



To: Mayor & City Council

From: Michael Kovacs, City Manager and Vickey Raduechel, City Secretary

Date: May 6, 2021

Agenda Item & Caption: Discuss, consider, and take any necessary action regarding an resolution canvassing the returns of a special election held in the City on May 1, 2021 to consider dissolving the Fate Development Corporation (FDC) and shift the FDC sales tax to general fund.

Action Requested: Approve resolution canvassing the returns of the May 1, 2021 special election to consider dissolving the FDC and shift the FDC sales tax to general fund.

This item is presented to canvass the May 1, 2021 special election returns, as required by law.

Overview and Background:

A special election was held on May 1, 2021 to decide if the City is authorized to dissolve the Fate Development Corporation (FDC) and shift the FDC sales tax to the general fund. The proposition passed with 817 votes "For" the proposition and 223 votes "Against" the proposition. The Early Voting Ballot Board (EVBB) will convene on the morning of Monday, May 10th to qualify and count any provisional ballots or ballots by mail. Said ballots will not impact the overall outcome of the election. The City will receive the final tabulation of votes after the EVBB convenes on Monday, May 10th. The attached resolution will be updated with any changes to the preliminary canvass results and Exhibit A will be added when received from the Rockwall County Elections Administrator.

The tax shift becomes effective after one complete calendar quarter from the date the Comptroller receives that notice.

- Thus, voter approval in May and Comptroller receipt of our canvass packet before June 30th would result in that tax change beginning October 1st (i.e. following the July-August-September quarter).
- The same is true of the repeal of a tax, that repeal (assuming the same timeline as the above) is effective October 1.

Supporting Documents:

- Resolution canvassing the returns of the May 1, 2021 special election.

RESOLUTION NO. 2021-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FATE, TEXAS, CANVASSING THE SPECIAL ELECTION HELD IN THE CITY OF FATE ON MAY 1, 2021, FOR THE PURPOSE OF DISSOLVING THE TYPE B ECONOMIC DEVELOPMENT CORPORATION AND ADOPTING A ONE AND ONE-HALF PERCENT SALES TAX; DECLARING THE RESULTS OF SAID ELECTION; AND RESOLVING OTHER MATTERS ON THE SUBJECT; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Fate, Texas ("City Council") ordered and called a Special Election ("Election") to be held on Saturday, May 1, 2021 for the purpose of dissolving the Type B Economic Development Corporation and adopting a one and one-half percent sales tax to be deposited in the general fund of the City of Fate; and

WHEREAS, the said Election of the City of Fate, Texas ("City"), was held in the City on May 1, 2021, between the hours of 7:00 a.m. and 7:00 p.m.; and

WHEREAS, the City Council of the City has caused to be posted and published in accordance with the election laws of the State of Texas, notices of the Election; and

WHEREAS, notices of the Election were actually given by the City and the Rockwall County Elections Administrator as required by state law; and

WHEREAS, the City Secretary presented affidavits of posting and publication of the notices of the Election; and

WHEREAS, the affidavits of posting the publishing notices of the Election were examined and approved; and

WHEREAS, the Election was duly and legally held on May 1, 2021 in the City and in conformity with the election laws of the State of Texas, and the results of the Election, including the early voting results, have been certified and returned by the proper election judges and clerks thereof; and

WHEREAS, the City Secretary, acting as special custodian of the election records, presented the canvass report for the Election, including the returns of the early ballots cast in connection therewith, to the Canvassing Board; and

WHEREAS, the City Council, acting in its capacity as the Canvassing Board for the Election, has considered the returns of said Election, including the returns of said ballots cast in connection therewith; and

WHEREAS, the returns of the Election, including the returns of early ballots cast in connection therewith, duly and legally made, showed that there were cast at said Election,

the following total valid and legal votes:

Fate Proposition 1:

Termination of the Fate Development Corporation (Type B) and its associated sales tax; and the adoption of a local sales and use tax in the City of Fate at a rate of one and one-half (1.5) percent. This would result in no net change in the total sales tax rate.

For: 817
Against: 223

The termination of the Fate Development Corporation (Type B) and its associated sales tax; and the adoption of a local sales and use tax in the City of Fate at a rate of one and one-half (1.5) percent is passed.

The number of votes by which the proposition was approved is 594.

WHEREAS, the City Council, at a Special Council Meeting on May 10, 2021, canvassed the returns of said election; and

WHEREAS, section 67.003 of the Texas Election Code provides that each local canvassing authority shall convene not earlier than the third (3rd) day or later than the eleventh (11th) day after election day for the purpose of canvassing the election results; and

WHEREAS, section 67.004(a) of the Texas Election Code also provides that only two members of City Council are needed and constitute a quorum for the purpose of canvassing election results; and

WHEREAS, the City Council, at a Special Council Meeting on May 10, 2021, canvassed the returns of said election.

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

SECTION 1. Incorporation of Premises. The above and foregoing premises are true and correct and are incorporated into the body of this Resolution and made a part hereof for all purposes.

SECTION 2. Confirmation of Vote Tabulations. The results of the Election, as canvassed and tabulated above reflect the expressed desires of the resident qualified voters of the City.

SECTION 3. Issuance of Certificate of Election. That the Mayor is hereby authorized

and directed to execute and deliver a Certificate of Election.

SECTION 4. Issuance of Canvass of Special Election. The Mayor is hereby authorized and directed to execute and deliver the Canvass of the Election, a copy of which is attached hereto as Exhibit "A", in accordance with the election laws of the State of Texas, and to take all other action necessary connection therewith.

SECTION 5. Effective Date. This Resolution shall be in full force and effect from and after its passage, and it is accordingly so resolved.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF FATE,
this ____ day of May 2021.**

David Billings, Mayor

ATTEST:

**Victoria Raduechel, TRMC
City Secretary**

EXHIBIT "A"