



Wylie's property tax rate expected to rise more than 20 percent

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Wylie's property tax rate could jump more than 20 percent this year as the city begins construction on roads and buildings authorized by voters in 2005.

The increase would make the city's tax rate among the highest in the Dallas-Fort Worth area. Barring increases by other cities, Wylie's 89.89 cents per \$100 in taxable value – up more than 16 cents – would trail only the 95-cent rate in Forest Hill, in Tarrant County.

City leaders in Wylie said they realize residents could suffer a tax double whammy, as the Wylie school district considers putting a 12-cent increase on the November ballot.

But, they said, they're following through with projects the voters want.

"Since the 2005 bond election, we've had folks ask when this road is coming, when the library's going to be finished," City Manager Mindy Manson said.

This year's city increase would cost the owner of a \$150,000 home about \$250. And city forecasts call for more increases, with the rate topping out at 94 cents in the 2010-11 fiscal year. The increases are roughly the size the city estimated before the election.

The debt will go toward road construction, a library, a recreation center, a new city hall and other projects. Ms. Manson said construction on the buildings would begin in October.

She and Mayor Eric Hogue said high inflation in construction also drove the decision to move forward.

"It's going to be a lot of money now, but it's going to be even more money later," Mr. Hogue said. "We knew the longer we waited, those costs were going to go up."

Mayor Pro Tem M.G. "Red" Byboth said he realized that the city would be asking taxpayers for more money at a time when they're already paying more for gas and food. But, he said, the projects the taxes are funding will make the city more attractive to businesses and new residents.

"Those amenities in the city raise the values of the city," he said. "More higher-end builders come here. The new retail development here, it's not coming here on accident."

Stephanie French, who lives in Sachse but owns a store in downtown Wylie, said she supports the projects that the tax increase will pay for.

"They're building this great new library. It'll fix the roads, fix the potholes," she said. "As a business

owner, it's worth it at every level."

But Wylie resident Ivey Morgan said much has changed in the three years since voters approved the bonds.

"That was in 2005, before the economy went down and the gas prices went up," she said. "With gas and everything else, that's where people are having a problem saying yes to these tax increases."

Mr. Hogue acknowledged that the tax increase could hurt people financially.

"We do know this is going to be an impact," he said. "We didn't just wake up this week and decide we were going to do a 16-cent increase. We've been planning this since 2005."

Ms. Manson will submit a formal budget proposal by Aug. 5. Public hearings are expected Aug. 21 and 26, with adoption anticipated Sept. 9.

Beyond the higher debt payments, there's little new in Ms. Manson's plans. New spending will cover 5 percent raises for employees, higher fuel costs and a handful of other items. But cuts are planned for other areas, including employee travel and training.