

FISCAL YEAR  
**2024-2025**  
PROPOSED  
**OPERATING  
BUDGET**

PRESENTED TO CITY COUNCIL  
ON JULY 30, 2024



CITY OF CORPUS CHRISTI  
CITY MANAGER  
PETER ZANONI

**FY2024-2025**  
**BUDGET WORKSHOP #5**

**CIP REVIEW**  
**HOT PROJECTS**  
**VISIT CORPUS CHRISTI**  
**BUDGET WRAP-UP**

**AUGUST 29, 2024**

# CIP REVIEW

## FY2024-2025 PROPOSED CAPITAL BUDGET

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*Presented by*  
Jeff Edmonds, Director of  
Engineering

August 29, 2024

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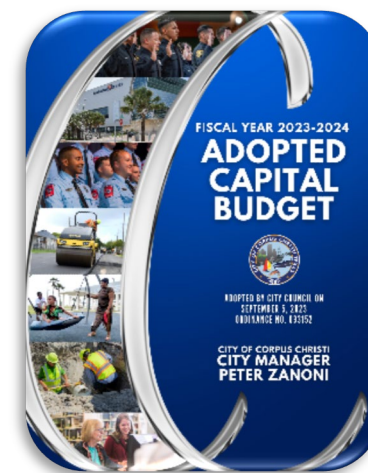
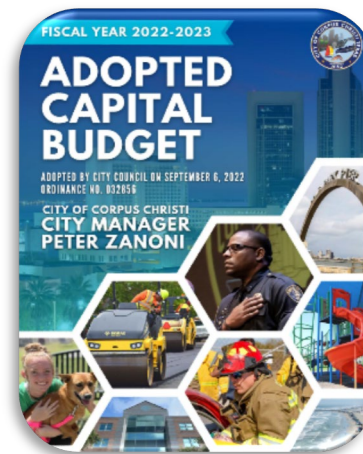
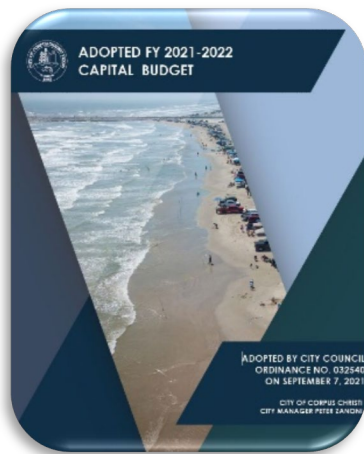
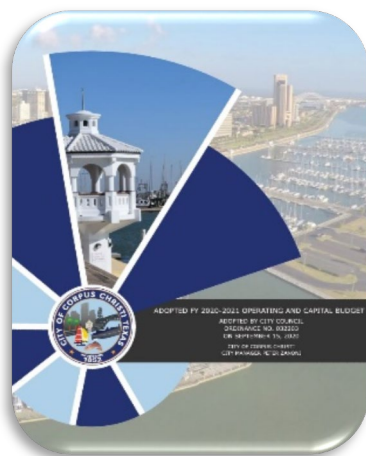
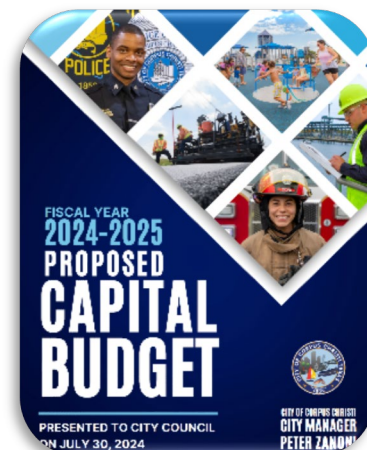
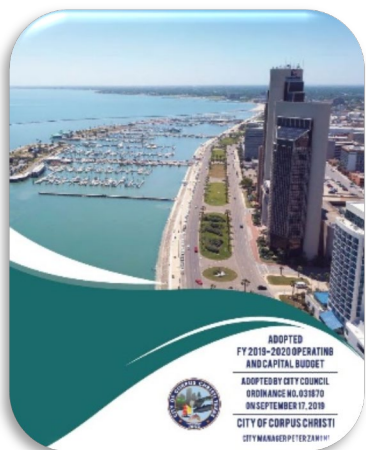


CITY OF CORPUS CHRISTI  
CITY MANAGER  
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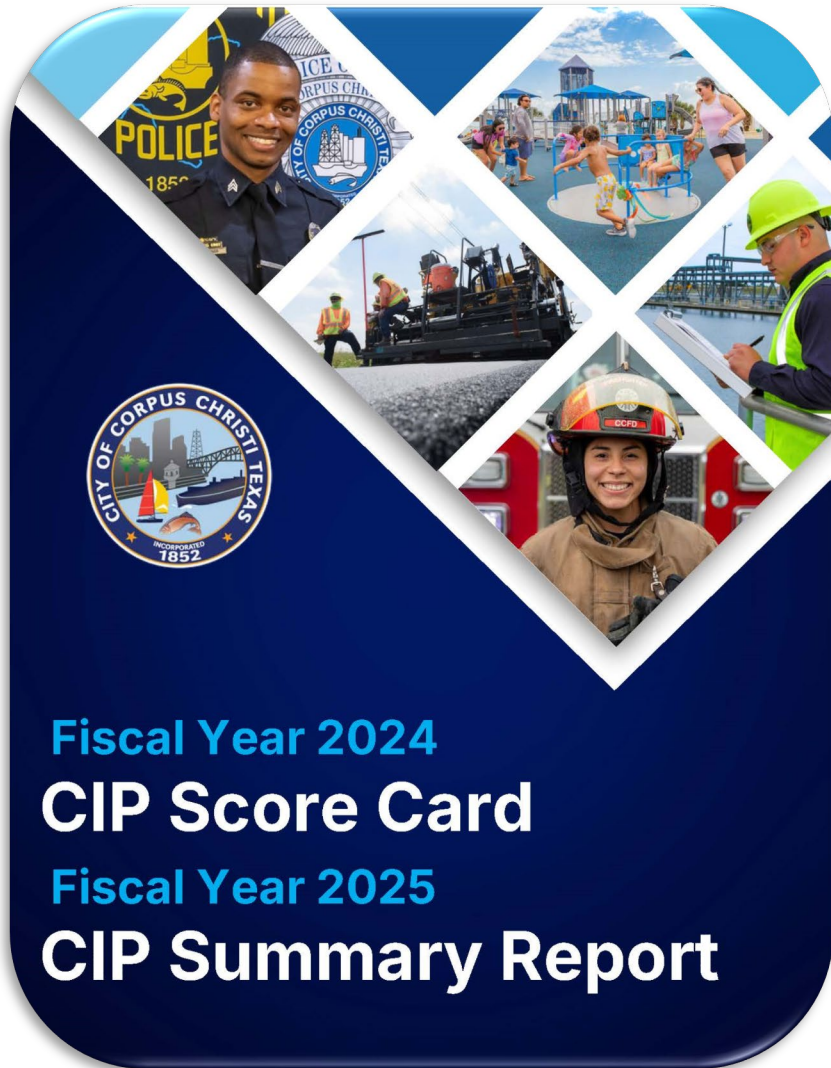


