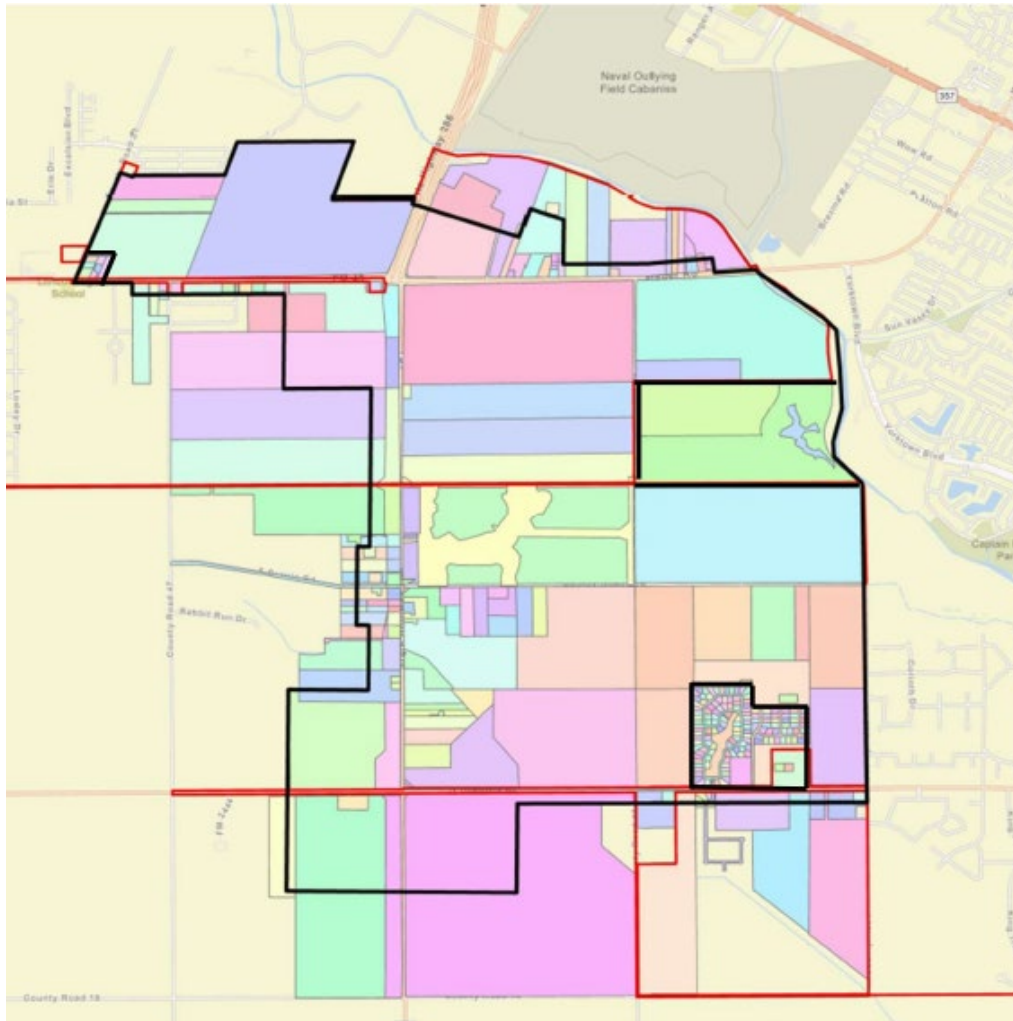


Tax Increment Reinvestment Zone (TIRZ) #7 Negotiations



Council Presentation
August 19, 2025

TIRZ #7 Proposed Map



Area within the proposed Zone will be unannexed, undeveloped land. The Future Land Use Map was followed to determine boundaries which include future commercial corridors.



Proposed TIRZ Terms

- 25-year term
- 50% contribution of new tax revenues
- Participation with Nueces County and Del Mar College
- Increment contribution only within approved sub-zones
- To receive incentives development must:
 - Annex into the City
 - Connect to City Sewer
 - Incorporate development standards that surpass basic requirements in the Uniform Development Code (UDC), provide neighborhood amenities and provide quality of life improvements

