including payment plans, with approval of the City of Fredericksburg. Payment plan inquiries shall be directed to the Fredericksburg EMS billing Administrator at 124 W Main Street, Fredericksburg, Texas, 78624, or subsequent billing vendors as contracted by the City of Fredericksburg.

Note: Hardship assistance consideration does not in any way substitute personal responsibility. The City expects full compliance from the transported patient or the party responsible for payment when establishing eligibility for the hardship assistance

## **GUIDELINES**

These guidelines are provided to the contractor(s) currently performing ambulance billing and collections and revenue maximization consulting services for Fredericksburg Fire EMS Department. The contractor(s) may rely on these guidelines and provide hardship assistance without further approval from the Fredericksburg EMS Department and/or the City of Fredericksburg. However, Fredericksburg Fire EMS Department reserves the right to review any of the accounts that were deemed eligible for charity care to ascertain if the contractor is acting in conformity with the guidelines. Fredericksburg Fire EMS Department further reserves the right to modify this policy at any time with the approval of City Council.



## City of Fredericksburg Fire EMS Charity Policy

Full charity care reduction (100% write-off of ambulance service charges to charity care) shall be granted to patients earning less than or equal to 400% of the Federal Poverty Level (FPL), as published annually by the Department of Health and Human Services.

Fredericksburg Fire EMS Department and/or its contractor(s) shall rely on financial data provided by the patient and may also utilize data from credit bureaus and other sources to determine if the patient is eligible for charity care. Once it is determined that the patient is eligible for charity care, the City of Fredericksburg Fire EMS Department, or its contractor(s), shall make no further attempts to collect payment from the patient.

## **Resolution 2026-04R**

**A Resolution of the City of Fredericksburg, Texas, approving the City of Fredericksburg Charity Care Policy for Ambulance Services for Fire-Rescue Department to discontinue collection of ambulance service fees for eligible patients, and providing an effective date.**

**WHEREAS**, it is the policy of the City of Fredericksburg to provide ambulance services to our community without regards to a patient's and/or guarantor's ability to pay for these services; and

**WHEREAS**, there are individuals who are not on Medicare/Medicaid or commercial insurance, and who reasonably cannot pay because they are indigent or below poverty thresholds; and

**WHEREAS**, staff recommends that the City of Fredericksburg Charity Care Policy for Ambulance Services be approved with the effective date of October 1, 2026; and

**WHEREAS**, upon full review and consideration of the City of Fredericksburg Charity Care Policy for Ambulance Services, the City Council is of the opinion that the policy should be approved.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS THAT:**

**Section I.** The City of Fredericksburg Charity Care for Ambulance Services Policy effective October 1, 2026 is hereby approved in its entirety as set forth in Attachment A.

**Section II.** It is not the intent of this policy to provide charity care to patients who have the ability to pay or patients who have private insurance, Medicare, Medicaid, or other third-party coverage.

**Section III.** For those patients who have the ability to pay, and do not meet the below eligibility guidelines for charity care, the City of Fredericksburg expects to receive payment in accordance with its normal billing policy.

**Section IV.** The City of Fredericksburg will grant a full charity care reduction (100% write-off of ambulance service charges to charity care) to patients without the ability to pay earning less than or equal to 400% of the Federal Poverty Level (FPL), as published annually by the U.S. Department of Health and Human Services.

**Section V.** The City of Fredericksburg and/or its contractor(s) shall rely on financial data provided by the patient and may also utilize data from credit bureaus and other sources to determine if the patient is eligible for charity care.

**Section VI.** Once it is determined that the patient is eligible for charity care, the City of Fredericksburg or its contractor(s) shall make no further attempts to collect payment from the patient.

**Section VII.** This Resolution shall become effective immediately upon its passage.

**DULY PASSED AND APPROVED** this the 15<sup>th</sup> day of September 2026.

\_\_\_\_\_  
Randy Briley, Mayor

ATTEST:

\_\_\_\_\_  
Leticia Vacek, TRMC/MMC/CMC  
City Secretary/RMO

APPROVED AS TO FORM:

\_\_\_\_\_  
Barbara Quirk, City Attorney



## CITY COUNCIL AGENDA MEMO

**DEPARTMENT:** Development Services  
**TO:** Mayor & City Council Members  
**FROM:** Cliff Cross, Director of Development Services

**MEETING DATE:** September 15, 2026

**CATEGORY:** ORDINANCES, RESOLUTIONS  
AND PUBLIC HEARINGS

**CAPTION:** **REQUEST – DEV-2026-83-ZC:** By Short Elliott Hendrickson, Inc to Consider the Following: (Cliff Cross, Director of Development Services).

A zoning change for .90 acres from Commercial (C2) To Single Family Residential (R1) and a Zoning Change for 1.35 Acres from Single Family Residential (R1) to Commercial (C2) for property legally described as ABS A0298 and commonly known as 111 Owl Lane, Fredericksburg, Texas. *The Planning & Zoning Commission recommended Approval, with an amended less intense C1 Neighborhood Commercial Designation, by a unanimous vote of 8-0.*

- i Presentation by the Applicant
- ii Presentation by the Staff
- iii Hold Public Hearing
- iv Take Action - Approve Ordinance 2026-32 for the Rezoning.

### **SUMMARY:**

The applicant has submitted a Zoning Change request to rezone approximately 2.25 acres within an existing approximate 56.24 acre tract at the property commonly known as 111 Owl Lane. Specifically, the applicant is seeking to reconfigure and rezone approximately .90 acres from Commercial (C2) to Single Family Residential (R1) and further rezone 1.35 acres from Single Family Residential (R1) to Commercial (C2). The applicant is requesting to reconfigure the current underlying zoning to accommodate future development.

### **BACKGROUND:**

The surrounding properties include Single Family Residential (R1) to the east and south and Commercial (C2) to the north and west. There is also a mixture of Public Facilities (PF) and Multi-Family Residential (R3) to the north and east. South of the total 56.24 acre site is unincorporated Gillespie County.

A significant portion of the property is currently zoned R1, Single-Family Residential and permits uses by right and upon the issuance of a conditional use permit, some of the mixture and intensity of use types include the following:

|                                                                                            |                                                                                        |
|--------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| Single Family Residential (Detached)                                                       | Local Utility Service                                                                  |
| Short-term Rental, Accessory: (With a STR permit and adherence to Chapter 20, Article VII) | Short-term Rental, B & B: (With a STR permit and adherence to Chapter 20, Article VII) |

## Permitted Subject To Conditional Use Permit

The following uses may be permitted subject to a Conditional Use Permit as provided in Section 5.400.

|                      |                                          |
|----------------------|------------------------------------------|
| Community Recreation | Private Secondary Educational Facilities |
| Day Care Services    | Private Secondary Educational Facilities |
| Guidance Services    | Religious Assembly                       |

Except as hereinafter provided, no building or structure or part thereof shall be erected, altered or converted for any use permitted in this district unless it is in conformity with all the standards and regulations herein specified for lot area, width and depth, dwelling unit area, lot coverage, yards and building height. The following standards shall apply except in cases where a lot does not meet the standards herein required but was an official "lot of record" prior to the adoption of this ordinance. In such cases, the present dimension shall be maintained as a minimum standard unit until such time as the use is removed. The replacement shall meet the standards and regulations herein specified.

## Site Development Regulations

Each site in the R-1 district shall be subject to the following site development regulations:

| Feature                      | Regulation                                                                                                       |
|------------------------------|------------------------------------------------------------------------------------------------------------------|
| Lot Size                     | Minimum Lot Area, 7500 Square feet; or 10,000 square feet for guest houses and short-term rental, accessory uses |
| Lot Width                    | Minimum Lot Width, 70 feet                                                                                       |
| Height                       | Maximum Building Height, 2½ stories, 28 feet                                                                     |
| Front Yard                   | Minimum Required Setback, 25 feet                                                                                |
| Street Side Yard             | Minimum Required Setback, 15 feet                                                                                |
| Interior Side Yard           | Minimum Required Setback, 5 feet                                                                                 |
| Rear Yard                    | Minimum Required Setback, 10 feet                                                                                |
| Residential Density          | Maximum Dwelling Units per Lot, 1 per Lot Minimum Dwelling Areas                                                 |
| (Living Area Only)           | 750 Square feet                                                                                                  |
| Maximum Building Coverage    | Percent of Lot Area, 40%                                                                                         |
| Impervious Cover             | Percent of Lot Area, 55%                                                                                         |
| Nonconforming Uses           | Section 6.100                                                                                                    |
| Special Yard Regulations     | Section 7.300                                                                                                    |
| Fences, Walls and Visibility | Section 7.530                                                                                                    |
| Parking                      | Section 7.800                                                                                                    |
| Temporary/Accessory Building | Section 8.000                                                                                                    |
| Home Occupations             | Section 8.300                                                                                                    |

**Sec. 3.210 - C2: Commercial** speaks to the development standards allowed in C2 and includes the following uses permitted by right:

This zone is intended to provide for businesses and services that serve persons throughout the city and the area. These uses generally require frontages on major cross street intersections of highways or other major arterial, given their high visibility and traffic generation ability.

#### Principal Permitted Uses

|                                    |
|------------------------------------|
| Administrative and Business Office |
| Agricultural Sales and Services    |
| Arts and Crafts                    |
| Automotive Rentals                 |
| Automotive Repair Services         |
| Automotive Sales                   |
| Automotive Washing                 |
| Building Maintenance Services      |
| Business or Trade School           |
| Business Support Services          |
| Club or Lodge                      |
| Cocktail Lounge                    |
| Commercial Off-Street Parking      |

|                                  |
|----------------------------------|
| Communication Services           |
| Construction Sales and Services  |
| Consumer Convenience Services    |
| Consumer Repair Services         |
| Convalescent Services            |
| Convenience Store/Self Serve Gas |
| Cultural Services                |
| Custom Manufacturing             |
| Day Care Services                |
| Equipment Repair Services        |
| Equipment Sales                  |
| Exterminating Services           |
| Financial Services               |
| Food Sales                       |
| Funeral Services                 |
| Group Residential                |

|                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------|
| Single Family Residential (detached) if structure was not used as other than residential in its most recent use |
| General Retail Sales                                                                                            |
| Guidance Services                                                                                               |
| Hotel/Motel                                                                                                     |
| Horticulture                                                                                                    |
| Hospital Services (Limited)                                                                                     |
| Indoor Entertainment                                                                                            |
| Indoor Sports and Recreation                                                                                    |
| Kennels                                                                                                         |
| Laundry Services                                                                                                |
| Liquor Sales                                                                                                    |
| Local Utility Services                                                                                          |
| Maintenance and Service Facilities                                                                              |
| Medical Offices                                                                                                 |
| Mobile Food Establishments, but not in any right-of-way or public easement                                      |
| Multiple Family Residential                                                                                     |



|                                                                                             |
|---------------------------------------------------------------------------------------------|
| Outdoor Entertainment                                                                       |
| Outdoor Sports and Recreation                                                               |
| Pawn Shop Services                                                                          |
| Personal Improvement Services                                                               |
| Personal Services                                                                           |
| Pet Services                                                                                |
| Private Primary Educational Facilities                                                      |
| Private Secondary Educational Facilities                                                    |
| Professional Offices                                                                        |
| Religious Assembly                                                                          |
| Research Services                                                                           |
| Restaurant - Drive-In/Fast Food                                                             |
| Restaurant                                                                                  |
| Service Station                                                                             |
| Veterinary Services                                                                         |
| Short-term Rental, Unoccupied: (With a STR permit and adherence to Chapter 20, Article VII) |

|                                                                                            |
|--------------------------------------------------------------------------------------------|
| Short-term Rental, Accessory: (With a STR permit and adherence to Chapter 20, Article VII) |
| Short-term Rental, B & B: (With a STR permit and adherence to Chapter 20, Article VII)     |
| Short-term Rental, Facility: (With a STR permit and adherence to Chapter 20, Article VII)  |
| Corporate Housing (Chapter 20, Article VII)                                                |

#### Uses Permitted Subject to Conditional Use Permit

The following uses may be permitted subject to a Conditional Use Permit as provided for in section 5.400.

|                                                                                                         |
|---------------------------------------------------------------------------------------------------------|
| Camp Grounds                                                                                            |
| Condominiums (Section 7.610)                                                                            |
| Convenience Storage                                                                                     |
| Drive through facilities associated with any use                                                        |
| Game of Skill Parlor                                                                                    |
| Single Family Residential (detached)- new construction or after cessation of use other than residential |
| Duplex Residential Condominium Residential(section 7.610)                                               |
| Single Family Residential (Detached)                                                                    |
| Tattoo Studio                                                                                           |
| Townhouse Residential (section 7.610)                                                                   |

Transportation Terminals

Vape Shop

Except as hereinafter provided, no building or structure or part thereof shall be erected, altered or converted for any use permitted in this district unless it is in conformity with all the standards and regulations herein specified for lot area, lot width, lot depth, dwelling unit area, lot coverage, yards and building height. The following standards shall apply except in cases where a lot does not meet the following standards herein required but was an official "lot of record" prior to the adoption of this ordinance. In such cases, the present dimension shall be maintained as a minimum standard until such time as the use is removed. The replacement shall meet the standards and regulations herein specified.

#### Site Development Regulations

Each site in the C-2 District shall be subject to the following site development regulations.

| Feature                     | Regulation                                                                                                                                                                   |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Lot Size                    | Minimum Lot Area, 5000 Square feet                                                                                                                                           |
| Lot Width                   | Minimum Lot Width, 50 feet                                                                                                                                                   |
| Height                      | Maximum Building Height, 3 stories, 38 feet                                                                                                                                  |
| Front Yard                  | Minimum Required Setback, 15 feet                                                                                                                                            |
| Street Side Yard            | Minimum Required Setback, 15 feet                                                                                                                                            |
| Interior Side Yard          | Minimum Required Setback, 0 feet; or<br>10 feet when abutting residential zoning districts; or<br>15 feet for 2 story structures, when abutting residential zoning districts |
| Rear Yard                   | Minimum Required Setback, 0 feet; or<br>15 feet when abutting residential zoning districts; or<br>25 feet for 2 or more stories, when abutting residential zoning districts  |
| Maximum Impervious Coverage | 80%                                                                                                                                                                          |

|                                       |                                            |
|---------------------------------------|--------------------------------------------|
| Maximum Building Coverage             | Percent of Lot Area, 75%                   |
| Residential Density                   | Section 3.120                              |
| Nonconforming Uses                    | Section 6.100                              |
| Site Development Regulations          | Section 7.000                              |
| Special Yard Regulations              | Section 7.300                              |
| Fences, Walls and Visibility          | Section 7.530                              |
| Parking                               | Section 7.800                              |
| Landscaping and Screening Regulations | Section 7.900                              |
| Temporary/Accessory Building          | Section 8.100                              |
| Signs                                 | Sign Ordinance                             |
| Outdoor Amplified Sound               | Prohibited when abutting R-1, R-1-A, or R5 |

It is the desire of the applicant to obtain a C1, Neighborhood Commercial Zoning classification and Sec. 3.200 - C1, Neighborhood Commercial speaks to the development standards allowed below:

This zone is intended to provide for the establishment of restricted commercial facilities, to serve the conveniences and needs of the immediate neighborhood and must be compatible with the residential character and environment of the neighborhood. These uses generally result in limited traffic generation.

#### Principal Permitted Uses

Building, structures and lands shall be used, and buildings and structures shall hereinafter be erected, altered or enlarged only for the following uses as the City Council, by resolution, may deem to be similar to those uses listed and not obnoxious or detrimental to the public health, safety and welfare:

|                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------|
| Administrative and Business Office                                                                              |
| Convalescent Services                                                                                           |
| Cultural Services                                                                                               |
| Day Care Services                                                                                               |
| Group Residential                                                                                               |
| Local Utility Services                                                                                          |
| Medical Services                                                                                                |
| Multiple Family Residential (Section 3.110)                                                                     |
| Personal Services                                                                                               |
| Private Primary Educational Services                                                                            |
| Private Secondary Educational Facilities                                                                        |
| Professional Office                                                                                             |
| Religious Assembly                                                                                              |
| Single Family Residential (detached) if structure was not used as other than residential in its most recent use |
| Short-term Rental, Unoccupied: (With a STR permit and adherence to Chapter 20, Article VII)                     |
| Short-term Rental, Accessory: (With a STR permit and adherence to Chapter 20, Article VII)                      |

|                                                                                           |
|-------------------------------------------------------------------------------------------|
| Short-term Rental, B&B: (With a STR permit and adherence to Chapter 20, Article VII)      |
| Short-term Rental, Facility: (With a STR permit and adherence to Chapter 20, Article VII) |
| Corporate Housing: (With a STR permit and adherence to Chapter 20, Article VII)           |

#### Uses Permitted Subject to Conditional Use Permit

The following uses may be permitted subject to a Conditional Use Permit as provided for in section 5.400.

|                                         |
|-----------------------------------------|
| Arts and Crafts                         |
| Automotive Washing                      |
| Building Maintenance Services           |
| Business School                         |
| Business Support Services               |
| Club or Lodge                           |
| Communication Services                  |
| Condominium Residential (section 7.610) |
| Consumer Repair Services                |
| Convenience Storage                     |
| Convenience Store/Self Serve Gasoline   |

|                                                                                                         |
|---------------------------------------------------------------------------------------------------------|
| Duplex Residential                                                                                      |
| Food Sales                                                                                              |
| Guidance Services                                                                                       |
| Laundry Services                                                                                        |
| Limited Retail Sales                                                                                    |
| Liquor Sales                                                                                            |
| Personal Improvement Services                                                                           |
| Pet Services                                                                                            |
| Restaurant - Limited                                                                                    |
| Single Family Residential (detached)- new construction or after cessation of use other than residential |
| Townhouse Residential Drive through Facilities Associated with any use                                  |

#### Property Development Standards

Except as hereinafter provided, no building or structure or part thereof shall be erected, altered, or converted for any use permitted in this district unless it is in conformity with all the standards and regulations herein specified for lot area, lot width, lot depth, dwelling unit area, lot coverage, yards and building height. The following standards shall apply except in cases where a lot does not meet the standards herein required but was an official "lot of record" prior to the adoption of this ordinance. In such cases, the present dimension shall be maintained as a minimum standard until such time as the use is removed. The replacement shall meet the standards and regulations herein specified.

## Site Development Regulations

Each site in the C-1 District shall be subject to the following site development regulations.

| Feature                      | Regulation                                                                                                                                                                      |
|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Lot Size                     | Minimum Lot Area, 7500 Square feet                                                                                                                                              |
| Lot Width                    | Minimum Lot Width, 70 feet                                                                                                                                                      |
| Height                       | Maximum Building Height, 3 stories, 38 feet                                                                                                                                     |
| Front Yard                   | Minimum Required Setback, 25 feet                                                                                                                                               |
| Street Side Yard             | Minimum Required Setback, 25 feet                                                                                                                                               |
| Interior Side Yard           | Minimum Required Setback, 5 feet; or<br>10 feet when abutting residential zoning districts; or<br>15 feet for 2 story structures, when abutting residential<br>zoning districts |
| Rear Yard                    | Minimum Required Setback, 10 feet; or<br>15 feet when abutting residential zoning districts; or<br>25 feet for 2 or more stories, when abutting residential<br>zoning districts |
| Maximum Impervious Coverage  | 70%                                                                                                                                                                             |
| Maximum Building Coverage    | Percent of Lot Area, 50%                                                                                                                                                        |
| Residential Density          | Section 3.110                                                                                                                                                                   |
| Nonconforming Uses           | Section 6.100                                                                                                                                                                   |
| Site Development Regulations | Section 7.000                                                                                                                                                                   |



|                                       |                                            |
|---------------------------------------|--------------------------------------------|
| Special Yard Regulations              | Section 7.300                              |
| Fences, Walls and Visibility          | Section 7.530                              |
| Parking                               | Section 7.800                              |
| Landscaping and Screening Regulations | Section 7.900                              |
| Temporary/Accessory Building          | Section 8.000                              |
| Signs                                 | Sign Ordinance                             |
| Outdoor Amplified Sound               | Prohibited when abutting R-1, R-1-A, or R5 |

**The 2024 Comprehensive Plan** identifies the subject property as a future Place Type of Mixed Density Residential District which is envisioned to provide a greater level of residential density in a variety of forms. In limited circumstances, commercial retail, office, restaurant (no drive-thru), and personal service uses may be considered in supporting the residential intent of the category.

Appropriate existing zoning districts would include R1-A, R2, R3, R5, NC

**Notice of Public Hearing Response:** As part of the Public Hearing process, staff must notify property owners that own property within 200 ft of the subject property. Staff notified all property owners within 300 ft. for this request. As of September 8, 2026, no responses have been received.

**FUNDING SOURCE:**

NA

**FINANCIAL IMPACT:**

NA

**STAFF RECOMMENDATION:**

Staff reviewed the request and the proposed application requesting the zoning change. In reviewing the request, the Comprehensive Plan has classified the subject property as a Mixed Density Residential place type and, per the "Intent And Character section of the plan the following is identified:

*The Mixed Density Residential category is envisioned to provide a greater level of residential density in a variety of forms. This category best accommodates residences built to meet the "missing middle" segment of the marketplace. This may include townhomes, attached dwellings, patio homes, apartments in the appropriate context, or a mix of several of these in a planned setting. Missing middle housing bridges the gap between single-family homes and mid-rise apartments. By integrating these housing types, communities can enhance affordability, create walkable neighborhoods, and modestly boost density.*

*In some instances, these areas may be designed in a more urban character in a walkable pedestrian environment. Buildings are intended to be street-oriented, with on-street parking or rear parking, pedestrian and bicycle facilities, short blocks with good street connectivity, and nearby goods and services.*

### ***Appropriate Land Use Types***

*In limited circumstances, commercial retail, office, restaurant (no drive-thru), and personal service uses may be considered if supporting the residential intent of the category.*

Furthermore, the properties to the north and south are primarily located within the Mixed-Use Community Corridor place type which identifies the appropriate existing zoning districts as R2, R3, R5, NC, C, M3, MU1 and MU2. Properties to the west are located within the Light Industrial place type. When considering any request the proximity and uses of those properties should also be considered. When evaluating this request, the place type designation traditionally would not accommodate the C2 underlying district in compliance with the Comprehensive Plan. However, when considering the request, staff believed that the reconfiguration of the current zoning would not impact the intent of the comprehensive plan, Based upon all factors such as traffic, surrounding uses, intensity, etc staff recommended approval of the request contingent upon a findings of fact supporting the request.

The Planning and Zoning Commission initially considered this request during their August 2026 P&Z meeting and tabled the item requesting the applicant reconsider a less intense C1 district and also consider the rezoning of the remaining C2 district to a C1 district at a future date. The applicant agreed to consider the less intense C1 District and appeared before the P&Z during their September 2, 2026 meeting. The Planning and Zoning Commission reconsidered the request and recommended the approval, as presented, with an amendment to rezone the roughly 1.35 acre portion to the less intense C1 Neighborhood Commercial underlying district.

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### **COMPREHENSIVE PLAN GUIDING PRINCIPLE:**

Neighborhood Quality  
Mobility  
Small Town Sensitive Growth  
Governance

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### **ATTACHMENTS:**

1. 111 Owl Lane Notification Map
2. 111 Owl Lane Zoning Map
3. 111 Owl Lane Land Use
4. 111 Owl Lane Place Type
5. 2024-Fredericksburg-Comprehensive-Plan MDR Info
6. 2605-17\_111 Owl Ln\_Survey Map\_20260703
7. 2026.08.11\_REZONING FIGURE NEW\_For Packet
8. Ordinance 2026-32 111 Owl Lane Rev

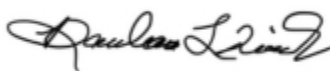
### **APPROVAL/REVIEW:**



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Cliff Cross, Director of Development Services

Date: September 09, 2026



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Barbara Quirk, City Attorney

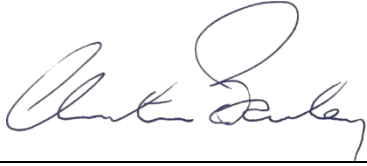
Date: September 09, 2026



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Leticia Vacek, City Secretary

Date: September 09, 2026

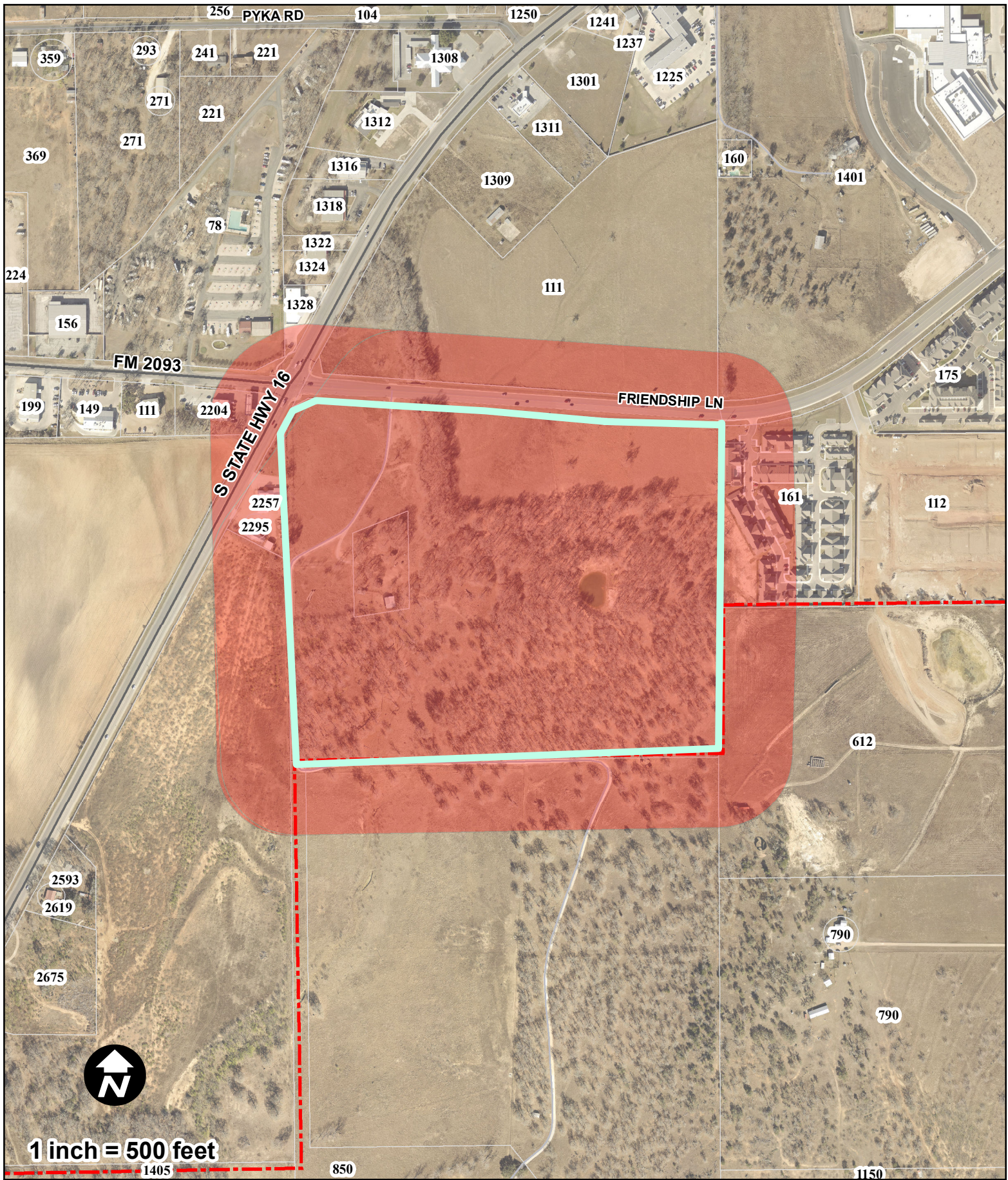


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Clinton Bailey, City Manager

Date: September 09, 2026



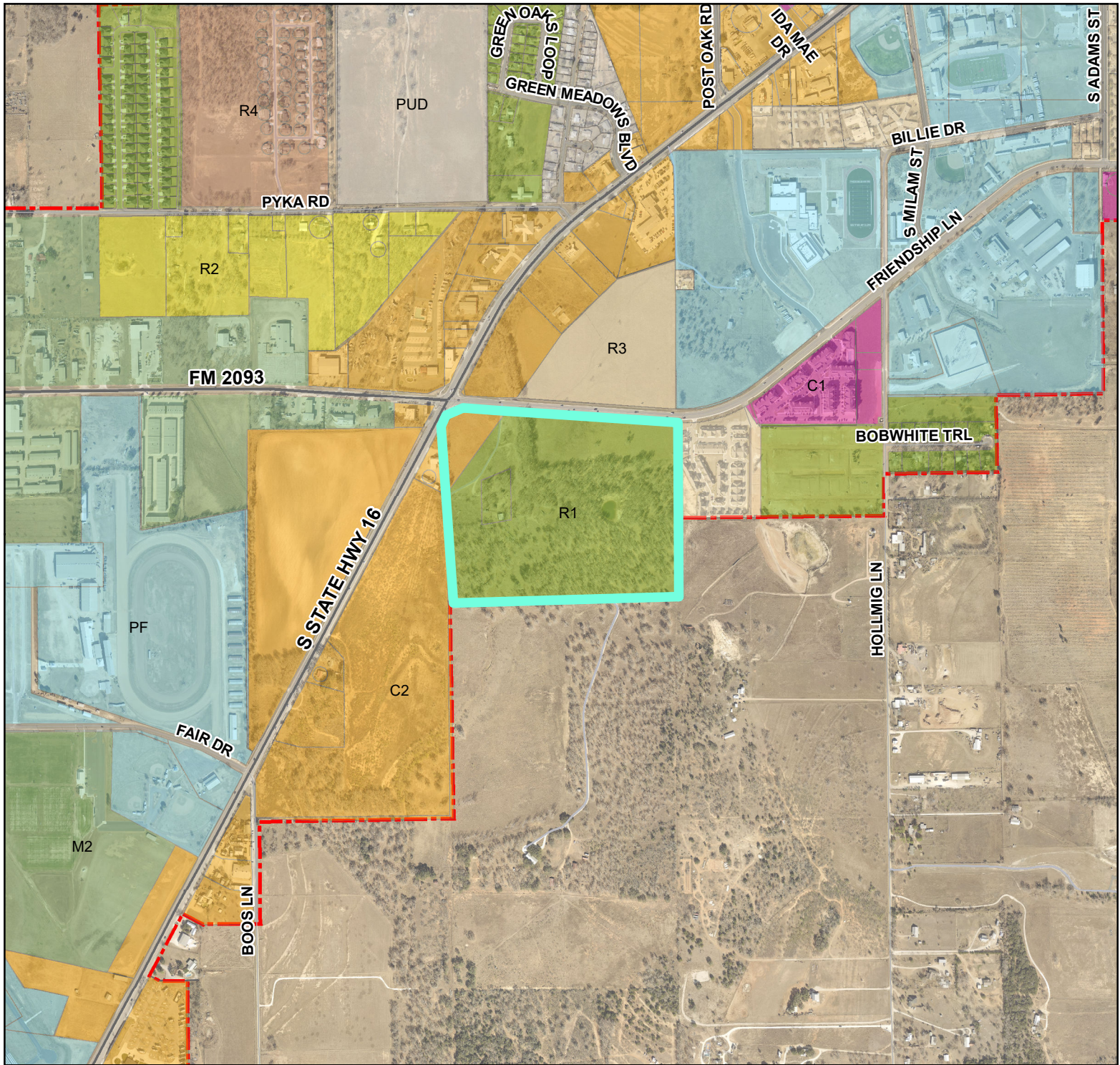


### LEGEND

- 300' Buffer Notification
- GCAD Parcels

City of Fredericksburg  
Dev-2026-87-ZC - 111 Owl Lane





# **LEGEND**

## **Underlying Zoning**

### **ZONED**

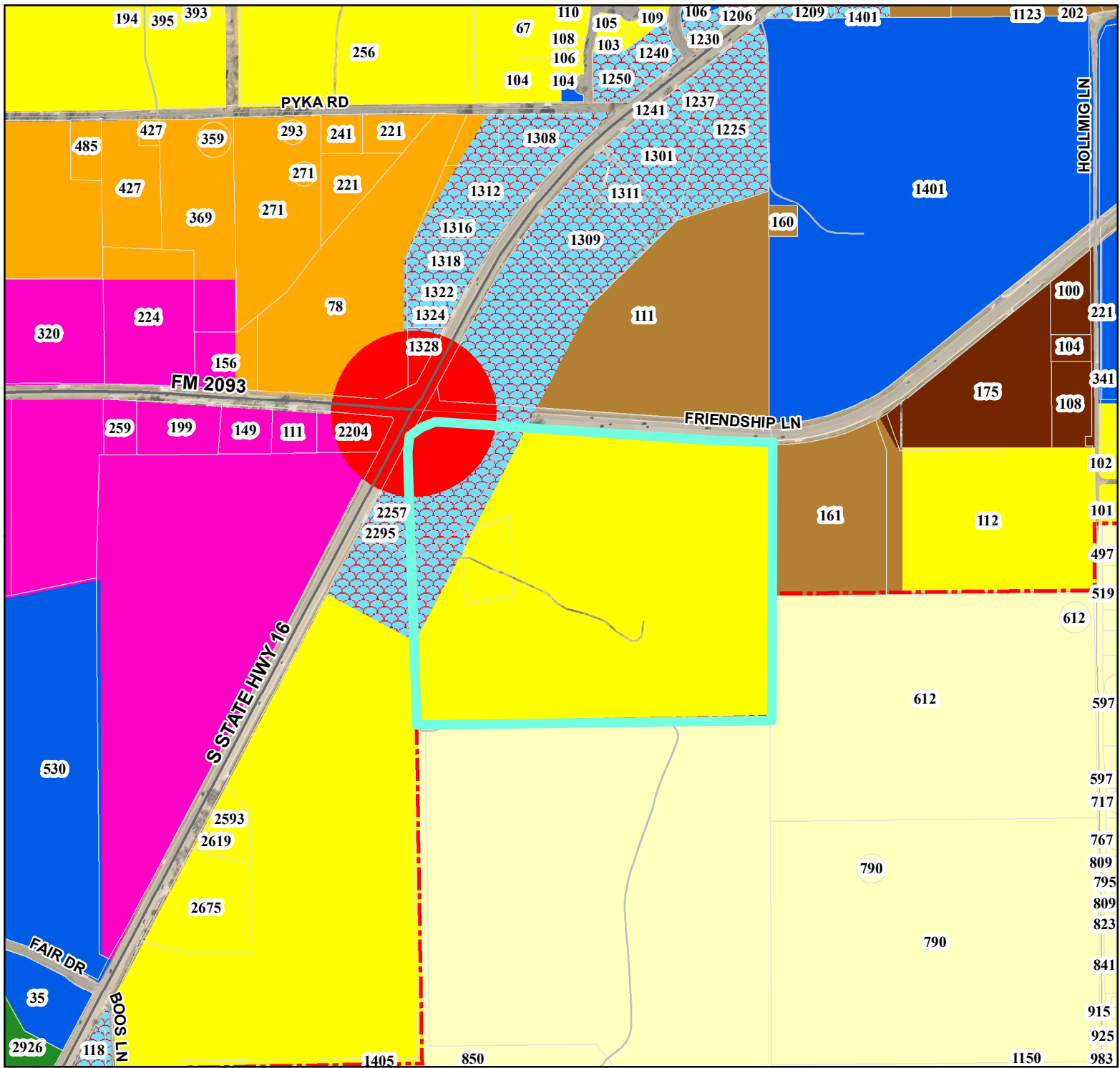
- C1 - Neighborhood Commercial
- C1.5 - Medium Commercial
- C2 - Commercial
- CBD - Central Business District
- M1 - Light Manufacturing
- M2 - Medium Manufacturing
- OS - Open Space
- PF - Public Facilities
- PUD - Planned Unit Development