# CIP Program

- Comprehensive ten-year Capital Improvement Plan (CIP) Program was reestablished in FY 2019-2020
- Managed by the Office of Management and Budget and implemented by the Engineering Department
- CIP is developed, updated and proposed by City Departments and annually adopted by City Council
- FY 2025 will be the City's 6<sup>th</sup> Comprehensive CIP Budget



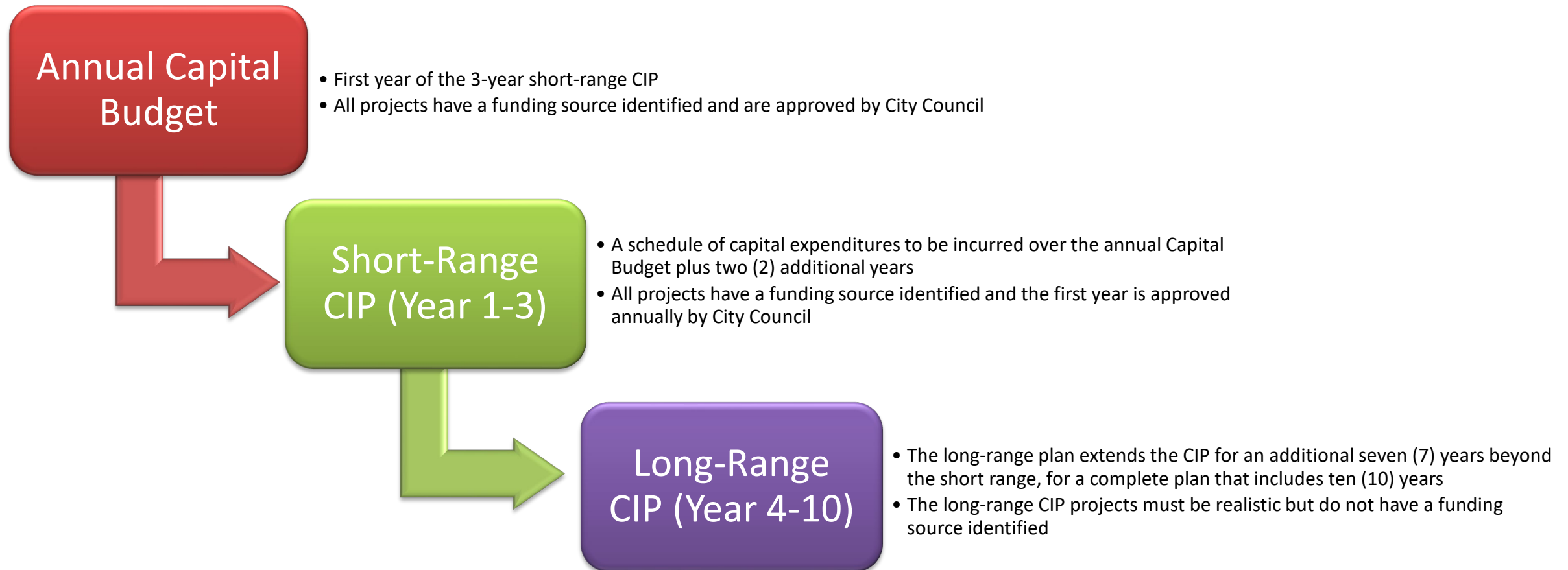
# CIP Program



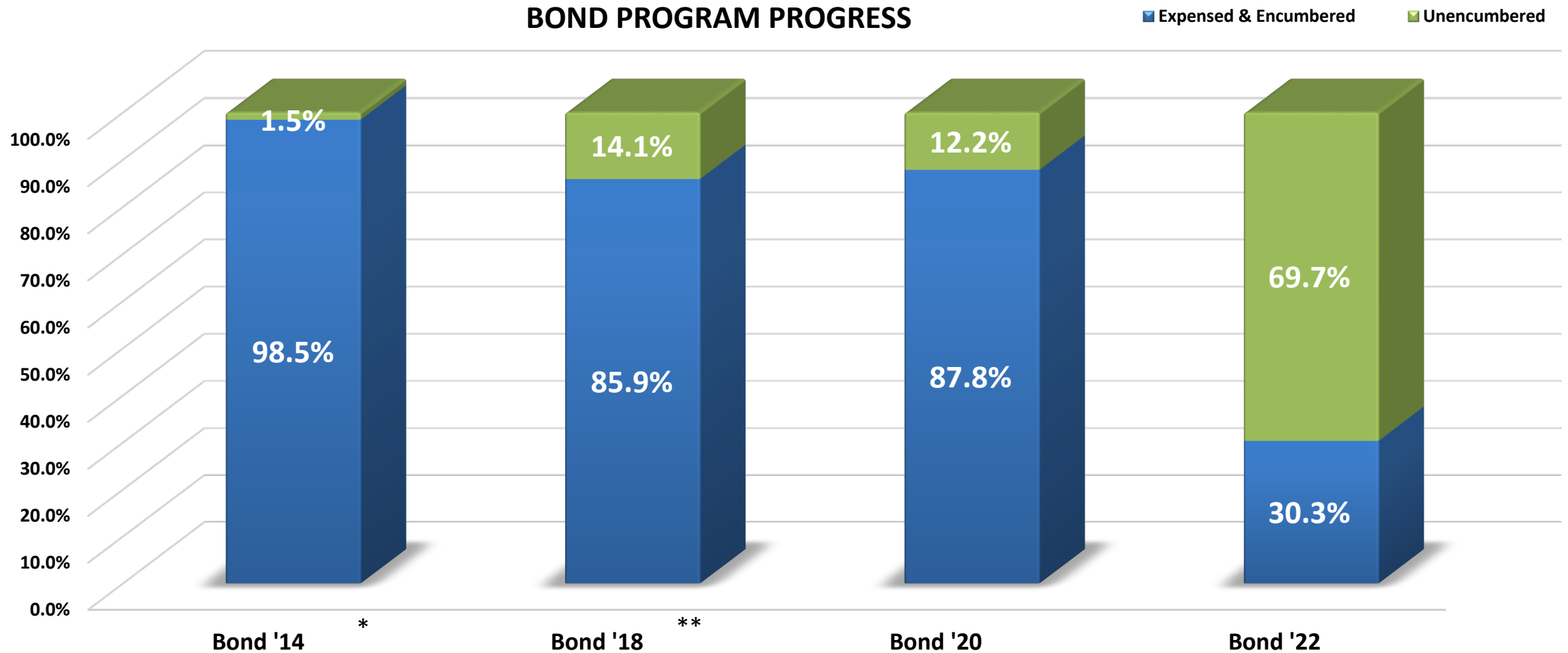
Developed CIP Score Card for  
Fiscal Year 2024 Projects

# 10-year CIP

➤ The Capital Improvement Plan (CIP) is a statement of the City's policy regarding short and long-range physical development. In the City of Corpus Christi, this program covers a ten-year period, short-range (Year 1-3) and long-range (Year 4-10) and sets the framework within which capital improvements will be taken.



# G.O. Bond Status (As of August 2024)



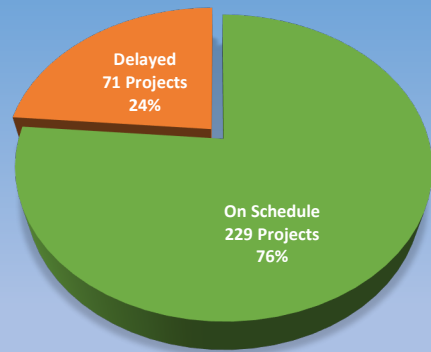
\* Harbor Bridge Mitigation Park Projects delay (Ben Garza Park, Dr. H.J. Williams Park, North Beach Trail, T.C. Ayers Park, Washington Coles Park)

