

Annual Report



2018-2019

Building For A Better Tomorrow



The Early Days >

Mural painted in 2001 by Jermain Steed of Davenport, Iowa. It depicts aspects of Harlingen's founding and early years and is located at 120 S. Commerce Street.

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Office of The Mayor

Dear Fellow Residents,

What an exciting time to be in Harlingen. There is so much happening throughout the City. In the past year we have witnessed the start of numerous multi-million dollar projects that are not only making history but changing the look and feel of our community. These projects are poised to improve the quality of life for you our residents and all who visit Harlingen.



I believe you will be happy with the results. I invite you to look through this Annual Report to see for yourselves the many great things happening in our City right now.

From a new convention center, a new water treatment facility, a new fire station, the rehabilitation of 32 streets, the redevelopment of the historic Baxter Building, a new park that will be unique to the Rio Grande Valley, new airline service at Valley International Airport, and a commitment by UTRGV's School of Medicine to create an Institute for Neurosciences in Harlingen, our City is progressing at an unprecedented rate.

Please know that each one of your City Commissioners and I are working hard to make Harlingen the best that it can be because that is what you deserve.

Chris Boswell

Mayor



Richard Uribe
Commissioner District 1



Tudor Uhlhorn
Commissioner District 2



Michael Mezmar
Commissioner District 3



Ruben De La Rosa
Commissioner District 4



Victor Leal
Commissioner District 5



City Commission

City Manager's Office

Harlingen Town Hall
118 East Tyler
Harlingen, Texas 78550
956.216-5000



Gabriel Gonzalez, CPM
Assistant City Manager



Carlos Sanchez, P.E.,
CPM
Assistant City Manager

A Message from the City Manager:



Dan Serna
City Manager, CPM

It is with great pride that we present an overview of our accomplishments, achievements, and progress based on the goals set by the Harlingen City Commission.

This Annual Report illustrates the positive growth and a strong economy. We expect that 2019 will again bring many great things to our City.

As City Manager, it is my honor to serve the residents of Harlingen, working alongside the Mayor and City Commission with a team of dedicated and passionate City employees to enhance the quality of life for all who live, work, and visit our City.

Through careful planning and by doing as many projects as possible in-house we have completed many developments and saved tax dollars.

Please take a few minutes and review our report to see for yourself what a successful year of growth and progress we had. We are committed to providing you with the highest level of service possible as we continue to build for a better tomorrow.

Dan Serna

Harlingen Financially Sound

The City's largest revenue source continues to be sales and property taxes accounting for 77 percent of the General Fund revenues. Business licenses, permits, fines, recreation fees, and other miscellaneous revenue make up the remaining 23 percent of the City's General Fund revenue.

The City of Harlingen's credit rating stands at a strong "AA-." The positive outlook was reaffirmed by Standard & Poor's Rating Services a company that issues credit ratings for the debt of public and private companies.

The report issued in December 2017, attributes the positive rating to how the City manages its money and how it operates on a daily basis.

The report credits the City with strong management, good financial policies and practices, and a strong budgetary performance with operating surpluses in the General Fund. It also notes that Harlingen has positioned itself as one of the leading transportation, services, and trade hubs of the Rio Grande Valley.

The "AA-" rating means a very strong capacity to meet financial commitments. Ratings are important to help drive growth and determine the rate the City can borrow money should the need arise.

2018-2019

Fiscal Year Budget Highlights

\$2 million budgeted for Street Maintenance.

\$262,500 for six Police Patrol Units.

\$276,000 for Public Safety Software.

