



AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting of August 22, 2023
Second Reading Ordinance for the City Council Meeting of August 29, 2023

DATE: August 10, 2023
TO: Peter Zanoni, City Manager
FROM: Heather Hurlbert, CPA CGFO
Assistant City Manager
Heatherh3@cctexas.com

Approval of Amendment to the TIRZ #2 Project & Financing Plan

CAPTION:

Ordinance approving amendments to the Tax Increment Reinvestment Zone #2 Amended Project & Financing Plans approved by the Board of Directors of Reinvestment Zone Number Two, Corpus Christi, Texas, recommending the allocation of \$150,950,000 in future revenue to specified projects including water and wastewater infrastructure, parks, mobility projects, developer reimbursement, and administration costs.

SUMMARY:

This item will hold a public hearing and provide for the first reading ordinance to amended Tax Increment Reinvestment Zone #2 Project & Financing Plans as approved by the Board of Directors of Reinvestment Zone Number Two, City of Corpus Christi, Texas on May 16, 2023, which amends fixing the City's revenue contribution amount and addition of project categories with funding allocations.

BACKGROUND AND FINDINGS:

In October and November of 2022, the TIRZ #2 met to consider extension of the Zone for an additional 20 years. The following items were considered and approved by both the TIRZ Board and City Council:

- Extension of the TIRZ through December 31, 2024
- Modification of boundaries to include two sections of the Whitecap PID that were not currently included in the zone and areas that contain Nueces County assets include the Nueces County Nature Park and R Briscoe King Pavilion
- Amendment to the Project and Financing Plan to include a total of \$50,050,000 in expenses including:
 - \$2,000,000 for improvements to the R Briscoe King Pavilion
 - \$36,400,000 for ongoing Packery Channel maintenance.
 - \$11,500,000 for developer reimbursements for public infrastructure in the Whitecap development for public mobility bridges, water exchange

- bridges/connections, and public walking trails
- o \$150,000 for a multi-mobility plan

In April of 2023, the TIRZ #2 met to consider and approved:

- Recommended to allocate a total of \$150,950,000 to the existing \$50,050,000 allocation for additional projects in the Project and Financing Plan.
- Recommended amendment to the FY2023 Operating Budget
- Recommended revenue contribution amounts of an estimated \$201,000,000 including:
 - o The City of Corpus Christi contributing an estimated \$140,100,000 in the TIRZ revenue over the next 20 years.
 - o Nueces County contributing an estimated \$60,900,000 in the TIRZ revenue over the next 20 years.

Del Mar College has indicated that they would consider participation in the TIRZ extension. If they choose to participate, the project and financing plan can be amended to include additional projects to be funded with the additional revenue.

In May of 2023, The TIRZ #2 met to consider and approved:

- Identified project categories with funding allocations to be recommendations to be included in the Project and Financing Plan:

Project	New Project Allocation	Existing Project Allocation	Total Project Allocation
Water/Wastewater Infrastructure	\$38,950,000		\$38,950,000
Parks and Infrastructure Projects	\$54,800,000	\$38,400,000	\$93,200,000
Mobility Projects	\$17,300,000	\$150,000	\$17,450,000
Developer Reimbursement	\$37,900,000	\$11,500,000	\$49,400,000
Administration	\$2,000,000		\$2,000,000
Total Project Allocation	\$150,950,000	\$50,050,000	\$201,000,000

The amended Project and Financing Plan must be considered for approval by the City Council.

ALTERNATIVES:

The City Council could choose not to approve the amendment to the TIRZ #2 project and financing plan or choose to make changes to recommended modifications to the Project and Financing Plan.

FISCAL IMPACT:

There is no fiscal impact associated with today’s actions.

Funding Detail:

Fund:
 Organization/Activity:
 Mission Element:
 Project # **(CIP Only)**:
 Account:

RECOMMENDATION:

Staff recommends approval of the recommendations made by the TIRZ #2 Board.

LIST OF SUPPORTING DOCUMENTS:

Ordinance

Amendment to project and financing plan