CITY OF
CORPUS CHRISTI

AGENDA MEMORANDUM
First Reading for the City Council Meeting of March 17, 2026
Second Reading for the City Council Meeting of March 24, 2026

DATE: March 3, 2026

TO: Peter Zanoni, City Manager

FROM: Jennifer Buxton, Interim Director of Planning & Economic Development
Jenniferb9@corpuschristitx.gov
361-826-3976

Ordinance Approving TIRZ #7 Project and Financing Plan

CAPTION:

Ordinance Approving a Project and Financing Plan for Tax Increment Reinvestment Zone Number Seven, City of Corpus Christi, Texas; Making Various Findings Related to such Plan; Providing a Severability Clause; and Providing an Effective Date

SUMMARY:

In accordance with the Texas Tax Code, the Board of Directors for a Tax Increment Reinvestment Zone (TIRZ) must adopt and recommend a Project and Financing Plan to the governing body that created the zone. This item seeks City Council approval of the Project and Financing Plan for TIRZ #7 (London)

BACKGROUND AND FINDINGS:

On January 13, 2026, City Council adopted the creation of TIRZ #7 and on February 24, 2026 finalized the appointment of the TIRZ #7 Board of Directors.

The Board of Directors of a reinvestment zone shall prepare and adopt a project plan and a financing plan for the zone and submit the plans to the governing body of the municipality or county that designated the zone for approval.

Chapter 311.004 of the Tax Code requires the following for Project and Financing Plans for a Tax Increment Reinvestment Zone:

The project plan must include:

(1) A description and map showing existing uses and conditions of real property in the zone and proposed uses of that property;

(2) Proposed changes of zoning ordinances, the master plan of the municipality, building codes, other municipal ordinances, and subdivision rules and regulations, if any, of the county, if applicable;
(3) A list of estimated nonproject costs; and
(4) A statement of a method of relocating persons to be displaced, if any, as a result of implementing the plan.

The reinvestment zone financing plan must include:

(1) A detailed list describing the estimated project costs of the zone, including administrative expenses;
(2) A statement listing the proposed kind, number, and location of all public works or public improvements to be financed by the zone;
(3) A finding that the plan is economically feasible and an economic feasibility study;
(4) The estimated amount of bonded indebtedness to be incurred;
(5) The estimated time when related costs or monetary obligations are to be incurred;
(6) A description of the methods of financing all estimated project costs and the expected sources of revenue to finance or pay project costs, including the percentage of tax increment to be derived from the property taxes of each taxing unit anticipated to contribute tax increment to the zone that levies taxes on real property in the zone;
(7) The current total appraised value of taxable real property in the zone;
(8) The estimated captured appraised value of the zone during each year of its existence; and
(9) The duration of the zone.

Project Plan:

The London area is a growth corridor for the region. The area is primarily vacant land, which lacks infrastructure to support the current and planned growth. The purpose of TIRZ #7 is to finance the construction of public infrastructure vital to catalyzing residential and commercial development within the boundaries of the zone. TIRZ #7 would help support and guide development in the area by utilizing the increment created by the development to help support the infrastructure needed for the area.

This TIRZ is different from the other TIRZ's currently in place since the TIRZ #7 boundary is outside the City limits, and developments must annex into the city limits to receive incentives from the TIRZ. The base year will be set at the values as of tax year 2026. Nueces County will not contribute the increment generated by the whole zone, but rather choose which projects it wants to contribute the increment towards. As these developments are annexed into the City limits, a "subzone" or unique project will be created, and the County can choose if it wants to contribute its increment to the project. Currently identified subzones include the Mirabella Development and The London Proper. Additional subzones can be added later upon approval.

TIRZ #7 qualifies for designation under Chapter 311, Section 005 of the Texas Tax Code due to longstanding economic stagnation, inadequate infrastructure, and the inability of the private market to catalyze redevelopment without public support.

Finance Plan:

The base year will be set at the values as of tax year 2026. The participating taxing entities will not contribute the increment generated by the whole zone but rather choose which projects, or subzones, the taxing entities want to contribute increment towards. Currently identified subzones include the Mirabella Development and The London Proper.

The zone will be created for an initial term of 25 years (2026 – 2051) with the base year of 2026,

which allows developers to begin their development project in the next five years and still be able to receive incentives for a 20-year term. The City of Corpus Christi will contribute 50% of the increment generated by the zone, while Nueces County will contribute 45% for a 20-year term.

Taxing Entities' Participation			
City of Corpus Christi	25 years	50%	Tax years 2026-2051
Nueces County	20 years	45%	Tax years 2026-2046

The funds can only be spent in compliance with the Project and Financing Plan and must be used for public infrastructure projects. Within 30 days of either the adoption or amendment of the Project and Financing Plan, Nueces County will have the right to object to the action by formal action of the County Commissioners Court.

Funding for projects within each subzone will be limited to new increment generated solely within each subzone. To be eligible to receive incentives, developers must voluntarily annex into the City limits, connect to public water, wastewater/sewer, and stormwater utilities, and include development that exceeds the minimum standards required in the City's Unified Development Code (UDC) and Infrastructure Design Manual (IDM).

Estimates show the potential of creating nearly $2.3 billion in new taxable value in 25 years within the two potential subzones which could result in approximately $255.6 million in combined new tax revenue with $193.3 million in estimated new tax revenue over the 25-year term for the City and $62.3 million for Nueces County. Based on this revenue estimate with each taxing entities' TIRZ #7 participation, approximately $124.7 million in combined participation would be available for reinvestment into the zone over the 25-year period based on each entity's intended participation percentage and length. This results in the City contributing approximately $96.7 million and $28 million from Nueces County.

Third-Party Financial Verification and Future Plan Updates

The revenue projections, development assumptions, and estimated expenditures included in the Project and Financing Plan are preliminary and based on financial modeling provided by the developer and their consultant team. The City intends to obtain an independent third-party review to verify the reasonableness of the projected taxable values, anticipated tax increment generation, and estimated project costs associated with the zone.

In addition, the Project and Financing Plan does not currently include all properties or future development projects that may ultimately occur within the TIRZ boundary. As additional projects and properties within the zone come online, the projected taxable values, tax increment generation, and associated expenditures may change.

If any changes are identified through the verification process or as additional development occurs within the zone, the Project and Financing Plan will be brought back to the TIRZ #7 Board, the Nueces County Commissioners Court, and the City Council for consideration and amendment. The Project and Financing Plan is intended to function as a living document and may be amended from time to time throughout the life of the TIRZ.

ALTERNATIVES:

An alternative to approving the Project and Financing Plan would be to request that changes be made and brought back to the TIRZ Board for consideration at a later date.

FISCAL IMPACT:

There is no fiscal impact to the City.

RECOMMENDATION:

Staff recommends the approval of the ordinance approving Tax Increment Reinvestment Zone Number 7 (TIRZ #7) Project and Financing Plan.

LIST OF SUPPORTING DOCUMENTS:
TIRZ #7 Ordinance
TIRZ #7 Presentation
TIRZ #7 Project & Financing Plan