

**RESOLUTION NO. 24-R-78**

**A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF SCHERTZ, TEXAS SUPPORTING STATE LEGISLATION TO ESTABLISH A DEDICATED FUNDING MECHANISM FOR THE DISABLED VETERANS HOMESTEAD EXEMPTION (DVHS) PROGRAM AND OTHER MATTERS IN CONNECTION THEREWITH**

WHEREAS, the city of Schertz recognizes the invaluable contributions of veterans in our community through their service and sacrifice to our county; and

WHEREAS, the city supports the original legislation for the DVHS property tax relief program for disabled veterans which was not intended to disproportionately impact communities; and

WHEREAS, 100% disabled veterans' exemptions make up 19% of all homestead residences in Schertz and veterans with any disabled exemption aid makes up 51% of homesteads in Schertz; and

WHEREAS, the amount of ad valorem tax revenue the city must forgo in FY 2023-24 due to the DVHS tax exemption is \$4 million which is equivalent to 7.5 cents on the city's tax rate for FY 2023-24; and

WHEREAS, the city believes the state of Texas should pass legislation to create a dedicated funding mechanism for the DVHS property tax relief program; and

WHEREAS, the city believes such legislation would provide essential financial support to cities uniquely impacted by high concentrations of DVHS exemptions, enabling them to more effectively manage property tax rates without compromising critical public services.

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

Section 1. The City of Schertz hereby expresses its strong support for proposed state legislation that will create a dedicated funding mechanism for the DVHS property tax exemption program.

Section 2. The City Council directs the City Manager and other appropriate city officials to actively advocate for the passage of such legislation, including, but not limited to, communicating with state legislators, participating in relevant hearings and meetings, and collaborating with other municipalities and organizations in support of this cause.

Section 3. The City of Schertz pledges to continue exploring and supporting additional measures that can provide financial relief to communities impacted by high concentration of the DVHS exemption.

Section 4. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

BE IT FURTHER RESOLVED that a copy of this resolution be forwarded to the Texas Municipal League (TML), and the state legislative delegation representing the City of Schertz, and other relevant state officials to formally convey the City's support for this critical legislation.

PASSED AND ADOPTED, this 16<sup>th</sup> day of July, 2024.

CITY OF SCHERTZ, TEXAS

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Ralph Gutierrez, Mayor

ATTEST:

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Sheila Edmondson, City Secretary