- R1 - Single Family Residential
- R1A - Single Family Residential - Small Lot
- R2 - Mixed Residential
- R3 - Multi-Family Residential
- R4 - Manufactured Home Residential
- R5 - Patio Home Residential



City of Fredericksburg  
DEV-2026-83-ZC - 111 Owl Lane



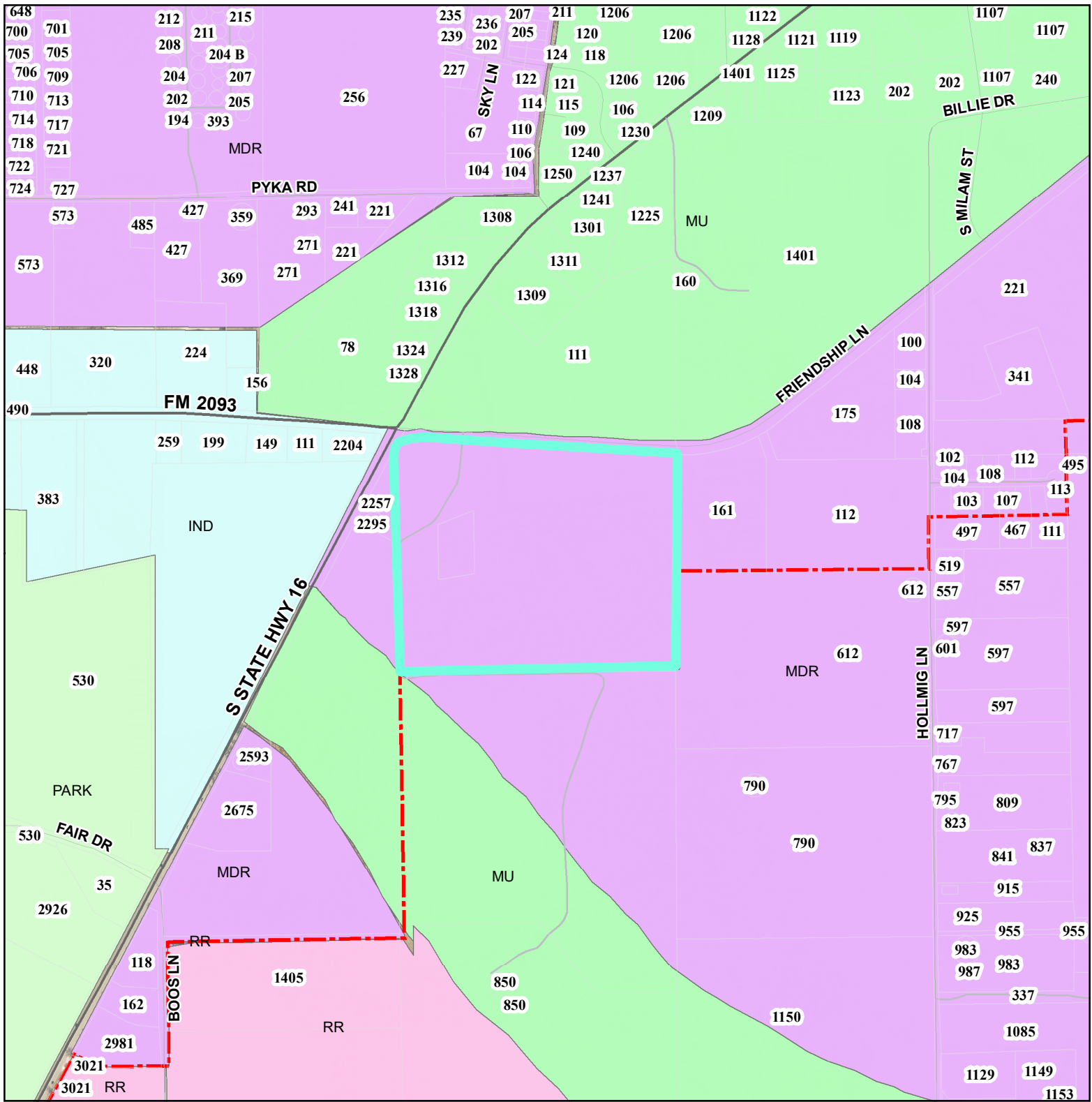


# **LEGEND**

|                |                                    |  |                            |
|----------------|------------------------------------|--|----------------------------|
|                | GCAD Parcels                       |  | Low Density Residential    |
| <b>Landuse</b> |                                    |  | Medium Density Residential |
| <b>LANDUSE</b> |                                    |  | Mixed Use Corridor         |
|                | Downtown Central Business District |  | Parks & Open Space         |
|                | Uptown Central Business District   |  | Public / Semi-Public       |
|                | Commercial Center                  |  | Rural                      |
|                | Commercial                         |  |                            |
|                | Employment Center                  |  |                            |
|                | FUTURE ROW                         |  |                            |
|                | High Density Residential           |  |                            |
|                | Industrial                         |  |                            |



City of Fredericksburg  
DEV-2026-83-ZC - 111 Owl Lane



# **LEGEND**

GCAD Parcels

## **Place\_Type**

- MU
- GC
- HSD
- IND
- MDR
- MU
- NR
- PARK
- RR



City of Fredericksburg  
DEV-2026-83-ZC - 111 Owl Lane



# Mixed Density Residential

## INTENT AND CHARACTER

The Mixed Density Residential category is envisioned to provide a greater level of residential density in a variety of forms. This category best accommodates residences built to meet the “missing middle” segment of the marketplace. This may include townhomes, attached dwellings, patio homes, apartments in the appropriate context, or a mix of several of these in a planned setting. Missing middle housing bridges the gap between single-family homes and mid-rise apartments. By integrating these housing types, communities can enhance affordability, create walkable neighborhoods, and modestly boost density.

In some instances, these areas may be designed in a more urban character in a walkable pedestrian environment. Buildings are intended to be street-oriented, with on-street parking or rear parking, pedestrian and bicycle facilities, short blocks with good street connectivity, and nearby goods and services.

Within the Historic District special care and review is required. The intent of this place type is not to change the character but allow for infill to create more housing where appropriate. This place type is found in both greenfield and infill situations, with seamless transition to nearby conventional residential neighborhoods.

## APPROPRIATE LAND USE TYPES

### Commercial

- In limited circumstances, commercial retail, office, restaurant (no drive-thru), and personal service uses may be considered if supporting the residential intent of the category.

### Residential

- Single-family detached; single-family attached uses; cottage court/garden homes; townhouses (up to six attached units); low-rise multi-family (2 to 2.5 stories); garden-style apartments; and some contextual mixed-use urban lofts in places with more urban character.
- Within the Historic District, maintaining context with the existing character, single-family detached; single-family attached uses; duplex; triplex; townhouses (up to four attached units); single-family small lot; and some contextual mixed-use urban lofts in places with more urban character.

### Industrial

- Not appropriate

### Institutional

- Places of public assembly; utility and service use (e.g., electrical substations, fire stations, etc.).

### Green Spaces

- Parks and recreation facilities; natural areas; open spaces; trail corridors; water quality features

## Development Intensity Target

|             |           |
|-------------|-----------|
| Residential | 80 - 100% |
| Commercial  | 0 - 20%   |





## GUIDANCE AND INTERPRETATION

The following recommendations should be considered for decision-making for zoning requests, development approvals, and regulatory adjustments:

- New development shall be built with a more urban or semi-urban character, including larger sidewalks and street trees.
- This land use can be a good transitional use from lower density residential to higher density or nonresidential uses, including near downtown.
- Connectivity to adjacent developments through trails and sidewalks is critical to maintaining access for transportation and recreation.
- Vehicle access through rear alleys and side or rear parking is desired instead of a front-loaded product.
- Social gathering spaces should be prioritized, including either public parks, passive open space or active private spaces within a development.
- Regional stormwater retention facilities and infrastructure should be utilized to create greenways and pedestrian/bicycle paths.
- Infill and development within the Historic District is subject to the Historic Preservation Ordinance and review by the Historic Review Board.

### DEVELOPMENT CODE CONSIDERATIONS

Appropriate Existing Zoning Districts:

- R1-A, R2, R3, R5, NC

Implementation - Development Code Review:

- Review building height and setbacks for consistency
- Review buffers and screening to ensure compatibility (urban scale)
- Ensure street and pedestrian connectivity requirements to maintain connected street patterns
- Require sidewalks along all streets for development applications regardless of the Sidewalk and Trails Plan.
- Connectivity and efficient infrastructure requirements to add value
- Establish standards and requirements for alley facing garages, driveway requirements related to frontage on public streets versus alleys, garage door facing locations, and ensure front doors face the public street
- Maintain high standard of review from the Historic Review Board for development in the Historic District

## REPRESENTATIVE IMAGERY

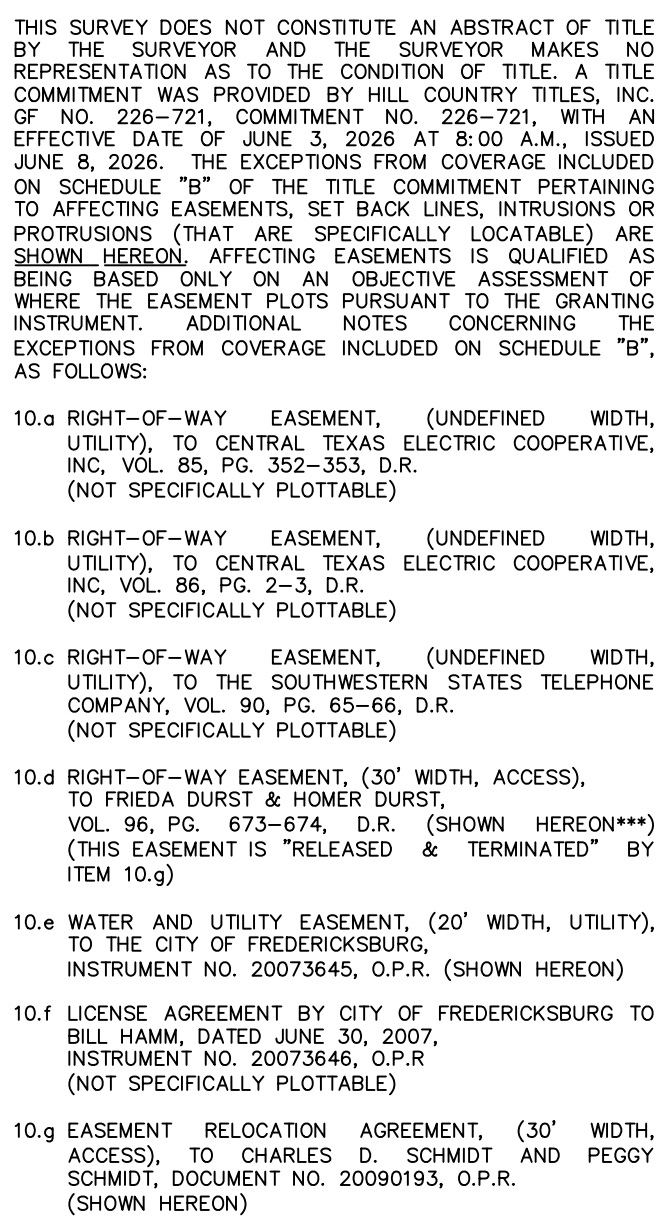




| BOUNDARY CURVE TABLE |           |            |              |               |             |
|----------------------|-----------|------------|--------------|---------------|-------------|
| CURVE                | RADIUS    | ARC LENGTH | CHORD LENGTH | CHORD BEARING | DELTA ANGLE |
| C1                   | 1,050.00' | 54.07'     | 54.06'       | S87°27'06"E   | 2°57'01"    |
| C2                   | 950.00'   | 46.83'     | 46.82'       | N87°25'22"W   | 2°49'27"    |
| C3                   | 2,814.80' | 388.52'    | 388.21'      | N31°57'33"E   | 7°54'30"    |

| BOUNDARY LINE TABLE |             |          |
|---------------------|-------------|----------|
| LINE                | BEARING     | DISTANCE |
| L1                  | N27°59'29"E | 54.48'   |
| L2                  | N59°00'44"E | 82.07'   |
| L3                  | N10°06'21"W | 75.85'   |
| L4                  | S16°22'21"E | 135.67'  |
| L5                  | S06°31'10"W | 44.75'   |
| L6                  | S24°16'11"W | 46.06'   |
| L7                  | S07°10'41"W | 21.71'   |
| L8                  | S24°35'53"E | 41.64'   |
| L9                  | S11°26'35"E | 40.01'   |
| L10                 | N00°56'06"W | 216.08'  |

| SITE CONTROL POINT TABLE |                |               |           |
|--------------------------|----------------|---------------|-----------|
| POINT                    | NORTHING       | EASTING       | ELEVATION |
| 1001                     | 10,058,065.740 | 2,752,227.045 | 1,703.46  |
| 1002                     | 10,058,034.006 | 2,751,703.588 | 1,697.84  |
| 1003                     | 10,058,024.343 | 2,752,735.215 | 1,709.35  |
| 1004                     | 10,058,070.018 | 2,751,043.177 | 1,698.35  |
| 1005                     | 10,057,578.123 | 2,750,592.766 | 1,697.53  |
| 1006                     | 10,056,595.333 | 2,750,927.711 | 1,682.80  |
| 1007                     | 10,056,688.464 | 2,752,634.786 | 1,707.76  |



1. CLIENT: SHORT-LEIGHT-HENDERSON KINCIN  
SITE ADDRESS: 1111 OWL LANE,  
FREDERICKSBURG, TEXAS 78624  
JOB NO.: 28005

2. ONLY APPARENT, OBSERVED ABOVE-GROUND UTILITY AND ARE SHOWN HEREON. NO ATTEMPT HAS BEEN MADE TO SHOW HEREON TO SHOW THE EXISTENCE, SIZE OR LOCATION OF ANY OF THE UTILITY OR INFORMATION REGARDING UNDERGROUND UTILITY. THE APPROPRIATE AGENCY/OPERATOR NO EXCAVATION, DRILLING, OR OTHER MEANS TO FIND THE UTILITY LOCATIONS. THE SURVEYOR MAKES NO WARRANTY AS TO THE EXACT LOCATION OF UNDERGROUND UTILITY.

3. ACCORDING TO THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) FLOOD INSURANCE RATE MAP NO. 48171C0269C, AND PANEL NO. 48171C04501, EFFECTIVE DATE OF OCTOBER 19, 2001, THE PROPERTY IS LOCATED WITHIN A FLOOD HAZARD AREA. THIS FLOOD STATEMENT DOES NOT INDICATE THE EXISTENCE OF ANY STRUCTURES OR PROPERTY OR THE STRUCTURES THEREON WAS OR MAY BE DAMAGED BY FLOOD OR HEIGHTS MAN-MADE OR NATURAL CAUSES.

4. THE COORDINATES, BEARINGS, DISTANCES AND IMPROVEMENTS SHOWN HEREON ARE DERIVED FROM THE 1983 NAD83 COORDINATE SYSTEM, THE TEXAS STATE PLAN COORDINATE SYSTEM, CENT NORTH AMERICAN DATUM 1983 (NAD83) (24" X 36"). REFERENCE TO GRID COORDINATES AND ELEVATIONS SHOWN ARE REFERENCED TO THE GEOID08 MODEL, EXPRESSED IN U.S. SURVEY FEET.

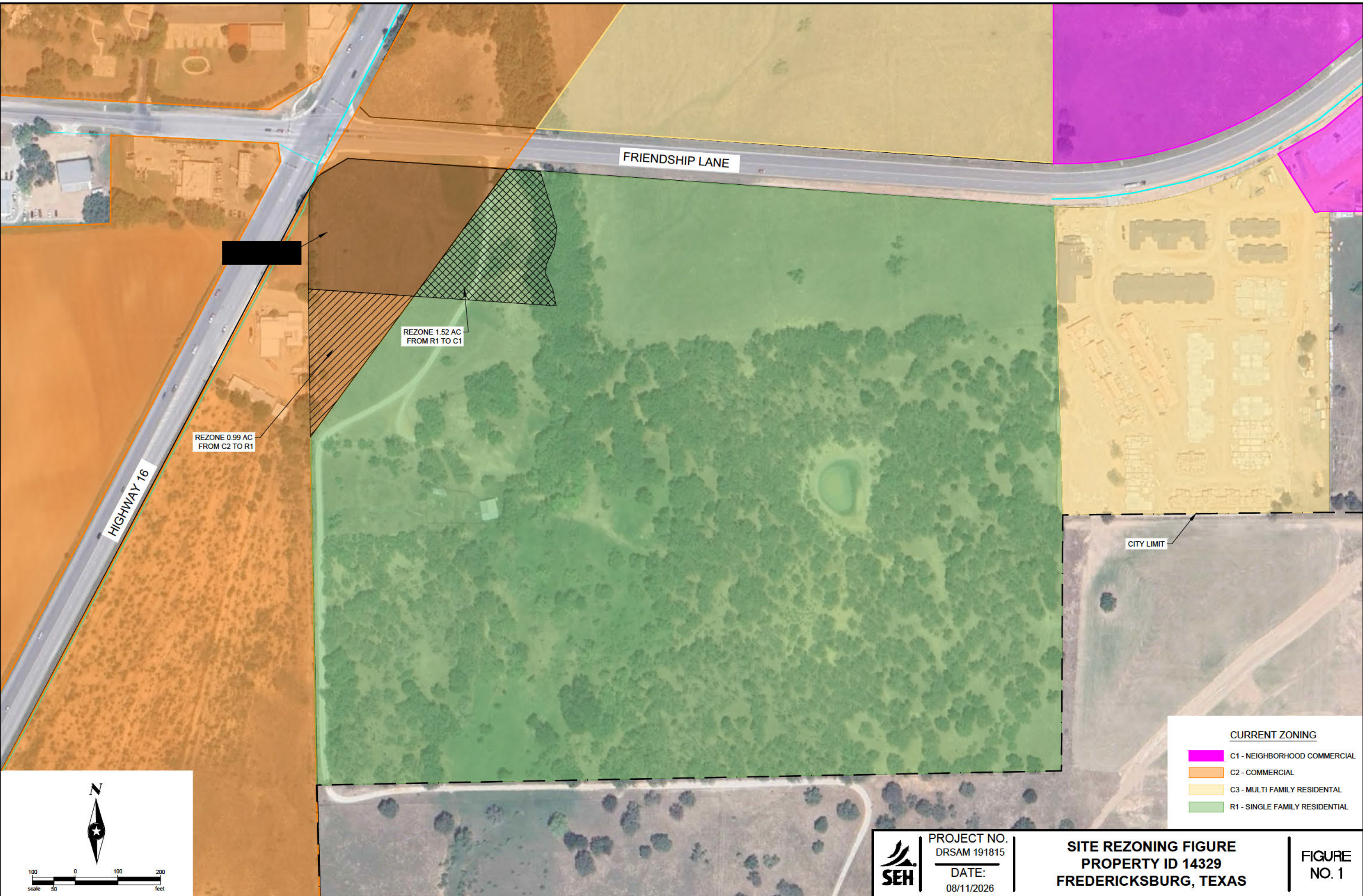
5. A MINIMUM SETBACK OF 75 FEET IS REQUIRED FOR ANY BOUNDARY LINE FOR THE DRILLING/PLACEMENT OF ANY UTILITY BY THE TARRANT COUNTY CONSERVATION DISTRICT.

6. ORIGINAL MAP SHEET SIZE: 24" X 36".

- THIS SURVEY MAP IS THE COPYRIGHTED WORK OF WAYMAKER | LAND ADVISORS & SURVEYORS, PREPARED FOR THE REQUESTER, ISSUED ON THE DATE SHOWN HEREON, AND IS INTENDED FOR USE IN THIS TRANSACTION ONLY. UNAUTHORIZED USE, REPRODUCTION, OR DISTRIBUTION IS PROHIBITED WITHOUT WRITTEN CONSENT.



Save: 8/11/2026 7:46 AM rhaehn Plot 8/11/2026 7:47 AM X:\AED\DRSAM\1918155-final-dgn\51-drawings\10-Civil\carddwy\exhibit\Overall exhibit.dwg





PROJECT NO.  
DRSAM 191815  
DATE:  
08/11/2026

**SITE REZONING FIGURE**  
**PROPERTY ID 14329**  
**FREDERICKSBURG, TEXAS**

**FIGURE**  
**NO. 1**



## ORDINANCE 2026 - 32

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS, AMENDING THE ZONING ORDINANCE OF THE CITY AND CHANGING THE ZONING DISTRICT AS TO 2.49 ACRES LOCATED AT 111 OWL LANE AND MORE FULLY DESCRIBED AS BEING ABS A0298 E HODGEKIN 55.025 ACRES SITUATED IN THE CITY OF FEDERICKSBURG, GILLESPIE COUNTY, TEXAS, FROM SINGLE FAMILY RESIDENTIAL (R1) TO NEIGHBORHOOD COMMERCIAL (C1) AND COMMERCIAL (C2) TO SINGLE FAMILY RESIDENTIAL (R1); PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A PENALTY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Fredericksburg, Texas (the "City"), is a home rule municipality acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

**WHEREAS**, the City Council of the City heretofore adopted the Zoning Ordinance of the City, as amended, which ordinance regulates and restricts the location and use of buildings, structures, and land for trade, industry, residence, and other purposes, and provides for the establishment of zoning districts of such number, shape, and area as may be best suited to carry out these regulations; and,

**WHEREAS**, in accordance with the Zoning Ordinance an application for rezoning has been submitted for the lots REFERRED TO AS BEING ABS A0298 E HODGEKIN 55.025 ACRES SITUATED IN THE CITY OF FEDERICKSBURG, GILLESPIE COUNTY, TEXAS; to change the zoning district of said lot from SINGLE FAMILY RESIDENTIAL (R1) to NEIGHBORHOOD COMMERCIAL (C1) and COMMERCIAL (C2) to SINGLE FAMILY RESIDENTIAL (R1); and

**WHEREAS**, public hearings before the Planning and Zoning Commission and the City Council of the City of Fredericksburg have been duly noticed and held regarding such application, as required by the City of Fredericksburg Zoning Ordinance; and

**WHEREAS**, the Planning and Zoning Commission has determined that such zoning change is in conformity with the uses established by the Comprehensive Land Use Plan of the City of Fredericksburg and is consistent with the objectives of the City of Fredericksburg Zoning Ordinance, and has recommended to the City Council of the City of Fredericksburg, based upon positive findings under the review and evaluation criteria established by such ordinance, that the rezoning be enacted; and

**WHEREAS**, the City Council has specifically found, following public hearing, that such change is consistent with the objectives of the City of Fredericksburg Zoning Ordinance and Comprehensive Land Use Plan of the City of Fredericksburg and there has not been a protest against rezoning signed by owners of twenty per cent (20%) or more either of the area of the property included in the zoning request, or of the area of the property immediately adjoining the same and extending two hundred feet (200') therefrom.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS THAT:**

**Section 1.**

Appendix B, "Zoning Ordinance," of the City of Fredericksburg Code of Ordinances is hereby amended on the hereinafter described property and area to incorporate the certain change in zoning district as follows:

All of those certain lots, tracts or parcels of land situated in the City of Fredericksburg, Gillespie County, Texas, said lots REFERRED TO AS BEING ABS A0298E HODGEKIN 55.025 ACRES SITUATED IN THE CITY OF FREDERICKSBURG, GILLESPIE COUNTY, TEXAS; and as additionally described by the legal description attached hereto as Exhibit A, to be and are hereby zoned and designated NEIGHBORHOOD COMMERCIAL (C1) & SINGLE FAMILY RESIDENTIAL (R1).

**Section 2.**

All references in the City of Fredericksburg Code of Ordinances to the Zoning Ordinance shall henceforth refer to such as amended hereby.

**Section 3.**

The City Secretary is hereby directed to amend the official zoning map of the City of Fredericksburg to reflect the changes in use approved herein.

**Section 4.**

This Ordinance shall be cumulative of all other ordinances of the City of Fredericksburg affecting zoning and land use, as amended, and shall not repeal any of the provisions of such ordinances except in those instances where provisions of such ordinances are in direct conflict with the provisions of this Ordinance.

**Section 5.**

Any person, firm, or corporation who violates, disobeys, omits, neglects, or refuses to comply with or who resists the enforcement of any of the provisions of this Ordinance shall be fined not more than Two Thousand Dollars (\$2,000.00) for each offense. Each day that a violation is permitted to exist shall constitute a separate offense. In addition, any person, firm, or corporation who violates, disobeys, omits, neglects, or refuses to comply with or who resists the enforcement of any of the provisions of this Ordinance may be subjected to such civil penalties as authorized by law.

**Section 6.**

All rights or remedies of the City are expressly saved as to any and all violations of Appendix B of the Fredericksburg Municipal Code, as amended, or any other ordinance affecting zoning and land use that have accrued at the time of the effective date of this Ordinance and as to such accrued violations and all pending litigation, both civil and criminal, same shall not be affected by this Ordinance but may be prosecuted until final disposition by the Courts.

### **Section 7.**

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph, or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph, or section.

### **Section 8.**

The City Secretary of the City of Fredericksburg is hereby directed to publish in the official newspaper of the City the caption and penalty clause of this Ordinance as required by law.

### **Section 9.**

This Ordinance shall be in full force and effect from and after its passage and publication as required by law, and it is so ordained.

**PASSED AND APPROVED on the 15<sup>th</sup> day of September 2026.**

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Randy Briley, Mayor

ATTEST:

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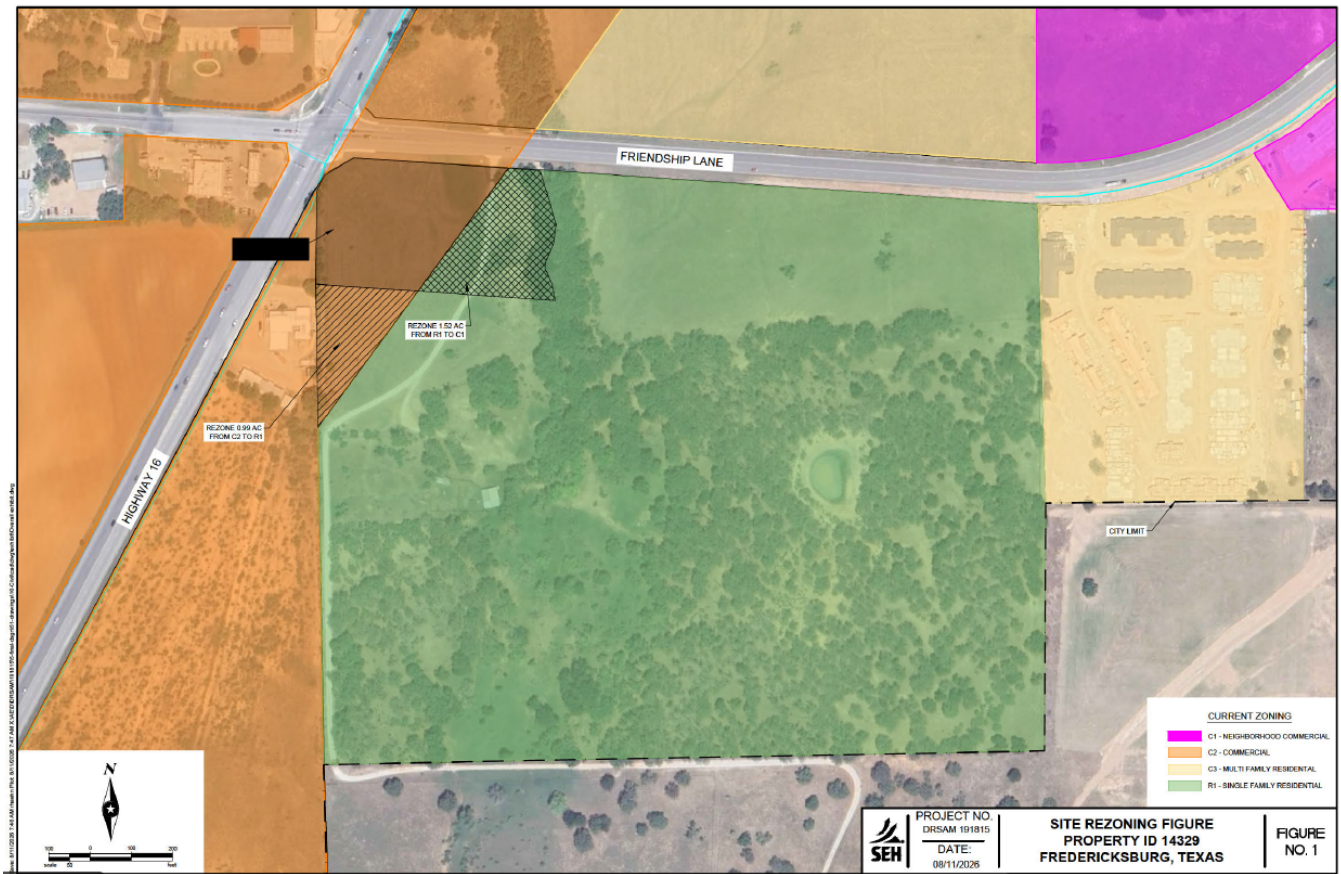
Leticia Vacek, TRMC, CMC, MMC  
City Secretary/RMO

APPROVED AS TO FORM:

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Barbara Quirk, City Attorney

# “Exhibit A”





## CITY COUNCIL AGENDA MEMO

**DEPARTMENT:** Development Services

**TO:** Mayor & City Council Members

**FROM:** Cliff Cross, Director of Development Services

**MEETING DATE:** September 15, 2026

**CATEGORY:** ORDINANCES, RESOLUTIONS  
AND PUBLIC HEARINGS

**CAPTION:** **DEV-2026-97-CUP - 1403 E Main** - By the Nature Shoppe, LLC (Brenda Rather) to consider a Conditional Use Permit (CUP) Per Section 3.200 To Establish and operate a "Limited - Retail Sales" use for the property known as 1403 E Main Street and referred to as ABS A0002 W H Anderson #197, .347 Acres (FCSE) City Southeast.  
(Cliff Cross, Director of Development Services). *The Planning & Zoning Commission recommended Approval with a unanimous vote of 8-0.*

- i Presentation by the Applicant
- ii Presentation by the Staff
- iii Hold Public Hearing
- iv Take Action - Approve Ordinance 2026-37 for the CUP.

### **SUMMARY:**

A Conditional Use Permit (CUP) application has been submitted to establish and operate a " Limited - Retail Sales" use within the Garten on Main commercial complex within suite #1 of the property commonly known as 1403 E. Main Street. The proposed development would be a limited retail boutique style nature backyard birding store.

### **BACKGROUND:**

This application was reviewed for its conformity with relevant City Ordinances **Sec. 3.200**, Uses Subject to Conditional Use Permit and per **Sec. 5.460**, Review and Evaluation criteria for a Conditional Use Permit (CUP).

