



## AGENDA MEMORANDUM

Corpus Christi Tax Increment Reinvestment Zone #3 Meeting November 27, 2018

**DATE:** November 18, 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, City Manager's Office  
[arlenem@cctexas.com](mailto:arlenem@cctexas.com)  
(361)826-3356

### TIF #3 Operating Budget Amendment

**CAPTION:**

Discussion with possible action on amending the operating budget by increasing expenditures by \$2,072,500.

**PURPOSE:**

The purpose of this item is to amend the FY19 TIF #3 Operating budget to reflect incentive and program commitments made and to recommend City Council approve an FY19 operating budget amendment.

**BACKGROUND AND FINDINGS:**

Since 2016, the TIRZ #3 Board has approved numerous contracts and commitments to developers (see Contracts & Commitments Report). The commitments below should be encumbered via purchase orders in order to hold funding for these commitments and to reflect an accurate fund balance for the TIRZ #3. In the event that any of these contracts are terminated, the encumbered funds will be released back to the TIF #3 fund balance and made available for other projects.

Developer	Project	Date Approved	By Right Amount Approved
Stonewater	Studio 21 (Phase 1) 2 <sup>nd</sup> Payment of \$92,500	04/12/2016 (FY16)	\$92,500
Stonewater	Broadway Lofts (Phase 2)	04/12/2016 (FY16)	\$420,000
Wisznia	600 Building	11/15/2016 (FY 17)	\$1,260,00
TBD	One-Way Conversion	03/27/2018 (FY18)	\$200,000
PATCH	Ritz Theatre MOU only	07/24/2018 (FY18)	\$100,000
			<b>\$2,072,500</b>

**ALTERNATIVES:**

Not approve and continue to manage via Excel sheet instead of in formal channels (not recommended).

**OTHER CONSIDERATIONS:**

Budgeted TIF #3 revenue for FY19 is \$1,409,018 and is reflected in the FY19 ending balance.

**CONFORMITY TO CITY POLICY:**

Conforms with the Tax Code and City Charter.

**EMERGENCY / NON-EMERGENCY:**

Not Applicable

**DEPARTMENTAL CLEARANCES:**

Budget  
Finance  
Legal

**FINANCIAL IMPACT:**

X Operating      ☐ Revenue      ☐ Capital      ☐ Not applicable

<b>Fiscal Year: 2018-2019</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget		\$3,204,470		\$3,204,470
Encumbered / Expended Amount		0		0
This item		\$2,072,500		\$2,072,500
BALANCE		\$1,131,970		\$1,131,970

**Fund(s):** Downtown TIF #3 1112

**Comment:** The TIF #3 FY19 ending balance is \$3,204,470. If approved by the TIRZ #3 Board, the budgeted ending balance for FY19 will decrease to \$1,031,970 and this item will proceed to City Council for approval and operating budget amendment.

**RECOMMENDATION:**

Staff recommends amending the budget.

**LIST OF SUPPORTING DOCUMENTS:**

FY19 TIF #3 Budget  
Contracts and Commitments