\*\* North Beach street project delayed due to Harbor Bridge, Calallen Dr (Red Bird to Burning Tree) & Castenon St (Trojan to Delgado)

# FY24 CIP Score Card

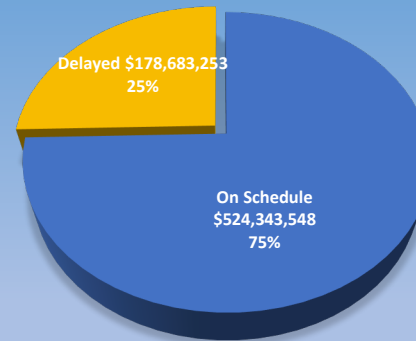
FY24 CIP Programs	# of Projects	Adopted Budget	# of Projects On Schedule	# of Projects Delayed	% of Projects On Schedule	Budget of Projects On Schedule	Budget of Projects Delayed	% of Budget On Schedule
Airport	11	\$13,959,000	10	1	91%	\$13,155,000	\$804,000	94%
Economic Development	30	\$28,526,901	20	10	67%	\$19,642,074	\$8,884,827	69%
Parks & Rec	52	\$63,448,282	32	20	62%	\$24,033,813	\$39,414,469	38%
Public Facilities	26	\$19,164,358	24	2	92%	\$12,054,358	\$7,110,000	63%
Public Health & Safety	22	\$57,218,710	15	7	68%	\$32,210,541	\$25,008,169	56%
Streets	57	\$87,014,756	46	11	81%	\$61,603,812	\$25,410,944	71%
Gas	8	\$20,105,190	7	1	88%	\$15,985,190	\$4,120,000	80%
Storm Water	12	\$65,115,372	10	2	83%	\$51,244,305	\$13,871,067	79%
Wastewater	32	\$126,275,893	25	7	78%	\$102,737,116	\$23,538,777	81%
Water	50	\$222,198,339	40	10	80%	\$191,677,339	\$30,521,000	86%
<b>TOTAL</b>	<b>300</b>	<b>\$703,026,801</b>	<b>229</b>	<b>71</b>	<b>76%</b>	<b>\$524,343,548</b>	<b>\$178,683,253</b>	<b>75%</b>

