



AGENDA MEMORANDUM

Corpus Christi Tax Increment Reinvestment Zone #3 Meeting September 23, 2025

DATE: September 23, 2025

TO: President and Honorable Board Members,
Corpus Christi Tax Increment Reinvestment Zone #3

FROM: Arlene Medrano, Executive Director, CCDMD

<p>TIRZ #3 and DMD Interlocal Cooperation Agreement – FY 2026 Integrated Service Plan</p>
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CAPTION:

Motion to approve a Service Plan for Fiscal Year 2026 and renew the Interlocal Cooperation Agreement between Corpus Christi Tax Increment Reinvestment Zone #3 (TIRZ #3) and the Corpus Christi Downtown Management District (DMD) to encourage the redevelopment of TIRZ #3 in the amount of \$875,000 for enhanced cleanliness, safety, placemaking, economic development, cultural programming, and incentive administration, \$50,000 for downtown park maintenance activities, and \$50,000 for downtown right-of-way maintenance activities, \$160,000 for Corpus Christi Police Department public safety for community wide events, and \$365,534 for DMD assessment match for a total contracted amount of \$1,500,534 to be paid out of the FY26 TIRZ #3 fund.

PURPOSE:

The purpose of this item is to approve the FY 2025-2026 Service Plan to renew the service agreement with the Downtown Management District for expanded services in the Zone.

BACKGROUND AND FINDINGS:

In 2016, the TIRZ #3 adopted an Interlocal Agreement with the Downtown Management District for an expanded scope of services that increased the DMD's role and responsibilities in the revitalization effort. Since TIRZ #3 was created to support revitalization in Downtown, the partnership created a structure that was dedicated to supporting small business, and nimble enough to be responsive to private sector needs. The Agreement included a provision for annual renewal, subject to appropriation of funding and approval of a Service Plan and Budget.

Since 2016, the DMD has facilitated development in the TIRZ #3, resulting in an increase of ad valorem tax values and therefore in TIRZ revenue. The DMD has also grown the First Friday ArtWalk into a regional economic powerhouse resulting in an economic impact of \$16.27 million total output, generating over \$2.22 million in total tax impact (\$1.03 million in state and local taxes) and supporting 180 jobs. The purpose of the TIRZ is to reinvest the funds in the most effective manner to eliminate blight and improve conditions in the Zone. The DMD has proven to be a trustworthy and effective partner.

The attached presentation includes an introduction to the history of the DMD and TIRZ #3 relationship, overview of the proposed FY 2025-2026 budget and new initiatives, and an update on the status of the FY 2024-2025 Service Plan. On July 22, 2025, the TIRZ #3 Board approved an FY 2026 budget to include DMD services. The DMD Board of Directors approved the FY 2026 Budget and Service Plan on August 21, 2025. The Service Plan is now before the TIRZ #3 Board for approval.

ALTERNATIVES:

The Board could choose not to approve this motion.

FINANCIAL IMPACT:

The FY 2026 impact to the TIRZ #3 fund is \$1,500,534. This funding was approved in the FY 2026 Adopted Budget.

FUNDING DETAIL:

Fund:	1112	TIF #3 Downtown
Organization/Activity:	10287	DMD Contract
Department:	57	Economic Development
Account:	530000	Professional Services
Amount:	\$875,000	

Fund:	1112	TIF #3 Downtown
Organization/Activity:	10291	Park Maintenance
Department:	57	Economic Development
Account:	530000	Professional Services
Amount:	\$50,000	

Fund:	1112	TIF #3 Downtown
Organization/Activity:	10289	DMD Right of Way
Department:	57	Economic Development
Account:	530000	Professional Services
Amount:	\$50,000	

Fund:	1112	TIF #3 Downtown
Organization/Activity:	10293	Bike Patrol
Department:	57	Economic Development
Account:	530000	Professional Services
Amount:	\$160,000	

Fund:	1112	TIF #3 Downtown
Organization/Activity:	10294	Clean Team Assessment Match
Department:	57	Economic Development
Account:	530000	Professional Services
Amount:	\$365,534	

RECOMMENDATION:

Staff recommends approving the DMD's FY 2025-26 Service Plan.

LIST OF SUPPORTING DOCUMENTS:

- TIRZ #3 PowerPoint – CCDMD FY 2025 - 2026 Proposal and FY 2024 - 2025 Update
- CCDMD & TIRZ #3 Integrated FY 2026 Service Plan
- CCDMD FY 2026 Detailed Budget

- TIRZ #3 & CCDMD Interlocal Agreement (2016)
- TIRZ #3 & CCDMD Interlocal Amendment (2018)