



AGENDA MEMORANDUM

First Reading Ordinance the City Council Meeting of April 30, 2013
Public Hearing/Second Reading Ordinance for the City Council Meeting of May 14, 2013

DATE: April 19, 2013

TO: Ronald L. Olson, City Manager

THROUGH: Wes Pierson, Assistant City Manager
(361) 826-3082
wesp@cctexas.com

FROM: Roland Mower *RM*
(361) 882-7448
rcmower@ccredc.com

First Reading Ordinance Designating voestalpine Reinvestment Zone

CAPTION:

Approving an ordinance designating the voestalpine Reinvestment Zone, within the City of Corpus Christi, Texas and within the City's extra territorial jurisdiction, under the Texas Property Redevelopment and Tax Abatement Act (the "Act"),(Chapter 312 of the Texas Tax Code)

PURPOSE:

To designate the voestalpine Reinvestment Zone, within the City of Corpus Christi, Texas and within the extra territorial jurisdiction, under the Act, thus allowing projects in that area to be eligible for certain economic incentives by other taxing entities

BACKGROUND AND FINDINGS:

voestalpine has announced that they will build an iron reduction plant on the site known as La Quinta. La Quinta is located on Port of Corpus Christi and has been discussed as a future site for development. No development has occurred to date. This ordinance will allow projects on that site to be eligible for certain economic development incentives from taxing entities.

The voestalpine project will be on the La Quinta site but also extend from the water's edge into Nueces Bay. Since these docks will extend into the city limits of Corpus Christi and be in both San Patricio and in Nueces County, the only entity that can establish a reinvestment zone over the entire site is the City of Corpus Christi.

A city can establish reinvestment zones within its city limits and inside of its extra territorial jurisdiction. A reinvestment zone will be in effect for five years unless it is renewed by the City. Any agreements based on a reinvestment zone can extend beyond the five years.

ALTERNATIVES:

There are no other alternatives. The City is the only taxing entity that has jurisdiction over the entire site.

OTHER CONSIDERATIONS:

This reinvestment zone should spur development at the La Quinta site, helping the Port, the Counties, and the City through increased tax revenues and job creation.

CONFORMITY TO CITY POLICY:

Defining and establishing the Reinvestment Zone is consistent with the City's stated goals of encouraging economic development.

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

Legal

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year: 2012-2013	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s):

Comments: None

RECOMMENDATION:

Staff recommends the Council designate the voestalpine Reinvestment Zone.

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Certification of Funds (Not Applicable)