FY24 CIP Status Summary



■ # of projects on schedule ■ # of projects delayed

FY24 CIP Budget Summary

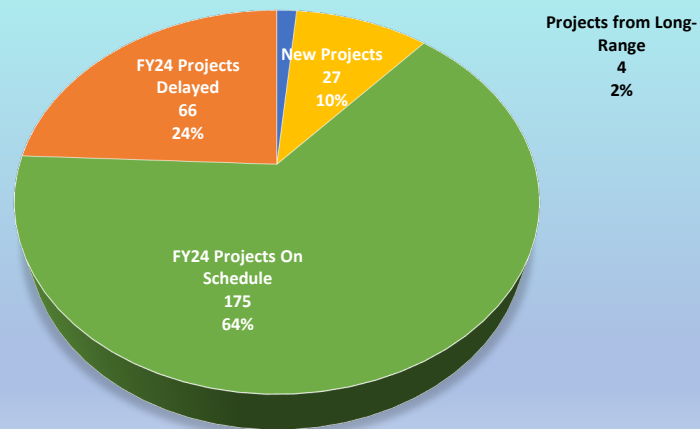


■ Budget of projects On Schedule ■ Budget of projects Delayed

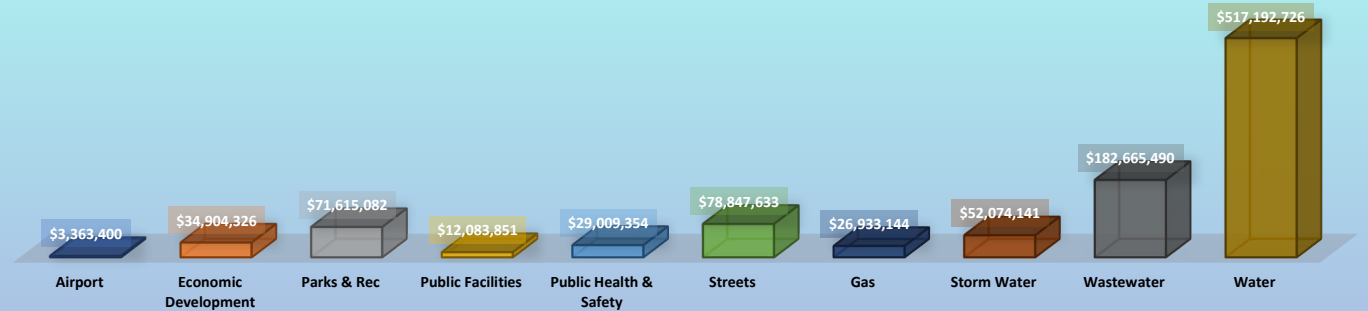
# FY25 CIP Summary

CIP Programs	# of projects	# of Project from FY24 (On Schedule)	# of Projects from FY24 (Delayed)	# of Projects from Long-Range moving to Short-Range	# of New Projects	FY25 Proposed CIP Budget
Airport	7	5	0	0	2	\$3,363,400
Economic Development	36	14	9	0	13	\$34,904,326
Parks & Rec	45	23	20	0	2	\$71,615,082
Public Facilities	19	17	2	0	0	\$12,083,851
Public Health & Safety	18	9	7	0	2	\$29,009,354
Streets	44	32	11	0	1	\$78,847,633
Gas	8	7	1	0	0	\$26,933,144
Storm Water	13	10	2	0	1	\$52,074,141
Wastewater	29	19	6	2	2	\$182,665,490
Water	53	39	8	2	4	\$517,192,726
<b>TOTAL</b>	<b>272</b>	<b>175</b>	<b>66</b>	<b>4</b>	<b>27</b>	<b>\$1,008,689,147</b>

