



THE WOODLANDS
T O W N S H I P

INCORPORATION INFORMATION

SEPTEMBER 2021

Governance

Current Provider: The Woodlands Township

- The Woodlands Township is a Special Purpose District authorized by the State to enhance basic services provided by other agencies (e.g. counties)

Proposed Provider: City of The Woodlands

- A City of The Woodlands would be incorporated first as a General Law City, with the option to become a Home Rule City at a later date
 - General Law Cities provide services explicitly authorized by the State
 - Home Rule Cities derive authority from voter-approved charters and may act unless restricted by the State

Incorporation Impact(s):

- Preserves identity of The Woodlands
- Expanded local control over ordinances, taxes, building code, public safety, court, regional partnerships, and emergency response
- Increased responsibility for infrastructure and services

Questions/Notes

Total Cost of Service and Revenue Impact

Incorporation Impact(s):

- City eligible for additional revenue sources (franchise fees, alcohol and beverage tax, grants)
- City's ability to spend hotel occupancy tax is more constrained than Township
- Recent revenue growth has remained strong
- Existing reserves may be used to offset future capital costs
- Incorporation initiatives approved by the Board can be implemented with no impact on maximum tax rate, based on projected revenue growth
- Assumes implementation of property tax ceiling for residents age 65+/disabled

Costs:

- Approximately \$16.8 million in new annual expenses plus continuation of \$133.7 million in annual expenses currently funded by the Township
- Approximately \$19.9 million in capital costs related to Public Works and Law Enforcement in the first five years
 - Funded through existing incorporation and capital reserve funds
 - Police/Municipal Court facility anticipated to be partially funded through incorporation reserve funds

Questions/Notes

Law Enforcement

Current Provider: Montgomery County, Harris County

Proposed Provider: City of The Woodlands with contracted support from Montgomery and Harris Counties

Incorporation Impact(s):

- The City will employ its own Marshal/Chief of Police and its own police force; will operate its own Municipal Court
- Specialized support services (e.g. 911 dispatch, crime lab, etc.,) contracted with Counties
- Aligns public safety identity with The Woodlands rather than Counties
- Requires additional annual operating and capital costs

Costs:

- Approximately \$9.7 million in new annual operating costs for personnel, materials, supplies, and overhead
 - Offset by new revenues, including court fines/fees and projected growth in existing revenue sources
- Approximately \$9.7 million in new startup capital and major equipment costs in the first five years
 - Funded through existing incorporation and capital reserve funds
 - Police/Municipal Court facility anticipated to be partially funded through incorporation reserve funds

Questions/Notes

Transportation Infrastructure and Public Works/MUDs

Incorporation Impact(s):

- Increased responsibility for infrastructure management and maintenance
 - ~500 miles of paved roadway (mostly concrete)
 - Road shoulders
 - Bridge deck maintenance
- Public Works authority consolidated under new City
- Option to consolidate Municipal Utility District services under the City in the future

Costs:

- Approximately \$1.5 million annual maintenance costs related to pavement, road shoulder, and bridge deck maintenance
- Approximately \$4.8 million in new annual operating costs for personnel, materials, supplies, and overhead
 - Offset by new revenues and projected growth in existing revenue sources
- Approximately \$10.2 million in startup capital and major equipment costs in the first five years
 - Funded through existing incorporation reserve funds

Questions/Notes



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