

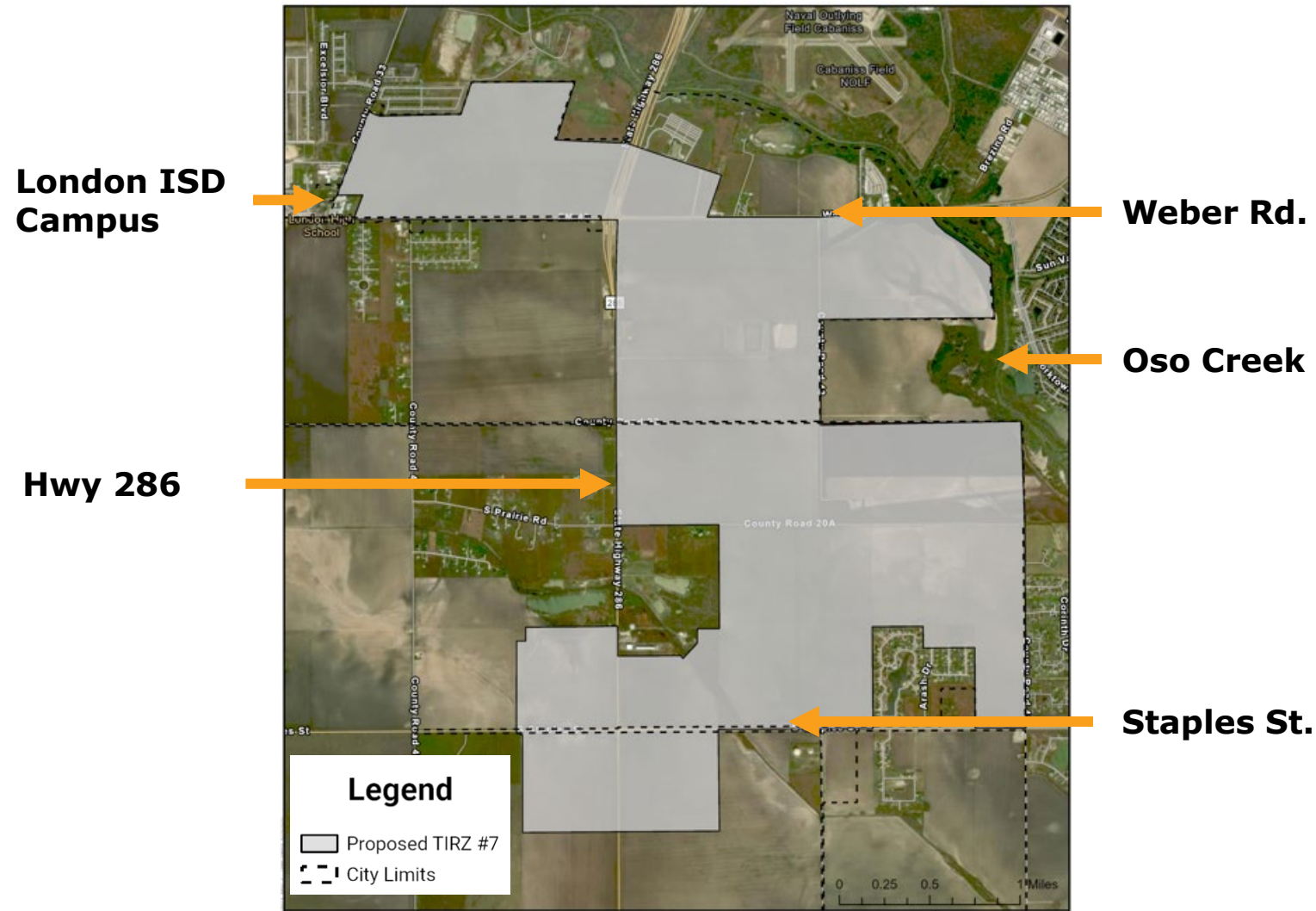


# **Tax Increment Reinvestment Zone (TIRZ) #7 – Interlocal Agreement with Nueces County**

City Council

December 16, 2025

# Proposed TIRZ #7 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 #7 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





# Interlocal Agreements

- Other taxing entities participate in the TIRZ through interlocal agreements
- Interlocal agreements historically have included:
  - Participation Term- Nueces County, 20-year term
  - Contribution Amount- 45%
  - 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 Details

	County Proposal	City Response	Final Interlocal Details
<b>Term</b>	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	Nueces County to participate for a 20-year term City of Corpus Christi to participate for a 25-year term
<b>City Participation</b>	City of Corpus Christi will commit to 25-year term	Agreed. The zone will be created for a 25-year term.	Zone to be created for a 25-year term
<b>County Contribution</b>	Nueces County's contribution shall only be applied to clearly defined written uses such as streets and drainage.	Nueces County's contribution will be applied to clearly defined uses such as streets and drainage. Each sub-zone will have clearly defined written uses included in the Project and Financing Plan.	Funds can only be spent in compliance with the Project and Financing Plan.  The County will have the right to lodge a formal objection to the expenditure of any available TIRZ funds on any project that is not a "horizontal public infrastructure improvement supporting new development."
<b>Septic/ City Sewer</b>	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.	To receive TIRZ incentive funding, the property must be annexed into the city and connected to City sewer.



# Nueces County Interlocal Details

	County Proposal	City Response	Final Interlocal Details
<b>County Participation</b>	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.	Nueces County will participate at 45% City of Corpus Christi will participate at 50%
<b>Termination</b>	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.	Funds can only be spent in compliance with the Project and Financing Plan.  Within 30 days of either adoption or amendments made to the Project and Financing Plan, Nueces County will have the right to object to the action by formal action of the County Commissioners Court.
<b>Administrative Costs</b>	Nueces County will be reimbursed \$50,000 for administrative costs 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 in administrative costs over the life of the agreement by providing 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.	Nueces County will provide invoice(s) to the City and TIRZ board annually by June 1 <sup>st</sup> of each year for up to \$50,000 in administrative costs for the administration of the TIRZ. Administrative costs may be deducted from the respective tax increment payments.



# Nueces County Interlocal Details

	County Proposal	City Response	Final Interlocal Details
<b>Board Composition</b>	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>	<p>City – 7 seats  County – 5 seats  Del Mar – 2 seats  Development Representative – 1 seat</p> <p>The City of Corpus Christi City Council will appoint/elect the chair from their nominations and Nueces County will appoint/elect the vice-chair from their nominations.</p>
<b>City Council Authority</b>	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.	Nueces County shall have the right to lodge a formal objection to the expenditure of any available TIRZ Funds on any project or improvement that is not a Horizontal Public Infrastructure Improvement supporting new development. The County Commissioners Court will provide written notice of such objection to the City, and no available TIRZ Funds shall be otherwise applied to the identified project or improvement unless and until the objection is withdrawn in writing by the County and/or the Project and Financing Plan is amended to address the County’s objection.



# Next Steps

- Second Reading of TIRZ #7 creation ordinance
- City Council Approves Interlocal Agreement with Del Mar College
- Receive application for TIRZ Board Members
- Appoint TIRZ Board Members
- TIRZ Board approves Project and Financing Plan
- Other Taxing Entities approve Project and Financing Plan
- City Council approves Project and Financing Plan (Two Readings)
- TIRZ Board approves Developer Agreement
- Other Taxing Entities approve Developer Agreement
- City Council approves Developer Agreement







**Thank you!**