

Ordinance pertaining to North Beach designating a 1,423 acre area within the jurisdiction of the City of Corpus Christi Tax Increment Reinvestment Zone (TIRZ) Number 4; setting a maximum City financial participation of \$20,000,000 via a scaled contribution for a period not to exceed 20 years; establishing a Board of Directors for the TIRZ; and, establishing a preliminary Project and Financing Plan.

WHEREAS, the Texas Legislature has authorized cities to establish reinvestment zones by its enactment of the Tax Increment Financing Act, Chapter 311, Texas Tax Code ("Act");

WHEREAS, it has been proposed that the City of Corpus Christi should establish a reinvestment zone ("Zone"), as authorized by the Act, within the area of the City as described by metes and bounds in **Exhibit A**, and depicted by map in **Exhibit B**, which exhibits are attached to and incorporated into this ordinance;

WHEREAS, the City has prepared a preliminary reinvestment zone financing plan, a true and correct copy of which is attached to and incorporated into this ordinance as **Exhibit C**;

WHEREAS, the preliminary reinvestment zone financing plan provides that portions of the ad valorem taxes of the City constituting its tax increment (as described in Section 8 of this ordinance) are to be deposited into the Tax Increment Fund created by this ordinance, and that ad valorem taxes of the other taxing units constituting their respective tax increments may also be utilized for the purposes described in the preliminary financing plan in accordance with agreement from those other taxing entities to contribute said increment;

WHEREAS, in compliance with the Act, the City called a public hearing to hear public comment on the creation of the proposed zone and its benefits to the City and the property in the proposed zone;

WHEREAS, in compliance with the Act, notice of the public hearing was published in the Corpus Christi Caller-Times, a daily newspaper having general circulation in the City, the publication date being not later than seven days prior to the date of the public hearing;

WHEREAS, the hearing was convened at the time and place mentioned in the published notice, to-wit, on the 15th day of October, 2019, at the Regular Meeting of the City Council commencing at 11:30 a.m., at the City Hall of the City, which hearing was conducted and then closed;

WHEREAS, the City, at the hearing, invited and permitted any interested person to speak for or against the creation of the zone, its boundaries, and the concept of tax increment financing;

WHEREAS, all owners of property located within the proposed zone were given a reasonable opportunity to protest the inclusion of the property in the proposed zone;

WHEREAS, City Council considered all information provided to it relevant to the merits of creating the zone, consistent with the criteria in Chapter 311; and

WHEREAS, all requirements of the Act have been met.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS, THAT:

SECTION 1. The facts and recitations contained in the preamble of this Ordinance are found and declared to be true and correct.

SECTION 2. The City Council, after conducting the above-described public hearing and having heard all evidence and testimony, makes the following findings and determinations based on the evidence and testimony presented to it:

(a) That the Zone is a contiguous geographic area located wholly within the corporate limits of the City.

(b) That the area substantially arrests or impairs the sound growth of the City, retards the provision of multi-family housing accommodations, constitutes an economic or social liability, and is a menace to the public health, safety, morals, or welfare in its present condition and use because of:

(1) Unsafe conditions, including deteriorating streets and defective and inadequate sidewalks throughout the proposed zone, pose a threat to visitors, residents, and customers of businesses. The lack of appropriate curb cuts and ramps limit the mobility of persons with disabilities.

(2) Non-existent, inadequately sized, or deteriorated utility infrastructure, including wastewater and fiber optics, substantially arrests or impairs the sound growth of the City and retards the development of multi-family housing and other business or visitor facilities. The existing utility infrastructure in its current condition constitutes an economic or social liability and is a hazard to the public health and welfare in the proposed zone.

(3) The inadequate street layout, lack of adequate improved parking, and limited way-finding and other signage hampers movement of vehicles and pedestrians throughout the proposed zone. This problem will be exacerbated by the relocation of the Harbor Bridge in the coming years. While the new bridge provides additional potential for growth within the proposed zone, such potential may not be realized due to this problematic infrastructure.

(4) Deteriorating public spaces with inadequate pedestrian scale lighting, limited irrigation systems and inadequate access to water lines for drinking fountains and hose bibs throughout the proposed zone limit the types of

landscaping and public amenities that can be installed within the proposed zone.

(5) Lack of water and electrical meters in parks limits the activities within the available public spaces.

(6) Unsafe conditions due to the lack of security cameras and other safety programs pose a threat to visitors and residents.

(7) Inadequate drainage facilities substantially arrest or impair the sound growth of the City and retard the development of multi-family housing and other business or visitor facilities in the proposed zone, including potential hotel developments.

(c) That tourism and convention business is of extreme importance to the Corpus Christi economy, and the area within the proposed district has tremendous, unrealized potential to support tourist and convention facilities as the area includes some of the biggest tourist attractions in Corpus Christi, including the Texas State Aquarium and the USS Lexington, and it is essential that this presently under-developed area be fully developed to encourage tourism to continue in the area.

(d) That no more than 30 percent of the property in the proposed reinvestment zone, excluding property that is publicly owned, is used for residential purposes.

