



## AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting of September 9, 2014  
Second Reading Ordinance for the City Council Meeting of September 16, 2014

**DATE:** August 8, 2014  
**TO:** Ronald L. Olson, City Manager  
**FROM:** Alyssa Barrera, Business Liaison – City Manager’s Office  
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Ordinance Amendment regarding Reinvestment Zone Number Three, City of Corpus Christi, Texas.

### **CAPTION:**

Amending Ordinance No. 027996, adopted on December 16, 2008, which designated a certain area within the jurisdiction of the City of Corpus Christi as a tax increment financing district known as “Reinvestment Zone Number Three, City of Corpus Christi, Texas” (the “Reinvestment Zone”), which was amended by Ordinance No. 028136 on April 28, 2009 and Ordinance No. 029403 on March 2, 2012, to correct the Board appointment procedure to comply with state law on tax increment participation; providing for severance; and providing for publication.

### **PURPOSE:**

The purpose of this item is to correct the Board Composition, outlined in Section 4(a) of Ordinance 027996, to reflect the state statute.

### **BACKGROUND AND FINDINGS:**

On December 16, 2008, the City of Corpus Christi approved an Ordinance creating Tax Increment Financing District Three. As it was adopted, the Board of Directors was to consist of fifteen members, with “respective governing bodies of each taxing unit other than the City” having the ability to appoint one member to the board. In the effort to coordinate a first meeting of the TIF Board, staff identified the discrepancy between the ordinance and state statute (§311.009(a), Tax Code), which reads:

*“The board of directors of a reinvestment zone consists of at least five and not more than 15 members, unless more than 15 members are required to satisfy the requirements of this subsection. Each taxing unit other than the municipality or county that designated the zone that levies taxes on real property in the zone may appoint one member of the board if the taxing unit has approved the payment of all or part of the tax increment produced by the unit into the tax increment fund for the zone.”*

This Ordinance Amendment will correct the structure, removing the additional entities and eliminating the 15 member requirement. The City will reserve the ten director appointments allowed to them by the Statute, with one reserved for a representative from the Downtown Management District. Currently, Del Mar College and Nueces County have Interlocal Agreements with the City to contribute to the TIF.

**ALTERNATIVES:**

The alternative was to not correct the Board composition.

**OTHER CONSIDERATIONS:**

There have been two previous amendments to Ordinance 027996,

- April 2009 – Expanded boundaries
- March 2012 – Corrected termination date

**CONFORMITY TO CITY POLICY:**

N/A

**EMERGENCY / NON-EMERGENCY:**

Non-Emergency

**DEPARTMENTAL CLEARANCES:**

Legal

**FINANCIAL IMPACT:**

Operating       Revenue       Capital      X Not applicable

<b>Fiscal Year: 2013-2014</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s): N/A

**Comments:**

**RECOMMENDATION:**

Staff recommends approval of the Ordinance amendment

**LIST OF SUPPORTING DOCUMENTS:**

Ordinance Amendment – TIRZ #3 Composition