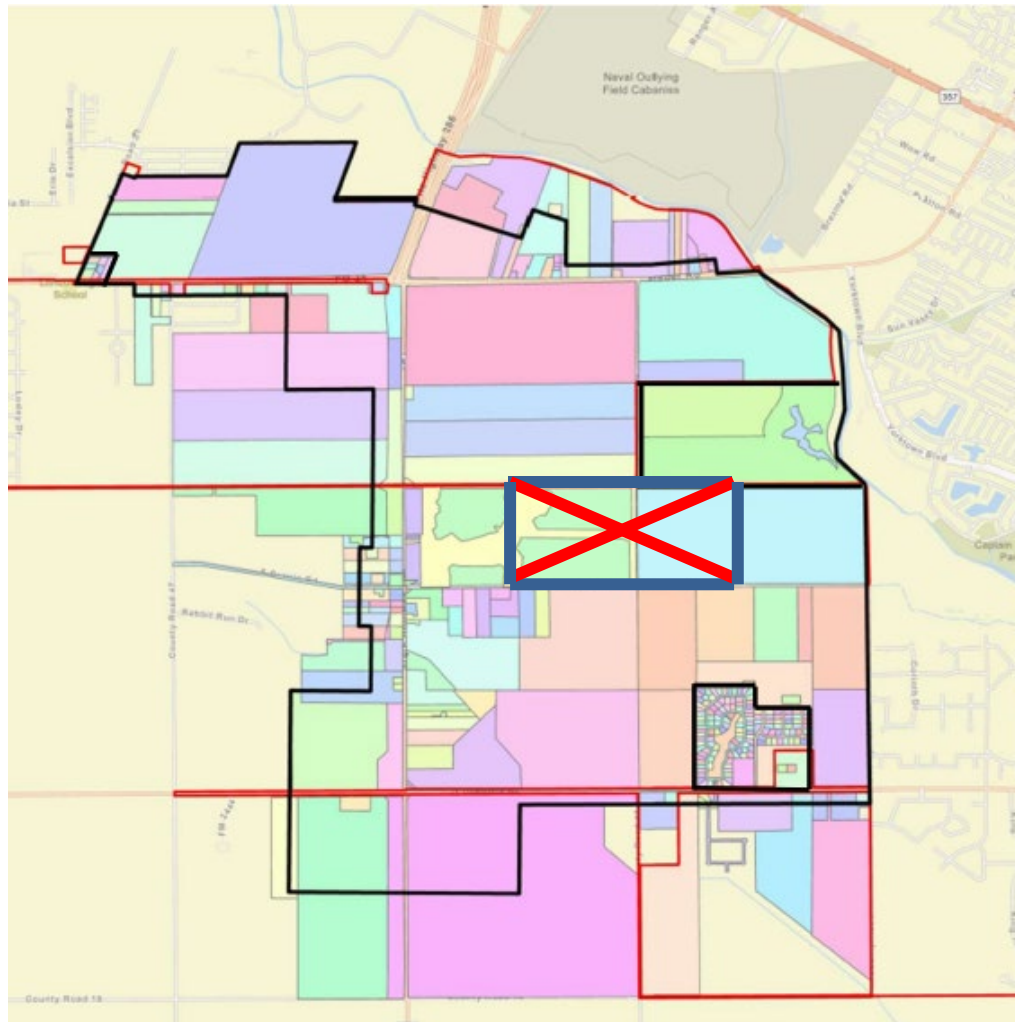


1st Proposed Sub-Zone- Mirabella Development

- Amenity based development
- 300 acres
- 1,100 homes in three price ranges with move-up opportunities
- 23 acres of parks and green spaces
- 13 miles of connected hike and bike trails
- Community amenities including resort style pool, community center, and recreation fields (pickleball, baseball, and basketball).



Proposed Sub-Zone



- Entities will only contribute new taxes generated in the subzone
- Development agreement will define allowable public infrastructure expenses eligible for reimbursement within the subzone



Interlocal Agreements

- Other taxing entities participation in the TIRZ through interlocal agreements
- Interlocal agreements historically have included:
 - Participation Term
 - Contribution Amount
 - Maximum Contribution amount if applicable
 - Payment Dates
 - Right to appoint board representative
 - Reporting requirements
- Use of funds is guided by the Project and Financing Plan which is approved by the TIRZ Board and then by City Council



Nueces County Interlocal

Received correspondence with the following terms on July 10, 2025

- **Term:**

- County-10 years with a 10-year renewal unless Nueces opts out in year 10
- City must commit to 25 years for the TIRZ

- **Contribution:**

- 45%
- County's contribution shall only be applied to clearly defined written uses such as streets and drainage. (Still developing list)

- **Administrative Cost:**

- Nueces County will be reimbursed administrative costs of \$50,000 over the life of the agreement, assuming the City's amount stays at \$100,000



Nueces County Interlocal

Received correspondence with the following terms on July 10, 2025

• **Board:**

- Nueces County will have 5 members on the TIRZ board. Members may be elected officials or other London area residents at the choice of the Commissioners Court. The County will have the Vice-Chair position pursuant to the interlocal.
- If Del Mar participates in this TIRZ, they will have 5 members of the TIRZ board.

• **Other:**

- All use inside the TIRZ must have city sewer and not septic
- Option to terminate the interlocal if funds are not spent in compliance with the agreement
- The City Council cannot override the TIRZ board recommendations so long as it is consistent with law, financing plan, interlocal, and MOU.