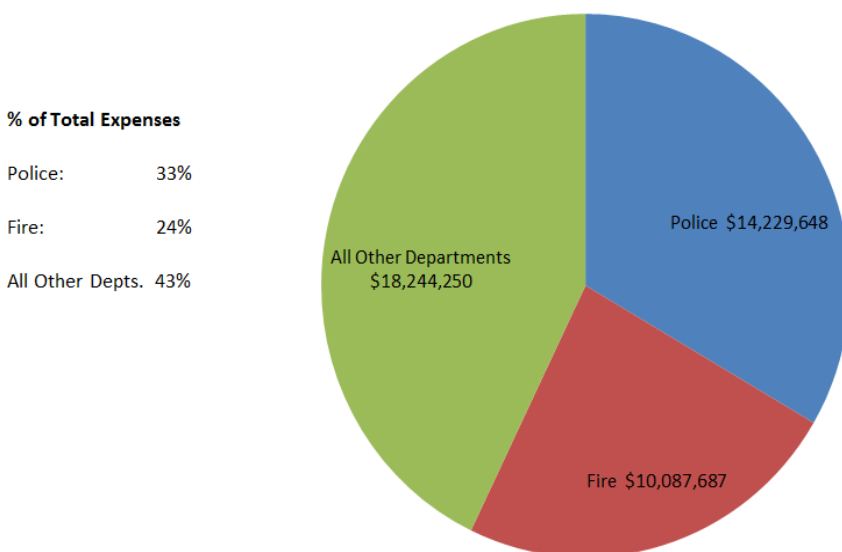
\$20,000 for Fire Prevention vehicle.

\$460,000 budgeted to replace old HVAC components at library.

\$15,786 to replace one mosquito sprayer.

No Increase in Property Taxes.

FY 2018 General Fund Expenditures \$42,561,584



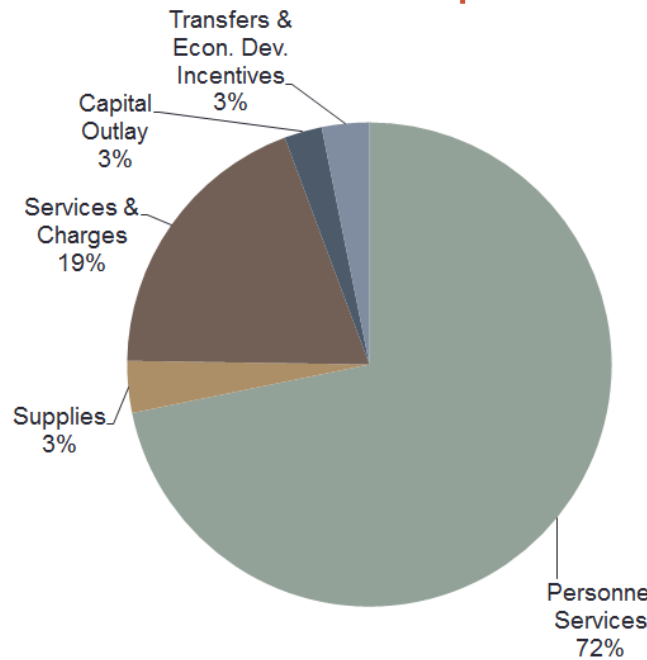
The Council For Community And Economic Research named Harlingen as the #1 least expensive urban area to live in the country in its third quarter 2018 Cost of Living Index.

The index is based on six categories:

- Housing
- Utilities
- Grocery items
- Transportation
- Health Care
- Miscellaneous goods and services