FY25 CIP STATUS SUMMARY

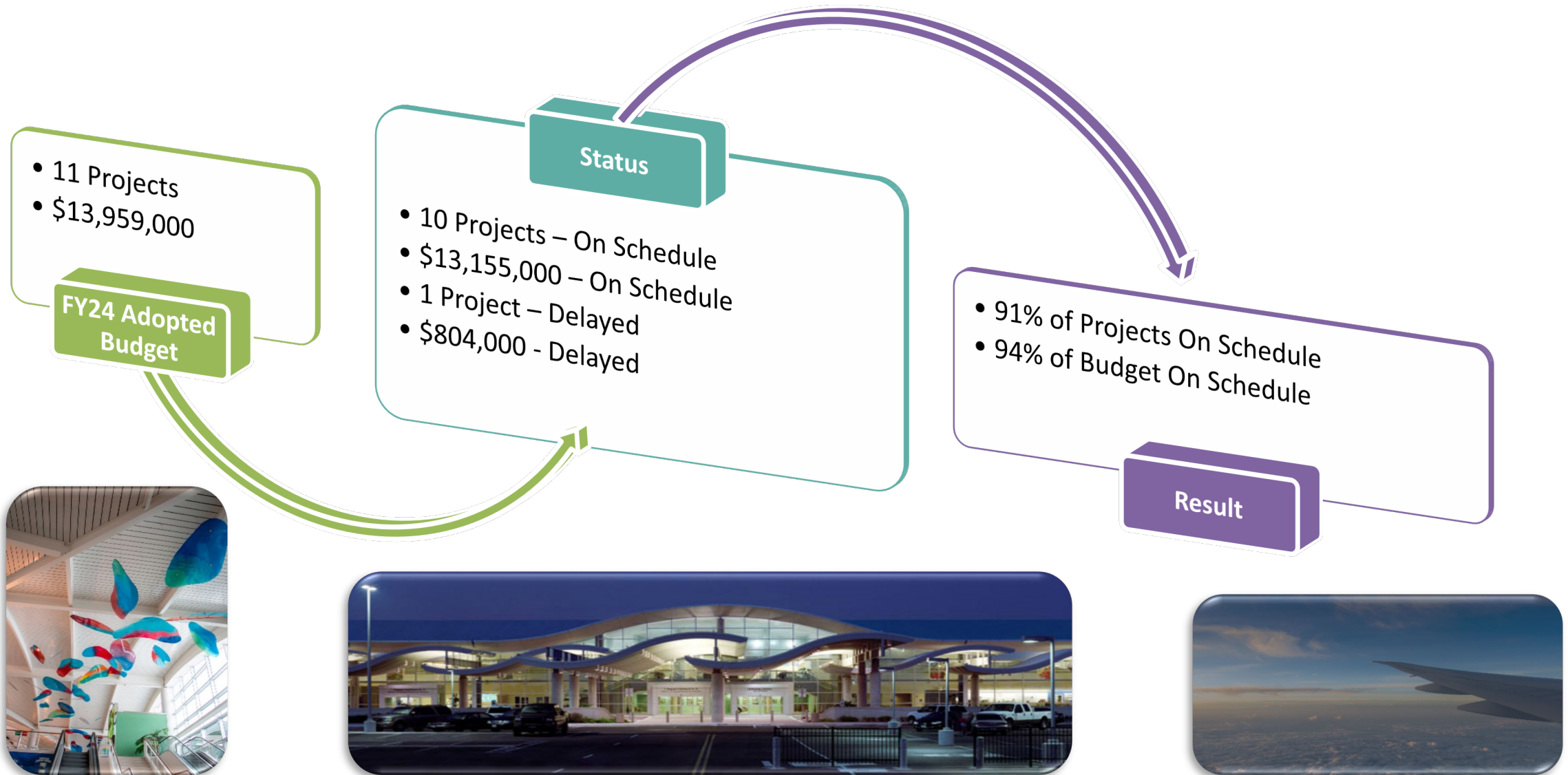


FY25 CIP BUDGET SUMMARY

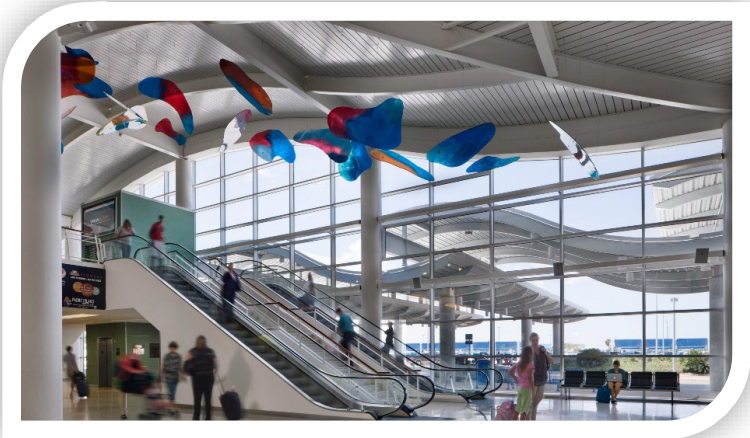
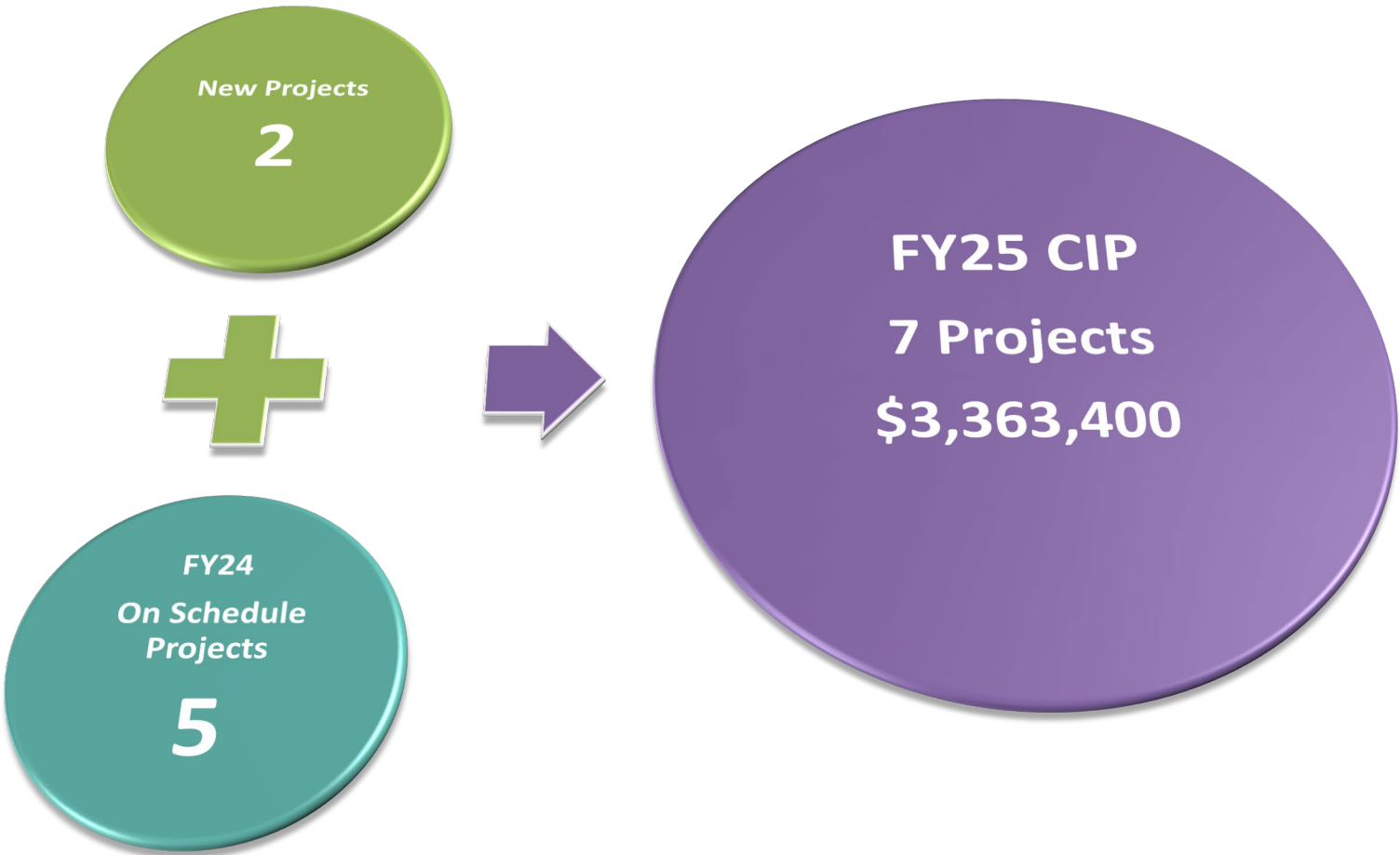