*Site Area:* 15,000 Square Feet (.35 acres)

*Zoning:* C1, Neighborhood Commercial

*Building Sq. Footage:* 2,916 sq. SF

*Parking:* 18 On-Site Spaces



**Sec. 3.200****Uses Permitted Subject to Conditional Use Permit**

The following uses may be permitted subject to a Conditional Use Permit as provided for in section 5.400.

|                                                                                                         |
|---------------------------------------------------------------------------------------------------------|
| Arts and Crafts                                                                                         |
| Automotive Washing                                                                                      |
| Building Maintenance Services                                                                           |
| Business School                                                                                         |
| Business Support Services                                                                               |
| Club or Lodge                                                                                           |
| Communication Services                                                                                  |
| Condominium Residential (section 7.610)                                                                 |
| Consumer Repair Services                                                                                |
| Convenience Storage                                                                                     |
| Convenience Store/Self Serve Gasoline                                                                   |
| Duplex Residential                                                                                      |
| Food Sales                                                                                              |
| Guidance Services                                                                                       |
| Laundry Services                                                                                        |
| Limited Retail Sales                                                                                    |
| Liquor Sales                                                                                            |
| Personal Improvement Services                                                                           |
| Pet Services                                                                                            |
| Restaurant - Limited                                                                                    |
| Single Family Residential (detached)- new construction or after cessation of use other than residential |
| Townhouse Residential Drive through Facilities Associated with any use                                  |

**Sec. 5.460. Review and Evaluation Criteria.**

The Planning and Zoning Commission and City Council shall review and evaluate Conditional Use Permit applications using the following criteria:

Conformance with applicable regulations and standards established by the Zoning Regulations.

Compatibility with existing or permitted uses on abutting sites, in terms of building height, bulk and scale, setbacks and open spaces, landscaping and site development, access and circulation features.

Potentially unfavorable affects or impacts on other existing or permitted uses on abutting sites, to the extent such impacts exceed those which reasonably may result from use of the site for a permitted use.

Modifications (including variance from property development regulations) to the site plan which would result in increased compatibility, would mitigate potentially unfavorable impacts, would be necessary to conform to applicable regulations and standards and would protect the public health, safety, morals and general welfare.

Safety and convenience of vehicular and pedestrian circulation in the vicinity, including traffic reasonably expected to be generated by the proposed use and other uses reasonable and anticipated in the area; existing zoning and land uses in the area.

Protection of persons and property from erosion, flood or water damage, fire, noise, glare and similar hazards and impacts.

Location, lighting, and type of signs; the relation of signs to traffic control and adverse effect of signs on adjacent properties.

Adequacy and convenience of off-street parking and loading facilities.

Determination that the proposed use is in accordance with the objectives of these Zoning Regulations and the purposes of the zone in which the site is located.

Determination that the proposed use will comply with each of the applicable provisions of these Zoning Regulations. Determination that the proposed use and site development, together with any modifications applicable thereto, will be compatible with existing or permitted uses in the vicinity.

Determination that any conditions applicable to approval are the minimum necessary to minimize potentially unfavorable impacts on nearby uses and to ensure compatibility of the proposed use with existing or permitted uses in the same district and the surrounding area.

Determination that the proposed use, together with the conditions applicable thereto, will not be detrimental to the public health, safety, or welfare or materially injurious to properties or improvements in the vicinity.

**Public Hearing Notices:** As part of the Public Hearing process, Staff must notify property owners that own property within 200 ft of the subject property. As of 09/8/2026 no responses have been received.

**FUNDING SOURCE:**

NA

**FINANCIAL IMPACT:**

NA

**STAFF RECOMMENDATION:**

The requested use, for the establishment of a limited retail use, is in keeping with existing uses on neighboring sites, throughout the area. In addition, the existing 2,916 square foot facility has approximately 18 on-site parking spaces that greatly exceeds the minimum of 8 per Table 7.863 "Off-Street Parking".

Staff recommended approval of the Conditional Use Permit and the Planning and Zoning Commission recommended approval of the request as presented by a unanimous 8-0 vote.

---

**COMPREHENSIVE PLAN GUIDING PRINCIPLE:**

Neighborhood Quality

Mobility

Small Town Sensitive Growth

Governance

---

**ATTACHMENTS:**

1. 1403 E Main Notification Map
2. 1403 E Main Zoning
3. DEV-2026-97-CUP-1403 E MAIN - STREETVIEW
4. DEV-2026-97-CUP-nature shoppe 1
5. DEV-2026-97-CUP-natural shoppe 2
6. Ordinance 2026-37 CUP 1403 E Main Nature Shoppe

**APPROVAL/REVIEW:**

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Cliff Cross, Director of Development Services

Date: September 09, 2026



---

Barbara Quirk, City Attorney

Date: September 09, 2026



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Leticia Vacek, City Secretary

Date: September 09, 2026

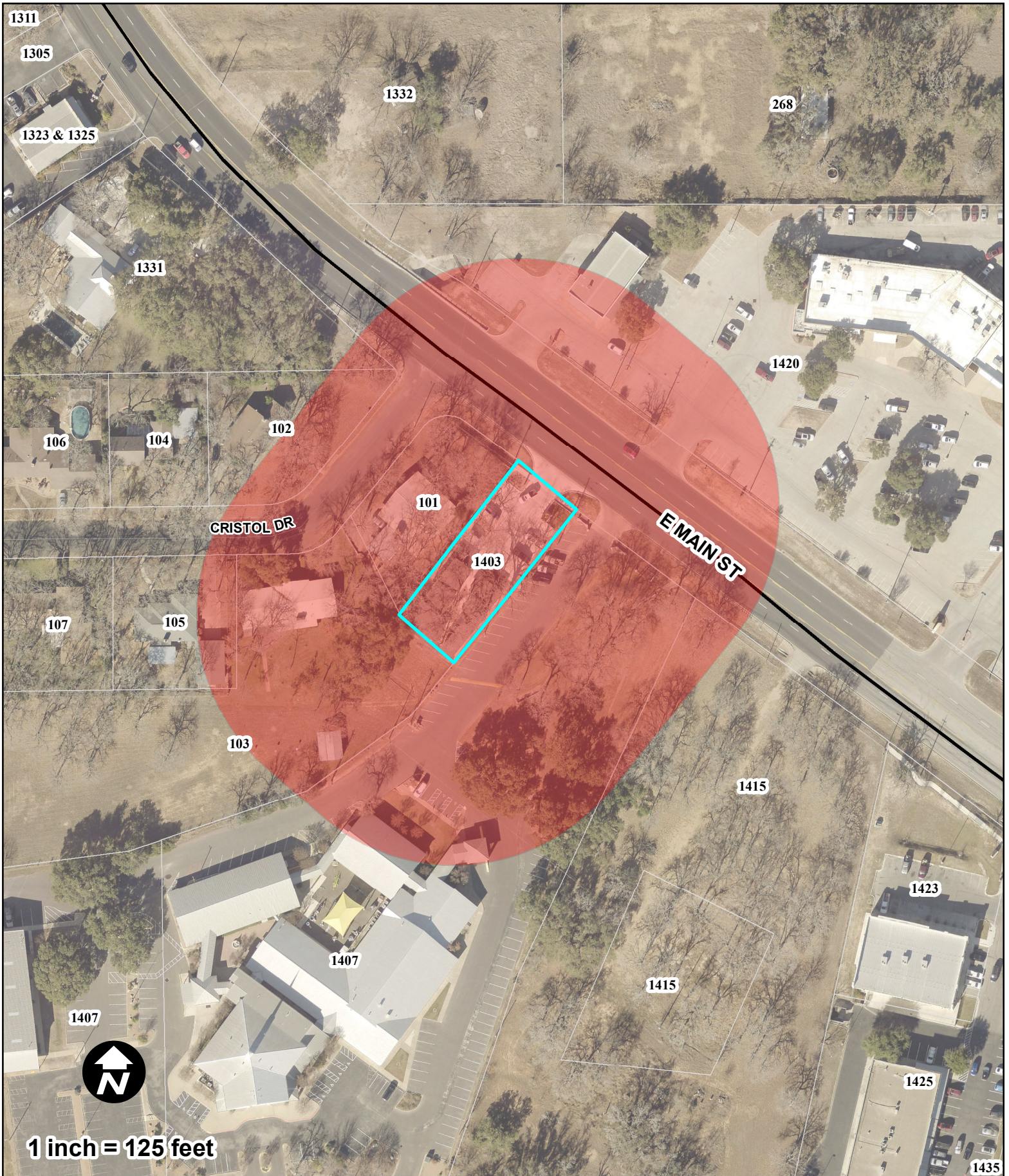


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Clinton Bailey, City Manager

Date: September 09, 2026



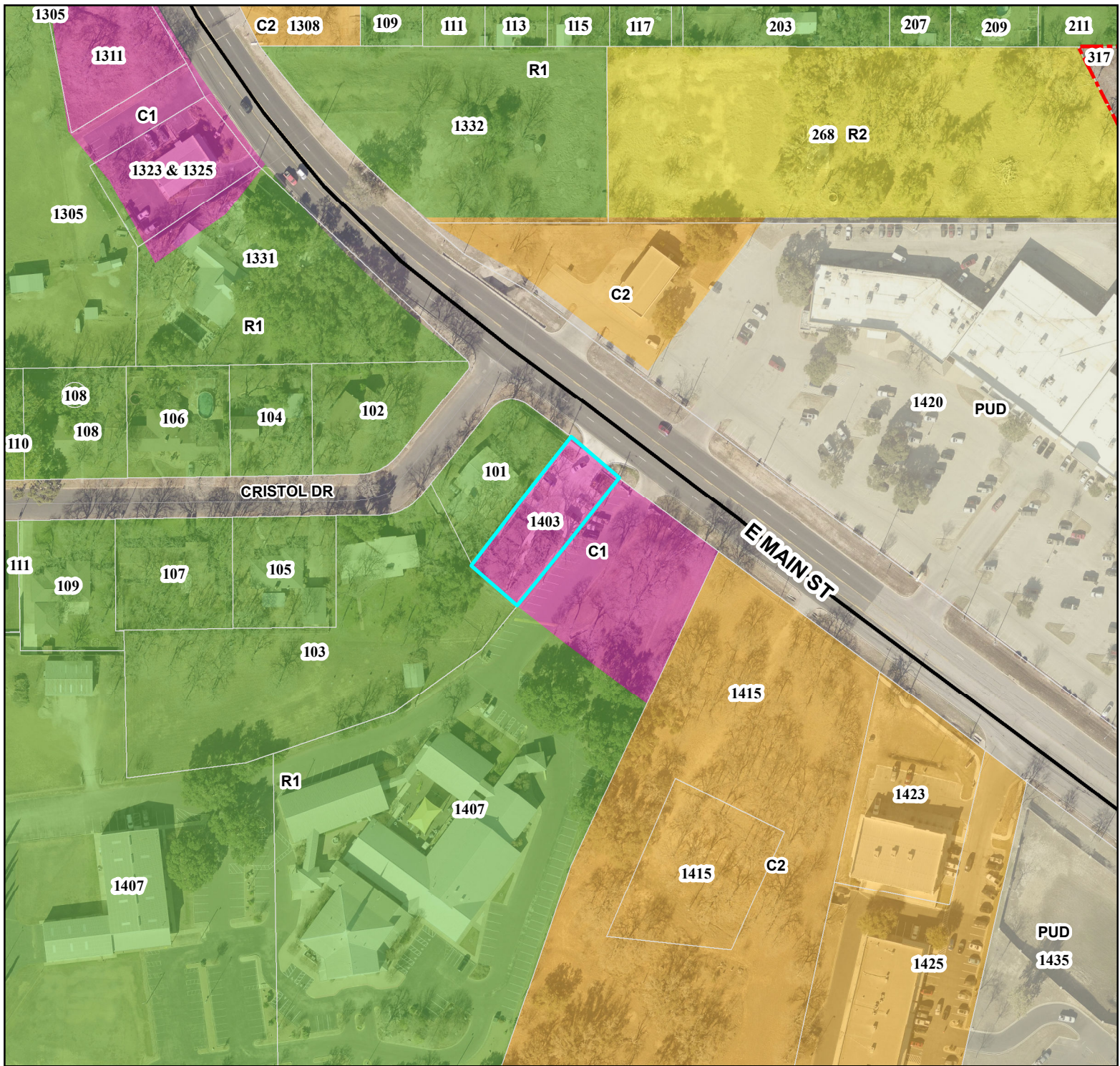


City of Fredericksburg  
DEV-2026-97-CUP - 1403 E. Main Street

**LEGEND**

-  200' Notification Buffer
-  GCAD Parcels





#### LEGEND

GCAD Parcels

#### Zoning

#### ZONED

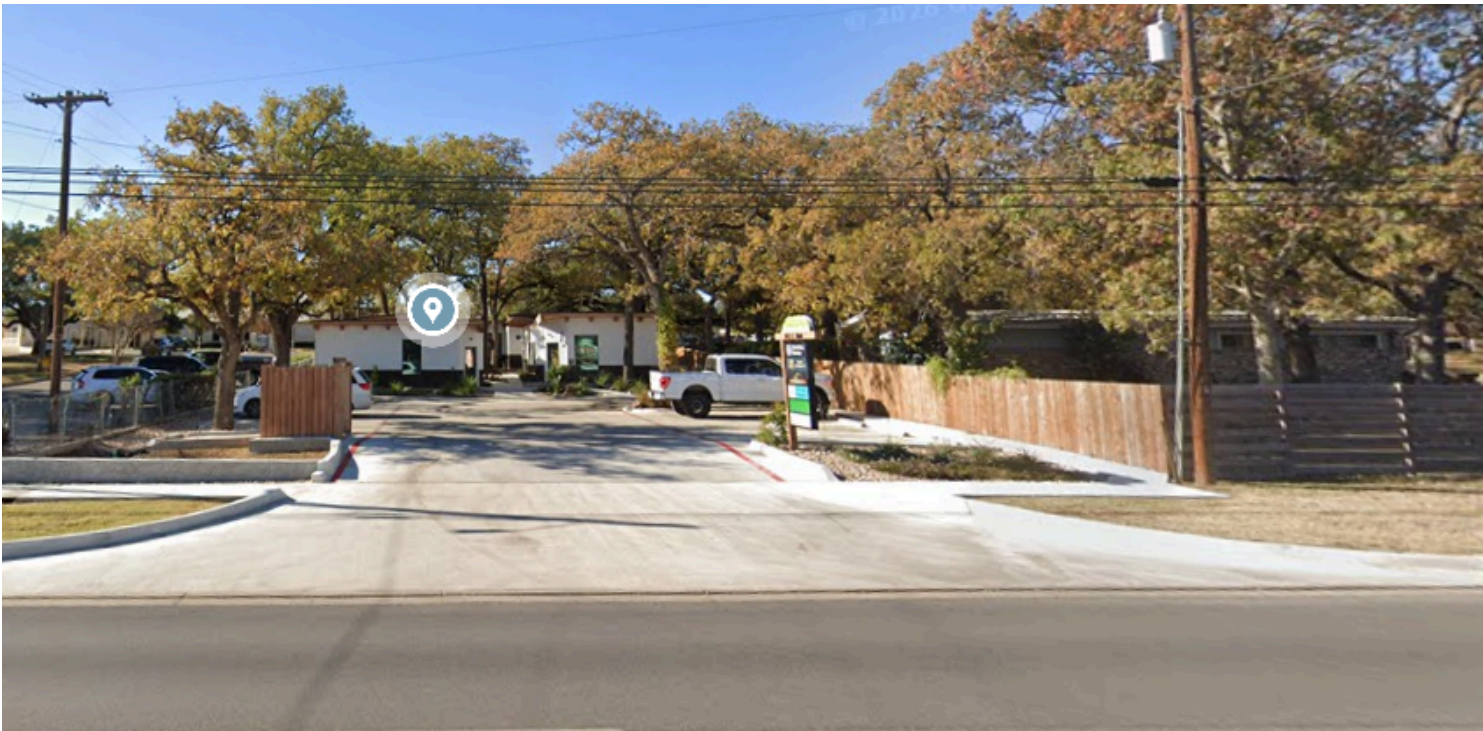
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- C1.5 - Medium Commercial
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- CBD - Central Business District
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- M3 - Industrial Park
- OS - Open Space

- PF - Public Facilities
- PUD - Planned Unit Development
- R1 - Single Family Residential
- R1A - Single Family Residential - Small Lot
- R2 - Mixed Residential
- R3 - Multi-Family Residential
- R4 - Manufactured Home Residential
- R5 - Patio Home Residential



City of Fredericksburg  
DEV-2026-97-CUP - 1403 E.Main St.











## ORDINANCE 2026 - 37

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS, AMENDING APPENDIX B, "ZONING ORDINANCE" OF THE FREDERICKSBURG MUNICIPAL CODE, AS AMENDED, BY GRANTING A CONDITIONAL USE PERMIT TO ALLOW FOR A "LIMITED-RETAIL SALES" USE AT CERTAIN PROPERTY LOCATED AT 1403 E. MAIN STREET, SUITE 1 FREDERICKSBURG, TEXAS; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A PENALTY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Fredericksburg, Texas (the "City"), is a home rule municipality acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

**WHEREAS**, pursuant to Chapter 211 of the Local Government Code, the City has adopted a comprehensive zoning ordinance, certified as Appendix B of the Fredericksburg Municipal Code, and a comprehensive zoning map, regulating the location and use of buildings, other structures, and land for business, industrial, residential, or other purposes, and providing for a method to amend said ordinance and map for the purpose of promoting public health, safety, morals, and general welfare, all in accordance with a comprehensive plan; and

**WHEREAS**, in accordance with the Comprehensive Zoning Ordinance, the owner of the property referenced below has filed an application for a Conditional Use Permit for a "Convenience Store/Self-Serve Gasoline" use; and

**WHEREAS**, public hearings before the Planning and Zoning Commission and the City Council of the City of Fredericksburg have been duly noticed and held regarding such application, as required by the City of Fredericksburg Zoning Ordinance; and

**WHEREAS**, all requirements of law dealing with notice to other property owners, publication, and all procedural requirements have been complied with in accordance with the comprehensive zoning ordinance and Chapter 211 of the Local Government Code; and

**WHEREAS**, the City Council of the City does hereby deem it advisable and in the public interest to grant such conditional use permit on the terms and conditions described herein.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS THAT:**

**Section 1.**

The findings above are found to be true and correct and are incorporated herein.

**Section 2.**

Appendix B, "Zoning Ordinance," of the Fredericksburg Municipal Code, as amended, is hereby amendment to grant a Conditional Use Permit as shown and described below:

Applicant: The Nature Shoppe, LLC (B. Rather)

Property Owner: 10899 (Lewis Rather)

Property Address: 1403 E. Main Street, Fredericksburg, TX 78624

Legal Description:

ABS A0002 W H ANDERSON #197, .347 ACRES  
(FCSE) CITY SOUTHEAST

Zoning Change: The property shall remain located in the C1: Neighborhood Commercial zoning district, and a Conditional Use Permit for "Limited-Retail Sales" use is hereby granted.

**Section 3.**

The zoning districts, boundaries, and uses as herein established have been made in accordance with the comprehensive plan for the purposes of promoting health, safety, morals, and general welfare of the community. They have been designed to lessen congestion in the streets; to secure safety from fire, panic, flood, and other dangers; to provide adequate light and air; to prevent overcrowding of land; to avoid undue concentration of population; and to facilitate the adequate provisions of transportation, water, sewerage, parks, and other public requirements. They have been made after a full and complete hearing with reasonable consideration among other things of the character of the district and its peculiar suitability for the particular uses and with a view of conserving the value of the buildings and encouraging the most appropriate use of land throughout the community.

#### **Section 4.**

The use of the property described herein shall be subject to all the applicable regulations contained in the Comprehensive Zoning Ordinance and all other applicable and pertinent ordinances of the City for the zoning district into which they have been assigned.

#### **Section 5.**

This Ordinance shall be cumulative of all other provisions of ordinances of the City of Fredericksburg Municipal Code, as amended, except where the provisions of this Ordinance are in direct conflict with the provisions of such ordinances and such code, in which event the conflicting provisions of such ordinance and such code are hereby repealed.

#### **Section 6.**

Any person, firm, or corporation who violates, disobeys, omits, neglects, or refuses to comply with or who resists the enforcement of any of the provisions of this Ordinance shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine in Section 1-6 of the Fredericksburg Municipal Code. Each day that a violation is permitted to exist shall constitute a separate offense. In addition, any person, firm, or corporation who violates, disobeys, omits, neglects, or refuses to comply with or who resists the enforcement of any of the provisions of this Ordinance may be subjected to such civil penalties as authorized by law.

#### **Section 7.**

All rights or remedies of the City are expressly saved as to any and all violations of Appendix B of the Fredericksburg Municipal Code, as amended, or any other ordinance affecting zoning and land use that have accrued at the time of the effective date of this Ordinance and as to such accrued violations and all pending litigation, both civil and criminal, same shall not be affected by this Ordinance but may be prosecuted until final disposition by the Courts.

#### **Section 8.**

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph, or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph, or section.

**Section 9.**

The City Secretary of the City of Fredericksburg is hereby directed to publish in the official newspaper of the City the caption and penalty clause of this Ordinance as required by law.

**Section 10.**

This Ordinance shall be in full force and effect from and after its passage and publication as required by law, and it is so ordained.

**PASSED AND APPROVED on the 15<sup>th</sup> day of September 2026.**

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Randy Briley, Mayor

ATTEST:

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Letty Vacek, TRMC, CMC, MMC  
City Secretary

APPROVED AS TO FORM:

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Barbara Quirk, City Attorney





## CITY COUNCIL AGENDA MEMO

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**DEPARTMENT:** Development Services

**TO:** Mayor & City Council Members

**FROM:** Cliff Cross, Director of Development Services

**MEETING DATE:** September 15, 2026

**CATEGORY:** ORDINANCES, RESOLUTIONS  
AND PUBLIC HEARINGS

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**CAPTION:** **DEV-2026-110-CUP:** By Steven & Ellen Scott to consider a Conditional Use Permit (CUP) Per Section 6.110 to Operate and expand upon a Legal Non-Conforming "STR-UNOCCUPIED" use for the property commonly known as 301 E. Burbank Street and referred to as Mutual #2 Lot 13A, - Replat (FCNE) City Northeast. (Cliff Cross, Director of Development Services). *The Planning & Zoning Commission recommended Approval with a vote of 5-3 subject to the conditions identified within the agenda memo.*

- i Presentation by the Applicant
  - ii Presentation by the Staff
  - iii Hold Public Hearing
  - iv Take Action - Approve Ordinance 2026-38 for the CUP.
- 

### **SUMMARY:**

The applicant is requesting a Conditional Use Permit to expand the structure for the property commonly known as 301 E Burbank Street.

### **BACKGROUND:**

#### **Sec. 6.110. Continuance of a Nonconforming Use.**

##### Residential Districts

**Enlargement.** A non-conforming use may be enlarged, expanded, extended or changed within the boundary of the lot in which the non-conforming use has legally operated, upon approval of a Conditional Use Permit (section 5.400). Any enlargement or extension, whether requiring a Conditional Use Permit or not, shall be required to come into in compliance with all city ordinances, codes, or policies and development regulations which may apply to the property (examples without limitation: landscape, parking, curb cuts, setbacks).

**Conversions.** A non-conforming use may be continued as the same classification, or may be changed to a use of a more restricted classification upon approval of a conditional use permit. If it is changed to a use in a more restricted classification or to a conforming use, it cannot be changed back to its original non-conforming use. For purpose of this paragraph, the phrase "same classification" means: uses permitted in the same district; a "more restricted classification" means: use in a district having more restricted use (i.e., C-2 vs. C-1); and provided that:



The new use is similar to or less intensive than that of the old use in terms of noise generated, outdoor storage, customer activity and impact on other conforming uses in the area, and that the new use comply with the parking requirements of this ordinance as applicable to newly established uses.

Termination.

If a non-conforming use or any portion thereof is voluntarily discontinued for a period of 90 days, any future use of such land or portion thereof shall be in conformity with the regulations of the district in which such land or portion thereof is located.

Non-conforming use is terminated upon a change in use other than as provided herein.

Non-conforming use is terminated upon destruction of a structure occupied by a non-conforming use unless it is permitted to be rebuilt as provided herein.

#### **Sec. 5.460. Review and Evaluation Criteria.**

The Planning and Zoning Commission and City Council shall review and evaluate Conditional Use Permit applications using the following criteria:

Conformance with applicable regulations and standards established by the Zoning Regulations.

Compatibility with existing or permitted uses on abutting sites, in terms of building height, bulk and scale, setbacks and open spaces, landscaping and site development, access and circulation features.

Potentially unfavorable affects or impacts on other existing or permitted uses on abutting sites, to the extent such impacts exceed those which reasonably may result from use of the site for a permitted use.

Modifications (including variance from property development regulations) to the site plan which would result in increased compatibility, would mitigate potentially unfavorable impacts, would be necessary to conform to applicable regulations and standards and would protect the public health, safety, morals and general welfare.

Safety and convenience of vehicular and pedestrian circulation in the vicinity, including traffic reasonably expected to be generated by the proposed use and other uses reasonable and anticipated in the area; existing zoning and land uses in the area.

Protection of persons and property from erosion, flood or water damage, fire, noise, glare and similar hazards and impacts.

Location, lighting, and type of signs; the relation of signs to traffic control and adverse effect of signs on adjacent properties.

Adequacy and convenience of off-street parking and loading facilities.

Determination that the proposed use is in accordance with the objectives of these Zoning Regulations and the purposes of the zone in which the site is located.

Determination that the proposed use will comply with each of the applicable provisions of these Zoning Regulations. Determination that the proposed use and site development, together with any modifications applicable thereto, will be compatible with existing or permitted uses in the vicinity.

Determination that any conditions applicable to approval are the minimum necessary to minimize potentially unfavorable impacts on nearby uses and to ensure compatibility of the proposed use with existing or permitted uses in the same district and the surrounding area.

Determination that the proposed use, together with the conditions applicable thereto, will not be detrimental to the public health, safety, or welfare or materially injurious to properties or improvements in the vicinity.

**Public Hearing Notices:** As part of the Public Hearing process, Staff must notify property owners that own property within 200 ft of the subject property. As of 09/8/2026, two support and three protest responses have been received.

**FUNDING SOURCE:**

NA

**FINANCIAL IMPACT:**

NA

**STAFF RECOMMENDATION:**

Staff recommended approval contingent upon compliance with all applicable development regulations and confirmation of a legal non-conforming STR Unoccupied Use.

The Planning and Zoning Committee considered the request on September 2, 2026 and recommended approval of the Conditional Use Permit subject to the following conditions:

1. No Increase in Occupancy from Vested STR Permit (Maximum 8)

The Planning & Zoning Commission recommended Approval with a vote of 5-3, subject to the conditions identified above.

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**COMPREHENSIVE PLAN GUIDING PRINCIPLE:**

Neighborhood Quality  
Small Town Sensitive Growth  
Governance

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**ATTACHMENTS:**

1. 301 E Burbank Notification Map
2. 301 E Burbank Zoning
3. DEV-2026-110-301 e burbank - lawyers narrative
4. DEV-2026-110-301 e burbank - law suit - exhibit 2
5. Protest - Mackie - DEV-2026-110-CUP (301 E. Burbank St)\_Redacted
6. Front Building Picture
7. Front (2) of House
8. Garage View of House
9. Guest House Photo
10. Patio Looking Out
11. Rear View of Property
12. Side View of House
13. Ordinance 2026-38 CUP 301 Burbank

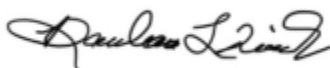
**APPROVAL/REVIEW:**



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Cliff Cross, Director of Development Services

Date: September 09, 2026



Date: September 09, 2026

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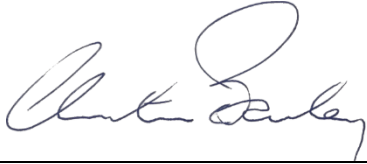
Barbara Quirk, City Attorney



Date: September 09, 2026

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Leticia Vacek, City Secretary

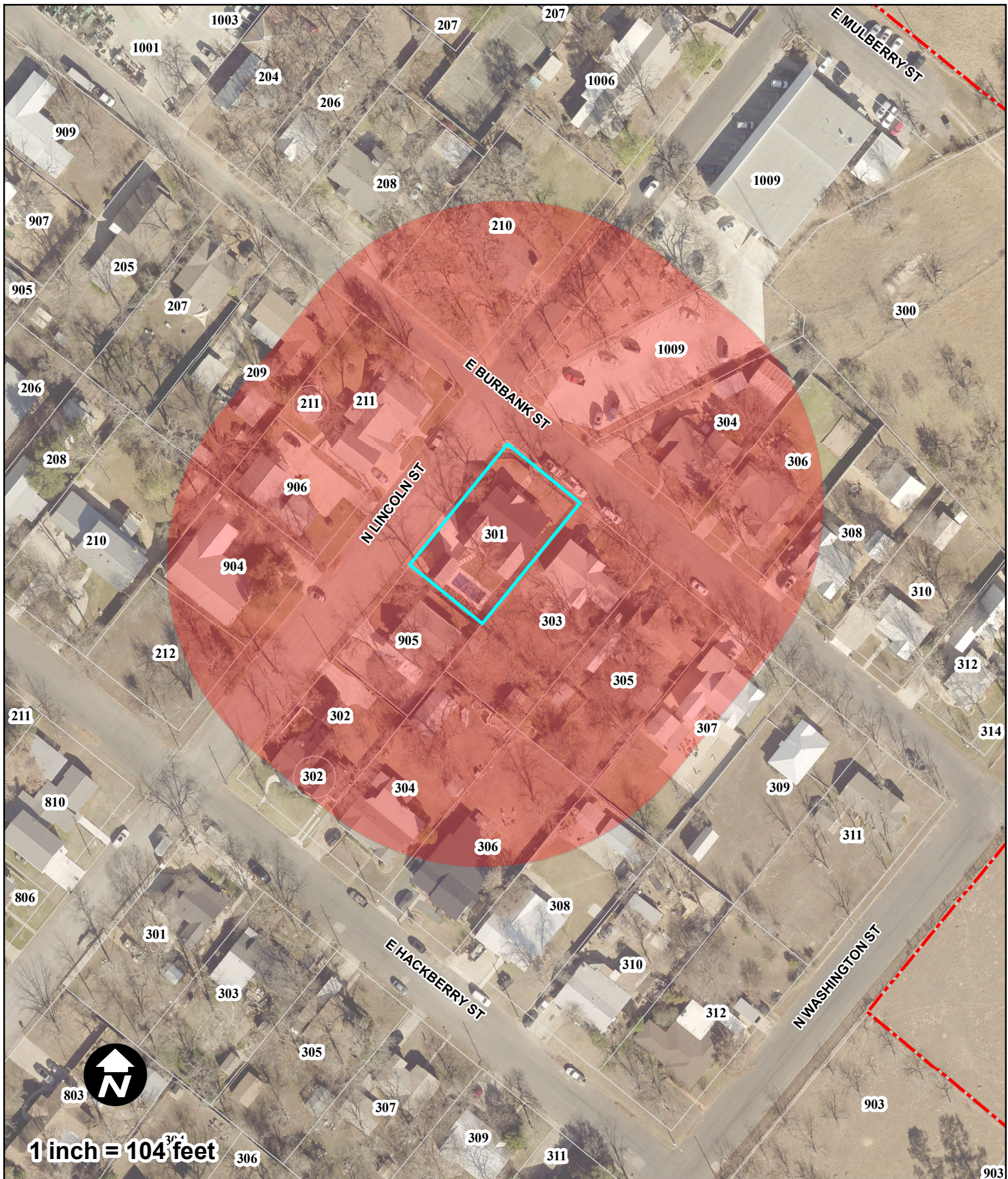


Date: September 09, 2026

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Clinton Bailey, City Manager



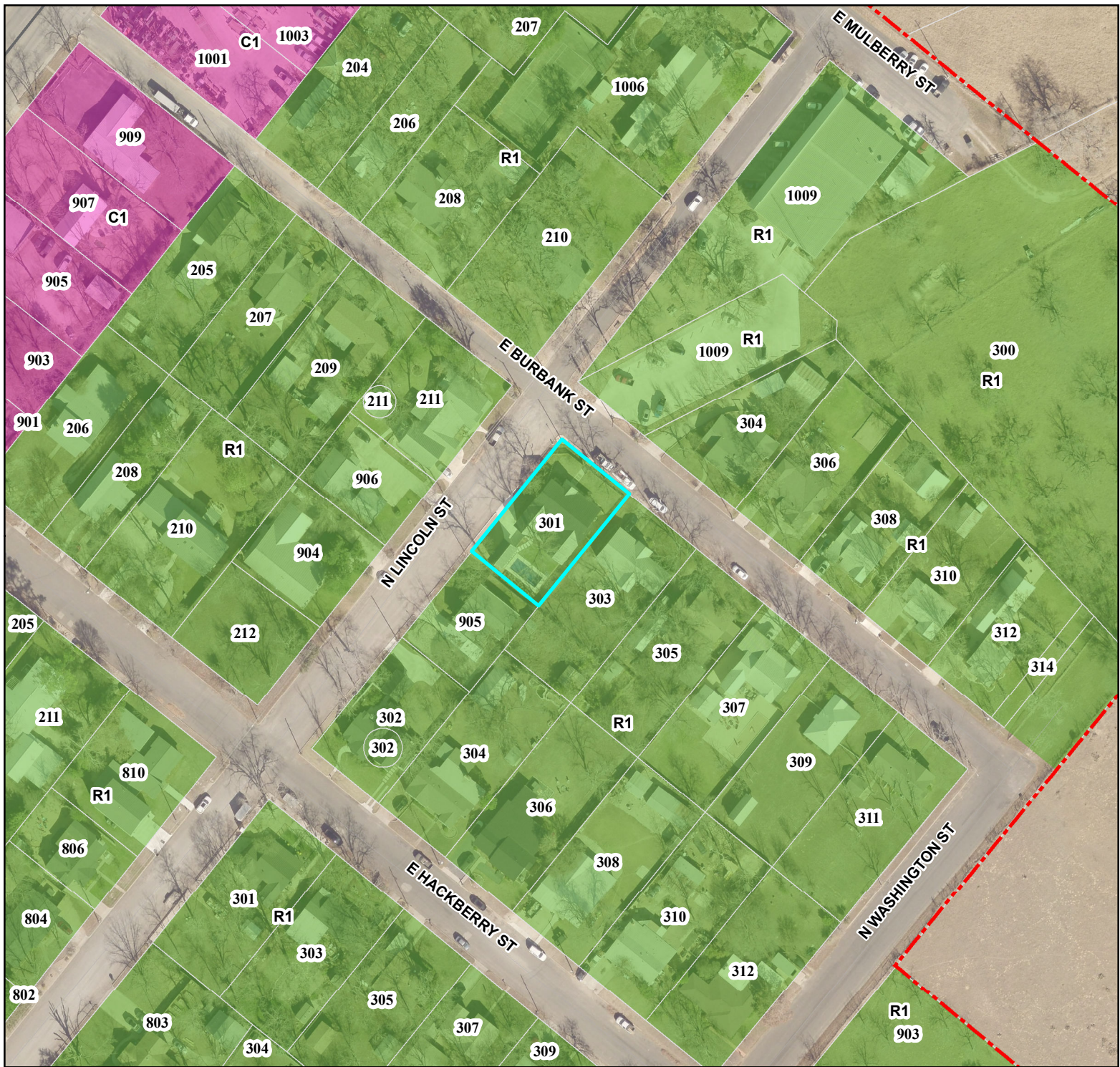


City of Fredericksburg  
DEV-2026-110-CUP - 301 E. Burbank St.