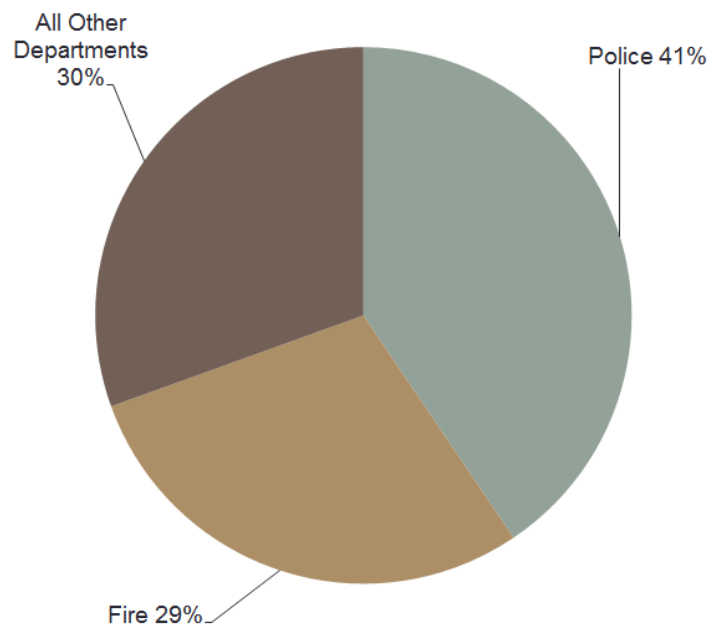
Finance

FY 2019 General Fund Proposed Expenditures



Expenditure	Amount
Personnel Services	\$ 32,060,607
Supplies	1,543,378
Services & Charges	8,519,073
Capital Outlay	1,124,278
Trnsfrs & Econ. Dev. Incentives	1,414,058
	<u>\$ 44,661,394</u>

General Fund - Personnel Services



Departments	Amount
Police	\$ 12,903,601
Fire	9,213,151
Public Works	1,978,327
Parks & Rec	1,723,925
Support	1,403,506
Health	1,185,986
Library	823,596
Planning and Dev.	732,015
Executive	1,036,163
Court	440,918
Building Inspections	389,784
Legislative	6,497
COLA Adj.	223,138
	<u>\$ 32,060,607</u>

Grants

2017-2018 Awards

Harlingen Public Library-	\$215,586.00
Public Works/Engineering-	\$4,018,189.00
Parks & Recreation-	\$1,641,213.00
Fire Department-	\$84,250.00
Police Department-	\$460,214.00
Total:	\$6,419,452.00

During the 2017-2018 Fiscal Year, City of Harlingen Departments were awarded \$6.4 million in grants. The funds helped buy equipment, create a library teen room, revitalize almost 20-miles of sidewalks, extend the Arroyo Trail, purchase park equipment, fund wellness activities, purchase hazardous material equipment, purchase bullet proof vests, pay for 75% of salaries for five additional officers, fund two-years of salary for a crime victim liaison, police overtime, and special enforcements such as DWI, Seat Belt, and Traffic enforcements.

2018-2019 Awards

Harlingen Public Library-	\$12,372.15
Police Department-	\$315,847.00
Health Department-	\$349,038.00
Total:	\$677,257.15

Grants are available yearly. Even though, the 2018-2019 just got underway, City departments have submitted numerous applications and three departments have already been awarded. These funds will help pay for the library's eRate service, Interlibrary Loan Reimbursement, ballistic vests, overtime targeting violent crime and criminals, human and drug trafficking, officer training, and traffic enforcement, and health related preventive efforts in vector control and food and water borne diseases.

Grants are a great way for Cities to expand their operational budgets. They help fill the gap between the cities funds and needs.

While they can be very competitive and the application process challenging they are worth it as they allow cities to do more for their communities.

The Fiscal Year runs from October 1 through September 30. By law a new budget must be approved annually by the City Commission on or before October 1 of each year.



Public Safety

Combined, The City of Harlingen has 153 first responders dedicated to keeping the community safe. As the first line of defense the men and women of the Fire & Police Departments train regularly.

- Fire Authorized Strength-110
- Police Authorized Strength-143

“We have some of the most qualified officers and firefighters in the Valley. We can all sleep well at night knowing we’re in good hands.”

City Manager, Dan Serna

Harlingen Fire Department



Department acquires a new truck to address equipment needs. The \$450,000 unit was part of the departments 2017-2018 budget.



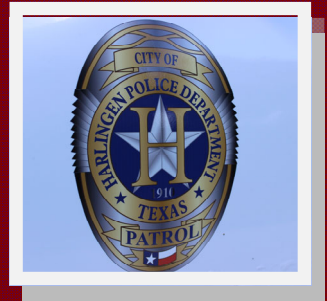
Partnered with HCISD to create the first High School Fire Academy in the City’s History. The program allows students to earn 468 credit hours toward Basic Structure Fire Suppression and First Responder certifications. Basically, the students can graduate high school as entry-level firefighters in Texas.



