

City of Castle Hills
\$12,500,000
Bond Election
Voter Information Brochure

To the Citizens of Castle Hills, Texas

The City Council of Castle Hills, Texas has called a Bond Election for a total of \$12,500,000 for street and drainage improvements. The intent of this Brochure is to set forth the facts behind the Council's decision to call the election and to provide basic information regarding the election. The sole purpose of this brochure is to assist the voter in making an informed decision concerning the Bond Election.

The City Council, Staff, and the Street and Drainage Committee of Castle Hills have undertaken a comprehensive process to analyze the current conditions of all the streets in the City. Based on this process, the City Council has formulated a package for voter consideration that attempts to create an abundance of projects throughout the City with various levels of street rehabilitation and reconstruction. The timing related to this Bond Election is a result of two key factors. The first factor is a reduction in road construction costs. The reduction in costs allows the City to implement more projects for funds spent. The second factor is the current interest rate environment. As of August 2010, interest rates for municipal bonds were approximately $\frac{1}{4}$ of 1% higher than the 20-year low (25 basis points). The lower the interest rate, the less the overall cost for funding the project.

How will the Bond Money be Used?

The City anticipates using bond money for the following projects:

Currently failing street areas

- Antler
- Bluet Lane
- Carolwood Drive
- Castle Lane
- Dogwood Lane
- Gladiola Lane
- Krameria Drive
- Lou Jon Circle
- Northcrest Drive
- Riviera Drive
- Sunflower Lane
- Towne Vue Drive
- Winston Lane
- Banyan Drive
- Briarcliff Drive
- Cas Hills Drive
- Dandelion Lane
- Gardenview Drive
- Honeysuckle Lane
- Lemonwood Drive
- Moss Drive
- Persimmon Drive
- Roletto Drive
- Tamworth Drive
- Travertine

Drainage improvements to:

***General Drainage
Improvements***

- Antler Drive
- Atwater Drive
- Krameria Drive
- S. Manton Lane
- Mimosa Drive
- Peg Sue Court
- Winston Lane

***Significant Drainage
Improvements***

- Banyan Drive
- Carolwood Drive

What will the Bonds Cost the Homeowner?

To pay for the bond program, it is projected that the tax rate for debt service will increase by no more than \$0.2160 cents per \$100 valuation, based on conservative interest rate assumptions and no growth in the City's Taxable Assessed Valuation.

The table below illustrates the annual and monthly tax impact on the homes valued as shown.

Projected Home Value After Any Exemptions	Projected Annual Impact on Castle Hills Tax Payers	Projected Monthly Impact on Castle Hills Tax Payers
\$100,000	\$216	\$18
\$125,000	\$270	\$23
\$150,000	\$324	\$27
\$175,000	\$378	\$32
\$200,000	\$432	\$36
\$225,000	\$486	\$41
\$250,000	\$540	\$45
\$300,000	\$648	\$54

The tax rate impact above represents the anticipated peak tax rate after the sale of the bonds in fiscal year 2011. The actual tax rates may vary. The projects are expected to be constructed over the next four (4) years.