



AGENDA MEMORANDUM

Corpus Christi Tax Increment Reinvestment Zone #3 Meeting October 24, 2017

DATE: October 13, 2017

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

THROUGH: Margie C. Rose, City Manager

FROM: Alyssa Barrera, Business Liaison
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Amendments to TIRZ #3 Downtown Development Agreement Template
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CAPTION:

Motion to amend the TIRZ #3 Agreement Template as presented.

PURPOSE:

The purpose of this item is to update the TIRZ #3 Reimbursement Agreement Template.

BACKGROUND AND FINDINGS:

In 2015 the TIRZ #3 Board and City Council approved an Amended Project & Financing Plan, as well as a TIRZ #3 Reimbursement Agreement Template, by ordinance. The purpose of the Council approving the TIRZ #3 Reimbursement Template was to streamline the process for the Downtown Incentive Programs, avoid redundant presentations between the TIRZ #3 Board and the City Council, and avoid potential delays in downtown projects that were approved for Incentive Packages. The Board has the ability to modify the template as necessary, so long as the modifications do not create programs outside of the approved Project Plan.

Over the past two years of administering the Downtown Incentive Programs, projects have progressed at varying rates and issues have arisen that were not anticipated with the original TIRZ #3 Template. Staff suggests modifications that would tighten parameters for the Downtown Incentive Program in order to address these issues.

The three recommended changes below are highlighted in the Revised TIRZ #3 Template Agreement (attached):

- Building permit pulled and construction commences within 6 months. If extension is needed it must be requested in writing and approved by the Board (Section 3).
- Changes between project concept approved and building permit submitted cannot remove features which qualified the project to receive TIRZ #3 funding (Section 3).

- Maintenance of property is required through the entirety of the agreement. Three Code Enforcement Citations will initiate a review of the Agreement and potential termination (Sections 5,6).

Upon approval by the TIRZ #3 Board, these changes will be permanent in the TIRZ #3 Agreement Template.

ALTERNATIVES:

The Board could chose not to amend the template.

OTHER CONSIDERATIONS:

Two previous previsions have been modified to the Template: Section 2, which is Optional for Projects where property is to be purchased, and Section 3 (f) regarding failure to pay or appeal of property taxes.

CONFORMITY TO CITY POLICY:

Conforms with the Tax Code and City Charter.

EMERGENCY / NON-EMERGENCY:

Not Applicable

DEPARTMENTAL CLEARANCES:

Legal

FINANCIAL IMPACT:

☐ Operating ☐ Revenue ☐ Capital X Not applicable

Fiscal Year: 2017-2018	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Beginning Fund Balance				
Proposed Revenue				
Proposed Expenditures				
DIFFERENCE				

RECOMMENDATION:

Staff recommends approving the amendments.

LIST OF SUPPORTING DOCUMENTS:

Revised TIRZ #3 Reimbursement Agreement Template (Legislative Changes Version)
2015 Ordinance Approving TIRZ #3 Project Plan and Template Agreement