### LEGEND

- 200' Notification Buffer
- GCAD Parcels





### LEGEND

- |                                                                                     |                                 |                                                                                     |                                             |
|-------------------------------------------------------------------------------------|---------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------|
|  | GCAD Parcels                    |  | PF - Public Facilities                      |
| <b>Zoning</b>                                                                       |                                 |  | PUD - Planned Unit Development              |
| <b>ZONED</b>                                                                        |                                 |  | R1 - Single Family Residential              |
|  | C1 - Neighborhood Commercial    |  | R1A - Single Family Residential - Small Lot |
|  | C1.5 - Medium Commercial        |  | R2 - Mixed Residential                      |
|  | C2 - Commercial                 |  | R3 - Multi-Family Residential               |
|  | CBD - Central Business District |  | R4 - Manufactured Home Residential          |
|  | M1 - Light Manufacturing        |  | R5 - Patio Home Residential                 |
|  | M2 - Medium Manufacturing       |                                                                                     |                                             |
|  | M3 - Industrial Park            |                                                                                     |                                             |
|  | OS - Open Space                 |                                                                                     |                                             |



City of Fredericksburg  
DEV-2026-110-CUP - 301 E. Burbank St.



June 30, 2026

Via Email: [cbailey@fbgtx.org](mailto:cbailey@fbgtx.org) and [ccross@fbgtx.org](mailto:ccross@fbgtx.org)

Clinton Bailey, City Manager  
Cliff Cross, Director of Development Services  
Zoning Board of Adjustment  
126 West Main Street  
Fredericksburg, TX 78624

Re: Application for Conditional Use Permit ("CUP") for 301 E Burbank

To Whom it May Concern:

This office represents Steven Scott and Ellen Scott, as the property owners of the property located at 301 E. Burbank Street, Fredericksburg, Texas 78624 (the "Property") and is filing this Application for a Conditional Use Permit ("CUP") for the Property.

### ***I. Brief Background***

Pursuant to the Settlement Agreement with the City of Fredericksburg under Civil Action No. AU:24-CV-00701-RP, the City has agreed to administratively reopen the time period to file this application for a Conditional Use Permit ("CUP") for the Property. **[Exhibit—1]**

The facts that give rise to this appeal stem from Steven Scott and Ellen Scott, a married couple, who invested in purchasing the Property referenced above to operate as a short-term rental. This couple specifically chose this Property because of its appeal as a short-term rental. The previous owner, Meneer, LLC, had purchased the Property in a dilapidated state and made significant and necessary improvements to the Property in order to advertise and ultimately sell as a STR. During this period of remodeling, the prior owner had applied for and made their intentions to the City clear of their intent for the Property to operate as a STR. Based on this, and many other facts surrounding the history of this Property, the prior owner applied for a Vested Rights Determination, **[Exhibit—2]**, appealing to the City that the Property had a vested right to operate as a STR. However, as pointed out by the City Manager, Clinton Bailey, in his letter in response, **[Exhibit—3]**, they were still required to apply for a CUP for the expansion of the structure during the remodel and had failed to do so.

Since that time this couple has tirelessly maintained their pursuit of obtaining their STR permit, and to that end it is this couple's intention to apply for that CUP now.

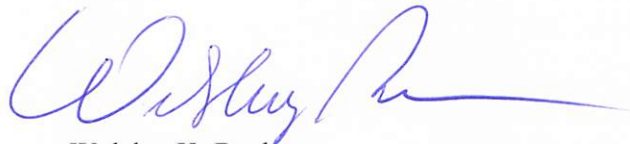


**a. Conditional Use Permit (“CUP”) – Site Plan**

As previously outlined in the background above, the proposed use of the Property will be as a short-term rental (“STR”). Our office is currently in the process of obtaining the requisite site plan and zoning summary to supplement this application pursuant to Section 7.131. However, in lieu of this requisite at this time pending this couple’s application please consider the opportunity and open invitation to visit and inspect the Property to the City’s satisfaction. In addition if there are any other considerations or materials required by the City for their consideration to notify my office at (830) 992-8358 or to reach out to me directly at [wreeh@reehandschwinglaw.com](mailto:wreeh@reehandschwinglaw.com).

Sincerely,

REEH & SCHWING LAW FIRM



Welsley K. Reeh  
TX Bar 24107960

September 18, 2024

Via CMRRR: 7019 0700 0000 9506 4697

Via Email: [cbailey@fbgtx.org](mailto:cbailey@fbgtx.org) and [ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)



Clinton Bailey, City Manager  
Anna Hudson, Director of Development Services  
126 West Main Street  
Fredericksburg, TX 78624

Re: Complaint and Appeal Against the Vested Rights Determination and STR Permit Status for  
301 E. Burbank

To Whom it May Concern:

This office represents Clay Carter of Meneer, LLC and is filing this Complaint and Appeal against the City of Fredericksburg, Clinton Bailey as City Manager, and Anna Hudson as Director of Development Services concerning the recent decision taken against the Vested Rights Determination and STR Permit Status for 301 E. Burbank (the "Structure") as outlined below.

**This communication is a formal Complaint and Appeal pursuant to the City of Fredericksburg 2024 STR Ordinance Sec. 20-225 – Appeal. The City Council shall, at the next regularly scheduled city council meeting following the expiration of 14 calendar days following perfection of the appeal, hear the appeal, and to affirm, modify, or reverse the application denial. Notice of this hearing required and must be communicated to this office.**

***I. Brief Background***

The facts that give rise to this complaint stem from the incident that took place early June of this year, when Mr. Carter attempted to obtain an STR permit from the City after remodeling had been completed and the Structure was ready for occupation. Naturally, Mr. Carter first reached out to the City's STR specialist, Ms. Jan Musgrove, who told Mr. Carter his best option was to apply for vested rights using the Vesting Rights Determination Form and submit the completed application to the City's Senior Planner, Ms. Shelby Collier. Mr. Carter's associate, Ms. Kathleen Henderson, was told by Ms. Collier, that in order to be vested under the 2018 or 2022 STR ordinance they would need to complete the vested rights form and "spell out when you're vesting to and why..." As restated by the Director of Development, Ms. Hudson, in her email, dated June 10, 2024, to Ms. Henderson. (See attached Appendix 4-0030).

**a. Structure's Legal Nonconforming Use Status**

Pursuant to these instructions, a 'Vested Rights Determination Request Form' was completed, signed, and submitted to Ms. Hudson and Ms. Collier. (See attached Appendix "1-0007"). As stipulated within the form by Mr. Carter, an STR permit application had been made on March 30, 2022. The City acknowledged this to be true in an email from Ms. Collier on June 17, 2022, where she confirmed that "records indicate that [301 E. Burbank] is a Permitted Short-Term Rental that was permitted prior to April 1, 2022 making it a legal nonconforming use." (See attached Appendix "1-0003"). This fact is not in dispute.

**b. Structure Required Extensive Repairs and Remodeling**

However, because the Structure was in a bad condition when it was purchased and not suitable for occupancy, remodeling was necessary. Some walls had to be taken down as they were determined to be unsafe and structurally unsound due to rot. Before the Structure could be made safe again and the remodel to commence, the builder had to complete a Building Permit Application that was submitted to Ms. Collier. Upon receiving this information, Ms. Collier took the position that the Structure had now voluntarily discontinued its legal nonconforming use status as the structure had been demolished. (See attached Appendix "3-0021"). But the Structure was never fully demolished, as claimed by Ms. Collier, nor could the Structure's status be construed to be 'voluntarily' discontinued by any means as the Structure would not be suitable for *any* occupancy short term or otherwise without these necessary repairs and remodel. Simply put, Ms. Collier left Mr. Carter with the impossible choice of making the Structure safe or losing the Structure's legal nonconforming use status. This was no different than a trick coin or a catch 22, as Mr. Carter never had a choice. Even if he had chosen to maintain the Structure's legal nonconforming status, the Structure would still have lost its STR permit as it would never have passed an inspection due to the Structure's unsafe condition.

Aside from this unconscionable interpretation of the 2022 Ordinance, and, quite frankly, the surrounding facts of Mr. Carter's specific circumstances, the City cannot in earnest claim the Structure was demolished. Furthermore, there is no definition of "destruction" within the 2022 STR ordinance, resulting in an arbitrary and unwritten standard. For example, how many walls must come down for a Structure to be considered 'destroyed'? One? Two? All of them? In this case not all walls were taken down, only those walls that were determined to be rotted and structurally unsafe. This leads to the very important exception within the 2022 Ordinance for "repairs, modifications, additions, or remodels," and when a structure's rotted walls are replaced with structurally safe walls is that not a repair to the structure. (See Appendix 1-0004).

This is further supported by Longhorn Asphalt & Construction ("Longhorn"), who was responsible for the remodel of the Structure, who stated that the work performed at the Structure was undoubtedly a remodel and not a complete destruction of the Structure. Longhorn went on to explain that they had "left several original structure walls of the existing house intact on [the] remodel." (See attached Appendix "1-0006" and "3-0025").

### c. Structure was Always Intended to be a STR

After receiving numerous unclear and confusing instructions by City officials, Mr. Carter sought assistance from this office to supplement his vested rights form. A memorandum was prepared by this office, and sent to Ms. Collier and Ms. Hudson on July 15, 2024, in support of Mr. Carter's vested right determination form that detailed the aforementioned information for the City's consideration. (See attached Appendix "1"). The City requested that all ongoing correspondence be with Ms. Rachel Raggio, of the City Attorney's office, who in turn purported that the application still lacked "evidence that supports the assertion that the project of renovating and operating the STR was in motion prior to the adoption of the 2022 ordinance." (See attached Appendix "1"). Ms. Raggio further described types of evidence considered in previous cases, such as "building/other permit applications, correspondence with staff regarding the process of obtaining a permit, correspondence with builders, or even correspondence with real estate agents indicating an intent to operate the Structure as a short term rental." (See attached Appendix "2-0012"). All of which largely appeared to be centered around proving an intention to operate an STR. Based on these instructions, on July 26, 2024, additional supporting evidence and materials was submitted as a supplement to the memorandum provided for consideration in the Structure's vested determination for STR. (See attached Appendix "2" and "3").

## II. *City Manager Rejects the Vested Rights Determination Request*

On August 21, 2024, the City Manager, Mr. Bailey formally rejected Mr. Carter's Vested Rights Determination Request for the Structure, however, his conclusions are not consistent with the evidence in the record. (See attached Appendix "5").

The two main conclusions Mr. Bailey makes in his letter are the following: (1) there was an "unauthorized demolition of the structure for which the STR permit application had been submitted, and (2) due to a proposed expansion of the structure resulting from the reconstruction a Conditional Use Permit ("CUP") would be required to expand the STR use.

### a. The Nonconforming Use was Not Terminated because the Structure was Not Demolished

For the reasons stipulated above in Section I(b) and incorporated by reference in this Section, the Structure was not demolished. And on this point it seems the City is also conflicted on whether a demolition occurred, as Mr. Bailey alleges on May 5, 2022, a demolition permit was retroactively submitted to demolish the structure, which would suggest the Structure had (supposedly) been demolished prior to May 5, 2022, thereby terminating the Structure's nonconforming use status. But on June 17, 2022, more than a month later, the City's Senior Planner, Ms. Collier sent an email affirmatively confirming the Structure still maintained its "current legal nonconforming use status," which should not have been possible *if* the Structure had been demolished. (See attached Appendix "1-0003"). Therefore, based on the evidence in the record and statements from the City's own officials, the nonconforming use was not terminated because the alleged 'demolition' took place prior to May 5, 2022 and as of June 17, 2022 the Structure still maintained its legal nonconforming use status.

**b. A Conditional Use Permit ("CUP") is Not Necessary to Expand STR Use**

Mr. Bailey goes on to entertain that even if such demolition did not occur and the Structure maintained its legal nonconforming use status, a CUP would still be required to account for the expansion of the structure. Yet Mr. Bailey forgets to take into account that *also included* in Section 6.110 of the Zoning Ordinance, is the exception that a CUP shall not be required, and the enlargement may occur, upon submission and approval of a Site Plan if the enlargement involves only a one-time increase in the size of the building in which the same use is operated of not more than 25 percent. (See Appendix 1-0004). In the present case, the City was provided with the Building permit application site plan/final plot for consideration on June 17, 2022. The building permit and site plan were ultimately approved by the City, and the one-time increase in size was not more than 25 percent. Therefore, a CUP is not necessary to expand the STR use.

In conclusion, the Structure did not voluntarily discontinue its legal nonconforming STR use as the structure was not demolished, but repaired and remodeled to be safe for occupancy, as allowed by the 2022 STR ordinance. Nor should it be required to apply for a CUP for the expansion as the building permit and site plan were approved by the City, and the one-time increase in size was not more than 25 percent, also allowed by the 2022 STR ordinance.

Sincerely,

REEH & SCHWING LAW FIRM



Welsley K. Reeh  
TX Bar 24107960



# Appendix 1

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- *Memorandum, dated July 15, 2024, from Reeh & Schwing Law Firm*
- *Exhibit "A"*
- *Exhibit "B"*
- *Exhibit "C"*
- *Exhibit "D"*
- *Vested Rights Determination Request Form*

## MEMORANDUM

**TO:** Meneer, LLC  
**ATTN:** Clay Carter  
**FROM:** Reeh & Schwing Law Firm, PLLC  
**DATE:** July 15, 2024  
**RE:** July 12, 2024, Email from Kathleen Henderson, Meneer, requesting an Opinion Letter on Short Term Rental Permit Status/Disqualification pertaining to the renovation of the property located at 301 E. Burbank, Fredericksburg, Texas 78624.

This memorandum is intended to provide general guidance to Meneer, LLC ("Meneer") to support their application for a Short-Term Rental ("STR") Permit for the property located at 301 E. Burbank, Fredericksburg, Texas 78624 (the "Property"), and why the Property qualifies to have its STR Permit renewed as a legal non-conforming short-term rental use in light of the necessary remodel that was made to the Property.

In review of the Property's qualification for an STR Permit, the following materials were considered: City of Fredericksburg Ordinance No. 2022-13 ("2022 STR Ordinance"), and several emails exchanges between City of Fredericksburg officials and Meneer representatives.

The City admits in the email dated June 17, 2022, "records indicate that this Property is a Permitted Short-Term Rental that was permitted prior to April 1, 2022,"<sup>1</sup> therefore there is no question that the Property legally operated as an STR before the City's 2022 STR Ordinance came into effect and should continue as a non-conforming short term rental use. In this case, with the express permission of the City, Meneer made significant investments in reliance of their continued ability to rent the Property as an STR, notably making necessary repairs to the Property through a remodel.

Under the 2022 STR Ordinance, the Property is classified as 'non-conforming short term rental use', as such under Section 6.110 a "non-conforming short-term rental use shall not be considered voluntarily discontinued if the use is suspended for repairs, modifications, additions or remodels,"<sup>2</sup> here the Property was remodeled, a term specifically contemplated and included in the 2022 STR Ordinance.

The City cites as the grounds for refusing to grant the Property a STR permit is "due to an unpermitted demolition of the structure."<sup>3</sup> There is no definition of "destruction" within the 2022 STR Ordinance, resulting in an arbitrary and unwritten standard. A common understanding of the term 'destruction' is the action or process of causing so much damage to something that it no longer exists or cannot be repaired.

<sup>1</sup> See Exhibit "A".

<sup>2</sup> See Exhibit "B".

<sup>3</sup> See Exhibit "C".

Longhorn Asphalt & Construction ("Longhorn"), who was responsible for the remodel of the Property, explained that the work performed at the Property was undoubtedly a remodel and not a complete destruction of the Property, as they had "left several original structure walls of existing house intact on [the] remodel."<sup>4</sup> Furthermore, the only reason some of the walls and roof trusses were removed was because it was necessary as they were rotted and structurally unsafe.

In conclusion, it is this firm's opinion that the Property did not voluntarily discontinue its non-conforming short-term rental use as the Property was not destroyed but merely remodeled, as permitted by the 2022 STR Ordinance. Therefore, the City of Fredericksburg should grant Meneer's STR permit for the Property.

Feel free to contact this office directly with any questions concerning this matter at (830) 992-8358.

Sincerely,

Reeh & Schwing Law Firm



Welsley K. Reeh  
TX Bar 24107960

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<sup>4</sup> See Exhibit "D".

**Welsley Reeh**

---

**From:** Shelby Collier <scollier@fbgtx.org>  
**Sent:** Friday, June 17, 2022 9:57 AM  
**To:** shae@keeperslandplanning.com  
**Cc:** Permits  
**Subject:** 301 E. Burbank  
**Attachments:** 2021 IECC Compliance Check List Mechanical E. Burbank rescheck Report.pdf; Final Plotted Burbank.pdf; Updated Building Permit Application Fillable\_202106221444516871 copy.pdf

Good morning Shae,

Staff has received a Building Permit Application for 301 E. Burbank and given its current Legal Nonconforming Use Status, Staff is not able to accept the Building Permit Application at this time.

Records indicate that this property is a Permitted Short-Term Rental that was permitted prior to April 1, 2022 making it a Legal Nonconforming Use and If you wish to expand upon that use, a Conditional Use Permit (CUP) is required, which is a special use permit issued by City Council.

The CUP process take 45 -60 days and requires a formal application be made with City Staff as well as a Public Notification through the Newspaper and individual notification of all property owners that own property within 200 feet of the subject property.

<https://www.fbgtx.org/845/Short-Term-Rentals>

Is this something you wish to pursue?

I welcome your response.



*"We're leading with integrity while providing the best customer services to our community."*

**Shelby Collier/** Associate Planner/ City of Fredericksburg  
O. 830-990-2013/ [scollier@fbgtx.org](mailto:scollier@fbgtx.org)



**Sec. 6.110. Continuance of a Nonconforming Use.**

**Residential Districts**

**Enlargement.** A non-conforming use may be enlarged, expanded, extended or changed within the boundary of the lot in which the non-conforming use has legally operated, upon approval of a Conditional Use Permit (section 5.400). Any enlargement or extension, whether requiring a Conditional Use Permit or not, shall be required to come into compliance with all city ordinances, codes, or policies and development regulations which may apply to the property (examples without limitation: landscape, parking, curb cuts, setbacks).

**Conversions.** A non-conforming use may be continued as the same classification, or may be changed to a use of a more restricted classification upon approval of a conditional use permit. If it is changed to a use in a more restricted classification or to a conforming use, it cannot be changed back to its original non-conforming use. For purpose of this paragraph, the phrase "same classification" means: uses permitted in the same district; a "more restricted classification" means: use in a district having more restricted use (i.e., C-2 vs. C-1); and provided that:

The new use is similar to or less intensive than that of the old use in terms of noise generated, outdoor storage, customer activity and impact on other conforming uses in the area, and that the new use comply with the parking requirements of this ordinance as applicable to newly established uses.

**Termination.**

If a non-conforming use or any portion thereof is voluntarily discontinued for a period of 90 days, any future use of such land or portion thereof shall be in conformity with the regulations of the district in which such land or portion thereof is located. A non-conforming short-term rental use shall not be considered voluntarily discontinued if

~~Short-term rental uses shall not terminate under the following conditions:~~

~~The use is suspended for repairs, modifications, additions, or remodels, or other similar situations; or if the owner of the property home utilizes the property as their personal residence, for a period not to exceeding more than one 365 consecutive days (1) year; or~~

Non-conforming use is terminated upon a change in use other than as provided herein.

Non-conforming use is terminated upon destruction of a structure occupied by a non-conforming use unless it is permitted to be rebuilt as provided herein.

**Other Districts**

**Enlargement.** A non-conforming use may be enlarged within the boundary of the lot in which the non-conforming use has legally operated upon approval of a Conditional Use Permit (section 5.400).

Provided, however, a Conditional Use Permit shall not be required, and the enlargement may occur, upon submission and approval of a Site Plan if the enlargement involves only a one-time increase in the size of the building in which the same use is operated of not more than 25 percent.

Any enlargement or extension, whether requiring a Conditional Use Permit or not, shall be required to come into compliance with all city ordinances, codes, or policies and development regulations which may apply to the property (examples without limitation: landscape, parking, curb cuts, setbacks), and the non-conforming use may be continued only for so long as the property remains in compliance with all applicable City Ordinances and Codes, including those prohibiting nuisances. All Existing non-conforming single family residential uses may be enlarged without the necessity of obtaining a Conditional Use Permit.

**Conversions.** A non-conforming use may be continued as the same classification, or may be changed to a use of a more restricted classification upon approval of a conditional use permit. If it is changed to a use in a more restricted classification or to a conforming use, it cannot be changed back to its original non-conforming use. For purpose of this paragraph, the phrase "same classification" means: uses permitted in the



Exhibit "C"

Cc: Tyler Baethge <[tbaethge@fbgtx.org](mailto:tbaethge@fbgtx.org)>; Jan Musgrove <[jmusgrove@fbgtx.org](mailto:jmusgrove@fbgtx.org)>  
Subject: RE: Vested Rights form - 301 E Burbank Construction Story/Pics & Builder Note

Yes please. Can I call you? Who should I call?



Clay Carter  
Centex Private Investment Management  
1301 S. Capital of Tx Hwy, Suite B-125  
Austin, Tx 78746

[Clay@CentexPIM.com](mailto:Clay@CentexPIM.com)  
phone: 512-533-9110  
fax: 512-533-9111

From: Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>  
Sent: Monday, June 10, 2024 9:43 AM  
To: Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)>  
Cc: Clay Carter <[clay@centexpim.com](mailto:clay@centexpim.com)>; Tyler Baethge <[tbaethge@fbgtx.org](mailto:tbaethge@fbgtx.org)>; Jan Musgrove <[jmusgrove@fbgtx.org](mailto:jmusgrove@fbgtx.org)>  
Subject: FW: Vested Rights form - 301 E Burbank Construction Story/Pics & Builder Note

Anna,

Please see the following correspondence.

It appears that Clay Carter is requesting a vesting determination for property located at 301 E Burbank.

I previously denied a STR permit for the property due to an unpermitted demolition of the structure.

I'm happy to discuss if needed.



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Shelby Collier/ Senior Planner/ City of Fredericksburg

O. 830-990-2013/ [scollier@fbgtx.org](mailto:scollier@fbgtx.org)

[Complete the Final Survey for the Comprehensive Plan](#)

From: Clay Carter <[clay@centexpim.com](mailto:clay@centexpim.com)>  
Sent: Friday, June 7, 2024 1:57 PM  
To: Kathleen Henderson <[kathleen@centexpim.com](mailto:kathleen@centexpim.com)>; Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>  
Subject: RE: Vested Rights form - 301 E Burbank Construction Story/Pics & Builder Note

Shelby,

Jan,

My understanding, in the beginning, was that this was a remodel and not a major demo or tear down. I also understood that the house had a ST permit already or one that we could renew and keep, from my out of town realtor. It was my first time to buy a property in Fredericksburg that needed work so I wasn't too aware of the rules. We never intended to tear walls down or the roof. See Builder email below to explain why we had to take some framing and roof trusses off. I was misunderstanding that this was just considered more than a remodel because we were leaving walls, framing, and roof. In Austin, that is considered a remodel as we didn't take the walls down. Once we started getting into the walls to update the house, the builder was clear we are going to need to take some walls, structure, and roof trusses out due to damages and rot. At that point, I had to decide between fixing the house or saving the ST permit. I decided to fix the house and roof and worry about the permit after. I really thought we would be able to keep the ST permit since we didn't scrape the house and rebuild. I have since let go of the realtor (my rep for the purchase and build) and have been working with local reps like Christina @ Simple Goods and Savannah/her mom at Absolute Charm to help me with my projects here in Fredericksburg. They recommended I get you guys involved to help me restore/get the ST permit for the house. I ask that you spare me in my mistake about remodeling the house and please give me this exception. This house was uninhabitable and we were getting letters from neighbors to please get this house fixed to match the rest of the neighborhood

Here are the pics and the email from builder showing the walls and structure that we saved or tried to save.

Thanks for your consideration Jan

**From:** longhorn asphalt <[longhornasphalt@yahoo.com](mailto:longhornasphalt@yahoo.com)>

**Sent:** Thursday, May 16, 2024 1:48 PM

**To:** Clay Carter <[clay@BlueWatersAG.com](mailto:clay@BlueWatersAG.com)>

**Subject:** 301 burbank Remodel

Clay, Good afternoon, I am writing this letter per your request to give an explanation of the complete remodel we completed at 301 E Burbank. We left several original structure walls of existing house in tact on this remodel. Some of the walls and roof trusses we removed were removed as they were rotted and unsafe to leave in place as part of remodel. if any questions plz feel free to reach out. Thank You

Respectfully,

Edward/ Longhorn Asphalt & Construction

[Longhornasphalt@yahoo.com](mailto:Longhornasphalt@yahoo.com)

Number One in customer service !

Exhibit "D"

0006





**Development Services**  
126 W Main Street  
Fredericksburg, TX 78624  
830-997-7521  
[www.fbgtx.org](http://www.fbgtx.org)

**FOR OFFICE USE ONLY**

Date Received: \_\_\_\_\_ Filing Fee: \_\_\_\_\_

Received by: \_\_\_\_\_ Approved by: \_\_\_\_\_

**Vested Rights Determination Request Form**

*Please attach additional sheets if necessary.*

Property Owner: Meneer, LLC  
Applicant (if different than owner): Clay Carter  
Address: 301 E. Burbank St. Fredericksburg, TX 78624  
Phone: 512-533-9110 Office: \_\_\_\_\_ Email: Clay@centexpim.com  
Project Name: \_\_\_\_\_

**1. Type of development permit:**

- ☐ Site plan ☐ Construction Permit ☐ Plat \_\_\_\_\_ (type)  
☐ Use prior to Annexation ☒ Other STR permit (describe)  
Reinstatement

**2. Basis for Vested Rights Claim per Texas Local Government Code:**

- ☒ Type 1: Chapter 245 (general vested rights statute)  
☐ Type 2: Section 43.002 (applies only if vested rights claim is based on uses begun outside the city limits which are not allowed under current zoning)

**3. Date for which Vested Rights are claimed:** 3/30/2022 Permit: N/A

**4. Chronological History of Development:**

a) List all prior permits issued for the property, including the one for which vested rights are claimed. Provide a copy of each permit listed below.

| Type                   | Application Date | Approval Date                  |
|------------------------|------------------|--------------------------------|
| <u>STR Application</u> | <u>3/30/2022</u> | <u>pending STR application</u> |
|                        |                  | <u>was no longer valid</u>     |
|                        |                  | <u>since building</u>          |
|                        |                  | <u>had since been</u>          |
|                        |                  | <u>demonstrated</u>            |

a) Identification of all pertinent City regulations in effect at the time the original application for the first permit was filed, which the Petitioner contends control the approval, disapproval, or conditional approval of the application(s) for a permit for which relief is sought, pursuant to Chapter 245 at § 245.002(a) and (b)

b) Identification of all current City regulations that the petitioner contends do not apply to the project due to the vested rights provided the person by Chapter 245 or other applicable vested rights laws. Global references to an ordinance, statute or set of criteria, may be deemed insufficient and the City may consider the request for vested rights to be incomplete and, hence, not subject to a staff determination at that time:

c) Identification of any exemptions under the Zoning Ordinance or other ordinances to which the petitioner believes are applicable to the project defined.

N/A

d) Please describe any progress towards completion of the project that was made after the first application for the project was submitted (provide supporting documentation):  
House was not fully demolished. When purchased to renovate it had a permit. Due to finding out house was in bad conditions (not livable) ended up remodeling more of the house than initially intended. (please see emails; supporting documentation)

5. Additional Information:

a) Has the prior permit for which vested rights are claimed expired?

☐ Yes ☐ No

If Yes, when? \_\_\_\_\_

b) Is the Proposed Project the same as the original project for which vested rights are claimed?

☐ Yes ☐ No

If No, please describe any differences between the two, including but not limited to changes in use, land area, or intensity of development:

I Certify that the preceding information provided is accurate:

Signature: \_\_\_\_\_  
Property Owner\*

Date: 6-6-24

Signature: \_\_\_\_\_  
Applicant/Agent\*

Date: \_\_\_\_\_

# Appendix 2

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- *Correspondence with Rachel Raggio of the City Attorney's office Re: 301 E Burbank STR Permit and Vested Rights Determination*



**From:** [Welsley Reeh](#)  
**To:** [Rachel Raggio](#)  
**Cc:** [Mick McKamie](#); [Annabelle Ackling](#); [Ellie Schulte](#); [Robert Schwing](#)  
**Subject:** RE: 301 E Burbank - STR Permit  
**Date:** Friday, July 26, 2024 12:43:00 PM  
**Attachments:** [Supporting Evidence of STR - Vested Right.pdf](#)

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Good Afternoon Rachel,

Attached is the supporting evidence/materials we spoke of yesterday that is intended to supplement the memorandum that has already been submitted for consideration of my client's vested determination for STR at 301 E Burbank. Brief summary of contents is the following:

- **Exhibit "E"** – advertisement of off-market property that was posted to the closed facebook group 'Fredericksburg TX STR Alliance' dated July 31 2021 – where my client's realtor, Dave Chastain first learned of the property and reported back to my client who was in the market for short-term rental properties in Fredericksburg – ***Evidence of Intent to Operate Property as STR Prior to April 1, 2022***
- **Exhibit "F"** – Email dated March 21, 2022 from my client's realtor, Dave Chastain, to City official Jason Lutz with the subject line "intention of short term rental," where Mr. Chastain expressly states "I plan and my intentions are for this property to be a short term rental." Anna Hudson sends her own email, dated March 22, 2022, where she confirms deadline to document intentions is April 1<sup>st</sup>. And, finally, Shelby Collier sends email to Mr. Chastain dated June 21, 2022, confirming that 301 E. Burbank submitted their STR application as of 3/30/2022, before the April 1<sup>st</sup> deadline. – ***Evidence of Correspondence with Staff about Process of Obtaining Permit***
- **Exhibit "G"** – Text message, on or around December 4 2021, between my client and his realtor, Mr. Chastain, referencing discussions with builder about the remodel of the property and confirmation that "it's not a tear down." – ***Evidence of Remodel Not Demolition and Correspondence with Real Estate Agent and Builder about STR Investment in Property***
- **Exhibit "H"** – Text message between my client and his realtor about investment property at 301 E Burbank, to turn into STR. – ***Evidence of Correspondence with Real Estate Agent about STR Investment in Property***
- **Exhibit "I"** – Text message, dated October 12 2021, between my client and his realtor about investment property at 301 E Burbank, to turn into STR – ***Evidence of Intent to Operate Property as STR Prior to April 1, 2022 via Correspondence with Real Estate Agent about "remodel and keep as STR"***
- **Exhibit "J"** – Total costs my client invested in remodel in reliance of keeping the property an STR, i.e., over \$300k. – ***Evidence of Investment into Operating Property as STR***

The above-referenced and attached materials address the City's demand for evidence of my client's clear intention to operate the property as an STR prior to April 1, 2022. As such, I believe my client has more than met his burden of providing adequate evidence to support his

request for a vesting determination, and consequently should be granted his STR permit.