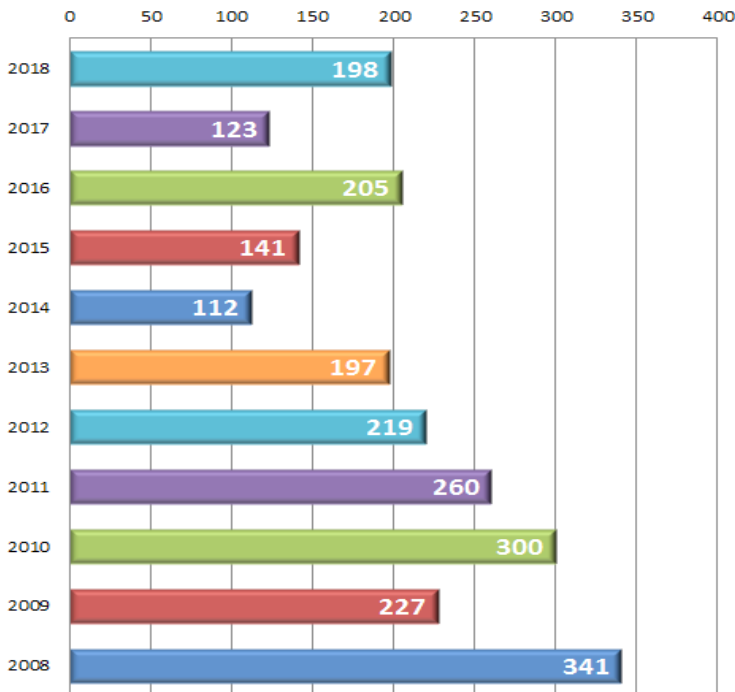
May 8, 2018– Valley International Airport completed and opened the new Aircraft Rescue and Fire Fighting Facility. The \$3.8 million, 10,000 sq. ft. station houses firefighters trained in aviation rescue operations and specialized firefighting vehicles.

Harlingen Police Department

Crime numbers reflect YTD through September 2018



VIOLENT CRIME



Violent crimes are offenses which involve force or threat of force.

Per FBI Uniform Crime Reporting definitions, violent crime is composed of four offenses: Murder, Rape, Robbery, and Aggravated Assault.



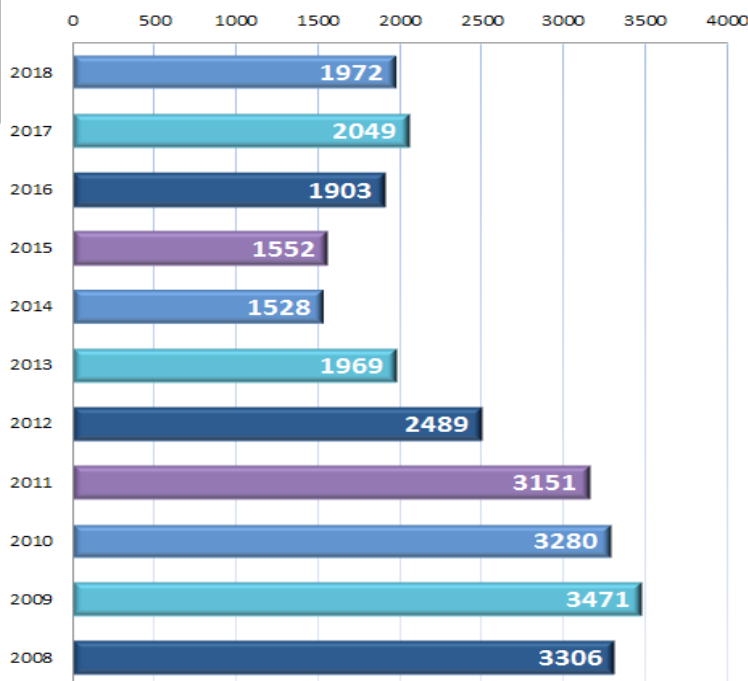
Violent Crime
Down 41%
In comparison
to 10 year high



Property crimes are theft-type offenses of money and property, where there is no force or threat of force against the victims.

Per Uniform Crime Reporting definitions, property crime includes burglaries, thefts, and motor vehicle thefts.

