




AGENDA MEMORANDUM

First Reading Ordinance the City Council Meeting of March 19, 2013
Second Reading Ordinance for the City Council Meeting of March 26, 2013

DATE: March 13, 2013

TO: Ronald L. Olson, City Manager

THROUGH: Wes Pierson, Assistant City Manager
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Ordinance Defining "Catalyst Area" and Establishing the Downtown Catalyst Area in Corpus Christi, Texas

CAPTION:

Ordinance defining "Catalyst Area" and establishing the Downtown Catalyst Area in the City of Corpus Christi, Texas

PURPOSE:

To define the term, "Catalyst Area," as an area of underdevelopment and/or blight that meets the criteria described in Section 312.202 of the Texas Tax Code, in which the City wants to attract beneficial investment and development by making available economic incentives. This resolution also establishes the Downtown Catalyst Area in Corpus Christi.

BACKGROUND AND FINDINGS:

Parts of the City historically have not had beneficial growth and/or have had blight or substandard or deteriorating structures and infrastructure. These areas would benefit from economic incentive tools, such as tax abatement, to spur development of these areas. This resolution defines such areas as, "Catalyst Areas."

The 2010 census reduced the area of the enterprise zones downtown. To include those areas on the south side of downtown requires the City to establish a reinvestment zone. The Downtown Catalyst Area includes all of the Downtown TIF to help the City cover all of the potential sites for growth. This reinvestment zone does not affect the functioning of the TIF district.

The Downtown Catalyst Area will be an area in which the City may designate a Reinvestment Zone pursuant to Section 312.202 of the Texas Tax Code, thus allowing the City to incentivize any development south of downtown without having to amend the current tax abatement guidelines or grant a variance for any development seeking incentives.

ALTERNATIVES:

none

OTHER CONSIDERATIONS:

The Downtown TIF was established in 2008 and runs for 20 years. Its formal name is the Tax Reinvestment Zone Number Three, City of Corpus Christi, Texas (TIRZ #3). TIRZ #3 extends from the ship channel down to Buford Street and from the water to Mesquite Street. The incremental increase in property taxes can be used to build infrastructure. This reinvestment zone does not affect the functioning of TIRZ #3.

CONFORMITY TO CITY POLICY:

Defining and establishing Catalyst Area is consistent with the City's stated goals of improving the City and promoting economic development by incentivizing business to locate and thrive in Corpus Christi.

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 define "Catalyst Area" as an area of underdevelopment and/or blight that meets the criteria described in Section 312.202 of the Texas Tax Code and recommends that the Council establish the Downtown Catalyst Area in Corpus Christi.

LIST OF SUPPORTING DOCUMENTS:

Catalyst Area map