Please provide instructions on how my client is to proceed at this time in order to effectuate such vesting determination and STR permit.

Thank you again for your time and attention to this matter.

Welsley K. Reeh  
Attorney at Law  
Reeh & Schwing Law Firm  
1403 Cross Street  
Fredericksburg, Texas 78624  
Tel (830) 992-8358  
Fax (830) 715-4788

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---

**From:** Rachel Raggio <rraggio@toase.com>  
**Sent:** Thursday, July 25, 2024 10:23 PM  
**To:** Welsley Reeh <wreeh@reehandschwinglaw.com>  
**Cc:** Mick McKamie <mmckamie@fbgtx.org>; Annabelle Ackling <aackling@toase.com>; Ellie Schulte <eschulte@toase.com>; Robert Schwing <rschwing@reehandschwinglaw.com>  
**Subject:** RE: 301 E Burbank - STR Permit

If you'll be submitting the additional materials on behalf of your client, please provide them to me and I'll convey them to staff. If your client will be handling the submission, they can communicate directly with Anna Hudson.

Thank you,

Rachel

Rachel Raggio  
Associate Attorney  
Taylor, Olson, Adkins, Sralla & Elam, LLP  
6000 Western Place, Suite 200  
Fort Worth, Texas 76107  
Phone: (817) 332-2580  
Fax: (817) 332-4740



---

**From:** Welsley Reeh <[wreeh@reehandschwinglaw.com](mailto:wreeh@reehandschwinglaw.com)>  
**Sent:** Thursday, July 25, 2024 10:11 PM  
**To:** Rachel Raggio <[rraggio@toase.com](mailto:rraggio@toase.com)>  
**Cc:** Mick McKamie <[mmckamie@fbgtx.org](mailto:mmckamie@fbgtx.org)>; Annabelle Ackling <[aackling@toase.com](mailto:aackling@toase.com)>; Ellie Schulte <[eschulte@toase.com](mailto:eschulte@toase.com)>; Robert Schwing <[rschwing@reehandschwinglaw.com](mailto:rschwing@reehandschwinglaw.com)>  
**Subject:** RE: 301 E Burbank - STR Permit

Very well, as the property was initially purchased with the intent of operating an STR, in addition to the significant investment my clients have put into the property for that same reason, I do not see that will be an issue, however arbitrary this fact-intensive process clearly seems to be.

Please direct me to who at the City I should proceed with at this point.

Thank you,

Welsley K. Reeh  
Attorney at Law  
Reeh & Schwing Law Firm  
1403 Cross Street  
Fredericksburg, Texas 78624  
Tel (830) 992-8358  
Fax (830) 715-4788

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this communication by anyone other than the named recipient is strictly prohibited.



---

**From:** Rachel Raggio <[rraggio@toase.com](mailto:rraggio@toase.com)>  
**Sent:** Thursday, July 25, 2024 9:56 PM  
**To:** Welsley Reeh <[wreeh@reehandschwinglaw.com](mailto:wreeh@reehandschwinglaw.com)>  
**Cc:** Mick McKamie <[mmckamie@fbgtx.org](mailto:mmckamie@fbgtx.org)>; Annabelle Ackling <[aackling@toase.com](mailto:aackling@toase.com)>; Ellie Schulte <[eschulte@toase.com](mailto:eschulte@toase.com)>; Robert Schwing <[rschwing@reehandschwinglaw.com](mailto:rschwing@reehandschwinglaw.com)>  
**Subject:** RE: 301 E Burbank - STR Permit

Welsley,

My understanding is that this property is in a gray area because an incomplete permit application was filed on March 30, 2022, and this appears to be the only documentation available in the City's records. Vesting determinations are fact-intensive and the City Manager will rely on available evidence in order to reach a decision. The vesting determination process gives the property owner the opportunity to provide additional evidence to support the assertion that they have vested rights in a certain project, so I strongly suggest that your client provide any additional materials they may have to support their application, as the applicant has the burden of providing adequate evidence to support their request for a vesting determination.

As I mentioned in my initial response to you, types of evidence that have been considered in previous cases include materials dating from the time of vesting like building/other permit applications, correspondence with staff regarding the process of obtaining a permit, correspondence with builders, or even correspondence with real estate agents indicating an intent to operate the property as a short-term rental. So, some examples of relevant types of evidence for this case could include building permit applications for the demolition, records of transactions or plans with the demolition and/or construction company, or any other materials that may indicate the intention to operate an STR.

I hope this helps.

Best,

Rachel

Rachel Raggio  
Associate Attorney  
Taylor, Olson, Adkins, Sralla & Elam, LLP  
6000 Western Place, Suite 200  
Fort Worth, Texas 76107  
Phone: (817) 332-2580  
Fax: (817) 332-4740



---

**From:** Welsley Reeh <[wreeh@reehandschwinglaw.com](mailto:wreeh@reehandschwinglaw.com)>  
**Sent:** Thursday, July 25, 2024 11:14 AM  
**To:** Rachel Raggio <[rraggio@toase.com](mailto:rraggio@toase.com)>  
**Cc:** Mick McKamie <[mmckamie@fbgtx.org](mailto:mmckamie@fbgtx.org)>; Annabelle Ackling <[aackling@toase.com](mailto:aackling@toase.com)>; Ellie Schulte <[eschulte@toase.com](mailto:eschulte@toase.com)>; Robert Schwing <[rschwing@reehandschwinglaw.com](mailto:rschwing@reehandschwinglaw.com)>  
**Subject:** 301 E Burbank - STR Permit

Hello Rachel,

Just following up from my last email to get some clear guidance for my client.

Thank you for attention to this matter.

Welsley K. Reeh  
Attorney at Law  
Reeh & Schwing Law Firm  
1403 Cross Street  
Fredericksburg, Texas 78624  
Tel (830) 992-8358  
Fax (830) 715-4788

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**From:** Welsley Reeh  
**Sent:** Tuesday, July 23, 2024 6:26 PM  
**To:** Rachel Raggio <[rraggio@toase.com](mailto:rraggio@toase.com)>  
**Cc:** Mick McKamie <[mmckamie@fbgtx.org](mailto:mmckamie@fbgtx.org)>; Annabelle Ackling <[aackling@toase.com](mailto:aackling@toase.com)>; Ellie Schulte <[eschulte@toase.com](mailto:eschulte@toase.com)>  
**Subject:** RE: 301 E Burbank - STR Permit

Hello Rachel,

Per Ms. Hudson's email which was included in the attachments, she lists examples of such evidence including "conversations with staff." Here, the email included with the memo is evidence of the application's existence in March of 2022, as it was the City's staff Ms. Collier who affirmed "records indicate that this property is a permitted short-term rental that was permitted prior to April 1, 2022." Am I understanding correctly that the City's position is that this acknowledgment and conversation with city staff does not amount to evidence that the property was intended to operate as a STR prior to the 2022 ordinance? If so, what records is Ms. Collier referring to if not the very evidence you are requesting at this time?

Thank you,  
Welsley K. Reeh  
Attorney at Law  
Reeh & Schwing Law Firm  
1403 Cross Street  
Fredericksburg, Texas 78624  
Tel (830) 992-8358  
Fax (830) 715-4788

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disclosure, copying, distribution or the taking of any action concerning the contents of this communication by anyone other than the named recipient is strictly prohibited.



---

**From:** Rachel Raggio <[rraggio@toase.com](mailto:rraggio@toase.com)>

**Sent:** Tuesday, July 23, 2024 4:26 PM

**To:** Welsley Reeh <[wreeh@reehandschwinglaw.com](mailto:wreeh@reehandschwinglaw.com)>

**Cc:** Mick McKamie <[mmckamie@fbgtx.org](mailto:mmckamie@fbgtx.org)>; Annabelle Ackling <[aackling@toase.com](mailto:aackling@toase.com)>; Ellie Schulte <[eschulte@toase.com](mailto:eschulte@toase.com)>

**Subject:** RE: 301 E Burbank - STR Permit

Hi Welsley,

I don't see any additional information included in the attachments sent to Shelby this afternoon – as I mentioned in my earlier email, without evidence from the time of vesting, the City really doesn't have much to work with for the vesting determination application. For example, the STR permit application that the VD application claims was submitted on March 30, 2022 should be attached to this application, as well as any other evidence that supports the assertion that the project of renovating and operating an STR was in motion prior to the adoption of the 2022 ordinance. While your memorandum provides additional information to support the application, it does not provide the additional evidence on which the City Manager will be able to base a VD decision.

Thanks,

Rachel

Rachel Raggio  
Associate Attorney  
Taylor, Olson, Adkins, Sralla & Elam, LLP  
6000 Western Place, Suite 200  
Fort Worth, Texas 76107  
Phone: (817) 332-2580  
Fax: (817) 332-4740



**From:** Welsley Reeh <[wreeh@reehandschwinglaw.com](mailto:wreeh@reehandschwinglaw.com)>  
**Sent:** Tuesday, July 23, 2024 2:28 PM  
**To:** Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>; Rachel Raggio <[rraggio@toase.com](mailto:rraggio@toase.com)>  
**Cc:** Robert Schwing <[rschwing@reehandschwinglaw.com](mailto:rschwing@reehandschwinglaw.com)>; Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)>; Short Term Rentals <[str@fbgtx.org](mailto:str@fbgtx.org)>; Clay Carter <[clay@centexpim.com](mailto:clay@centexpim.com)>; Permits <[permits@fbgtx.org](mailto:permits@fbgtx.org)>; Kathleen Henderson <[kathleen@centexpim.com](mailto:kathleen@centexpim.com)>  
**Subject:** RE: 301 E Burbank - STR Permit

Hello Shelby,

I've engaged with Mrs. Raggio's office, and we are on the same page. As a recap, attached is the vested determination application along with the memorandum that provided the requested support of my client's vested determination application. If there is something missing from the application that your office requires please detail what that item is and it will be addressed. Otherwise, let me know when the application is approved so that my client may have his STR permit granted/renewed.

Thank you,

Welsley K. Reeh  
Attorney at Law  
Reeh & Schwing Law Firm  
1403 Cross Street  
Fredericksburg, Texas 78624  
Tel (830) 992-8358  
Fax (830) 715-4788

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---

**From:** Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>  
**Sent:** Friday, July 19, 2024 1:51 PM  
**To:** Welsley Reeh <[wreeh@reehandschwinglaw.com](mailto:wreeh@reehandschwinglaw.com)>; Rachel Raggio <[rraggio@toase.com](mailto:rraggio@toase.com)>  
**Cc:** Robert Schwing <[rschwing@reehandschwinglaw.com](mailto:rschwing@reehandschwinglaw.com)>; Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)>; Short Term Rentals <[str@fbgtx.org](mailto:str@fbgtx.org)>; Clay Carter <[clay@centexpim.com](mailto:clay@centexpim.com)>; Permits <[permits@fbgtx.org](mailto:permits@fbgtx.org)>; Kathleen Henderson <[kathleen@centexpim.com](mailto:kathleen@centexpim.com)>  
**Subject:** RE: 301 E Burbank - STR Permit

Good afternoon Welsley,

Thank you for your email, however, I will have to direct your question to Mrs. Rachel Raggio with Toase.

I hope this finds you well.

Have a blessed day and a lovely weekend!



*"We're leading with integrity while providing the best customer services to our community."*

Shelby Collier/ Senior Planner/ City of Fredericksburg  
O. 830-990-2013/ [scollier@fbgtx.org](mailto:scollier@fbgtx.org)

---

**From:** Welsley Reeh <[wreeh@reehandschwinglaw.com](mailto:wreeh@reehandschwinglaw.com)>  
**Sent:** Friday, July 19, 2024 1:11 PM  
**To:** Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>



**Cc:** Robert Schwing <[rschwing@reehandschwinglaw.com](mailto:rschwing@reehandschwinglaw.com)>; Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)>; Short Term Rentals <[str@fbgtx.org](mailto:str@fbgtx.org)>; Clay Carter <[clay@centexpim.com](mailto:clay@centexpim.com)>; Permits <[permits@fbgtx.org](mailto:permits@fbgtx.org)>; Kathleen Henderson <[kathleen@centexpim.com](mailto:kathleen@centexpim.com)>  
**Subject:** F/U: 301 E Burbank - STR Permit

Hello Shelby,

I tried calling your office yesterday to follow up on this matter. Has there been any development that I can pass along to my client?

Thank you,

Welsley K. Reeh  
Attorney at Law  
Reeh & Schwing Law Firm  
1403 Cross Street  
Fredericksburg, Texas 78624  
Tel (830) 992-8358  
Fax (830) 715-4788

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**From:** Welsley Reeh  
**Sent:** Monday, July 15, 2024 2:45 PM  
**To:** 'permits@fbgtx.org' <[permits@fbgtx.org](mailto:permits@fbgtx.org)>  
**Cc:** Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>; Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)>; 'str@fbgtx.org' <[str@fbgtx.org](mailto:str@fbgtx.org)>; Clay Carter <[clay@centexpim.com](mailto:clay@centexpim.com)>; Robert Schwing <[rschwing@reehandschwinglaw.com](mailto:rschwing@reehandschwinglaw.com)>; Kathleen Henderson <[kathleen@centexpim.com](mailto:kathleen@centexpim.com)>



**Subject:** FW: 301 E Burbank - STR Permit

Good Afternoon,

My office has been retained to assist in the property located at 301 E Burbank obtaining an STR Permit.

I have reviewed the emails exchanged between the City and my client, in addition to the documentation supporting my client's position in the matter.

In short, for the reasons and evidence included in the attached memorandum, the property does qualify for and should be granted a STR permit in accordance with City of Fredericksburg Ordinance No. 2022-13.

Please review the attached and let me know if you have any questions.

Thank You,  
Welsley K. Reeh  
Attorney at Law  
Reeh & Schwing Law Firm  
1403 Cross Street  
Fredericksburg, Texas 78624  
Tel (830) 992-8358  
Fax (830) 715-4788

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# Appendix 3

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- *Exhibit “E”*
- *Exhibit “F”*
- *Exhibit “G”*
- *Exhibit “H”*
- *Exhibit “I”*
- *Exhibit “J”*

<  **Fredericksburg TX STR Alliance** ...

Paul Montelongo · Jul 31, 2021 · 

I have a tidy little off-market residence 1 mile from the corner of Llano and Main, just a couple of blocks out of the Historic zone. Currently 1,683 sq. ft and needs about 200k to make it STR ready. 10,250 square foot lot zoned R-1 currently. If anyone knows of someone that would like to buy this and fix it, message me. \$425k. ARV of \$900k (approx).



Like



Comment

Newest ▾

**Nancy MacDougall Herndon**

Admin

Paul, I sent you a pm. Please take a look.

2y Like Reply

**Paul Montelongo**

Author

i dont see anything

2y Like Reply



Write a reply...

**Susie Doucette Pyle**  
Pics??

2y Like Reply

1 **Paul Montelongo**

Author

[Susie Doucette Pyle](#) see my edited

Write a comment...



Exhibit "F"

----- Forwarded message -----

From: **Shelby Collier** <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>  
Date: Tue, Jun 21, 2022 at 3:47 PM  
Subject: RE: Fw: Intention of short term rental  
To: Dave Chastain <[davechastain@realtyaustin.com](mailto:davechastain@realtyaustin.com)>

Good afternoon Dave,

301 E. Burbank had a submitted STR application as of 03/30/2022, unfortunately, the building has since been demolished and the pending str application is no longer valid.

Once you respond to this email acknowledging this, you would be able to submit a building permit application to move forward with construction.

108 W. Mulberry also has a pending STR application as of 03/30/22 and is subject to Sec. 6.110 requiring a Conditional Use Permit (CUP) for building expansions to maintain the existing STR Application.

Please feel free to contact me if you have any questions.

Have a blessed day!



*"We're leading with integrity while providing the best customer services to our community."*

Shelby Collier/ Associate Planner/ City of Fredericksburg  
O. 830-990-2013/ [scollier@fbgtx.org](mailto:scollier@fbgtx.org)

---

**From:** Dave Chastain <[davechastain@realtyaustin.com](mailto:davechastain@realtyaustin.com)>  
**Sent:** Monday, June 20, 2022 1:40 PM  
**To:** Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>  
**Cc:** Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)>; Garret Bonn <[gbonn@fbgtx.org](mailto:gbonn@fbgtx.org)>  
**Subject:** Re: Fw: Intention of short term rental

Good afternoon Shelby,

It was nice meeting you and Anna in person this past Tuesday at the meeting for my Orchard project. I've been super busy and wanted to follow up to see if the STR permits were issued for the properties below.

Thank you so much,

Dave

[Texas Law Requires all License holders to provide the Information About Brokerage Services to prospective clients.](#)



[512.293.5401](#)

On Mon, Apr 25, 2022 at 1:34 PM Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)> wrote:

Good afternoon Dave,

My apologies, I have researched pending STR permit applications for 301 E. Burbank & 108 W. Mulberry and have not found record of these applications having been made.

Am I missing something? If you have record of your previous applications submitted to Avenue please send them my way so that I may assist you with this process.

I welcome your feedback.



*"We're leading with integrity while providing the best customer services to our community."*

Shelby Collier/ Associate Planner/ City of Fredericksburg

O. 830-990-2013/ [scollier@fbgtx.org](mailto:scollier@fbgtx.org)

---

**From:** Dave Chastain <[davechastain@realtyaustin.com](mailto:davechastain@realtyaustin.com)>

**Sent:** Friday, April 22, 2022 1:10 PM

**To:** Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>

**Subject:** Re: Fw: Intention of short term rental

Hi Shelby,

I know you are super busy, but can you check on the permits I previously submitted for STR? The address is below when I was working with Jason.

Thank you so much,



Dave

[Texas Law Requires all License holders to provide the Information About Brokerage Services to prospective clients.](#)



[512.293.5401](#)

On Tue, Mar 22, 2022 at 8:30 AM Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)> wrote:

Good Morning Dave,

City Council adopted the updated STR ordinance that will go into effect on April 1st. You will need to submit STR permits before April 1<sup>st</sup> to Avenu to document your intentions. On April 1<sup>st</sup> we will switch over to Granicus for permitting and HOT remittal.

Regards,

Anna Hudson  
City of Fredericksburg

---

**From:** Jason Lutz <[jlutz@fbgtx.org](mailto:jlutz@fbgtx.org)>  
**Sent:** Monday, March 21, 2022 10:54 PM  
**To:** Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)>  
**Subject:** Fwd: Intention of short term rental

Sent from my iPhone

Begin forwarded message:

**From:** Dave Chastain <[davechastain@realtyaustin.com](mailto:davechastain@realtyaustin.com)>  
**Date:** March 21, 2022 at 4:13:15 PM CDT  
**To:** Jason Lutz <[jlutz@fbgtx.org](mailto:jlutz@fbgtx.org)>  
**Cc:** Dave Chastain <[davechastain@realtyaustin.com](mailto:davechastain@realtyaustin.com)>  
**Subject:** Intention of short term rental

Hi Jason,

It was brought to my attention the city council is possibly voting today on changes to the short term rental regulation.

I bought and closed on 301 E Burbank last December. I'm in the permit process now for the remodel and plan to start work in the next few weeks. I plan and my intentions are for this property to be a short term rental.

Regarding 108 W Mulberry, I went under contract on 2/19/22. The price I paid was under the impression I short term rental this as well. I wanted to communicate that my intentions are for this to be a short term rental as well.

Please let me know if you need any additional communication or documentation.

Sincerely,

Dave

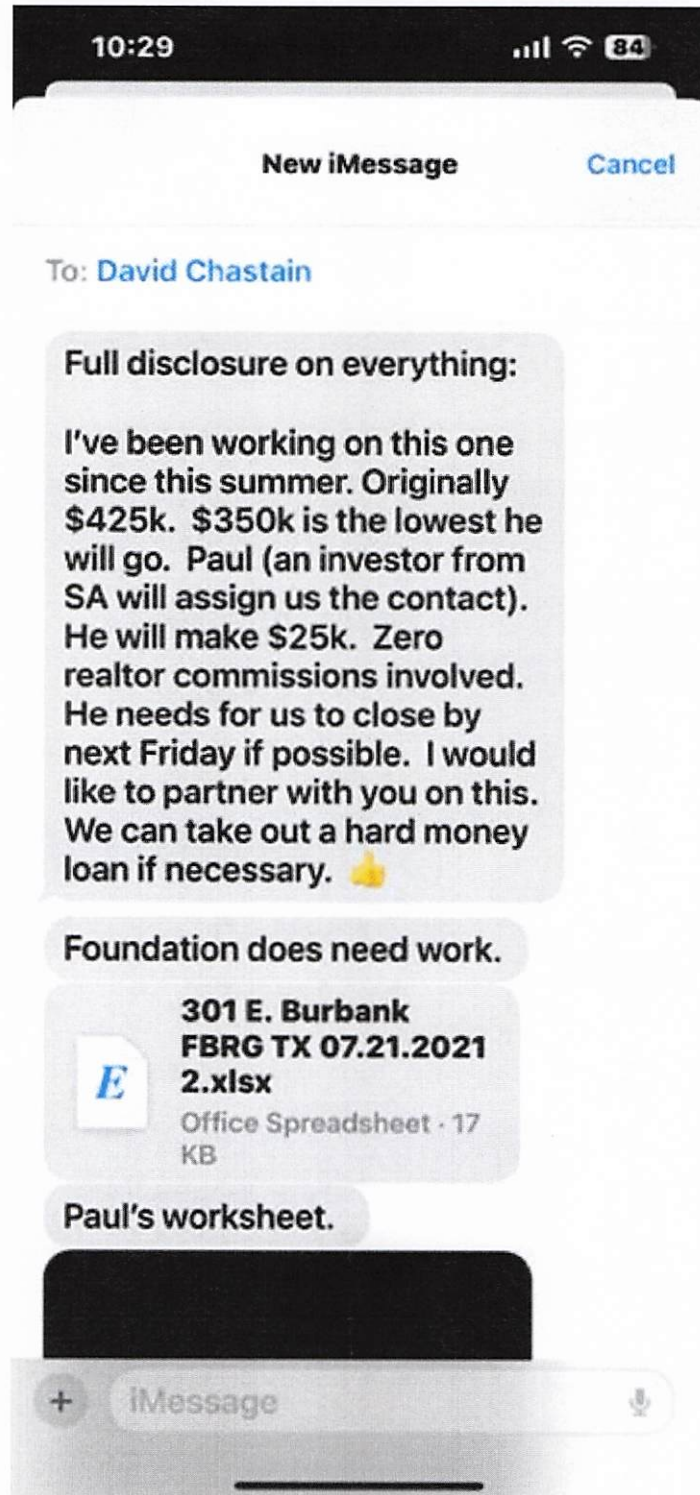
[Texas Law Requires all License holders to provide the Information About Brokerage Services to prospective clients.](#)



[512.293.5401](#)

Exhibit "G"











## 301 E. Burbank FBRG TX...



Done

## COST WORK SHEET

POST WORK SHEET

|                       |                                       |                                   |                             |          |        |         |        |
|-----------------------|---------------------------------------|-----------------------------------|-----------------------------|----------|--------|---------|--------|
| Date                  | July 21, 2021                         | Project Description               | House Rehab                 |          |        |         |        |
| NAME                  | Montelongo                            | Square Footage House              | 1442                        |          |        |         |        |
| Address               | 301 E. Burbank St. Fredericksburg, TX | Square Footage Addition           | 296                         |          |        |         |        |
|                       |                                       | Square Footage Total              | 1738                        |          |        |         |        |
|                       |                                       | Detached Carport 20' X 24'        | 480                         |          |        |         |        |
|                       |                                       | Rear Trellis/Patio Area 10' X 12' | 120                         |          |        |         |        |
| STRUCTURAL            |                                       |                                   |                             |          |        |         |        |
| ITEM #                | COST CODES                            | DESCRIPTION                       | EXPLANATION                 | MATERIAL | LABOR  | TOTAL   | AC FT. |
| 1                     | FOUN1/FOUN2                           | FOUNDATION                        | Leveling/Stabilization      |          | 7,850  | 7,850   |        |
| 2                     | FOUN1/FOUN2                           | FOUNDATION                        | 480 sf Garage X \$21        |          | 9,817  | 9,817   |        |
| 3                     | FOUN1/FOUN2                           | FLATWORK                          | Sidewalks                   |          | 3,500  | 3,500   |        |
| 5                     | FOUN1/FOUN2                           | CONCRETE PUMP                     |                             |          | 1,800  | 1,800   |        |
| 6                     | FRMT1/FRCT2                           | FRAMING                           | House                       | 6,500    | 10,500 | 17,000  |        |
| 7                     | FRMT1/FRCT2                           | FRAMING                           | Carport                     | 4,500    | 4,500  | 9,000   |        |
| 8                     | FRMT1/FRCT2                           | FRAMING                           |                             |          |        | 0       |        |
| MECHANICAL/ELECTRICAL |                                       |                                   |                             |          |        |         |        |
| 9                     | HVAC1/HVAC2                           | HVAC-MECHANICAL                   | New 5 ton Unit              |          | 8,500  | 8,500   |        |
| 10                    | ELFX1/ELEC2                           | LIGHTING FIXTURES                 | Existing 5 ton Unit         | 2,700    | 900    | 3,600   |        |
| 11                    | PLFX1/PLBG2                           | PLUMBING                          | Existing Bathroom           | 1,800    | 3,200  | 5,000   |        |
| 12                    | PLFX1/PLBG2                           | PLUMBING                          | 2-New Bathrooms             | 3,600    | 13,400 | 17,000  |        |
| 13                    | ELFX1/ELEC2                           | ELECTRICAL                        | Whole House Bid             |          | 12,950 | 12,950  |        |
| 14                    | ELFX1/ELEC2                           | ELECTRICAL                        | Carport Bid                 |          | 3,200  | 3,200   |        |
| INTERIOR & EXTERIOR   |                                       |                                   |                             |          |        |         |        |
| 15                    | WIND1/WIND2                           | WINDOWS                           | 19 Replacements             | 7,600    | 2,850  | 10,450  |        |
| 16                    | WIND1/WIND2                           | WINDOWS                           | 2 new                       | 800      | 300    | 1,100   |        |
| 17                    | INSL1/INSL2                           | INSULATION                        | 1738 SF X \$4 LM            |          | 6,952  | 6,952   |        |
| 18                    | SHRK1/SHRK2                           | SHEETROCK                         | 200 sheets                  | 1,800    | 3,600  | 5,400   |        |
| 19                    | SHRK1/SHRK2                           | PAINTING                          | Exterior House and Carport  | 2,800    | 5,500  | 8,300   |        |
| 20                    | PNTG1/PNTG2                           | PAINTING                          | 1800' X \$5                 | 4,500    | 4,500  | 9,000   |        |
| 21                    | PNTG1/PNTG2                           | PAINTING                          | Carport 480 SF X \$5        | 1,200    | 1,200  | 2,400   |        |
| 22                    | INDR                                  | INTERIOR DOORS                    | 4 X \$350                   | 1,200    | 1,200  | 2,400   |        |
| 24                    | EXDR1/EXDR2                           | EXTERIOR DOORS                    | 2 X 400                     | 800      | 300    | 1,100   |        |
| 25                    | EXDR1/EXDR2                           | EXTERIOR DOORS (Front Door)       | Front Door                  | 2,000    | 900    | 2,900   |        |
| 23                    | TRML1/TRMCY2                          | TRIM                              | House                       | 2,500    | 2,500  | 5,000   |        |
| 26                    | TRML1/TRMCY2                          | TRIM                              | Carport Cornice             | 1,000    | 800    | 1,800   |        |
| 29                    | RFNG2                                 | ROOFING                           | 27 Sq. X \$600 Metal        |          | 16,200 | 16,200  |        |
| 30                    | RFNG2                                 | ROOFING                           | Carport 6 Sq. X \$600 Metal |          | 4,800  | 4,800   |        |
| 34                    | CABIN1/CABIN2                         | CABINETS                          | Kitchen/Baths               | 8,000    | 2,500  | 10,500  |        |
| 35                    | TOPS2                                 | COUNTERTOPS                       | Kitchen/Baths               | 3,000    | 3,000  | 6,000   |        |
| 38                    | CTLE1/CTLE2                           | TILE                              | Showers X 3                 | 1,500    | 5,400  | 6,900   |        |
| 39                    | CTLE1/CTLE2                           | TILE                              | Kitchen Floor               | 1,200    | 1,200  | 2,400   |        |
| 43                    | LKND1/LKND2                           | LKS & HOWRE                       |                             | 750      | 750    | 1,500   |        |
| 44                    | GLMR1/GLMR2                           | GLASS-MIRROR                      |                             | 500      | 500    | 1,000   |        |
| 45                    | SWDR1/SHDR2                           | SHOWER DOORS                      |                             | 1,500    | 1,500  | 3,000   |        |
| 46                    | APPL1/APPL2                           | APPLIANCES                        |                             | 5,000    | 500    | 5,500   |        |
| 48                    | WDFL1/WDFL2                           | WOOD FLOORING                     |                             | 6,000    | 6,000  | 12,000  |        |
| 51                    | WDFL1/WDFL2                           | STAIN FLOOR                       | Living Area Re-Stain        |          | 6,000  | 6,000   |        |
| 52                    | GUTTF1/GUTTF2                         | GUTTERS                           |                             |          | 1,800  | 1,800   |        |
| 53                    | TRELL                                 | TRELLIS/PATIO PAVERS              | 1200F X \$21 L X \$15 M     | 2,520    | 1,800  | 4,320   |        |
| 52                    | MSNY1/MSNY2                           | MASONRY                           | Firepit/Chimney             | 2,750    | 2,900  | 5,650   |        |
| 54                    | HTTUB1                                | HOT TUB                           | Wood Trim Kit & Tub         | 4,500    | 1,850  | 6,350   |        |
| 55                    | TOTAL - STRUCTURAL                    |                                   |                             |          |        | 756,122 |        |
| MISCELLANEOUS         |                                       |                                   |                             |          |        |         |        |
| 56                    | DEMO2                                 | FLOOR & DUST PROTECTION           |                             |          | 1,800  | 1,800   |        |
| 57                    | DEMO1                                 | DEMOLITION (INTERIOR HGRDING)     |                             |          | 4,500  | 4,500   |        |
| 58                    | DEMO1                                 | DEMOLITION (ROOF)                 |                             |          | 3,750  | 3,750   |        |
| 59                    |                                       | IRRIGATION S PRINKLERS            |                             |          | 6,500  | 6,500   |        |
| 60                    | TREE1/TREE2                           | TREE TRIMMING/REMOVAL             |                             |          | 2,500  | 2,500   |        |
| 62                    |                                       | LANDSCAPING                       |                             |          | 4,500  | 4,500   |        |
| 62                    | CLUP2                                 | SITE MAINTENANCE/SECURITY         |                             |          | 1,500  | 1,500   |        |
| 63                    | SCAF1                                 | FENCING                           |                             | 5,500    | 4,850  | 10,350  |        |
| 64                    |                                       | CABLE/SECURITY/TV COMPANY         |                             | 1,200    | 1,200  | 2,400   |        |
| 65                    | DUMP1                                 | DUMPSTER RENTAL                   |                             |          | 1,500  | 1,500   |        |
| 66                    | POTTY2                                | PORTABLE TOILET                   |                             |          | 350    | 350     |        |
| 67                    | BLVY2                                 | DELIVERY                          |                             |          | 800    | 800     |        |
| 68                    | FCLN1/FCLN2                           | FINAL MOVE IN CLEAN               |                             |          | 450    | 450     |        |
| 69                    | DECR2                                 | DECORATOR / DESIGNER              |                             |          | 750    | 750     |        |
| 70                    | CTPS2                                 | UTILITY COMPANY FEES              |                             |          | 800    | 800     |        |
| 71                    |                                       | WINDOW TREATMENTS                 | 10 X \$250                  |          | 4,750  | 4,750   |        |
| 73                    | ENG2                                  | SLAB INSPECTION                   |                             |          | 500    | 500     |        |
| 74                    | ENG2                                  | STRUCTURAL ENGINEER INSPECTION    |                             |          | 750    | 750     |        |
| 76                    | PRMT                                  | CITY PERMIT FEE                   |                             |          | 750    | 750     |        |
| 77                    | PRMT                                  | ARCHITECTURE DRAWINGS             |                             |          | 950    | 950     |        |
| 78                    | FUEL                                  | GAS SURCHARGE                     |                             |          | 500    | 500     |        |
| 79                    | MISC                                  | MISCELLANEOUS                     |                             |          | 2,500  | 2,500   |        |
| 82                    | TOTAL MISCELLANEOUS                   |                                   |                             |          |        | 27,100  |        |
| 84                    | GRAND TOTAL                           |                                   |                             |          |        | 783,222 |        |
| 85                    | INVESTMENT TOTAL                      |                                   |                             |          |        | 783,222 |        |
| 86                    | INSURANCE - GENERAL LIABILITY         |                                   |                             |          |        | 7,600   |        |
| NOTES:                | TOTAL INVESTMENT                      |                                   |                             |          |        | 790,822 |        |



# Appendix 4

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- *Additional Emails exchanged with City Officials from June 10, 2024 through to July 11, 2024*

**From:** [Kathleen Henderson](#)  
**To:** [Welsley Reeh](#)  
**Cc:** [Clay Carter](#); "[Savannah Stahl](#)"  
**Subject:** 301 E Burbank - STR permit - Supporting documentation (#7) FW: Signed vested Rights form - 301 E Burbank  
**Date:** Thursday, July 11, 2024 3:23:25 PM  
**Attachments:** [Vested Rights form - 301 E Burbank.pdf](#)

---

Resending this email, looks like the attachments weren't sent.  
This is the last email thread. Please see feed below.