PROPERTY CRIME



Property Crime
Down 43%
In comparison
to 10 year high

Building For a Better Tomorrow

Healthcare

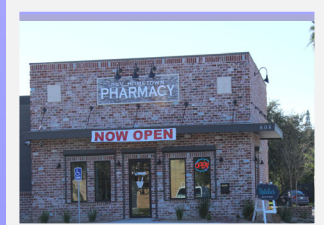
The University of Texas Rio Grande Valley announced its School of Medicine will create the Institute of Neurosciences in Harlingen. The project will be paid for in part by a \$15 million donation from the Valley Baptist Legacy Foundation and matching UTRGV funds.

The 60,000 sq. ft. Institute for Neurosciences will be built adjacent to the Regional Academic Health Center (RAHC) on 35 acres donated by the Harlingen Economic Development Corporation to the South Texas Medical Foundation who in turn gifted the land to UTRGV.

The institute will focus on education, multidisciplinary research, integrated clinical services, community outreach, and partnering with hospitals in the areas of brain health, behavior, and prevention.



Valley Baptist Medical Center is designated a Level II Trauma Center. It is the only one in the RGV and the only one south of San Antonio. VBMC also invested \$2.1 million to upgrade the MRI Suites and the 3rd floor inpatient rehab area.



The new UTRGV Medical School has attracted numerous medical related businesses to the City.

Valley International Airport



August 28, 2018—Harlingen welcomes Frontier Airlines with direct flights to Chicago-O'Hare and Denver International Airport with numerous connecting possibilities. Frontier serves more than 80 cities in the U.S., Mexico, and the Dominican Republic. Harlingen is now the sixth City in Texas and the only one in the RGV where the airline operates from.



October 3, 2018—Harlingen welcomes American Airlines with three daily flights to Dallas/Ft. Worth beginning in March 2019. Passengers can connect to more than 800 daily flights to 200 plus nonstop destinations.



FedEx expanded and hired 50 new employees. FedEx now has two planes that ship cargo in and out of VIA 12-times per week. HEDC supported this expansion by constructing an open-air canopy near the taxiway right next to the facility.



Received a \$7.7 million federal grant for the reconstruction of the Northwest & Southwest Aprons and Taxiway.

VIA Activity Jan-Sept

Boarding

2018 — 306,392

2017 — 275,909

Up 11 %

Deboarding

2018 — 605,820

2017 — 546,304

Up 10.9 %

Cargo

2018 – 26,267 tons

2017 – 20,442 tons

Up 28.5 %

Building For a Better Tomorrow

Airline Carriers

Southwest Airlines

United Airlines

Delta Airlines

Sun Country Airlines

Frontier Airlines

American Airlines

Valley International
Airport

3002 Heritage Way

Harlingen, Texas

78550

Permits & Construction

Total number of permits issued in FY 2017-2018 was 610 compared to 602 in FY 2016-2017.

2017-2018 - \$78,432,110

2016-2017- \$64,444,571

City Ordinances dictate that all construction projects must be permitted by the City.

Harlingen Convention Center

701 Harlingen Heights Drive

Harlingen, TX. 78550

For Rental Information call

Anna Cupich

(505) 5063-1650

Harlingen Building Permits Up By \$13.9 Million-Building Official Reports show an upward economic trend in building permit activity. The City closed Fiscal Year 2018 with \$78,432,110.85 in permit activity as compared to \$64,444,571.01 in 2017. That's an increase of \$13,987,539.84 with the largest increase in new commercial permits up by 59 percent and commercial additions & remodeling up by 39 percent.



The City broke ground on a \$16.7 million Convention Center that will feature a 16,200 sq. ft. ballroom, 4,000 sq. ft. outdoor covered pavilion and 20,000 sq. ft. of meeting space. Ready for use by mid 2019 it was funded solely with dollars from the Tax Increment Finance Zones, Hotel/Motel Taxes and some of the 1/8 cent of retail sales tax which funds Community Improvement Board Projects. A Hilton Garden Inn will be built adjacent to the state-of-the-art facility.

Permits & Construction



The historic Baxter Building is returning to its former glory as one of the most notable buildings in the RGV. It is being redeveloped into 24 housing units and is expected to be complete by May 2019.



