

Tax Increment Reinvestment Zone #3

Expenditure Policy

This policy establishes the framework for administration approvals to enable day to day operations, small contracts and expenditures by City staff on behalf of Tax Increment Reinvestment Zone #3 (TIRZ #3).

Background

As allowed by Section 311.010 of the Texas Tax Code, the City Council, through Ordinance 030680, gave the TIRZ #3 the ability to approve contracts and expenditures in accordance with the TIRZ #3 Project and Financing Plan (Project Plan).

The City of Corpus Christi administers the Downtown Reinvestment Zone on behalf of the TIRZ #3. The City Charter and State Law enable staff's day to day operations by allowing the approval of expenditures and contracts without formal City Council approval under certain parameters.

Expenditure Policy

- 1) All contracts shall be authorized by the *TIRZ #3 Board*, except that the *Executive Director* may authorize contracts which do not require expenditures exceeding the limit at which competitive bids are required under the Texas Local Government Code, as amended, and may exceed that sum in the case of emergency which shall be reported to the *Board (Reflects City Charter, Section 2(a), updates indicated)*.
 - a. The current limit set by Chapter 252 of the Texas Local Government Code is \$50,000. If amended by the State Legislature, this policy will automatically amend.
 - b. As allowed by Section 311.010 (g) of the Texas Tax Code, most TIRZ expenditures are exempt from competitive bidding requirements.
- 2) Any contracts, amendments, or expenditures approved administratively must be consistent with the Project Plan.
- 3) The *Executive Director*, may also approve amendments to agreements when either:
 - a. the entire cost of the contract, including the amendment, does not exceed the limit established in 1(a) (above); or
 - b. the TIRZ #3 Board has approved the contract and the cost of the amendment to that contract does not exceed the limit established in 1(a) (above).