Thank you!

Warmly,



**Kathleen Henderson**  
**Centex Private Investment Management**  
1301 S. Capital of Texas Hwy, Suite B-125  
Austin, TX 78746

[Kathleen@CentexPIM.com](mailto:Kathleen@CentexPIM.com)

phone: 512-533-9110

fax: 512-533-9111

---

**From:** Kathleen Henderson  
**Sent:** Wednesday, June 12, 2024 8:16 AM  
**To:** 'Anna Hudson' <ahudson@fbgtx.org>; Shelby Collier <scollier@fbgtx.org>  
**Cc:** Jan Musgrove <jmusgrove@fbgtx.org>; Tyler Baethge <tbaethge@fbgtx.org>; Clay Carter <clay@centexpim.com>  
**Subject:** RE: Signed vested Rights form - 301 E Burbank

Hello Anna,

Please see attached, I have added documentation on 2<sup>nd</sup> page and supporting email documentation on third page.

Thank you & have a wonderful day!

Warmly,



**Kathleen Henderson**  
**Centex Private Investment Management**

1301 S. Capital of Texas Hwy, Suite B-125  
Austin, TX 78746

[Kathleen@CentexPIM.com](mailto:Kathleen@CentexPIM.com)

phone: 512-533-9110

fax: 512-533-9111

---

**From:** Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)>

**Sent:** Monday, June 10, 2024 1:25 PM

**To:** Kathleen Henderson <[kathleen@centexpim.com](mailto:kathleen@centexpim.com)>; Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>

**Cc:** Jan Musgrove <[jmusgrove@fbgtx.org](mailto:jmusgrove@fbgtx.org)>; Tyler Baethge <[tbaethge@fbgtx.org](mailto:tbaethge@fbgtx.org)>; Clay Carter <[clay@centexpim.com](mailto:clay@centexpim.com)>

**Subject:** Re: Signed vested Rights form - 301 E Burbank

You'll need to complete the form. If you're trying to be vested under the 2018 or 2022 STR ordinance it will need to be spelled out as to when you're vesting to and why....series of permits, conversations with staff. It's your case to make and put together.

---

**From:** Kathleen Henderson <[kathleen@centexpim.com](mailto:kathleen@centexpim.com)>

**Sent:** Monday, June 10, 2024 12:56 PM

**To:** Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)>; Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>

**Cc:** Jan Musgrove <[jmusgrove@fbgtx.org](mailto:jmusgrove@fbgtx.org)>; Tyler Baethge <[tbaethge@fbgtx.org](mailto:tbaethge@fbgtx.org)>; Clay Carter <[clay@centexpim.com](mailto:clay@centexpim.com)>

**Subject:** Signed vested Rights form - 301 E Burbank

Hello All,

I've sent Shelby the vested rights form attached, but looping you all in so you have it as well.

Thanks so much.

Warmly,



Kathleen Henderson

**Centex Private Investment Management**

1301 S. Capital of Texas Hwy, Suite B-125

Austin, TX 78746

[Kathleen@CentexPIM.com](mailto:Kathleen@CentexPIM.com)

phone: 512-533-9110

fax: 512-533-9111

# Appendix 5

---

- *Letter, dated August 21, 2024, from City Manager Clinton Bailey –  
Vested Rights Determination for 301 E. Burbank*





THE CITY OF

# Fredericksburg, Texas

August 21, 2024

Meneer, LLC  
Clay Carter  
clay@centexpim.com

RE: Vested Rights Determination for 301 E. Burbank

Dear Mr. Carter,

This letter is a response to your Vested Rights Determination Request form for 301 E. Burbank that was completed with the addition of background information on July 26, 2024. Vested rights are for a project, and not a property. Vested rights claims are generally based on one or more prior applications that provide fair notice of a continuing development project that began before the adoption of current regulations. A vested date is set by the project application date.

Flint Hills Capital Group LLC (the “prior property owner”) submitted a Short-Term Rental (“STR”) permit application for this property on March 30, 2022. While this permit was still pending, the prior property owner began an unauthorized demolition of the structure for which the STR permit application had been submitted. Eventually, on May 5, 2022, the prior property owner’s representative retroactively applied for a demolition permit to demolish the house. On June 21, 2022, the prior property owner was notified that the STR permit application was denied due to invalidity since the residence located on the applicant property had been demolished. According to Section 6.110 of the Zoning Ordinance, a nonconforming use is terminated “upon destruction of a structure occupied by a nonconforming use.”

Furthermore, even if any nonconforming use rights created by the permit application had not terminated following the demolition of the structure, the prior property owner was also notified that, due to the proposed expansion of the structure resulting from the reconstruction, Section 6.110 of the Zoning Ordinance required them to obtain a Conditional Use Permit (“CUP”) to expand the STR use. On September 19, 2022, the prior property owner submitted a building permit application to construct a new residence, including an addition to the structure, but they never took steps to submit a CUP application or new STR permit application. Therefore, the STR permit application was abandoned, and Staff was not on notice that the prior property owner desired to pursue a STR permit prior to the adoption of the City’s 2023 STR ordinance.

Despite the fact that any nonconforming use rights terminated with the demolition of the structure, in this particular situation, Staff finds it appropriate to allow an STR permit application to proceed so long as you obtain a CUP in accordance with the instructions given to the prior property owner.

The City of Fredericksburg

126 W. Main St. • Fredericksburg, Texas 78624-3708 • (830) 997-7521 • Fax (830) 997-1861

0031



THE CITY OF  
**Fredericksburg, Texas**

This information was previously conveyed to you as indicated in Exhibit A. Therefore, I have determined that you must comply with the instructions previously provided in June 2022. You must obtain a CUP to allow the STR use in the enlarged residential structure. Once you have obtained a CUP, you may apply for a new STR permit.

Clinton Bailey, P.E.  
City Manager

Cc: Anna Hudson, Director of Development Services  
Shelby Collier, Senior Planner  
Tyler Baethge, Short Term Rental Specialist  
Rachel Raggio, TOASE

**The City of Fredericksburg**

126 W. Main St. • Fredericksburg, Texas 78624-3708 • (830) 997-7521 • Fax (830) 997-1861

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# Appendix 1

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- *Memorandum, dated July 15, 2024, from Reeh & Schwing Law Firm*
- *Exhibit "A"*
- *Exhibit "B"*
- *Exhibit "C"*
- *Exhibit "D"*
- *Vested Rights Determination Request Form*



## MEMORANDUM

**TO:** Meneer, LLC  
**ATTN:** Clay Carter  
**FROM:** Reeh & Schwing Law Firm, PLLC  
**DATE:** July 15, 2024  
**RE:** July 12, 2024, Email from Kathleen Henderson, Meneer, requesting an Opinion Letter on Short Term Rental Permit Status/Disqualification pertaining to the renovation of the property located at 301 E. Burbank, Fredericksburg, Texas 78624.

This memorandum is intended to provide general guidance to Meneer, LLC ("Meneer") to support their application for a Short-Term Rental ("STR") Permit for the property located at 301 E. Burbank, Fredericksburg, Texas 78624 (the "Property"), and why the Property qualifies to have its STR Permit renewed as a legal non-conforming short-term rental use in light of the necessary remodel that was made to the Property.

In review of the Property's qualification for an STR Permit, the following materials were considered: City of Fredericksburg Ordinance No. 2022-13 ("2022 STR Ordinance"), and several emails exchanges between City of Fredericksburg officials and Meneer representatives.

The City admits in the email dated June 17, 2022, "records indicate that this Property is a Permitted Short-Term Rental that was permitted prior to April 1, 2022,"<sup>1</sup> therefore there is no question that the Property legally operated as an STR before the City's 2022 STR Ordinance came into effect and should continue as a non-conforming short term rental use. In this case, with the express permission of the City, Meneer made significant investments in reliance of their continued ability to rent the Property as an STR, notably making necessary repairs to the Property through a remodel.

Under the 2022 STR Ordinance, the Property is classified as 'non-conforming short term rental use', as such under Section 6.110 a "non-conforming short-term rental use shall not be considered voluntarily discontinued if the use is suspended for repairs, modifications, additions or remodels,"<sup>2</sup> here the Property was remodeled, a term specifically contemplated and included in the 2022 STR Ordinance.

The City cites as the grounds for refusing to grant the Property a STR permit is "due to an unpermitted demolition of the structure."<sup>3</sup> There is no definition of "destruction" within the 2022 STR Ordinance, resulting in an arbitrary and unwritten standard. A common understanding of the term 'destruction' is the action or process of causing so much damage to something that it no longer exists or cannot be repaired.

<sup>1</sup> See Exhibit "A".

<sup>2</sup> See Exhibit "B".

<sup>3</sup> See Exhibit "C".

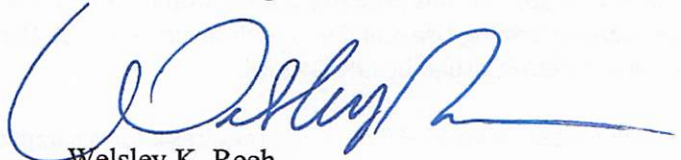
Longhorn Asphalt & Construction ("Longhorn"), who was responsible for the remodel of the Property, explained that the work performed at the Property was undoubtedly a remodel and not a complete destruction of the Property, as they had "left several original structure walls of existing house intact on [the] remodel."<sup>4</sup> Furthermore, the only reason some of the walls and roof trusses were removed was because it was necessary as they were rotted and structurally unsafe.

In conclusion, it is this firm's opinion that the Property did not voluntarily discontinue its non-conforming short-term rental use as the Property was not destroyed but merely remodeled, as permitted by the 2022 STR Ordinance. Therefore, the City of Fredericksburg should grant Meneer's STR permit for the Property.

Feel free to contact this office directly with any questions concerning this matter at (830) 992-8358.

Sincerely,

Reeh & Schwing Law Firm



Welsley K. Reeh  
TX Bar 24107960

---

<sup>4</sup> See Exhibit "D".



**Welsley Reeh**

---

**From:** Shelby Collier <scollier@fbgtx.org>  
**Sent:** Friday, June 17, 2022 9:57 AM  
**To:** shae@keeperslandplanning.com  
**Cc:** Permits  
**Subject:** 301 E. Burbank  
**Attachments:** 2021 IECC Compliance Check List Mechanical E. Burbank rescheck Report.pdf; Final Plotted Burbank.pdf; Updated Building Permit Application Fillable\_202106221444516871 copy.pdf

Good morning Shae,

Staff has received a Building Permit Application for 301 E. Burbank and given its current Legal Nonconforming Use Status, Staff is not able to accept the Building Permit Application at this time.

Records indicate that this property is a Permitted Short-Term Rental that was permitted prior to April 1, 2022 making it a Legal Nonconforming Use and If you wish to expand upon that use, a Conditional Use Permit (CUP) is required, which is a special use permit issued by City Council.

The CUP process take 45 -60 days and requires a formal application be made with City Staff as well as a Public Notification through the Newspaper and individual notification of all property owners that own property within 200 feet of the subject property.

<https://www.fbgtx.org/845/Short-Term-Rentals>

Is this something you wish to pursue?

I welcome your response.



*"We're leading with integrity while providing the best customer services to our community."*

**Shelby Collier/** Associate Planner/ City of Fredericksburg  
O. 830-990-2013/ [scollier@fbgtx.org](mailto:scollier@fbgtx.org)

## Sec. 6.110. Continuance of a Nonconforming Use.

### Residential Districts

**Enlargement.** A non-conforming use may be enlarged, expanded, extended or changed within the boundary of the lot in which the non-conforming use has legally operated, upon approval of a Conditional Use Permit (section 5.400). Any enlargement or extension, whether requiring a Conditional Use Permit or not, shall be required to come into compliance with all city ordinances, codes, or policies and development regulations which may apply to the property (examples without limitation: landscape, parking, curb cuts, setbacks).

**Conversions.** A non-conforming use may be continued as the same classification, or may be changed to a use of a more restricted classification upon approval of a conditional use permit. If it is changed to a use in a more restricted classification or to a conforming use, it cannot be changed back to its original non-conforming use. For purpose of this paragraph, the phrase "same classification" means: uses permitted in the same district; a "more restricted classification" means: use in a district having more restricted use (i.e., C-2 vs. C-1); and provided that:

The new use is similar to or less intensive than that of the old use in terms of noise generated, outdoor storage, customer activity and impact on other conforming uses in the area, and that the new use comply with the parking requirements of this ordinance as applicable to newly established uses.

### Termination.

If a non-conforming use or any portion thereof is voluntarily discontinued for a period of 90 days, any future use of such land or portion thereof shall be in conformity with the regulations of the district in which such land or portion thereof is located. A non-conforming short-term rental use shall not be considered voluntarily discontinued if

Short-term rental uses shall not terminate under the following conditions:

The use is suspended for repairs, modifications, additions, or remodels, or other similar situations; or if  
The owner of the property home utilizes the property as their personal residence, for a period not to exceeding  
more than one 365 consecutive days (1) year; or

Non-conforming use is terminated upon a change in use other than as provided herein.

Non-conforming use is terminated upon destruction of a structure occupied by a non-conforming use unless it is permitted to be rebuilt as provided herein.

### Other Districts

**Enlargement.** A non-conforming use may be enlarged within the boundary of the lot in which the non-conforming use has legally operated upon approval of a Conditional Use Permit (section 5.400).

Provided, however, a Conditional Use Permit shall not be required, and the enlargement may occur, upon submission and approval of a Site Plan if the enlargement involves only a one-time increase in the size of the building in which the same use is operated of not more than 25 percent.

Any enlargement or extension, whether requiring a Conditional Use Permit or not, shall be required to come into compliance with all city ordinances, codes, or policies and development regulations which may apply to the property (examples without limitation: landscape, parking, curb cuts, setbacks), and the non-conforming use may be continued only for so long as the property remains in compliance with all applicable City Ordinances and Codes, including those prohibiting nuisances. All Existing non-conforming single family residential uses may be enlarged without the necessity of obtaining a Conditional Use Permit.

**Conversions.** A non-conforming use may be continued as the same classification, or may be changed to a use of a more restricted classification upon approval of a conditional use permit. If it is changed to a use in a more restricted classification or to a conforming use, it cannot be changed back to its original non-conforming use. For purpose of this paragraph, the phrase "same classification" means: uses permitted in the



Exhibit "C"

Cc: Tyler Baethge <[tbaethge@fbgtx.org](mailto:tbaethge@fbgtx.org)>; Jan Musgrove <[jmusgrove@fbgtx.org](mailto:jmusgrove@fbgtx.org)>  
Subject: RE: Vested Rights form - 301 E Burbank Construction Story/Pics & Builder Note

Yes please. Can I call you? Who should I call?



**Clay Carter**  
**Centex Private Investment Management**  
1301 S. Capital of Tx Hwy, Suite B-125  
Austin, Tx 78746

[Clay@CentexPIM.com](mailto:Clay@CentexPIM.com)  
phone: 512-533-9110  
fax: 512-533-9111

**From:** Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>  
**Sent:** Monday, June 10, 2024 9:43 AM  
**To:** Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)>  
**Cc:** Clay Carter <[clay@centexpim.com](mailto:clay@centexpim.com)>; Tyler Baethge <[tbaethge@fbgtx.org](mailto:tbaethge@fbgtx.org)>; Jan Musgrove <[jmusgrove@fbgtx.org](mailto:jmusgrove@fbgtx.org)>  
**Subject:** FW: Vested Rights form - 301 E Burbank Construction Story/Pics & Builder Note

Anna,

Please see the following correspondence.

It appears that Clay Carter is requesting a vesting determination for property located at 301 E Burbank.

I previously denied a STR permit for the property due to an unpermitted demolition of the structure.

I'm happy to discuss if needed.



*"We're leading with integrity while providing the best customer services to our community."*

**Shelby Collier/ Senior Planner/ City of Fredericksburg**  
O. 830-990-2013/ [scollier@fbgtx.org](mailto:scollier@fbgtx.org)  
[Complete the Final Survey for the Comprehensive Plan](#)

**From:** Clay Carter <[clay@centexpim.com](mailto:clay@centexpim.com)>  
**Sent:** Friday, June 7, 2024 1:57 PM  
**To:** Kathleen Henderson <[kathleen@centexpim.com](mailto:kathleen@centexpim.com)>; Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>  
**Subject:** RE: Vested Rights form - 301 E Burbank Construction Story/Pics & Builder Note

Shelby,

Jan,

My understanding, in the beginning, was that this was a remodel and not a major demo or tear down. I also understood that the house had a ST permit already or one that we could renew and keep, from my out of town realtor. It was my first time to buy a property in Fredericksburg that needed work so I wasn't too aware of the rules. We never intended to tear walls down or the roof. See Builder email below to explain why we had to take some framing and roof trusses off. I was misunderstanding that this was just considered more than a remodel because we were leaving walls, framing, and roof. In Austin, that is considered a remodel as we didn't take the walls down. Once we started getting into the walls to update the house, the builder was clear we are going to need to take some walls, structure, and roof trusses out due to damages and rot. At that point, I had to decide between fixing the house or saving the ST permit. I decided to fix the house and roof and worry about the permit after. I really thought we would be able to keep the ST permit since we didn't scrape the house and rebuild. I have since let go of the realtor (my rep for the purchase and build) and have been working with local reps like Christina @ Simple Goods and Savannah/her mom at Absolute Charm to help me with my projects here in Fredericksburg. They recommended I get you guys involved to help me restore/get the ST permit for the house. I ask that you spare me in my mistake about remodeling the house and please give me this exception. This house was uninhabitable and we were getting letters from neighbors to please get this house fixed to match the rest of the neighborhood

Here are the pics and the email from builder showing the walls and structure that we saved or tried to save.

Thanks for your consideration Jan

From: longhorn asphalt <[longhornasphalt@yahoo.com](mailto:longhornasphalt@yahoo.com)>

Sent: Thursday, May 16, 2024 1:48 PM

To: Clay Carter <[clay@BlueWatersAG.com](mailto:clay@BlueWatersAG.com)>

Subject: 301 burbank Remodel

Clay, Good afternoon, I am writing this letter per your request to give an explanation of the complete remodel we completed at 301 E Burbank. We left several original structure walls of existing house in tact on this remodel. Some of the walls and roof trusses we removed were removed as they were rotted and unsafe to leave in place as part of remodel. if any questions plz feel free to reach out. Thank You

Respectfully,

Edward/ Longhorn Asphalt & Construction

[Longhornasphalt@yahoo.com](mailto:Longhornasphalt@yahoo.com)

Number One in customer service !

Exhibit "D"

0006





**Development Services**  
126 W Main Street  
Fredericksburg, TX 78624  
830-997-7521  
[www.fbgtx.org](http://www.fbgtx.org)

**FOR OFFICE USE ONLY**

Date Received: \_\_\_\_\_ Filing Fee: \_\_\_\_\_  
Received by: \_\_\_\_\_ Approved by: \_\_\_\_\_

**Vested Rights Determination Request Form**

*Please attach additional sheets if necessary.*

Property Owner: Meneer, LLC  
Applicant (if different than owner): Clay Carter  
Address: 301 E. Burbank St. Fredericksburg, TX 78624  
Phone: 512-533-9110 Office: \_\_\_\_\_ Email: Claycentexpm.com  
Project Name: \_\_\_\_\_

**1. Type of development permit:**

☐ Site plan ☐ Construction Permit ☐ Plat \_\_\_\_\_ (type)  
☐ Use prior to Annexation ☒ Other STR Permit (describe)  
Reinstatement

**2. Basis for Vested Rights Claim per Texas Local Government Code:**

☒ Type 1: Chapter 245 (general vested rights statute)  
☐ Type 2: Section 43.002 (applies only if vested rights claim is based on uses begun outside the city limits which are not allowed under current zoning)

**3. Date for which Vested Rights are claimed:** 3/30/2022 Permit: N/A

**4. Chronological History of Development:**

a) List all prior permits issued for the property, including the one for which vested rights are claimed. Provide a copy of each permit listed below.

| Type            | Application Date | Approval Date                                                                                    |
|-----------------|------------------|--------------------------------------------------------------------------------------------------|
| STR Application | 3/30/2022        | pending STR application<br>was no longer valid<br>since building<br>had since been<br>demolished |
|                 |                  |                                                                                                  |
|                 |                  |                                                                                                  |
|                 |                  |                                                                                                  |

a) Identification of all pertinent City regulations in effect at the time the original application for the first permit was filed, which the Petitioner contends control the approval, disapproval, or conditional approval of the application(s) for a permit for which relief is sought, pursuant to Chapter 245 at § 245.002(a) and (b)

b) Identification of all current City regulations that the petitioner contends do not apply to the project due to the vested rights provided the person by Chapter 245 or other applicable vested rights laws. Global references to an ordinance, statute or set of criteria, may be deemed insufficient and the City may consider the request for vested rights to be incomplete and, hence, not subject to a staff determination at that time:



c) Identification of any exemptions under the Zoning Ordinance or other ordinances to which the petitioner believes are applicable to the project defined.

N/A

d) Please describe any progress towards completion of the project that was made after the first application for the project was submitted (provide supporting documentation):

House was not fully demolished when purchased to renovate it had a permit. Due to finding out house was in bad conditions (not livable) ended up remodeling more of the house than initially intended. (please see emails; supporting documentation)

5. Additional Information:

a) Has the prior permit for which vested rights are claimed expired?

☐ Yes ☐ No

If Yes, when? \_\_\_\_\_

b) Is the Proposed Project the same as the original project for which vested rights are claimed?

☐ Yes ☐ No

If No, please describe any differences between the two, including but not limited to changes in use, land area, or intensity of development:

I Certify that the preceding information provided is accurate:

Signature: \_\_\_\_\_  
Property Owner\*

Date: 6-6-24

Signature: \_\_\_\_\_  
Applicant/Agent\*

Date: \_\_\_\_\_

# Appendix 2

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- *Correspondence with Rachel Raggio of the City Attorney's office Re: 301 E Burbank STR Permit and Vested Rights Determination*

**From:** [Welsley Reeh](#)  
**To:** [Rachel Raggio](#)  
**Cc:** [Mick McKamie](#); [Annabelle Ackling](#); [Ellie Schulte](#); [Robert Schwing](#)  
**Subject:** RE: 301 E Burbank - STR Permit  
**Date:** Friday, July 26, 2024 12:43:00 PM  
**Attachments:** [Supporting Evidence of STR - Vested Right.pdf](#)

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Good Afternoon Rachel,

Attached is the supporting evidence/materials we spoke of yesterday that is intended to supplement the memorandum that has already been submitted for consideration of my client's vested determination for STR at 301 E Burbank. Brief summary of contents is the following:

- **Exhibit "E"** – advertisement of off-market property that was posted to the closed facebook group 'Fredericksburg TX STR Alliance' dated July 31 2021 – where my client's realtor, Dave Chastain first learned of the property and reported back to my client who was in the market for short-term rental properties in Fredericksburg – ***Evidence of Intent to Operate Property as STR Prior to April 1, 2022***
- **Exhibit "F"** – Email dated March 21, 2022 from my client's realtor, Dave Chastain, to City official Jason Lutz with the subject line "intention of short term rental," where Mr. Chastain expressly states "I plan and my intentions are for this property to be a short term rental." Anna Hudson sends her own email, dated March 22, 2022, where she confirms deadline to document intentions is April 1<sup>st</sup>. And, finally, Shelby Collier sends email to Mr. Chastain dated June 21, 2022, confirming that 301 E. Burbank submitted their STR application as of 3/30/2022, before the April 1<sup>st</sup> deadline. – ***Evidence of Correspondence with Staff about Process of Obtaining Permit***
- **Exhibit "G"** – Text message, on or around December 4 2021, between my client and his realtor, Mr. Chastain, referencing discussions with builder about the remodel of the property and confirmation that "it's not a tear down." – ***Evidence of Remodel Not Demolition and Correspondence with Real Estate Agent and Builder about STR Investment in Property***
- **Exhibit "H"** – Text message between my client and his realtor about investment property at 301 E Burbank, to turn into STR. – ***Evidence of Correspondence with Real Estate Agent about STR Investment in Property***
- **Exhibit "I"** – Text message, dated October 12 2021, between my client and his realtor about investment property at 301 E Burbank, to turn into STR – ***Evidence of Intent to Operate Property as STR Prior to April 1, 2022 via Correspondence with Real Estate Agent about "remodel and keep as STR"***
- **Exhibit "J"** – Total costs my client invested in remodel in reliance of keeping the property an STR, i.e., over \$300k. – ***Evidence of Investment into Operating Property as STR***

The above-referenced and attached materials address the City's demand for evidence of my client's clear intention to operate the property as an STR prior to April 1, 2022. As such, I believe my client has more than met his burden of providing adequate evidence to support his



request for a vesting determination, and consequently should be granted his STR permit.

Please provide instructions on how my client is to proceed at this time in order to effectuate such vesting determination and STR permit.

Thank you again for your time and attention to this matter.

Welsley K. Reeh  
Attorney at Law  
Reeh & Schwing Law Firm  
1403 Cross Street  
Fredericksburg, Texas 78624  
Tel (830) 992-8358  
Fax (830) 715-4788

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---

**From:** Rachel Raggio <rraggio@toase.com>  
**Sent:** Thursday, July 25, 2024 10:23 PM  
**To:** Welsley Reeh <wreeh@reehandschwinglaw.com>  
**Cc:** Mick McKamie <mmckamie@fbgtx.org>; Annabelle Ackling <aackling@toase.com>; Ellie Schulte <eschulte@toase.com>; Robert Schwing <rschwing@reehandschwinglaw.com>  
**Subject:** RE: 301 E Burbank - STR Permit

If you'll be submitting the additional materials on behalf of your client, please provide them to me and I'll convey them to staff. If your client will be handling the submission, they can communicate directly with Anna Hudson.

Thank you,

Rachel

Rachel Raggio  
Associate Attorney  
Taylor, Olson, Adkins, Sralla & Elam, LLP  
6000 Western Place, Suite 200  
Fort Worth, Texas 76107  
Phone: (817) 332-2580  
Fax: (817) 332-4740



---

**From:** Welsley Reeh <[wreeh@reehandschwinglaw.com](mailto:wreeh@reehandschwinglaw.com)>  
**Sent:** Thursday, July 25, 2024 10:11 PM  
**To:** Rachel Raggio <[rraggio@toase.com](mailto:rraggio@toase.com)>  
**Cc:** Mick McKamie <[mmckamie@fbgtx.org](mailto:mmckamie@fbgtx.org)>; Annabelle Ackling <[aackling@toase.com](mailto:aackling@toase.com)>; Ellie Schulte <[eschulte@toase.com](mailto:eschulte@toase.com)>; Robert Schwing <[rschwing@reehandschwinglaw.com](mailto:rschwing@reehandschwinglaw.com)>  
**Subject:** RE: 301 E Burbank - STR Permit

Very well, as the property was initially purchased with the intent of operating an STR, in addition to the significant investment my clients have put into the property for that same reason, I do not see that will be an issue, however arbitrary this fact-intensive process clearly seems to be.

Please direct me to who at the City I should proceed with at this point.

Thank you,

Welsley K. Reeh  
Attorney at Law  
Reeh & Schwing Law Firm  
1403 Cross Street  
Fredericksburg, Texas 78624  
Tel (830) 992-8358  
Fax (830) 715-4788

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this communication by anyone other than the named recipient is strictly prohibited.



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**From:** Rachel Raggio <[rraggio@toase.com](mailto:rraggio@toase.com)>  
**Sent:** Thursday, July 25, 2024 9:56 PM  
**To:** Welsley Reeh <[wreeh@reehandschwinglaw.com](mailto:wreeh@reehandschwinglaw.com)>  
**Cc:** Mick McKamie <[mmckamie@fbgtx.org](mailto:mmckamie@fbgtx.org)>; Annabelle Ackling <[aackling@toase.com](mailto:aackling@toase.com)>; Ellie Schulte <[eschulte@toase.com](mailto:eschulte@toase.com)>; Robert Schwing <[rschwing@reehandschwinglaw.com](mailto:rschwing@reehandschwinglaw.com)>  
**Subject:** RE: 301 E Burbank - STR Permit

Welsley,

My understanding is that this property is in a gray area because an incomplete permit application was filed on March 30, 2022, and this appears to be the only documentation available in the City's records. Vesting determinations are fact-intensive and the City Manager will rely on available evidence in order to reach a decision. The vesting determination process gives the property owner the opportunity to provide additional evidence to support the assertion that they have vested rights in a certain project, so I strongly suggest that your client provide any additional materials they may have to support their application, as the applicant has the burden of providing adequate evidence to support their request for a vesting determination.

As I mentioned in my initial response to you, types of evidence that have been considered in previous cases include materials dating from the time of vesting like building/other permit applications, correspondence with staff regarding the process of obtaining a permit, correspondence with builders, or even correspondence with real estate agents indicating an intent to operate the property as a short-term rental. So, some examples of relevant types of evidence for this case could include building permit applications for the demolition, records of transactions or plans with the demolition and/or construction company, or any other materials that may indicate the intention to operate an STR.

I hope this helps.

Best,

Rachel

Rachel Raggio  
Associate Attorney  
Taylor, Olson, Adkins, Sralla & Elam, LLP  
6000 Western Place, Suite 200  
Fort Worth, Texas 76107  
Phone: (817) 332-2580  
Fax: (817) 332-4740



---

**From:** Welsley Reeh <[wreeh@reehandschwinglaw.com](mailto:wreeh@reehandschwinglaw.com)>  
**Sent:** Thursday, July 25, 2024 11:14 AM  
**To:** Rachel Raggio <[rraggio@toase.com](mailto:rraggio@toase.com)>  
**Cc:** Mick McKamie <[mmckamie@fbgtx.org](mailto:mmckamie@fbgtx.org)>; Annabelle Ackling <[aackling@toase.com](mailto:aackling@toase.com)>; Ellie Schulte <[eschulte@toase.com](mailto:eschulte@toase.com)>; Robert Schwing <[rschwing@reehandschwinglaw.com](mailto:rschwing@reehandschwinglaw.com)>  
**Subject:** 301 E Burbank - STR Permit

Hello Rachel,

Just following up from my last email to get some clear guidance for my client.

Thank you for attention to this matter.

Welsley K. Reeh  
Attorney at Law  
Reeh & Schwing Law Firm  
1403 Cross Street  
Fredericksburg, Texas 78624  
Tel (830) 992-8358  
Fax (830) 715-4788

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**From:** Welsley Reeh  
**Sent:** Tuesday, July 23, 2024 6:26 PM  
**To:** Rachel Raggio <[rraggio@toase.com](mailto:rraggio@toase.com)>  
**Cc:** Mick McKamie <[mmckamie@fbgtx.org](mailto:mmckamie@fbgtx.org)>; Annabelle Ackling <[aackling@toase.com](mailto:aackling@toase.com)>; Ellie Schulte <[eschulte@toase.com](mailto:eschulte@toase.com)>  
**Subject:** RE: 301 E Burbank - STR Permit

Hello Rachel,

Per Ms. Hudson's email which was included in the attachments, she lists examples of such evidence including "conversations with staff." Here, the email included with the memo is evidence of the application's existence in March of 2022, as it was the City's staff Ms. Collier who affirmed "records indicate that this property is a permitted short-term rental that was permitted prior to April 1, 2022." Am I understanding correctly that the City's position is that this acknowledgment and conversation with city staff does not amount to evidence that the property was intended to operate as a STR prior to the 2022 ordinance? If so, what records is Ms. Collier referring to if not the very evidence you are requesting at this time?

Thank you,  
Welsley K. Reeh  
Attorney at Law  
Reeh & Schwing Law Firm  
1403 Cross Street  
Fredericksburg, Texas 78624  
Tel (830) 992-8358  
Fax (830) 715-4788

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---

**From:** Rachel Raggio <[rraggio@toase.com](mailto:rraggio@toase.com)>

**Sent:** Tuesday, July 23, 2024 4:26 PM

**To:** Welsley Reeh <[wreeh@reehandschwinglaw.com](mailto:wreeh@reehandschwinglaw.com)>

**Cc:** Mick McKamie <[mmckamie@fbgtx.org](mailto:mmckamie@fbgtx.org)>; Annabelle Ackling <[aackling@toase.com](mailto:aackling@toase.com)>; Ellie Schulte <[eschulte@toase.com](mailto:eschulte@toase.com)>

**Subject:** RE: 301 E Burbank - STR Permit

Hi Welsley,

I don't see any additional information included in the attachments sent to Shelby this afternoon – as I mentioned in my earlier email, without evidence from the time of vesting, the City really doesn't have much to work with for the vesting determination application. For example, the STR permit application that the VD application claims was submitted on March 30, 2022 should be attached to this application, as well as any other evidence that supports the assertion that the project of renovating and operating an STR was in motion prior to the adoption of the 2022 ordinance. While your memorandum provides additional information to support the application, it does not provide the additional evidence on which the City Manager will be able to base a VD decision.