\$2.6 million in 4B funding has been approved for Phase 1 of the Destination Park at Lon C. Hill. The entire project will include an amphitheater, lighted basketball courts, large pavilion, ADA complaint restrooms, courtyard, pergolas, and a hike & bike trail that connects the park to the new convention center. Phase 1 is coming in 2019 complete with the entry court, center plaza, improvements of L & L 1/2 Street, parking lots, and land landscaping.

Baxter Lofts

201 W. Jackson Avenue
Harlingen, Texas 78550

The Baxter Building was built in 1927 at the corner of A. Street & Jackson.

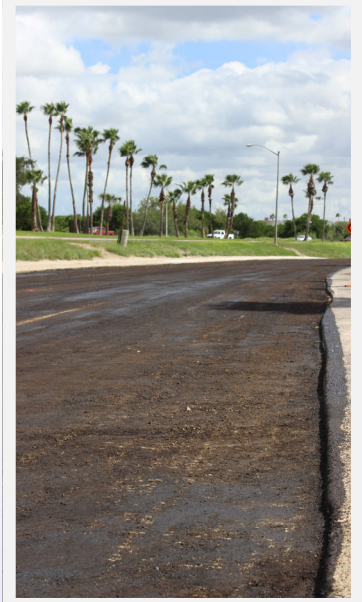
It was the tallest high-rise in the Rio Grande Valley for more than 50-years.

It housed insurance companies, doctors, attorneys, architects, realtors, the U.S. Department of Agriculture, the Nickel Plate Road Railroad Company, and KRGV Radio Station among others.

This unique park is being built at Lon C. Hill Park also known as Fair Park which is located at 605 North L. Street right across from the Harlingen Municipal Auditorium.

Streets Project Includes:

Altas Palmas Road
13th Street
Beckham Road
M. Street
Cottonwood Drive
Darrel Street
North Mark Circle
East Mark Circle
Worthwood
Westwood Drive
Glasscock Avenue
Tamm Lane
Garrett Road
Baker Potts Road
Buchanan Street
Bothwell Street
Drury Lane
Queen Sago Drive
Dixieland Road
Gomez Road
Ponderosa Drive
South Dakota Street
Hacienda Circle
Wyoming Drive
Palomino Circle
Mustang Circle
Montana Drive



\$3.3 million used to rehabilitate 32 roadways throughout the City. \$1.5 million was generated through the City's new maintenance fee, \$354,432.05 came from CDBG funds, and \$1.5 million from the General Fund. The City has earmarked \$2 million to rehabilitate 26 streets in 2019.



The City is participating in an AEP Pilot Program that involves switching out 100 of the typical high pressure sodium street light fixtures to LED along Tyler, Harrison, and Jackson Avenues. The LED lights have a longer lifespan and will save the City money. The work is being done in four phases. Total cost for the 100-light conversion is \$25,770.41.



Added security cameras and more lighting at Hugh Ramsey Park. The existing rolling gate was also modified and made into two gates and new park hour signs have been added.



Sidewalk Improvement Project includes:

Harrison Ave. to Rio Hondo Rd. 1.5 Miles

Dixieland Rd. to F. Street. 4.42 Miles

Wilson Rd. to Whalen Rd. 5.29 Miles

Loop 499 to Washington Ave. 5.4 Miles

6th St. from Jefferson to Buchanan, FM 507- Rio Hondo Rd. to Loop 499, Ed Carey- 25th St. to Haine to Treasure Hills. 2.09 Miles

Crews are constructing 18.7 miles of sidewalks around Harlingen with \$3.25 million in grants awarded to the City. Some of the areas include Harrison & 6th Street and Ed Carey & 23rd Street.



Completed construction of the City's new Wastewater Treatment Facility. The \$14.5 million all liquid and solids treatment facility is a state-of-the-art plant located on east Harrison. It is energy efficient and costs less to operate. It cost \$43 million less than originally estimated.



Ocean Gate Investments, LLC of Pharr is investing \$4 million to build a Homewood Suites by Hilton Hotel at 603 Sesame Dr. The 73,088 sq. ft. hotel will have 89 rooms.

**Record Low Un-employment Rate
November 2018–
5.0%.**

**Lowest
number
since March
2008.**



**3rd Lowest rate
amongst Rio
Grande Valley Cit-
ies.**



Texas Regional Bank is constructing it's regional headquarters on Interstate 2 and Stuart Place Road. The \$10 million development will serve as the banks corporate offices. TRB has 15 locations in the Valley and the Texas Hill Country and two in Harlingen.