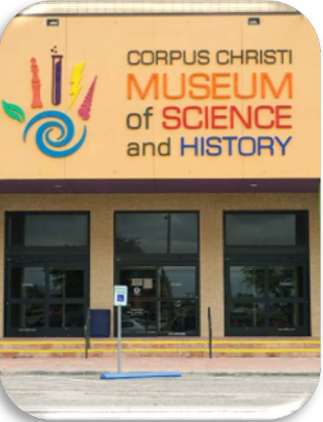
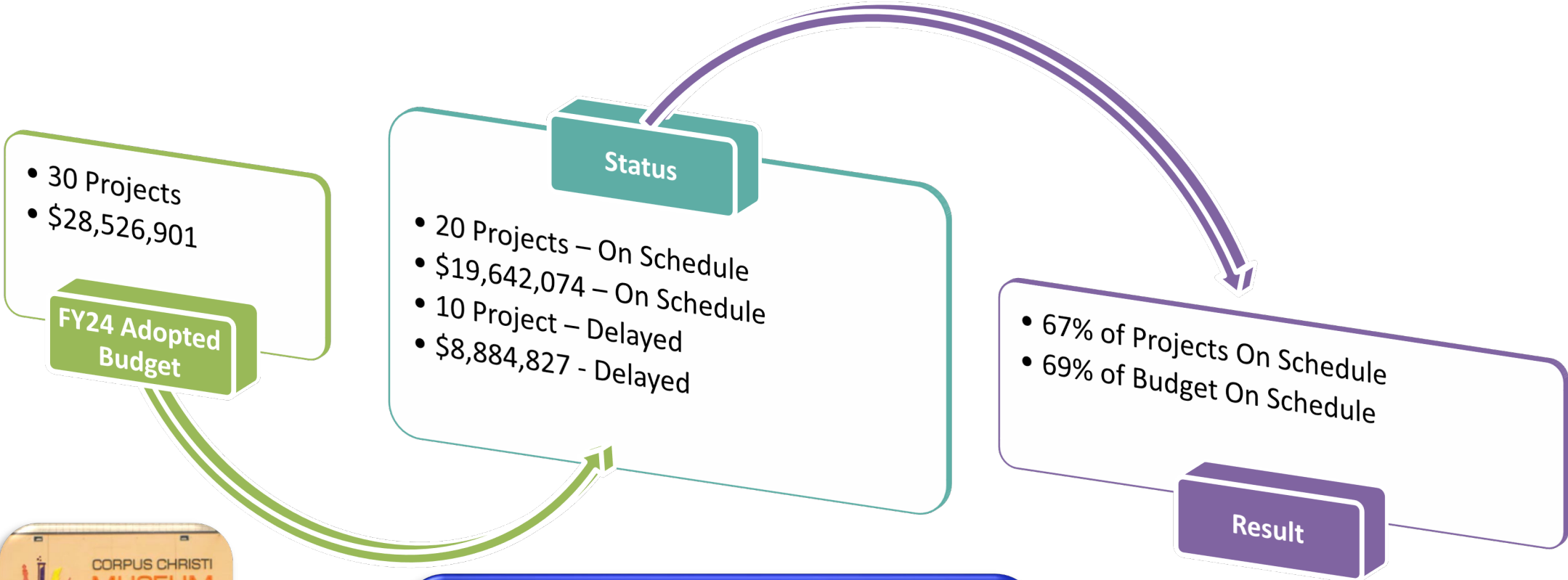
# FY24 Airport CIP Score Card



