



AGENDA MEMORANDUM

Corpus Christi Tax Increment Reinvestment Zone #3 Meeting September 25, 2017

DATE: September 14, 2018

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

THROUGH: Keith Selman, Interim City Manager

FROM: Arlene Medrano, Business Liaison
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<p align="center">TIRZ #3 and DMD Interlocal Cooperation Agreement – FY 19 Integrated Service Plan</p>

CAPTION:

Motion to 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, approve a Service Plan for Fiscal Year 2018-2019 and ratify the Budget amount of \$530,000.

PURPOSE:

The purpose of this item is to approve the FY19 Service Plan to renew the agreement with the DMD 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 responsibility in the revitalization effort. The Agreement included a provision for annual renewal, subject to appropriation of funding and approval of a Service Plan and Budget. On August 28, 2018, the TIRZ #3 Board approved a total FY19 Budget of \$1,776,500 for the TIRZ #3 Project & Financing Plan. The total allotted in the budget for services provided by the DMD was \$530,000.

The FY18 DMD contract amount totaled \$410,000. On April 24, 2018, the TIRZ #3 Board approved a \$40,000 amendment to this contract for a four-month (June-September 2018) expansion of services to include full management of the TIRZ #3 Incentive Programs, management of the Downtowntx.org web database and the Vacant Building Program. Whereas the Board desires to continue to contract with the DMD for these and other expansion of services, an increase of \$80,000 is reflected in the DMD's FY19 budget.

The DMD's FY 2018 – 2020 Three Year Strategic Plan was the basis for the FY18 DMD and TIRZ #3 Integrated Service Plan and is also the basis for the DMD and TIRZ #3 FY19 Integrated Service Plan. The Plan was approved by the DMD Board of Directors on August 16, 2018. Changes made by City staff with DMD management approval since August 16th are italicized in the project plan.

ALTERNATIVES:

The Board could choose not approve this motion.

OTHER CONSIDERATIONS:

N/A

CONFORMITY TO CITY POLICY:

Conforms with the Tax Code, City Charter and TIRZ #3 Project & Financing Plan.

DEPARTMENTAL CLEARANCES:

Legal

FINANCIAL IMPACT:

X Operating ☐ Revenue ☐ Capital ☐ Not applicable

Fiscal Year: 2018-2019	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget		\$2,482,607	\$1,776,500	\$4,259,107
Encumbered / Expended Amount				
This item		\$450,000	\$530,000	\$980,000
BALANCE		\$2,032,607	\$1,246,500	\$3,279,107

Fund: 1112 - TIF #3

RECOMMENDATION:

Staff recommends approving the DMD's FY19 Service Plan.

LIST OF SUPPORTING DOCUMENTS:

PowerPoint – TIRZ #3 and DMD Agreement

FY 2019 Integrated DMD & TIRZ #3 Service Plan & Budget

FY 2018 – FY 2020 DMD Three Year Strategic Plan

TIRZ #3 Interlocal Agreement – DMD Expansion of Services