The new Stuart Place Crossing retail development adjacent to the bank is now home to a Tropical Smoothie Café, Kohnami Teppanyaki & Sushi, Russo's Italian Restaurant & Pizzeria, a Wing Barn, Venture X offices, and Orange Theory Fitness.



Kohan Retail Investment Group purchased Valle Vista Mall. The New York based company plans to convert it into a multi-use facility that will include shopping, restaurants, entertainment and much more.



Walmart invested \$800,000 to renovate its store located at West Lincoln & Frontage I69 South.



Taco Palenque invested \$690,000 to build its first location in Harlingen right in front of the Walmart store.



Freddy's Frozen Custard & Steakburgers is now open at 902 Dixieland Road. The \$350,000 facility is next to Target.



A brand new \$1 million retail shopping center is now open next to Sam's on Spur 54 with stores such as Verizon and Just-a-Cut.

10 Year Unemployment Rate for November

2017 – 5.9 %
2016 – 6.1 %
2015 – 5.6 %
2014 – 6.1 %
2013 – 7.9 %



2012 – 9.6 %
2011 – 10.9 %
2010 – 9.7 %
2009 – 7.9 %
2008 – 5.6 %

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Jimmy John's Restaurant has joined the Harlingen Community along 77 Sunshine Strip



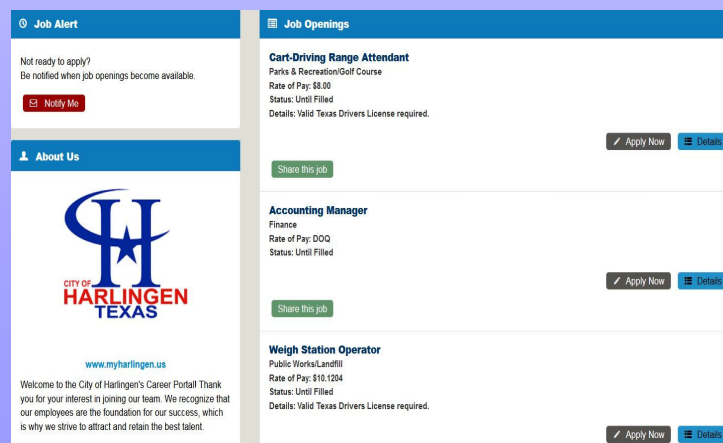
Further East on 77 SS Raising Cane's invested \$1.5 million to build it's first restaurant in Harlingen.



Panda Express is investing \$1.2 million to build it's second location in Harlingen. The Chinese restaurant is being built at 2205 S. 77 SS.

Employment
Opportunities
www.myharlingen.us

118 East Tyler
Harlingen, Texas 78550
956.216.5000 phone



City launched Career Portal featuring online job applications.



City launched Mobile App. for Apple and Android devices.



Joel Humphries
Arts & Entertainment



Tammy Jackson
CDBG



Amanda Elizondo
City Secretary



Cassandra Consiglio
CVB



Edward Meza
Downtown District



Ponciano Longoria
P.E., CFM City Engineer



Elvia Trevino
Finance



Rogelio Rubio
Fire Chief



Josh Ramirez
Health



Efren Fernandez
Human Resources



Danny Coyle
Internal Auditor



Dauna Campbell
Library

Department Directors



Department Directors



Sergio Mujica
MIS



Joel Garza
MPO



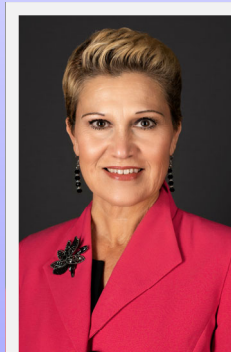
Javier Mendez
Parks & Recreation



Rodrigo Davila
Planning & Development



Mike Kester
Interim Police Chief



Irma Garza
Public Relations



Celina Gonzales
Public Works

**Building For
a Better
Tomorrow**

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Building For a Better Tomorrow



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