

BACKGROUND

Corpus Christi Reinvestment Zone Number Two

Tax Increment Financing Act, Tax Code Chapter 311 Overview

Tax increment financing is a tool that local governments can use to publicly finance needed improvements to infrastructure and buildings within a designated area known as a reinvestment zone. The cost of improvements to the reinvestment zone is repaid by the future tax revenues of each taxing unit that levies taxes against the property. Each taxing unit can choose to dedicate all, a portion of, or none of the tax revenue gained as a result of improvements within the reinvestment zone.

A reinvestment zone can be initiated by petition of the affected property owners or a municipality can initiate a reinvestment zone without the need for a petition. Although counties were authorized to form reinvestment zones by statute in 2005, it is unclear whether such zones would be legal without a constitutional amendment. Counties interested in initiating tax increment financing should seek the advice of legal counsel.

Once a city has begun the process of establishing a tax increment financing reinvestment zone, other taxing units are allowed to consider participating in the tax increment financing agreement. These zones are commonly referred to as either a tax increment financing (TIF) zone or a tax increment reinvestment zone (TIRZ).

There is a multi-step process by which a taxing unit can establish a tax increment financing zone. The statutes governing tax increment financing are located in chapter 311 of the Texas Tax Code.

Source: http://texasahead.org/tax_programs/chapter311/index.php, Accessed: November 13, 2014.

Corpus Christi Packery Channel TIRZ

In April 2001, Corpus Christi voters approved the creation of a 1,930-acre TIF district designed to spur resort development on the Padre Island Seawall and partially fund dredging of the Packery Channel. The project scope includes permanently opening Packery Channel to the Gulf of Mexico, construction of jetties and maintenance of beachfront property that is currently eroding.

Source: <https://www.cdfa.net/cdfa/cdfaweb.nsf/ordredirect.html?open&id=tifintexas.html>, Accessed: November 13, 2014.