TIRZ #7 Negotiation Points

	County Proposal	City Response
Term	Nueces County agrees to 10-year term with 10-year renewal	A 20-year term is required for the developer in the first sub-zone. Nueces County Agrees to a 20-year term
City Participation	City of Corpus Christi will commit to 25-year term	Agreed. The zone will be created for a 25-year term.
County Contribution	Nueces County's contribution shall only be applied to clearly defined written uses such as streets and drainage.	<p>Nueces County's contribution will be applied to clearly defined uses such as streets and drainage.</p> <p>Each sub-zone will have clearly defined written uses included in the Project and Financing Plan.</p> <p>The first sub-zone being considered will only contain the expenses for the Mirabella development. Proposed is an estimated \$65M in development costs with \$30.6M reimbursed with TIRZ funding, \$26.5M reimbursed from the City Public Improvement District (PID), and the remaining \$8.0M paid by the Developer. The TIRZ expenses will be for public sewer, stormwater, and water infrastructure within the development along with associated costs totaling \$30.6M.</p> <p>(see exhibit A)</p>

Exhibit A – Mirabella Development Eligible Expenses

	Mirabella Summary			
	Total Cost Of Development	TIRZ Project Costs	PID Non Project Costs	Private Non Project Costs
Contingency, Professional Fees, General Conditions, & Soft Cost	\$ 13,138,908.51	\$ 7,183,131.23	\$ 5,099,914.91	\$ 855,862.36
Site Work	\$ 601,886.82	\$ -	\$ -	\$ 601,886.82
Public Sewage, Storm, & Water	\$ 23,454,796.20	\$ 23,454,796.20	\$ -	\$ -
Franchise Utilities	\$ 2,021,424.00	\$ -	\$ -	\$ 2,021,424.00
Public Landscape Improvements	\$ 1,684,376.24	\$ -	\$ 1,684,376.24	\$ -
Private Landscape Improvements	\$ 721,875.53	\$ -	\$ -	\$ 721,875.53
Traffic and Street Improvements	\$ 16,652,551.81	\$ -	\$ 16,652,551.81	\$ -
Public Structures & Common Areas	\$ 3,094,901.70	\$ -	\$ 3,094,901.70	\$ -
Private Structures & Common Areas	\$ 3,787,000.00	\$ -	\$ -	\$ 3,787,000.00
Total	\$ 65,157,720.80	\$ 30,637,927.43	\$ 26,531,744.66	\$ 7,988,048.72
Design Subtotal	\$ 13,138,908.51	\$ 7,183,131.23	\$ 5,099,914.91	\$ 855,862.36
Development Cost	\$ 52,018,812.30	\$ 23,454,796.20	\$ 21,431,829.74	\$ 7,132,186.35



TIRZ #7 Negotiation Points

	County Proposal	City Response
Septic/ City Sewer	All use inside the TIRZ must have City sewer and not septic.	Included in the Project and Financing Plan, to receive TIRZ incentive funding the development must be connected to City Sewer.
County Participation	Nueces County will participate at 45%	The City maintains that 50% participation is preferred but not required for this TIRZ so the County may choose to participate at a 45% rate.
Termination	Nueces County has the option to terminate interlocal if the funds are not spent in compliance with agreement.	Funds can only be spent in compliance with the Project and Financing Plan. It is proposed that the Project and Financing Plan and all development agreements will be approved by Commissioner's Court before consideration by City Council. Nueces County has the right to terminate their interlocal agreement if the funds are not spent in compliance with the Project and Financing Plan.
Administrative Costs	Nueces County will be reimbursed \$50,000 over the life of the agreement, assuming the City's amount stays at \$100,000	Nueces County can be reimbursed for up to \$50,000 over the life of the agreement. The County will provide documentation detailing staff time spent on the administration of the TIRZ to receive the reimbursement. The City's amount will stay at up to \$100,000 per year with reimbursement based on staff time and resources spent.



TIRZ #7 Negotiation Points

	County Proposal	City Response
Board Composition	Nueces County will have 5 members of the TIRZ Board and the vice-chair position.	<p>City – 7 seats County – 5 seats Del Mar – 2 seats Development Representative – 1 seat</p> <p>Section 311.009 (f) of the Texas Tax Code provides details on the election and appointment of officers. The Chair will be appointed from City representatives and the Vice-Chair will be elected solely from the Nueces County representatives.</p>
City Council Authority	Nueces County proposes that the City Council cannot override TIRZ Board recommendations so long as they are consistent with the law, financing plan, and interlocal agreement.	By law, the City Council cannot be bound to consent to everything presented by any board. The City proposes that both the Commissioner's Court and Del Mar Board of Regents have the option to veto any development agreement approved by the TIRZ board prior to the consideration by City Council. If vetoed by either of the governing bodies, it will not move forward to City Council for consideration. In addition, any modifications to the Project and Financing Plan would be presented to each governing body for approval prior to approval by the City Council.