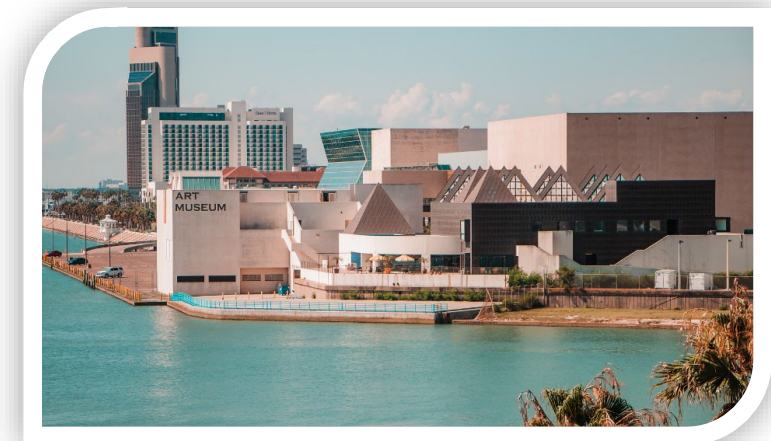
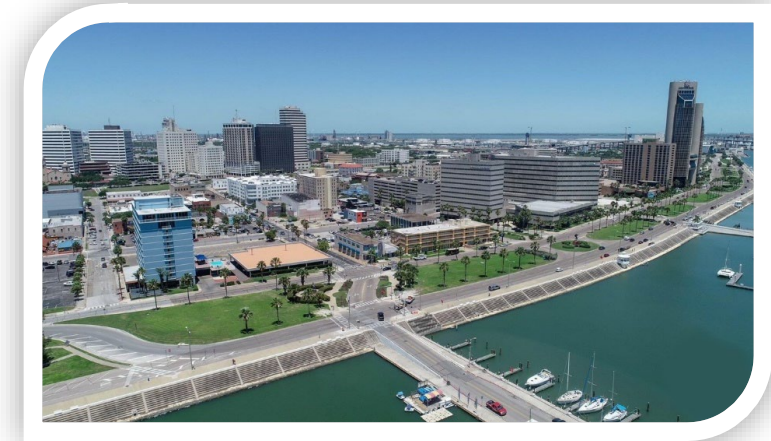
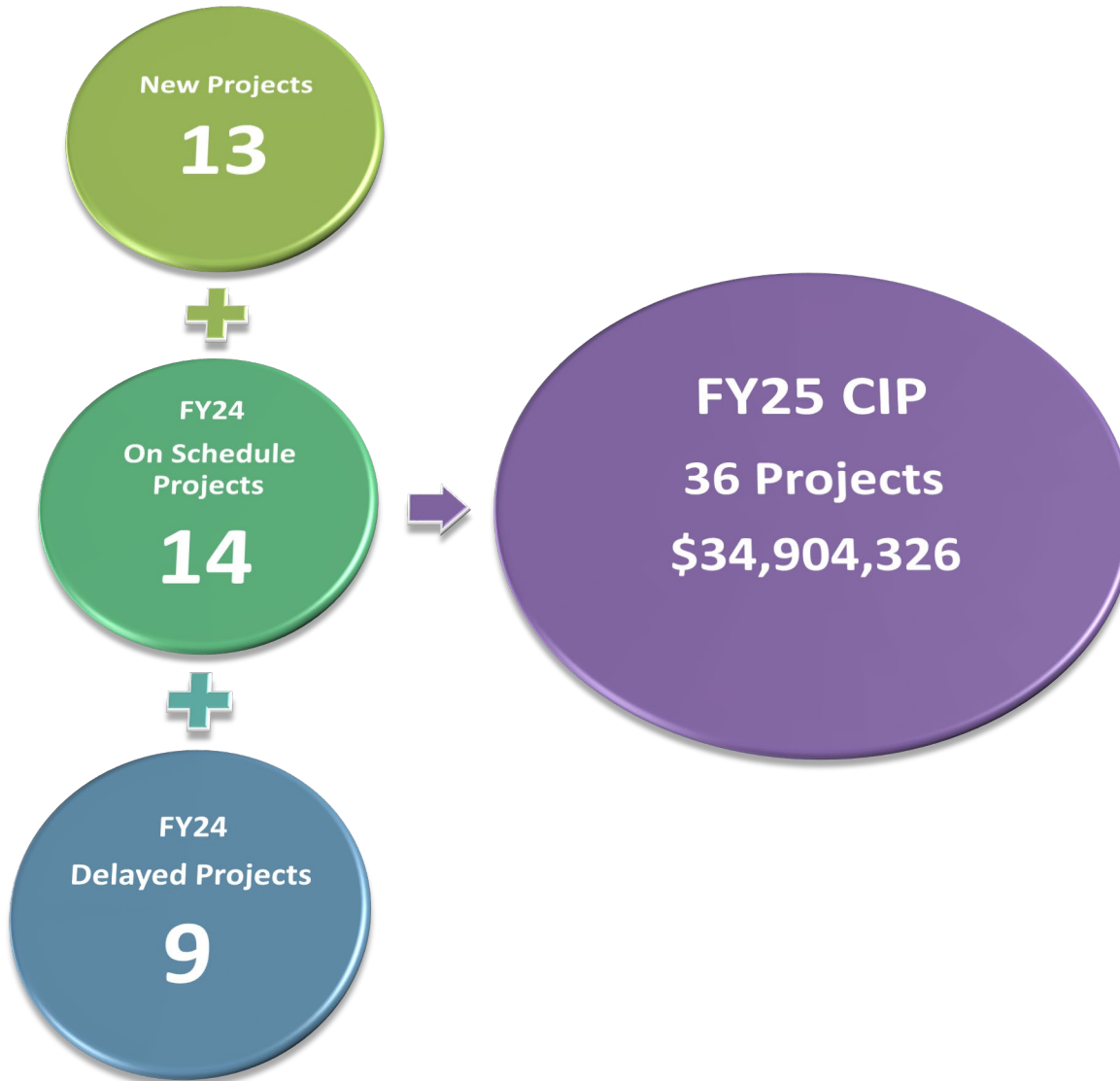
# FY25 Airport CIP Summary



