



AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting of October 27, 2015
Second Reading Ordinance for the City Council Meeting of November 10, 2015

DATE: September 24, 2015
TO: Ronald L. Olson, City Manager
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**Appropriating funds in the FY 2016 Reinvestment Zone No. 3 – Downtown TIF (1112)
Fund to implement TIRZ #3 Project Plan.**

CAPTION:

Ordinance appropriating \$1,597,564 from the unreserved fund balance in Fund 1112 Reinvestment Zone No. 3 Fund (“TIRZ #3”) to fund approved projects in FY2016 and changing the FY2016 Operating Budget adopted by ordinance 030620 by increasing expenditures by \$1,597,564.

PURPOSE:

The purpose of this item is to move funds from the Unreserved Fund Balance to the Operating Budget in order to implement the TIRZ #3 Project and Financing Plan (“Project Plan”) for FY 2016 Projects.

BACKGROUND AND FINDINGS:

In 2008, the City of Corpus Christi created TIRZ #3 in the City’s downtown. In August 2015, the Board approved the updated Project Plan, which was then approved by the City Council. The Project Plan includes \$1,600,000 for FY 2016 Programs & Initiatives, including \$1,300,000 for reimbursement grant agreements and \$300,000 for contracts or professional services. In order to move forward with implementation, these funds need to be appropriated from Unreserved Fund Balance. As of September 30, 2015, TIRZ #3 has an Unreserved Fund Balance of \$2,251,927.

The Project Plan was approved after FY 2016 City budget discussions had begun. Moving forward, the TIRZ #3 Board’s approval, by resolution, will be part of the regular budget process to ensure alignment with the Project Plan. The table below illustrates the difference between what was included in the FY 2016 City Operating Budget, and what was approved in the Project Plan.

| | Adopted FY 2016 TIRZ #3 Fund Budget | Proposed FY 2016 TIRZ #3 Project Plan Budget | Difference |
|---------------------|--|---|-------------|
| Expenditures | \$ 2,436 | \$ 1,600,000 | \$1,597,564 |

ALTERNATIVES:

The Council could decide not to appropriate these funds.

OTHER CONSIDERATIONS:

Not Applicable

CONFORMITY TO CITY POLICY:

Conforms with the Tax Code and City Charter.

EMERGENCY / NON-EMERGENCY:

Not Applicable

DEPARTMENTAL CLEARANCES:

Finance

Budget

FINANCIAL IMPACT:

X Operating

Revenue

Capital

Not applicable

| Fiscal Year: 2015-2016 | Project to Date Expenditures (CIP only) | Current Year | Future Years | TOTALS |
|-----------------------------------|--|---------------------|---------------------|---------------|
| Line Item Budget | | \$ 2,436 | | \$ 2,436 |
| Encumbered / Expended Amount | | | | |
| This item | | \$1,597,564 | | \$1,597,564 |
| BALANCE | | \$1,600,000 | | \$1,600,000 |

RECOMMENDATION:

Staff recommends approval of the Ordinance as presented.

LIST OF SUPPORTING DOCUMENTS:

Ordinance – TIRZ #3 Appropriating Revenue