(e) That the total appraised value of taxable real property in the proposed reinvestment zone and in existing reinvestment zones within the City according to the most recent appraisal rolls for the City, does not exceed 25 percent of the current total appraised value of taxable real property in the City and in the industrial districts created by the City.

(f) That the improvements to be implemented in the proposed zone will significantly enhance the value of all taxable real property in the proposed zone and will be of general benefit to the City.

SECTION 3. The City Council designates as a reinvestment zone the area described by the metes and bounds in **Exhibit A** and depicted by map in **Exhibit B** to promote development and redevelopment of the area, which development or redevelopment the City Council determines will not occur solely through private investment in the reasonably foreseeable future. The reinvestment zone shall be identified as "Reinvestment Zone Number Four, City of Corpus Christi, Texas" ("Zone" or "Reinvestment Zone").

SECTION 4. That a board of directors for the Zone (the "Board") is established, which consists of up to 15 members. The Board shall be appointed as follows:

(a) Under Section 311 .009(a), Tax Code, the respective governing bodies of each taxing unit other than the City that levies taxes within the Zone each 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. Each governing body may waive its right to appoint a director and is deemed to have waived the right if it has not made the appointment within 30 days of receiving written notice of its right to appoint.

(b) The remaining members of the Board are appointed by the City Council of the City. All members appointed by the Board must meet eligibility requirements, as set forth in the Act. Provided, however, notwithstanding any other provision of this Ordinance, the City Council has the right to appoint at least 10 members of the Board, and the Board may exceed 15 members, if necessary for the City Council to make the 10 appointments.

(b) Terms of Board members are two years. Terms must be staggered, with the first term of 8 City Council appointees being for one year. Officers must be appointed as provided in the Act.

(c) The Board shall make recommendations to the City Council concerning the administration of the Zone. The Board shall prepare and adopt a project plan and reinvestment zone financing plan for the Zone, and submit the plans to the City Council for its approval under Section 311.011, Texas Tax Code.

(d) The City Council specifically authorizes the Board to approve agreements that the Board considers necessary or convenient to implement the project plan and reinvestment zone financing plan and achieve their purposes. Any amendments to the project plan and/or reinvestment zone financing plan must be approved by ordinance of City Council.

SECTION 5. The Zone shall take effect immediately upon the passage of this Ordinance. Termination of the Zone occurs on December 31, 2039, or at an earlier or later time designated by subsequent ordinance of the City Council or at the time as all project costs, and all tax increment bonds and interest on any bonds, have been paid in full.

SECTION 6. The Tax Increment Base for the Zone, which is the total appraised value of all taxable real property located in the Zone for the year in which the Zone is designated, is shown in **Exhibit D**, which is attached to and incorporated into this ordinance.

SECTION 7. There is established a Tax Increment Fund for the Zone, which may be divided into the accounts and sub-accounts, as deemed necessary or convenient under generally accepted accounting principles for government, into which all tax increments, less any amounts not required to be paid into the Tax Increment Fund under the Act, are to be deposited. The Tax Increment Fund may be utilized only for purposes permitted by the Act and managed under the Act.

SECTION 8. The amount of tax increment that the City contributes to the Tax Increment Fund for each year is described in the table below. If at any time, the total amount of

increment contributed to the Tax Increment Fund by the City reaches or exceeds \$20 million, then the City shall immediately cease contributions of increment to the Tax Increment Fund.

Increment Percentage	Tax Year(s)
100%	2019 through 2028
75%	2029 through 2038

SECTION 9. The City Council finds that the creation of the Zone and the expenditure of moneys on deposit in the Tax Increment Fund, which are necessary or convenient to the creation of the Zone or to the implementation of the project plan for the Zone, constitute a program to promote local economic development and to stimulate business and commercial activity in the City.

SECTION 10. If for any reason any section, paragraph, subdivision, clause, phrase, word or provision of this ordinance shall be held invalid or unconstitutional by final judgment of a court of competent jurisdiction, it shall not affect any other section, paragraph, subdivision, clause, phrase, word, or provision of this ordinance, for it is the definite intent of this City Council that every section, paragraph, subdivision, clause, phrase, word or provision of this ordinance be given full force and effect for its purpose.

PASSED AND APPROVED, this the _____ th day of _____, _____.

ATTEST:

Rebecca Huerta
City Secretary

Joe McComb
Mayor

That the foregoing ordinance was read for the first time and passed to its second reading on this the _____ day of _____, _____, by the following vote:

Joe McComb	_____	Michael Hunter	_____
Roland Barrera	_____	Ben Molina	_____
Rudy Garza	_____	Everett Roy	_____
Paulette M. Guajardo	_____	Greg Smith	_____
Gil Hernandez	_____		

That the foregoing ordinance was read for the second time and passed finally on this the _____ day of _____, _____, by the following vote:

Joe McComb	_____	Michael Hunter	_____
Roland Barrera	_____	Ben Molina	_____
Rudy Garza	_____	Everett Roy	_____
Paulette M. Guajardo	_____	Greg Smith	_____
Gil Hernandez	_____		