Thanks,

Rachel

Rachel Raggio  
Associate Attorney  
Taylor, Olson, Adkins, Sralla & Elam, LLP  
6000 Western Place, Suite 200  
Fort Worth, Texas 76107  
Phone: (817) 332-2580  
Fax: (817) 332-4740



**From:** Welsley Reeh <[wreeh@reehandschwinglaw.com](mailto:wreeh@reehandschwinglaw.com)>  
**Sent:** Tuesday, July 23, 2024 2:28 PM  
**To:** Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>; Rachel Raggio <[rraggio@toase.com](mailto:rraggio@toase.com)>  
**Cc:** Robert Schwing <[rschwing@reehandschwinglaw.com](mailto:rschwing@reehandschwinglaw.com)>; Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)>; Short Term Rentals <[str@fbgtx.org](mailto:str@fbgtx.org)>; Clay Carter <[clay@centexpim.com](mailto:clay@centexpim.com)>; Permits <[permits@fbgtx.org](mailto:permits@fbgtx.org)>; Kathleen Henderson <[kathleen@centexpim.com](mailto:kathleen@centexpim.com)>  
**Subject:** RE: 301 E Burbank - STR Permit

Hello Shelby,

I've engaged with Mrs. Raggio's office, and we are on the same page. As a recap, attached is the vested determination application along with the memorandum that provided the requested support of my client's vested determination application. If there is something missing from the application that your office requires please detail what that item is and it will be addressed. Otherwise, let me know when the application is approved so that my client may have his STR permit granted/renewed.

Thank you,

Welsley K. Reeh  
Attorney at Law  
Reeh & Schwing Law Firm  
1403 Cross Street  
Fredericksburg, Texas 78624  
Tel (830) 992-8358  
Fax (830) 715-4788

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**From:** Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>  
**Sent:** Friday, July 19, 2024 1:51 PM  
**To:** Welsley Reeh <[wreeh@reehandschwinglaw.com](mailto:wreeh@reehandschwinglaw.com)>; Rachel Raggio <[rraggio@toase.com](mailto:rraggio@toase.com)>  
**Cc:** Robert Schwing <[rschwing@reehandschwinglaw.com](mailto:rschwing@reehandschwinglaw.com)>; Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)>; Short Term Rentals <[str@fbgtx.org](mailto:str@fbgtx.org)>; Clay Carter <[clay@centexpim.com](mailto:clay@centexpim.com)>; Permits <[permits@fbgtx.org](mailto:permits@fbgtx.org)>; Kathleen Henderson <[kathleen@centexpim.com](mailto:kathleen@centexpim.com)>  
**Subject:** RE: 301 E Burbank - STR Permit

Good afternoon Welsley,

Thank you for your email, however, I will have to direct your question to Mrs. Rachel Raggio with Toase.

I hope this finds you well.

Have a blessed day and a lovely weekend!



*"We're leading with integrity while providing the best customer services to our community."*

Shelby Collier/ Senior Planner/ City of Fredericksburg  
O. 830-990-2013/ [scollier@fbgtx.org](mailto:scollier@fbgtx.org)

---

**From:** Welsley Reeh <[wreeh@reehandschwinglaw.com](mailto:wreeh@reehandschwinglaw.com)>  
**Sent:** Friday, July 19, 2024 1:11 PM  
**To:** Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>

**Cc:** Robert Schwing <[rschwing@reehandschwinglaw.com](mailto:rschwing@reehandschwinglaw.com)>; Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)>; Short Term Rentals <[str@fbgtx.org](mailto:str@fbgtx.org)>; Clay Carter <[clay@centexpim.com](mailto:clay@centexpim.com)>; Permits <[permits@fbgtx.org](mailto:permits@fbgtx.org)>; Kathleen Henderson <[kathleen@centexpim.com](mailto:kathleen@centexpim.com)>  
**Subject:** F/U: 301 E Burbank - STR Permit

Hello Shelby,

I tried calling your office yesterday to follow up on this matter. Has there been any development that I can pass along to my client?

Thank you,

Welsley K. Reeh  
Attorney at Law  
Reeh & Schwing Law Firm  
1403 Cross Street  
Fredericksburg, Texas 78624  
Tel (830) 992-8358  
Fax (830) 715-4788

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---

**From:** Welsley Reeh  
**Sent:** Monday, July 15, 2024 2:45 PM  
**To:** 'permits@fbgtx.org' <[permits@fbgtx.org](mailto:permits@fbgtx.org)>  
**Cc:** Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>; Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)>; 'str@fbgtx.org' <[str@fbgtx.org](mailto:str@fbgtx.org)>; Clay Carter <[clay@centexpim.com](mailto:clay@centexpim.com)>; Robert Schwing <[rschwing@reehandschwinglaw.com](mailto:rschwing@reehandschwinglaw.com)>; Kathleen Henderson <[kathleen@centexpim.com](mailto:kathleen@centexpim.com)>

**Subject:** FW: 301 E Burbank - STR Permit

Good Afternoon,

My office has been retained to assist in the property located at 301 E Burbank obtaining an STR Permit.

I have reviewed the emails exchanged between the City and my client, in addition to the documentation supporting my client's position in the matter.

In short, for the reasons and evidence included in the attached memorandum, the property does qualify for and should be granted a STR permit in accordance with City of Fredericksburg Ordinance No. 2022-13.

Please review the attached and let me know if you have any questions.

Thank You,  
Welsley K. Reeh  
Attorney at Law  
Reeh & Schwing Law Firm  
1403 Cross Street  
Fredericksburg, Texas 78624  
Tel (830) 992-8358  
Fax (830) 715-4788

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# Appendix 3

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- *Exhibit “E”*
- *Exhibit “F”*
- *Exhibit “G”*
- *Exhibit “H”*
- *Exhibit “I”*
- *Exhibit “J”*

<  **Fredericksburg TX STR Alliance** ...

Paul Montelongo · Jul 31, 2021 · 

I have a tidy little off-market residence 1 mile from the corner of Llano and Main, just a couple of blocks out of the Historic zone. Currently 1,683 sq. ft and needs about 200k to make it STR ready. 10,250 square foot lot zoned R-1 currently. If anyone knows of someone that would like to buy this and fix it, message me. \$425k. ARV of \$900k (approx).



Like



Comment

Newest ▾

**Nancy MacDougall Herndon**

Admin

Paul, I sent you a pm. Please take a look.

2y Like Reply

**Paul Montelongo**

Author

i dont see anything

2y Like Reply



Write a reply...

**Susie Doucette Pyle**  
Pics??

2y Like Reply

1 **Paul Montelongo**

Author

[Susie Doucette Pyle](#) see mv edited

Write a comment...





Exhibit "F"

----- Forwarded message -----

From: **Shelby Collier** <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>  
Date: Tue, Jun 21, 2022 at 3:47 PM  
Subject: RE: Fw: Intention of short term rental  
To: Dave Chastain <[davechastain@realtyaustin.com](mailto:davechastain@realtyaustin.com)>

Good afternoon Dave,

301 E. Burbank had a submitted STR application as of 03/30/2022, unfortunately, the building has since been demolished and the pending str application is no longer valid.

Once you respond to this email acknowledging this, you would be able to submit a building permit application to move forward with construction.

108 W. Mulberry also has a pending STR application as of 03/30/22 and is subject to Sec. 6.110 requiring a Conditional Use Permit (CUP) for building expansions to maintain the existing STR Application.

Please feel free to contact me if you have any questions.

Have a blessed day!



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Shelby Collier/ Associate Planner/ City of Fredericksburg  
O. 830-990-2013/ [scollier@fbgtx.org](mailto:scollier@fbgtx.org)

---

**From:** Dave Chastain <[davechastain@realtyaustin.com](mailto:davechastain@realtyaustin.com)>  
**Sent:** Monday, June 20, 2022 1:40 PM  
**To:** Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>  
**Cc:** Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)>; Garret Bonn <[gbonn@fbgtx.org](mailto:gbonn@fbgtx.org)>  
**Subject:** Re: Fw: Intention of short term rental

Good afternoon Shelby,

It was nice meeting you and Anna in person this past Tuesday at the meeting for my Orchard project. I've been super busy and wanted to follow up to see if the STR permits were issued for the properties below.

Thank you so much,

Dave

[Texas Law Requires all License holders to provide the Information About Brokerage Services to prospective clients.](#)



[512.293.5401](#)

On Mon, Apr 25, 2022 at 1:34 PM Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)> wrote:

Good afternoon Dave,

My apologies, I have researched pending STR permit applications for 301 E. Burbank & 108 W. Mulberry and have not found record of these applications having been made.

Am I missing something? If you have record of your previous applications submitted to Avenue please send them my way so that I may assist you with this process.

I welcome your feedback.



*"We're leading with integrity while providing the best customer services to our community."*

Shelby Collier/ Associate Planner/ City of Fredericksburg

O. 830-990-2013/ [scollier@fbgtx.org](mailto:scollier@fbgtx.org)

---

**From:** Dave Chastain <[davechastain@realtyaustin.com](mailto:davechastain@realtyaustin.com)>

**Sent:** Friday, April 22, 2022 1:10 PM

**To:** Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>

**Subject:** Re: Fw: Intention of short term rental

Hi Shelby,

I know you are super busy, but can you check on the permits I previously submitted for STR? The address is below when I was working with Jason.

Thank you so much,

Dave

[Texas Law Requires all License holders to provide the Information About Brokerage Services to prospective clients.](#)



[512.293.5401](#)

On Tue, Mar 22, 2022 at 8:30 AM Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)> wrote:

Good Morning Dave,

City Council adopted the updated STR ordinance that will go into effect on April 1st. You will need to submit STR permits before April 1<sup>st</sup> to Avenu to document your intentions. On April 1<sup>st</sup> we will switch over to Granicus for permitting and HOT remittal.

Regards,

Anna Hudson  
City of Fredericksburg

---

**From:** Jason Lutz <[jlutz@fbgtx.org](mailto:jlutz@fbgtx.org)>  
**Sent:** Monday, March 21, 2022 10:54 PM  
**To:** Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)>  
**Subject:** Fwd: Intention of short term rental

Sent from my iPhone

Begin forwarded message:

**From:** Dave Chastain <[davechastain@realtyaustin.com](mailto:davechastain@realtyaustin.com)>  
**Date:** March 21, 2022 at 4:13:15 PM CDT  
**To:** Jason Lutz <[jlutz@fbgtx.org](mailto:jlutz@fbgtx.org)>  
**Cc:** Dave Chastain <[davechastain@realtyaustin.com](mailto:davechastain@realtyaustin.com)>  
**Subject:** Intention of short term rental

Hi Jason,

It was brought to my attention the city council is possibly voting today on changes to the short term rental regulation.

I bought and closed on 301 E Burbank last December. I'm in the permit process now for the remodel and plan to start work in the next few weeks. I plan and my intentions are for this property to be a short term rental.

Regarding 108 W Mulberry, I went under contract on 2/19/22. The price I paid was under the impression I short term rental this as well. I wanted to communicate that my intentions are for this to be a short term rental as well.

Please let me know if you need any additional communication or documentation.

Sincerely,

Dave

[Texas Law Requires all License holders to provide the Information About Brokerage Services to prospective clients.](#)



[512.293.5401](#)

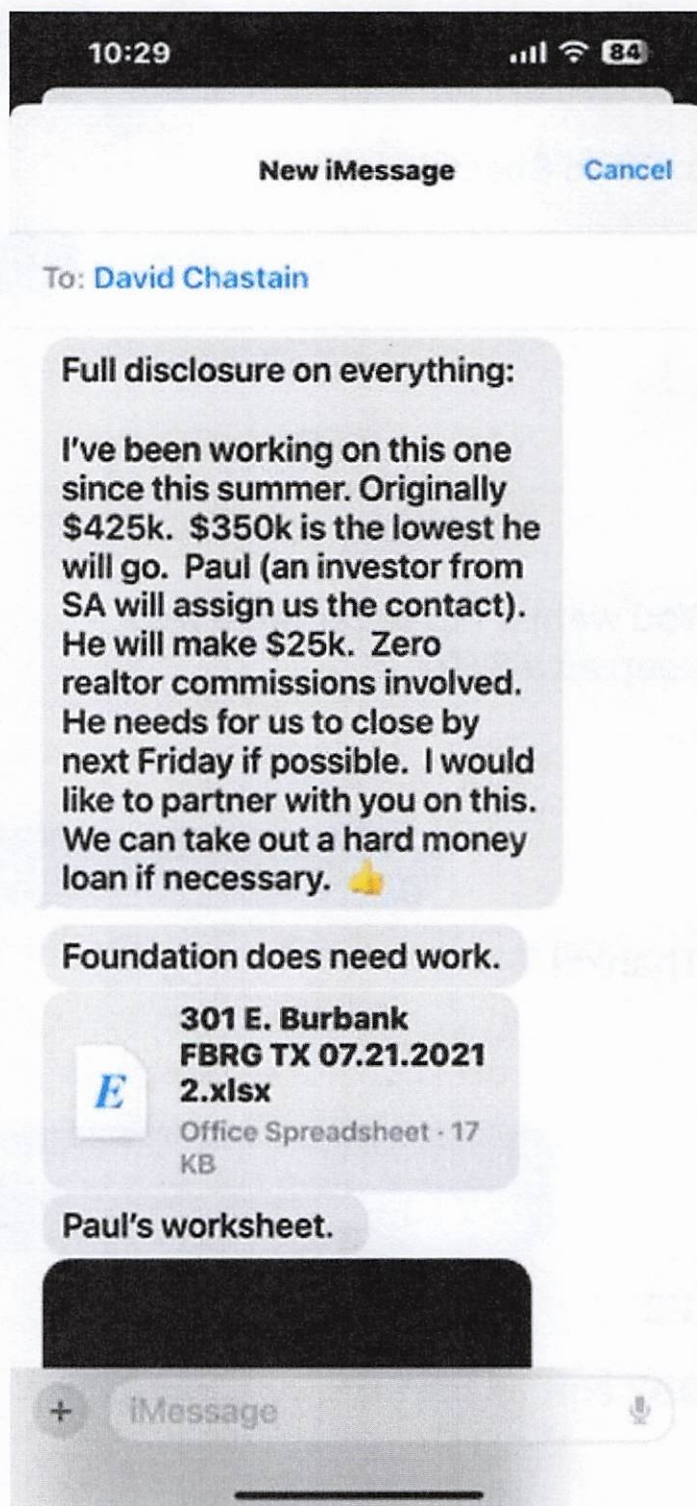


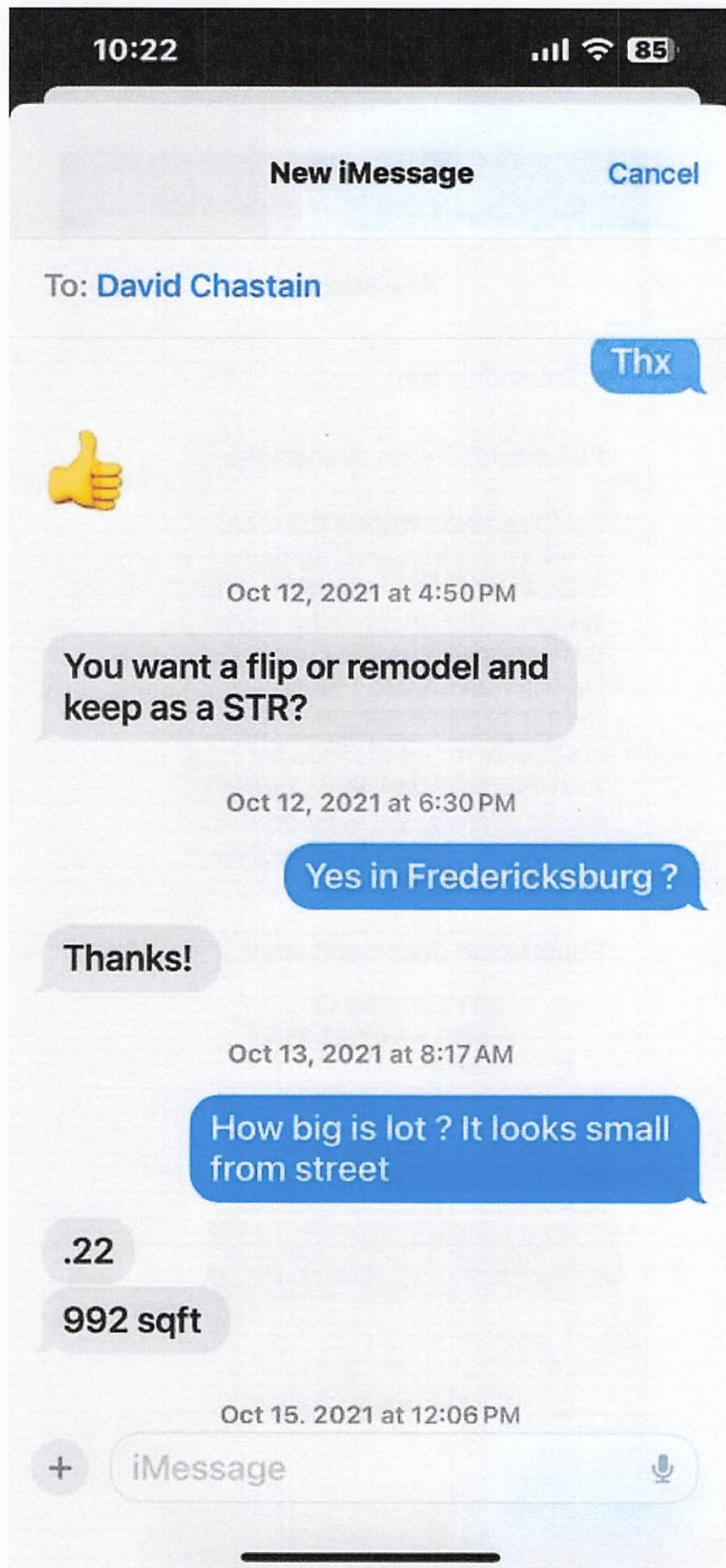
Exhibit "G"





Exhibit "H"







## 301 E. Burbank FBRG TX...



Done

## COST WORK SHEET

|                                      |                                       |                                   |                              |          |        |         |     |
|--------------------------------------|---------------------------------------|-----------------------------------|------------------------------|----------|--------|---------|-----|
| Date                                 | July 21, 2021                         | Project Description               | House Rehab                  |          |        |         |     |
| NAME                                 | Montelongo                            | Square Footage House              | 1442                         |          |        |         |     |
| Address                              | 301 E. Burbank St. Fredericksburg, TX | Square Footage Addition           | 296                          |          |        |         |     |
|                                      |                                       | Square Footage Total              | 1738                         |          |        |         |     |
|                                      |                                       | Detached Carport 20' X 21'        | 480                          |          |        |         |     |
|                                      |                                       | Rear Trellis/Patio Area 10' X 12' | 120                          |          |        |         |     |
| <b>STRUCTURAL</b>                    |                                       |                                   |                              |          |        |         |     |
| ITEM #                               | COST CODE                             | DESCRIPTION                       | EXPLANATION                  | MATERIAL | LABOR  | TOTAL   | MTL |
| 1                                    | FOUN1/FOUN2                           | FOUNDATION                        | Leveling/Stabilization       |          | 7,850  | 7,850   |     |
| 2                                    | FOUN1/FOUN2                           | FOUNDATION                        | 480 sf Garage X \$21         |          | 9,817  | 9,817   |     |
| 3                                    | FOUN1/FOUN2                           | FLATWORK                          | Edwards                      |          | 3,500  | 3,500   |     |
| 4                                    | FOUN1/FOUN2                           | CONCRETE PUMP                     |                              |          | 1,800  | 1,800   |     |
| 5                                    | FRMT1/FRMT2                           | FRAMING                           | House                        | 6,500    | 10,500 | 17,000  |     |
| 6                                    | FRMT1/FRMT2                           | FRAMING                           | Carport                      | 4,500    | 4,500  | 9,000   |     |
| 7                                    | FRMT1/FRMT2                           | FRAMING                           |                              |          |        | 0       |     |
| 8                                    | FRMT1/FRMT2                           | FRAMING                           |                              |          |        | 0       |     |
| <b>TOTAL STRUCTURAL</b>              |                                       |                                   |                              |          |        | 66,467  |     |
| <b>MISC PLUMBING/ELECTRICAL</b>      |                                       |                                   |                              |          |        |         |     |
| 9                                    | HVAC1/HVAC2                           | HVAC-MECHANICAL                   | New 5 ton Unit               |          | 6,500  | 6,500   |     |
| 10                                   | ELFX1/ELEC2                           | LIGHTING FIXTURES                 |                              | 2,700    | 900    | 3,600   |     |
| 11                                   | PLFX1/PLBG2                           | PLUMBING                          | Existing Bathroom            | 1,800    | 3,200  | 5,000   |     |
| 12                                   | PLFX1/PLBG2                           | PLUMBING                          | 2 New Bathrooms              | 3,600    | 11,400 | 15,000  |     |
| 13                                   | ELFX1/ELEC2                           | ELECTRICAL                        | Whole House Bid              |          | 12,950 | 12,950  |     |
| 14                                   | ELFX1/ELEC2                           | ELECTRICAL                        | Carport Bid                  |          | 3,200  | 3,200   |     |
| <b>TOTAL MISC</b>                    |                                       |                                   |                              |          |        | 45,467  |     |
| <b>INTERIOR &amp; EXTERIOR</b>       |                                       |                                   |                              |          |        |         |     |
| 15                                   | WINDW1/WINDW2                         | WINDOWS                           | 19 Replacements              | 7,600    | 2,850  | 10,450  |     |
| 16                                   | WINDW1/WINDW2                         | WINDOWS                           | 2 new                        | 800      | 300    | 1,100   |     |
| 17                                   | INSL1/INSL2                           | INSULATION                        | 1738 SF X \$4 LM             |          | 6,952  | 6,952   |     |
| 18                                   | SHRK1/SHRK2                           | SHEETROCK                         | 200 sheets                   | 1,800    | 3,600  | 5,400   |     |
| 19                                   | SHRK1/SHRK2                           | PAINTING                          | Exterior House and Carport   | 2,800    | 5,500  | 8,300   |     |
| 20                                   | PNTG1/PNTG2                           | PAINTING                          | 1800' X \$5                  | 4,500    | 4,500  | 9,000   |     |
| 21                                   | PNTG1/PNTG2                           | PAINTING                          | Carport 480 SF X \$5         | 1,200    | 1,200  | 2,400   |     |
| 22                                   | INDR                                  | INTERIOR DOORS                    | 4 X \$300                    | 1,200    | 1,200  | 2,400   |     |
| 23                                   | EXDR1/EXDR2                           | EXTERIOR DOORS                    | 2 X 400                      | 800      | 300    | 1,100   |     |
| 24                                   | EXDR1/EXDR2                           | EXTERIOR DOORS (Front Door)       | Front Door                   | 2,000    | 500    | 2,500   |     |
| 25                                   | TRML1/TRML2                           | TRIM                              | House                        | 2,500    | 2,500  | 5,000   |     |
| 26                                   | TRML1/TRML2                           | TRIM                              | Carport Cornice              | 1,000    | 800    | 1,800   |     |
| 27                                   | RFNG1                                 | ROOFING                           | 27 Sqs. X \$600 Metal        |          | 16,200 | 16,200  |     |
| 28                                   | RFNG2                                 | ROOFING                           | Carport 9 Sqs. X \$600 Metal |          | 4,800  | 4,800   |     |
| 29                                   | CABN1/CABN2                           | CABINETS                          | Kitchen/Baths                | 8,000    | 2,500  | 10,500  |     |
| 30                                   | CABN1/CABN2                           | CABINETS                          |                              | 3,000    | 3,000  | 6,000   |     |
| 31                                   | CTLE1/CTLE2                           | TILE                              | Showers X 3                  | 1,500    | 5,400  | 6,900   |     |
| 32                                   | CTLE1/CTLE2                           | TILE                              | Kitchen Floor                | 1,200    | 1,200  | 2,400   |     |
| 33                                   | LKND1/LKND2                           | LKS & HDWRE                       |                              | 750      | 750    | 1,500   |     |
| 34                                   | GLMR1/GLMR2                           | GLASS/MIRROR                      |                              | 500      | 500    | 1,000   |     |
| 35                                   | SWDR1/SHDR2                           | SHOWER DOORS                      |                              | 1,500    | 1,500  | 3,000   |     |
| 36                                   | APPL1/APPL2                           | APPLIANCES                        |                              | 5,000    | 500    | 5,500   |     |
| 37                                   | WDFL1/WDFL2                           | WOOD FLOORING                     |                              | 6,000    | 6,000  | 12,000  |     |
| 38                                   | WDFL1/WDFL2                           | STAIN FLOOR                       | Living Area Re-Stain         |          | 6,000  | 6,000   |     |
| 39                                   | GUT1/GUT2                             | GUTTERS                           |                              |          | 1,600  | 1,600   |     |
| 40                                   | TRELL1/TRELL2                         | TRELLIS-PATIO PAVERS              | 1200F X \$21 L X \$10 M      | 2,520    | 1,600  | 4,120   |     |
| 41                                   | MSNY1/MSNY2                           | MASONRY                           | Firepit/Chimneys             | 2,750    | 2,750  | 5,500   |     |
| 42                                   | HTTUB1                                | HOT TUB                           | Wood Trim Kit & Tub          | 4,500    | 1,800  | 6,300   |     |
| 43                                   |                                       |                                   |                              |          |        | 0       |     |
| <b>TOTAL INTERIOR &amp; EXTERIOR</b> |                                       |                                   |                              |          |        | 104,664 |     |
| <b>MISCELLANEOUS</b>                 |                                       |                                   |                              |          |        |         |     |
| 44                                   | DEM02                                 | FLOOR & DUST PROTECTION           |                              |          | 1,800  | 1,800   |     |
| 45                                   | DEM01                                 | DEMOLITION (INTERIOR HOARDING)    |                              |          | 4,500  | 4,500   |     |
| 46                                   | DEM01                                 | DEMOLITION (ROOF)                 |                              |          | 3,750  | 3,750   |     |
| 47                                   | IRRG1/IRRG2                           | IRRIGATION SPRINKLERS             |                              |          | 6,500  | 6,500   |     |
| 48                                   | TREE1/TREE2                           | TREE TRIMMING/REMOVAL             |                              |          | 2,500  | 2,500   |     |
| 49                                   | LANDSCAPING                           | LANDSCAPING                       |                              |          | 4,500  | 4,500   |     |
| 50                                   | CLUP2                                 | SITE MAINTENANCE/SECURITY         |                              |          | 1,500  | 1,500   |     |
| 51                                   | SCAF1                                 | FENCING                           |                              | 5,500    | 4,850  | 10,350  |     |
| 52                                   | CABLE/SECURITY/TV COMPANY             | CABLE/SECURITY/TV COMPANY         |                              | 1,200    | 1,200  | 2,400   |     |
| 53                                   | DUMP1                                 | DUMPSTER RENTAL                   |                              |          | 1,500  | 1,500   |     |
| 54                                   | POTTY2                                | PORTABLE TOILET                   |                              |          | 350    | 350     |     |
| 55                                   | DLVY2                                 | DELIVERY                          |                              |          | 800    | 800     |     |
| 56                                   | FCLN1/FCLN2                           | FINAL MOVE IN CLEAN               |                              |          | 450    | 450     |     |
| 57                                   | DECK2                                 | DECORATOR / DESIGNER              |                              |          | 750    | 750     |     |
| 58                                   | CTP2                                  | UTILITY COMPANY FEES              |                              |          | 400    | 400     |     |
| 59                                   | WINDW1/WINDW2                         | WINDOW TREATMENTS                 | 19 X \$250                   |          | 4,750  | 4,750   |     |
| 60                                   | ENG02                                 | SLAB INSPECTION                   |                              |          | 550    | 550     |     |
| 61                                   | ENG02                                 | STRUCTURAL ENGINEER INSPECTION    |                              |          | 750    | 750     |     |
| 62                                   | PRMT                                  | CITY PERMIT FEE                   |                              |          | 750    | 750     |     |
| 63                                   | PRMT                                  | ARCHITECTURE DRAWINGS             |                              |          | 950    | 950     |     |
| 64                                   | FUEL                                  | GAS SURCHARGE                     |                              |          | 500    | 500     |     |
| 65                                   | MISC                                  | MISCELLANEOUS                     |                              |          | 2,500  | 2,500   |     |
| 66                                   |                                       |                                   |                              |          |        | 0       |     |
| <b>TOTAL MISCELLANEOUS</b>           |                                       |                                   |                              |          |        | 2,500   |     |
| <b>TOTAL INVESTMENT</b>              |                                       |                                   |                              |          |        | 104,664 |     |
| <b>NOTES:</b>                        |                                       |                                   |                              |          |        |         |     |



# Appendix 4

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- *Additional Emails exchanged with City Officials from June 10, 2024 through to July 11, 2024*

**From:** [Kathleen Henderson](#)  
**To:** [Welsley Reeh](#)  
**Cc:** [Clay Carter](#); "[Savannah Stahl](#)"  
**Subject:** 301 E Burbank - STR permit - Supporting documentation (#7) FW: Signed vested Rights form - 301 E Burbank  
**Date:** Thursday, July 11, 2024 3:23:25 PM  
**Attachments:** [Vested Rights form - 301 E Burbank.pdf](#)

---

Resending this email, looks like the attachments weren't sent.  
This is the last email thread. Please see feed below.

Thank you!

Warmly,



**Kathleen Henderson**  
**Centex Private Investment Management**  
1301 S. Capital of Texas Hwy, Suite B-125  
Austin, TX 78746

[Kathleen@CentexPIM.com](mailto:Kathleen@CentexPIM.com)

phone: 512-533-9110

fax: 512-533-9111

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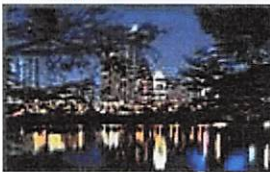
**From:** Kathleen Henderson  
**Sent:** Wednesday, June 12, 2024 8:16 AM  
**To:** 'Anna Hudson' <ahudson@fbgtx.org>; Shelby Collier <scollier@fbgtx.org>  
**Cc:** Jan Musgrove <jmusgrove@fbgtx.org>; Tyler Baethge <tbaethge@fbgtx.org>; Clay Carter <clay@centexpim.com>  
**Subject:** RE: Signed vested Rights form - 301 E Burbank

Hello Anna,

Please see attached, I have added documentation on 2<sup>nd</sup> page and supporting email documentation on third page.

Thank you & have a wonderful day!

Warmly,



**Kathleen Henderson**  
**Centex Private Investment Management**



1301 S. Capital of Texas Hwy, Suite B-125  
Austin, TX 78746

[Kathleen@CentexPIM.com](mailto:Kathleen@CentexPIM.com)

phone: 512-533-9110

fax: 512-533-9111

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**From:** Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)>

**Sent:** Monday, June 10, 2024 1:25 PM

**To:** Kathleen Henderson <[kathleen@centexpim.com](mailto:kathleen@centexpim.com)>; Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>

**Cc:** Jan Musgrove <[jmusgrove@fbgtx.org](mailto:jmusgrove@fbgtx.org)>; Tyler Baethge <[tbaethge@fbgtx.org](mailto:tbaethge@fbgtx.org)>; Clay Carter <[clay@centexpim.com](mailto:clay@centexpim.com)>

**Subject:** Re: Signed vested Rights form - 301 E Burbank

You'll need to complete the form. If you're trying to be vested under the 2018 or 2022 STR ordinance it will need to be spelled out as to when you're vesting to and why....series of permits, conversations with staff. It's your case to make and put together.

---

**From:** Kathleen Henderson <[kathleen@centexpim.com](mailto:kathleen@centexpim.com)>

**Sent:** Monday, June 10, 2024 12:56 PM

**To:** Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)>; Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>

**Cc:** Jan Musgrove <[jmusgrove@fbgtx.org](mailto:jmusgrove@fbgtx.org)>; Tyler Baethge <[tbaethge@fbgtx.org](mailto:tbaethge@fbgtx.org)>; Clay Carter <[clay@centexpim.com](mailto:clay@centexpim.com)>

**Subject:** Signed vested Rights form - 301 E Burbank

Hello All,

I've sent Shelby the vested rights form attached, but looping you all in so you have it as well.

Thanks so much.

Warmly,



Kathleen Henderson

**Centex Private Investment Management**

1301 S. Capital of Texas Hwy, Suite B-125

Austin, TX 78746

[Kathleen@CentexPIM.com](mailto:Kathleen@CentexPIM.com)

phone: 512-533-9110

fax: 512-533-9111

# Appendix 5

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- *Letter, dated August 21, 2024, from City Manager Clinton Bailey –  
Vested Rights Determination for 301 E. Burbank*



THE CITY OF

## Fredericksburg, Texas

August 21, 2024

Meneer, LLC  
Clay Carter  
clay@centexpim.com

RE: Vested Rights Determination for 301 E. Burbank

Dear Mr. Carter,

This letter is a response to your Vested Rights Determination Request form for 301 E. Burbank that was completed with the addition of background information on July 26, 2024. Vested rights are for a project, and not a property. Vested rights claims are generally based on one or more prior applications that provide fair notice of a continuing development project that began before the adoption of current regulations. A vested date is set by the project application date.

Flint Hills Capital Group LLC (the "prior property owner") submitted a Short-Term Rental ("STR") permit application for this property on March 30, 2022. While this permit was still pending, the prior property owner began an unauthorized demolition of the structure for which the STR permit application had been submitted. Eventually, on May 5, 2022, the prior property owner's representative retroactively applied for a demolition permit to demolish the house. On June 21, 2022, the prior property owner was notified that the STR permit application was denied due to invalidity since the residence located on the applicant property had been demolished. According to Section 6.110 of the Zoning Ordinance, a nonconforming use is terminated "upon destruction of a structure occupied by a nonconforming use."

Furthermore, even if any nonconforming use rights created by the permit application had not terminated following the demolition of the structure, the prior property owner was also notified that, due to the proposed expansion of the structure resulting from the reconstruction, Section 6.110 of the Zoning Ordinance required them to obtain a Conditional Use Permit ("CUP") to expand the STR use. On September 19, 2022, the prior property owner submitted a building permit application to construct a new residence, including an addition to the structure, but they never took steps to submit a CUP application or new STR permit application. Therefore, the STR permit application was abandoned, and Staff was not on notice that the prior property owner desired to pursue a STR permit prior to the adoption of the City's 2023 STR ordinance.

Despite the fact that any nonconforming use rights terminated with the demolition of the structure, in this particular situation, Staff finds it appropriate to allow an STR permit application to proceed so long as you obtain a CUP in accordance with the instructions given to the prior property owner.

The City of Fredericksburg

126 W. Main St. • Fredericksburg, Texas 78624-3708 • (830) 997-7521 • Fax (830) 997-1861

0031



THE CITY OF  
Fredericksburg, Texas

This information was previously conveyed to you as indicated in Exhibit A. Therefore, I have determined that you must comply with the instructions previously provided in June 2022. You must obtain a CUP to allow the STR use in the enlarged residential structure. Once you have obtained a CUP, you may apply for a new STR permit.

Clinton Bailey, P.E.  
City Manager

Cc: Anna Hudson, Director of Development Services  
Shelby Collier, Senior Planner  
Tyler Baethge, Short Term Rental Specialist  
Rachel Raggio, TOASE

The City of Fredericksburg

126 W. Main St. • Fredericksburg, Texas 78624-3708 • (830) 997-7521 • Fax (830) 997-1861

0032





**From:** Anna Hudson <[ahudson@fbgtx.org](mailto:ahudson@fbgtx.org)>  
**Sent:** Monday, June 10, 2024 1:25 PM  
**To:** Kathleen Henderson <[kathleen@centexpim.com](mailto:kathleen@centexpim.com)>; Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>  
**Cc:** Jan Musgrove <[jmusgrove@fbgtx.org](mailto:jmusgrove@fbgtx.org)>; Tyler Baethge <[tbathge@fbgtx.org](mailto:tbathge@fbgtx.org)>; Clay Carter <[clay@centexpim.com](mailto:clay@centexpim.com)>  
**Subject:** Re: Signed vested Rights form - 301 E Burbank

You'll need to complete the form. If you're trying to be vested under the 2018 or 2022 STR ordinance it will need to be spelled out as to when you're vesting to and why....series of permits, conversations with staff. It's your case to make and put together.

The facts that give rise to this complaint stem from the incident that took place early June of this year, when Mr. Carter attempted to obtain an STR permit from the City after remodeling had been completed and the Structure was ready for occupation. Naturally, Mr. Carter first reached out to the City's STR specialist, Ms. Jan Musgrove, who told Mr. Carter his best option was to apply for vested rights using the Vesting Rights Determination Form and submit the completed application to the City's Senior Planner, Ms. Shelby Collier. Mr. Carter's associate, Ms. Kathleen Henderson, was told by Ms. Collier, that in order to be vested under the 2018 or 2022 STR ordinance they would need to complete the

vested rights form and “spell out when you’re vesting to and why...” As restated by the Director of Development, Ms. Hudson, in her email, dated June 10, 2024, to Ms. Henderson. (See attached Appendix 4-0030).



**Development Services**  
125 W Main Street  
Fredericksburg, TX 78624  
830-997-7521  
www.frb.org

FOR OFFICE USE ONLY

Date Received: \_\_\_\_\_ Filing Fee: \_\_\_\_\_

Received by: \_\_\_\_\_ Approved by: \_\_\_\_\_

**Vested Rights Determination Request Form**  
*Please attach additional sheets if necessary.*

Property Owner: Meneer, LLC  
 Applicant (if different than owner): Clay Carter  
 Address: 301 E Burbank St. Fredericksburg, TX 78624  
 Phone: 512-533-9110 Office: \_\_\_\_\_ Email: Claycenterpm.com  
 Project Name: \_\_\_\_\_

1. Type of development permit:  
☐ Site plan   ☐ Construction Permit   ☐ Plat \_\_\_\_\_ (type)  
☐ Use prior to Annexation   ☒ Other STR permit (describe)  
 (List statute number)

2. Basis for Vested Rights Claim per Texas Local Government Code:  
☒ Type 1: Chapter 245 (general vested rights statute)  
☐ Type 2: Section 43.002 (applies only if vested rights claim is based on uses begun outside the city limits which are not allowed under current zoning)

3. Date for which Vested Rights are claimed: 3/30/2022 Permit: N/A

4. Chronological History of Development:  
 a) List all prior permits issued for the property, including the one for which vested rights are claimed. Provide a copy of each permit listed below.

| Type            | Application Date | Approval Date                                                                                        |
|-----------------|------------------|------------------------------------------------------------------------------------------------------|
| STR Application | 3/30/2022        | pending STR application<br>was on 10000 ft. land<br>since building<br>was since before<br>remastered |
|                 |                  |                                                                                                      |
|                 |                  |                                                                                                      |

Pursuant to these instructions, a ‘Vested Rights Determination Request Form’ was completed, signed, and submitted to Ms. Hudson and Ms. Collier. (See attached Appendix “1-0007”). As stipulated within the form by Mr. Carter, an STR permit application had been made on March 30, 2022.

**From:** Shelby Collier <scollier@fbgtx.org>  
**Sent:** Friday, June 17, 2022 9:57 AM  
**To:** shae@keeperslandplanning.com  
**Cc:** Permits  
**Subject:** 301 E. Burbank  
**Attachments:** 2021 IECC Compliance Check List Mechanical E. Burbank rescheck Report.pdf; Final Plotted Burbank.pdf; Updated Building Permit Application Fillable\_202106221444516871 copy.pdf

Good morning Shae,

Staff has received a Building Permit Application for 301 E. Burbank and given its current Legal Nonconforming Use Status, Staff is not able to accept the Building Permit Application at this time.

Records indicate that this property is a Permitted Short-Term Rental that was permitted prior to April 1, 2022 making it a Legal Nonconforming Use and If you wish to expand upon that use, a Conditional Use Permit (CUP) is required, which is a special use permit issued by City Council.

The City acknowledged this to be true in an email from Ms. Collier on June 17, 2022, where she confirmed that “records indicate that [301 E. Burbank] is a Permitted Short-Term Rental that was permitted prior to April 1, 2022 making it a legal nonconforming use.” (See attached Appendix “1-0003”). This fact is not in dispute.





However, because the Structure was in a bad condition when it was purchased and not suitable for occupancy, remodeling was necessary. Some walls had to be taken down as they were determined to be unsafe and structurally unsound due to rot.



However, because the Structure was in a bad condition when it was purchased and not suitable for occupancy, remodeling was necessary. Some walls had to be taken down as they were determined to be unsafe and structurally unsound due to rot.

----- Forwarded message -----

From: Shelby Collier <[scollier@fbgtx.org](mailto:scollier@fbgtx.org)>

Date: Tue, Jun 21, 2022 at 3:47 PM

Subject: RE: Fw: Intention of short term rental

To: Dave Chastain <[davechastain@realtyaustin.com](mailto:davechastain@realtyaustin.com)>

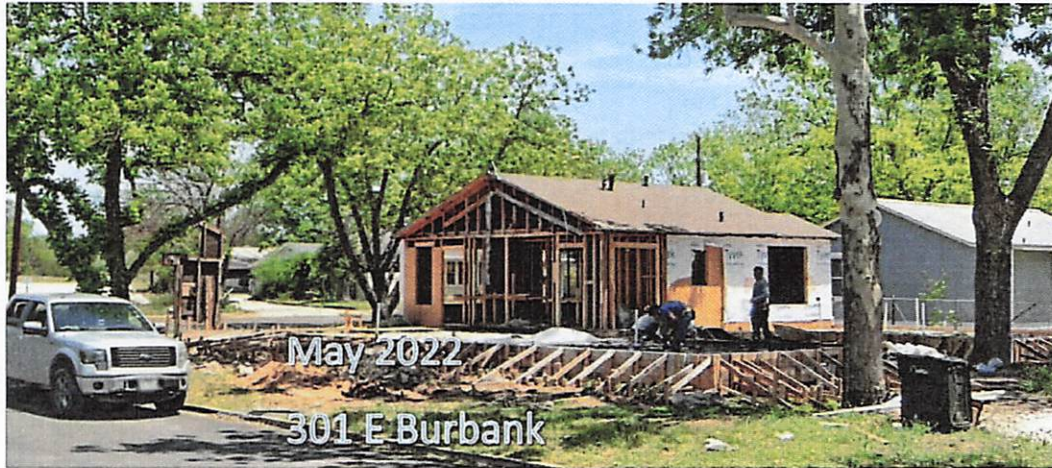
Good afternoon Dave,

301 E. Burbank had a submitted STR application as of 03/30/2022, unfortunately, the building has since been demolished and the pending str application is no longer valid.

Once you respond to this email acknowledging this, you would be able to submit a building permit application to move forward with construction.

Before the Structure could be made safe again and the remodel to commence, the builder had to complete a Building Permit Application that was submitted to Ms. Collier. Upon receiving this information, Ms. Collier took the position that the Structure had now voluntarily discontinued it's legal nonconforming use status as the structure had been demolished. (See attached Appendix "3-0021")





Aside from this unconscionable interpretation of the 2022 Ordinance, and, quite frankly, the surrounding facts of Mr. Carter's specific circumstances, the City cannot in earnest claim the Structure was demolished. Furthermore, there is no definition of "destruction" within the 2022 STR ordinance, resulting in an arbitrary and unwritten standard. For example, how many walls must come down for a Structure to be considered 'destroyed'? One? Two? All of them? In this case not all walls were taken down, only those walls that were determined to be rotted and structurally unsafe.



If a non-conforming use or any portion thereof is voluntarily discontinued for a period of 90 days, any future use of such land or portion thereof shall be in conformity with the regulations of the district in which such land or portion thereof is located. A non-conforming short-term rental use shall not be considered voluntarily discontinued if

Short-term rental uses shall not terminate under the following conditions :

If the use is suspended for repairs, modifications, additions, or remodels, or other similar situations, or if

This leads to the very important exception within the 2022 Ordinance for “repairs, modifications, additions, or remodels,” and when a structure’s rotted walls are replaced with structurally safe walls is that not a repair to the structure. (See Appendix 1-0004).

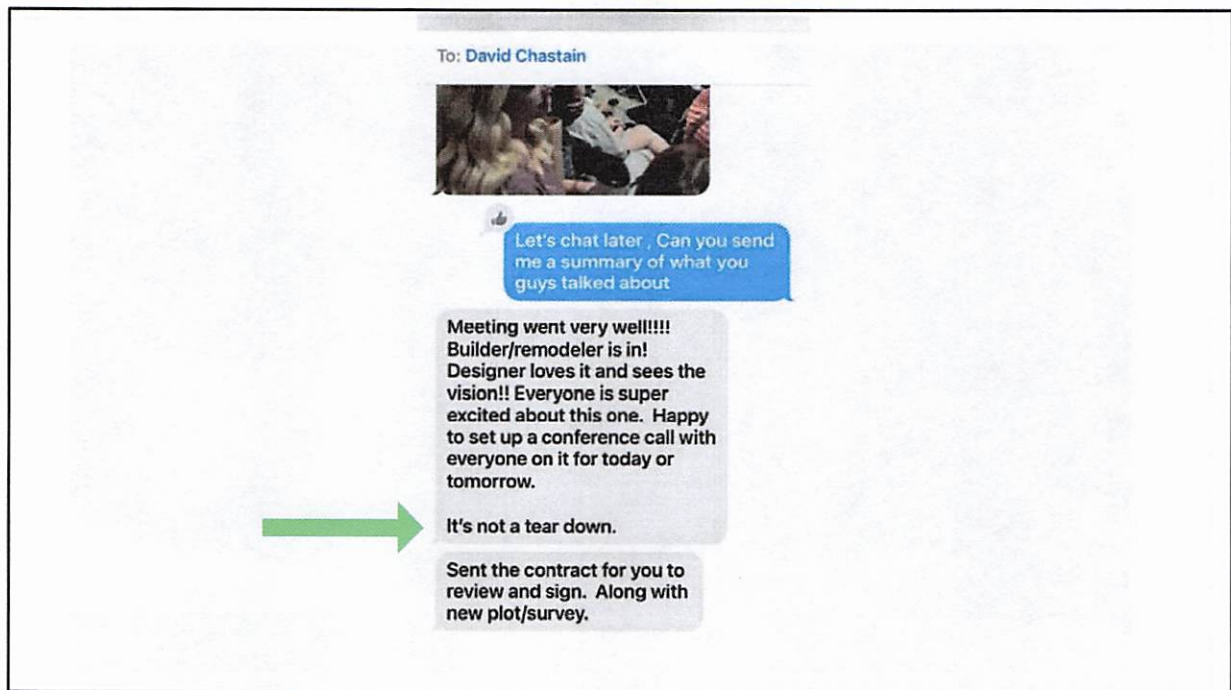
From: longhorn asphalt <[longhornasphalt@yahoo.com](mailto:longhornasphalt@yahoo.com)>  
Sent: Thursday, May 16, 2024 1:48 PM  
To: Clay Carter <[clay@BlueWatersAG.com](mailto:clay@BlueWatersAG.com)>  
Subject: 301 burbank Remodel

Clay , Good afternoon, I am writing this letter per your request to give an explanation of the complete remodel we completed at 301 E Burbank. We left several original structure walls of existing house in tact on this remodel. Some of the walls and roof trusses we removed were removed as they were rotted and unsafe to leave in place as part of remodel. if any questions plz feel free to reach out. Thank You

Respectfully,

Edward/ Longhorn Asphalt & Construction

This is further supported by Longhorn Asphalt & Construction (“Longhorn”), who was responsible for the remodel of the Structure, who stated that the work performed at the Structure was undoubtedly a remodel and not a complete destruction of the Structure. Longhorn went on to explain that they had “left several original structure walls of the existing house intact on [the] remodel.” (See attached Appendix “1-0006” and “3-0025”).



This is further supported by Longhorn Asphalt & Construction (“Longhorn”), who was responsible for the remodel of the Structure, who stated that the work performed at the Structure was undoubtedly a remodel and not a complete destruction of the Structure. Longhorn went on to explain that they had “left several original structure walls of the existing house intact on [the] remodel.” (See attached Appendix “1-0006” and “3-0025”).





For the reasons stipulated above in Section I(b) and incorporated by reference in this Section, the Structure was not demolished. And on this point it seems the City is also conflicted on whether a demolition occurred, as Mr. Bailey alleges on May 5, 2022, a demolition permit was retroactively submitted to demolish the structure, which would suggest the Structure had (supposedly) been demolished prior to May 5, 2022, thereby terminating the Structure's nonconforming use status. But on June 17, 2022, more than a month later, the City's Senior Planner, Ms. Collier sent an email affirmatively confirming the Structure still maintained its "current legal nonconforming use status," which should not have been possible *if* the



Structure had been demolished. (See attached Appendix “1-0003”). Therefore, based on the evidence in the record and statements from the City’s own officials, the nonconforming use was not terminated because the alleged ‘demolition’ took place prior to May 5, 2022 and as of June 17, 2022 the Structure still maintained its legal nonconforming use status.



For the reasons stipulated above in Section I(b) and incorporated by reference in this Section, the Structure was not demolished. And on this point it seems the City is also conflicted on whether a demolition occurred, as Mr. Bailey alleges on May 5, 2022, a demolition permit was retroactively submitted to demolish the structure, which would suggest the Structure had (supposedly) been demolished prior to May 5, 2022, thereby terminating the Structure's nonconforming use status. But on June 17, 2022, more than a month later, the City's Senior Planner, Ms. Collier sent an email affirmatively confirming the Structure still maintained its "current legal nonconforming use status," which should not have been possible *if* the

Structure had been demolished. (See attached Appendix “1-0003”). Therefore, based on the evidence in the record and statements from the City’s own officials, the nonconforming use was not terminated because the alleged ‘demolition’ took place prior to May 5, 2022 and as of June 17, 2022 the Structure still maintained its legal nonconforming use status.

Provided, however, a Conditional Use Permit shall not be required, and the enlargement may occur, upon submission and approval of a Site Plan if the enlargement involves only a one-time increase in the size of the building in which the same use is operated of not more than 25 percent.

Yet Mr. Bailey forgets to take into account that *also included* in Section 6.110 of the Zoning Ordinance, is the exception that a CUP shall not be required, and the enlargement may occur, upon submission and approval of a Site Plan if the enlargement involves only a one-time increase in the size of the building in which the same use is operated of not more than 25 percent. (See Appendix 1-0004).



**From:** Shelby Collier <scollier@fbgtx.org>  
**Sent:** Friday, June 17, 2022 9:57 AM  
**To:** shae@keeperslandplanning.com  
**Cc:** Permits  
**Subject:** 301 E. Burbank  
**Attachments:** 2021 IECC Compliance Check List Mechanical E. Burbank rescheck Report.pdf; Final Plotted Burbank.pdf; Updated Building Permit Application Fillable\_202106221444516871 copy.pdf

Good morning Shae,

Staff has received a Building Permit Application for 301 E. Burbank and given its current Legal Nonconforming Use Status, Staff is not able to accept the Building Permit Application at this time.

Records indicate that this property is a Permitted Short-Term Rental that was permitted prior to April 1, 2022 making it a Legal Nonconforming Use and If you wish to expand upon that use, a Conditional Use Permit (CUP) is required, which is a special use permit issued by City Council.

In the present case, the City was provided with the Building permit application site plan/final plot for consideration on June 17, 2022. The building permit and site plan were ultimately approved by the City, and the one-time increase in size was not more than 25 percent. Therefore, a CUP is not necessary to expand the STR use.



In conclusion, the Structure did not voluntarily discontinue its legal nonconforming STR use as the structure was not demolished, but repaired and remodeled to be safe for occupancy, as allowed by the 2022 STR ordinance. Nor should it be required to apply for a CUP for the expansion as the building permit and site plan were approved by the City, and the one-time increase in size was not more than 25 percent, also allowed by the 2022 STR ordinance.





THE CITY OF  
**Fredericksburg, Texas**



August 21, 2024

Meneer, LLC  
Clay Carter  
clay@centexpim.com

RE: Vested Rights Determination for 301 E. Burbank

Dear Mr. Carter,

This letter is a response to your Vested Rights Determination Request form for 301 E. Burbank that was completed with the addition of background information on July 26, 2024. Vested rights are for a project, and not a property. Vested rights claims are generally based on one or more prior applications that provide fair notice of a continuing development project that began before the adoption of current regulations. A vested date is set by the project application date.

Flint Hills Capital Group LLC (the "prior property owner") submitted a Short-Term Rental ("STR") permit application for this property on March 30, 2022. While this permit was still pending, the prior property owner began an unauthorized demolition of the structure for which the STR permit application had been submitted. Eventually, on May 5, 2022, the prior property owner's representative retroactively applied for a demolition permit to demolish the house. On June 21, 2022, the prior property owner was notified that the STR permit application was denied due to invalidity since the residence located on the applicant property had been demolished. According to Section 6.110 of the Zoning Ordinance, a nonconforming use is terminated "upon destruction of a structure occupied by a nonconforming use."

Furthermore, even if any nonconforming use rights created by the permit application had not terminated following the demolition of the structure, the prior property owner was also notified that, due to the proposed expansion of the structure resulting from the reconstruction, Section 6.110 of the Zoning Ordinance required them to obtain a Conditional Use Permit ("CUP") to expand the STR use. On September 19, 2022, the prior property owner submitted a building permit application to construct a new residence, including an addition to the structure, but they never took steps to submit a CUP application or new STR permit application. Therefore, the STR permit application was abandoned, and Staff was not on notice that the prior property owner desired to pursue a STR permit prior to the adoption of the City's 2023 STR ordinance.

Despite the fact that any nonconforming use rights terminated with the demolition of the structure, in this particular situation, Staff finds it appropriate to allow an STR permit application to proceed so long as you obtain a CUP in accordance with the instructions given to the prior property owner.

**The City of Fredericksburg**

126 W. Main St. • Fredericksburg, Texas 78624-3708 • (830) 997-7521 • Fax (830) 997-1861



THE CITY OF

## Fredericksburg, Texas

This information was previously conveyed to you as indicated in Exhibit A. Therefore, I have determined that you must comply with the instructions previously provided in June 2022. You must obtain a CUP to allow the STR use in the enlarged residential structure. Once you have obtained a CUP, you may apply for a new STR permit.

Clinton Bailey, P.E.  
City Manager

Cc: Anna Hudson, Director of Development Services  
Shelby Collier, Senior Planner  
Tyler Baethge, Short Term Rental Specialist  
Rachel Raggio, TOASE

**The City of Fredericksburg**

126 W. Main St. • Fredericksburg, Texas 78624-3708 • (830) 997-7521 • Fax (830) 997-1861



**Public Comment Form**

Please return this form before 2PM on September 2, 2026

To

[jmusgrove@fbgtx.org](mailto:jmusgrove@fbgtx.org)

OR

Development Services – Zoning  
2818 East U.S. Highway 290  
Fredericksburg, TX 78624  
830-997-7521



**REQUEST NO. DEV-2026-110-CUP – 301 E. BURBANK STREET**

As an interested property owner, I (PROTEST) ☒ / (APPROVE) ☐ the requested  
CONDITIONAL USE PERMIT (CUP) REQUEST, represented by the above file number because:

The STR rules should be changed for ALL owners  
of single family homes. There are no reasons pending in this  
application that warrant a variance. The builder who  
developed this land should have made this application  
at the time of requesting a building permit.

Signature

Landon K. Mackie

Printed Name

Date

8/26/2026

Address

905 N. Lincoln



























**ORDINANCE NO. 2 0 2 6 - 38**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS, AMENDING APPENDIX B, "ZONING ORDINANCE" OF THE FREDERICKSBURG MUNICIPAL CODE, AS AMENDED, BY GRANTING A CONDITIONAL USE PERMIT TO ALLOW FOR THE EXPANSION OF A LEGAL NON-CONFORMING USE "STR – UNOCCUPIED" AT CERTAIN PROPERTY LOCATED AT 301 E. BURBANK STREET FREDERICKSBURG, TEXAS; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A PENALTY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Fredericksburg, Texas (the "City"), is a home rule municipality acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

**WHEREAS**, pursuant to Chapter 211 of the Local Government Code, the City has adopted a comprehensive zoning ordinance, certified as Appendix B of the Fredericksburg Municipal Code, and a comprehensive zoning map, regulating the location and use of buildings, other structures, and land for business, industrial, residential, or other purposes, and providing for a method to amend said ordinance and map for the purpose of promoting public health, safety, morals, and general welfare, all in accordance with a comprehensive plan; and

**WHEREAS**, in accordance with the Comprehensive Zoning Ordinance, the owner of the property referenced below has filed an application for a Conditional Use Permit for a "Convenience Store/Self Serve Gasoline" use; and

**WHEREAS**, public hearings before the Planning and Zoning Commission and the City Council of the City of Fredericksburg have been duly noticed and held regarding such application, as required by the City of Fredericksburg Zoning Ordinance; and

**WHEREAS**, all requirements of law dealing with notice to other property owners, publication, and all procedural requirements have been complied with in accordance with the comprehensive zoning ordinance and Chapter 211 of the Local Government Code; and

**WHEREAS**, the City Council of the City does hereby deem it advisable and in the public interest to grant such conditional use permit on the terms and conditions described herein.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS THAT:**

**Section 1.**

The findings above are found to be true and correct and are incorporated herein.

**Section 2.**

Appendix B, "Zoning Ordinance," of the Fredericksburg Municipal Code, as amended, is hereby amendment to grant a Conditional Use Permit as shown and described below:

Applicant: Steven & Ellen Scott

Property Owner: Steven & Ellen Scott

Property Address: 301 E. Burbank Street, Fredericksburg, TX 78624

Legal Description:  
MUTUAL #2 LOT 13A, - REPLAT (FCNE) CITY NORTHEAST

Zoning Change: The property shall remain located in the R1: Single Family Residential zoning district, and a Conditional Use Permit for the expansion of a legal non-conforming "STR-Unoccupied" use is hereby granted subject to the terms and conditions provided herein and within "Exhibit A".

**Section 3.**

The zoning districts, boundaries, and uses as herein established have been made in accordance with the comprehensive plan for the purposes of promoting health, safety, morals, and general welfare of the community. They have been designed to lessen congestion in the streets; to secure safety from fire, panic, flood, and other dangers; to provide adequate light and air; to prevent overcrowding of land; to avoid undue concentration of population; and to facilitate the adequate provisions of transportation, water, sewerage, parks, and other public requirements. They have been made after a full and complete hearing with reasonable consideration among other things of the character of the district and its peculiar suitability for the particular uses and with a view of conserving the value of the buildings and encouraging the most appropriate use of land throughout the community.

#### **Section 4.**

The use of the property described herein shall be subject to all the applicable regulations contained in the Comprehensive Zoning Ordinance and all other applicable and pertinent ordinances of the City for the zoning district into which they have been assigned.

#### **Section 5.**

This Ordinance shall be cumulative of all other provisions of ordinances of the City of Fredericksburg Municipal Code, as amended, except where the provisions of this Ordinance are in direct conflict with the provisions of such ordinances and such code, in which event the conflicting provisions of such ordinance and such code are hereby repealed.

#### **Section 6.**

Any person, firm, or corporation who violates, disobeys, omits, neglects, or refuses to comply with or who resists the enforcement of any of the provisions of this Ordinance shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine in Section 1-6 of the Fredericksburg Municipal Code. Each day that a violation is permitted to exist shall constitute a separate offense. In addition, any person, firm, or corporation who violates, disobeys, omits, neglects, or refuses to comply with or who resists the enforcement of any of the provisions of this Ordinance may be subjected to such civil penalties as authorized by law.

#### **Section 7.**

All rights or remedies of the City are expressly saved as to any and all violations of Appendix B of the Fredericksburg Municipal Code, as amended, or any other ordinance affecting zoning and land use that have accrued at the time of the effective date of this Ordinance and as to such accrued violations and all pending litigation, both civil and criminal, same shall not be affected by this Ordinance but may be prosecuted until final disposition by the Courts.

#### **Section 8.**

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph, or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph, or section.

**Section 9.**

The City Secretary of the City of Fredericksburg is hereby directed to publish in the official newspaper of the City the caption and penalty clause of this Ordinance as required by law.

**Section 10.**

This Ordinance shall be in full force and effect from and after its passage and publication as required by law, and it is so ordained.

**PASSED AND APPROVED on this the 15<sup>th</sup> day of September 2026.**

---

Randy Briley, Mayor  
City of Fredericksburg, Texas

ATTEST:

---

Letty Vacek, City Secretary

APPROVED AS TO FORM:

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Barbara Quirk, City Attorney



## **“EXHIBIT A”**

1. No Increase in Occupancy From Vested STR Permit (Maximum 8)



## CITY COUNCIL AGENDA MEMO

**DEPARTMENT:** City Manager  
**TO:** Mayor & City Council Members  
**FROM:** Garret Bonn, Assistant City Manager  
**MEETING DATE:** September 15, 2026

**CATEGORY:** ORDINANCES, RESOLUTIONS  
AND PUBLIC HEARINGS

**CAPTION:** Consideration and possible action relating to a mediation agreement in the case of Fredericksburg, Texas, Plaintiff, vs. Michael A. Meier, Defendant; pending in 216th District Court - Cause No. 26-18655 (Barbara Quirk, City Attorney)

**SUMMARY:**

**BACKGROUND:**

**FUNDING SOURCE:**

**FINANCIAL IMPACT:**

**STAFF RECOMMENDATION:**

**COMPREHENSIVE PLAN GUIDING PRINCIPLE:**

Governance

**ATTACHMENTS:**

None

**APPROVAL/REVIEW:**

William McKamie, City Attorney

Date: September 09, 2026

Garret Bonn, Assistant City Manager

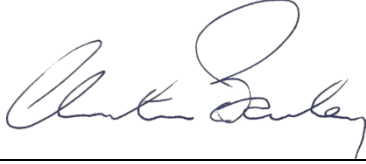
Date: September 09, 2026



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Leticia Vacek, City Secretary

Date: September 09, 2026



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Clinton Bailey, City Manager

Date: September 09, 2026



## **CITY COUNCIL AGENDA MEMO**

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**DEPARTMENT:** City Secretary

**TO:** Mayor & City Council Members

**FROM:** Leticia Vacek, City Secretary

**MEETING DATE:** September 15, 2026

**CATEGORY:** ITEMS FOR FUTURE AGENDA

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**CAPTION:** City Manager Bailey will review the Future Agenda Items list with the City Council.

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**SUMMARY:**

The Future Agenda Items List is a constant on each Regular Council Meeting Agenda for the purpose of public consumption while providing the Council an opportunity to add future agenda items.

**BACKGROUND:**

The Future Agenda Items List is fluid as it is updated weekly and many times twice per week.

**FUNDING SOURCE:** n/a

**FINANCIAL IMPACT:**

n/a

**STAFF RECOMMENDATION:**

Said list will be reviewed and adjusted as necessary.

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**COMPREHENSIVE PLAN GUIDING PRINCIPLE:**

Neighborhood Quality

Workforce

Tourism

City Center

Mobility

Small Town Sensitive Growth

Governance

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**ATTACHMENTS:**

1. Future Items and Meetings September 15, 2026 (1) (2)

**APPROVAL/REVIEW:**





Leticia Vacek, City Secretary

Date: September 09, 2026



Clinton Bailey, City Manager

Date: September 09, 2026

## City Council Future Agenda Items/Meetings

### October 6, 2026 Regular Council Meeting

- Oct 6<sup>th</sup> Street closure request for the 2027 Countdown – New Year’s Eve (Jennifer Krupa, Asst Dir Parks/Rec)
- Oct 6<sup>th</sup> Street Lane closure on Dec. 11<sup>th</sup> & Dec. 12<sup>th</sup> for Bethany Lutheran Church Christmas Journey Event (Jennifer Krupa)
- Oct 6<sup>th</sup> Achievement of TMCA Excellence Award 2026-27 – FBG Office of the City Secretary (Brd. Member Robyn Densmore)

### Upcoming Meetings/Events

- Sept. 22<sup>nd</sup> Citizen University @ 6pm - Council Chambers (EDC, Chamber, CVB)
- Sept. 29<sup>th</sup> Joint Council & Planning & Zoning Mtg @ 5:30pm – Council Chambers
- Oct. 14<sup>th</sup> Coffee with the City Manager @ 8am – Cardinal Room



## CITY COUNCIL AGENDA MEMO

**DEPARTMENT:** City Manager

**TO:** Mayor & City Council Members

**FROM:** Clinton Bailey, City Manager

**MEETING DATE:** September 15, 2026

**CATEGORY:** EXECUTIVE SESSION

**CAPTION:** Deliberation regarding Economic Development negotiations — Pursuant to Texas Government Code Section 551.087 regarding potential incentives for a development interested in locating in the city at 405 Goehmann Lane and consultation with the City Attorney pursuant to Texas Government Code Section 551.071 regarding legal matters related to same. (Barbara Quirk, City Attorney & Clinton Bailey, City Manager)

**SUMMARY:**

**BACKGROUND:**

**FUNDING SOURCE:**

**FINANCIAL IMPACT:**

**STAFF RECOMMENDATION:**

**COMPREHENSIVE PLAN GUIDING PRINCIPLE:**

Comprehensive Plan Guiding Principles

**ATTACHMENTS:**

None

**APPROVAL/REVIEW:**

Clinton Bailey, City Manager

Date: September 09, 2026

Date: September 09, 2026







## CITY COUNCIL AGENDA MEMO

**DEPARTMENT:** City Manager

**TO:** Mayor & City Council Members

**FROM:**

**MEETING DATE:** September 15, 2026

**CATEGORY:** EXECUTIVE SESSION

**CAPTION:** Consultation with the City Attorney pursuant to Texas Government Code Section 551.071, to seek legal advice regarding a potential mediation agreement in the case of Fredericksburg, Texas, Plaintiff, vs. Michael A. Meier, Defendant; pending in 216th District Court Cause No. 26-18655 (Mick McKamie - TOASE)

**SUMMARY:**

**BACKGROUND:**

**FUNDING SOURCE:**

**FINANCIAL IMPACT:**

**STAFF RECOMMENDATION:**

**COMPREHENSIVE PLAN GUIDING PRINCIPLE:**

Governance

**ATTACHMENTS:**

None

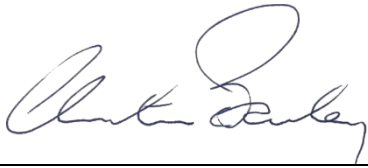
**APPROVAL/REVIEW:**

\_\_\_\_\_  
Garret Bonn, Assistant City Manager

Date: September 09, 2026

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Leticia Vacek, City Secretary

Date: September 09, 2026



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Clinton Bailey, City Manager

Date: September 09, 2026