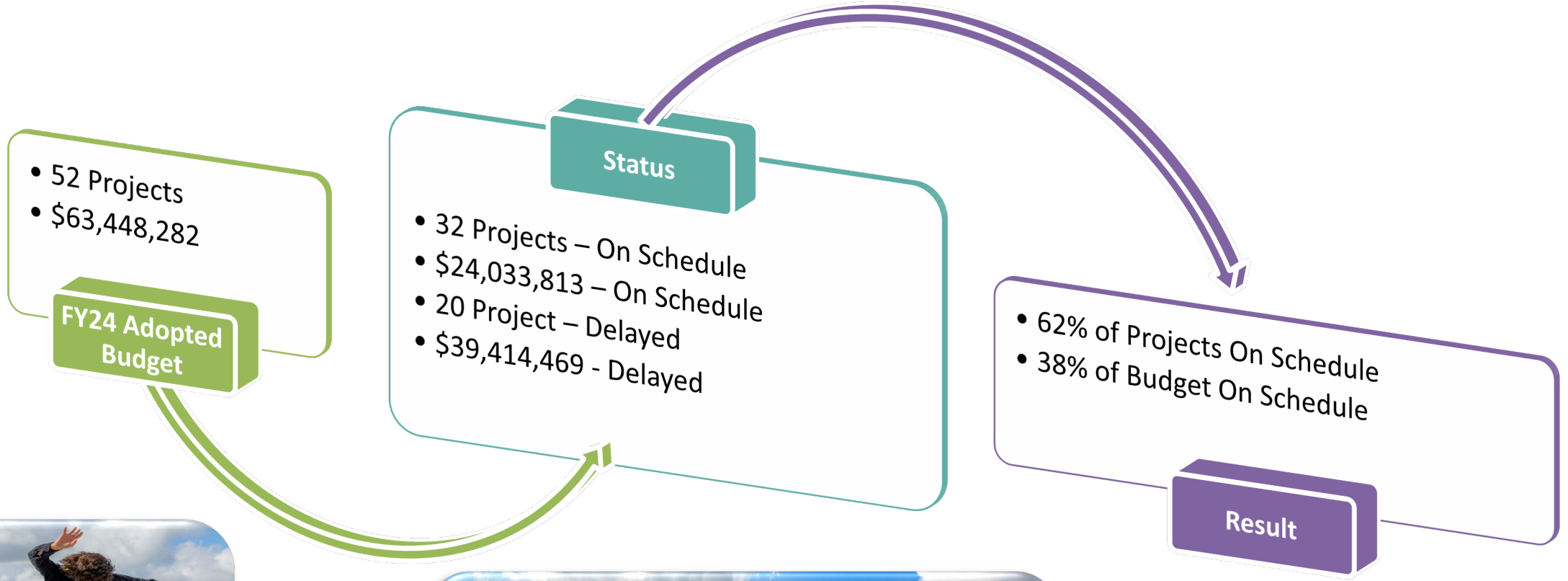
# FY24 Economic Development CIP Score Card



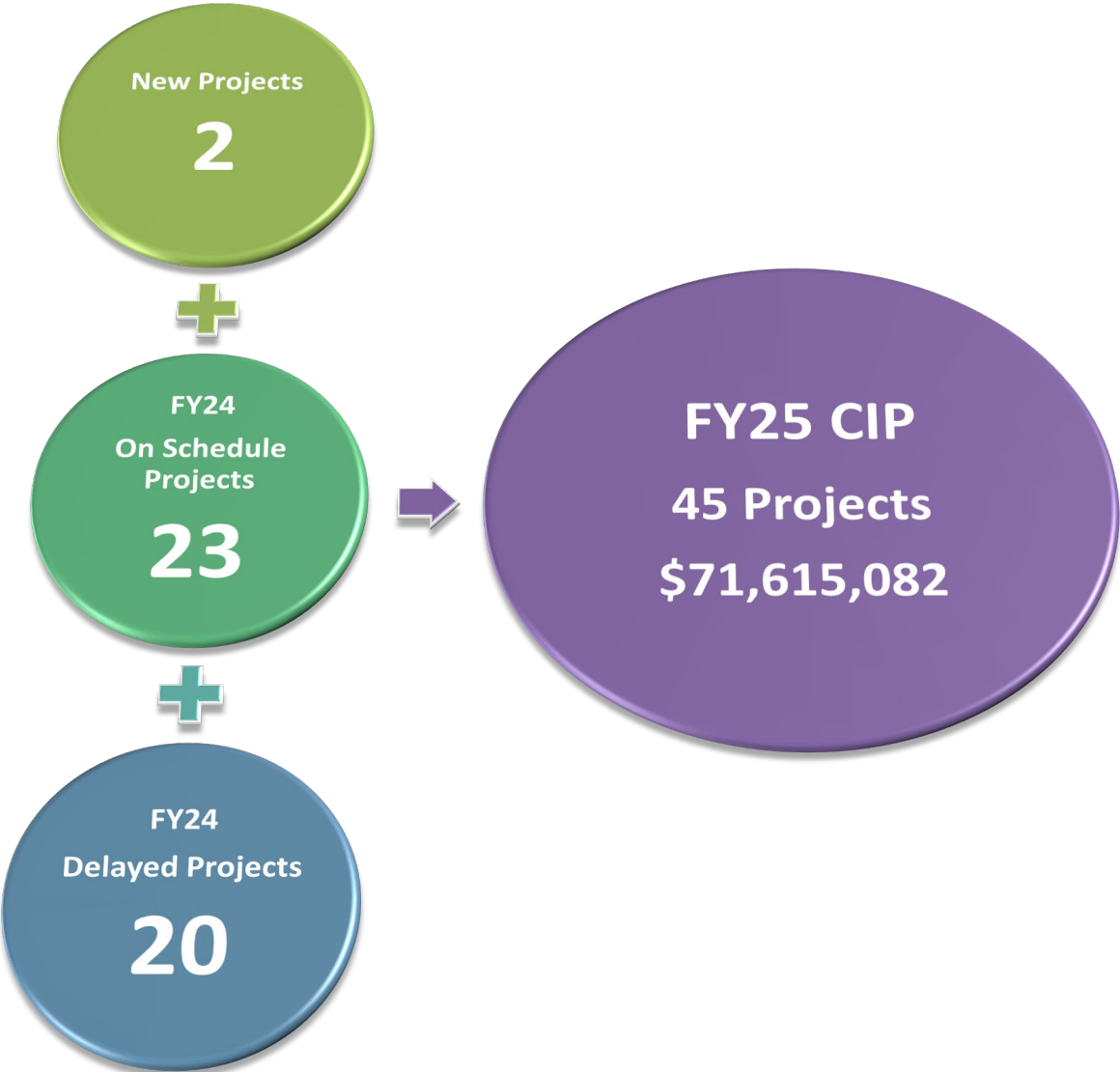
# FY25 Economic Development CIP Summary



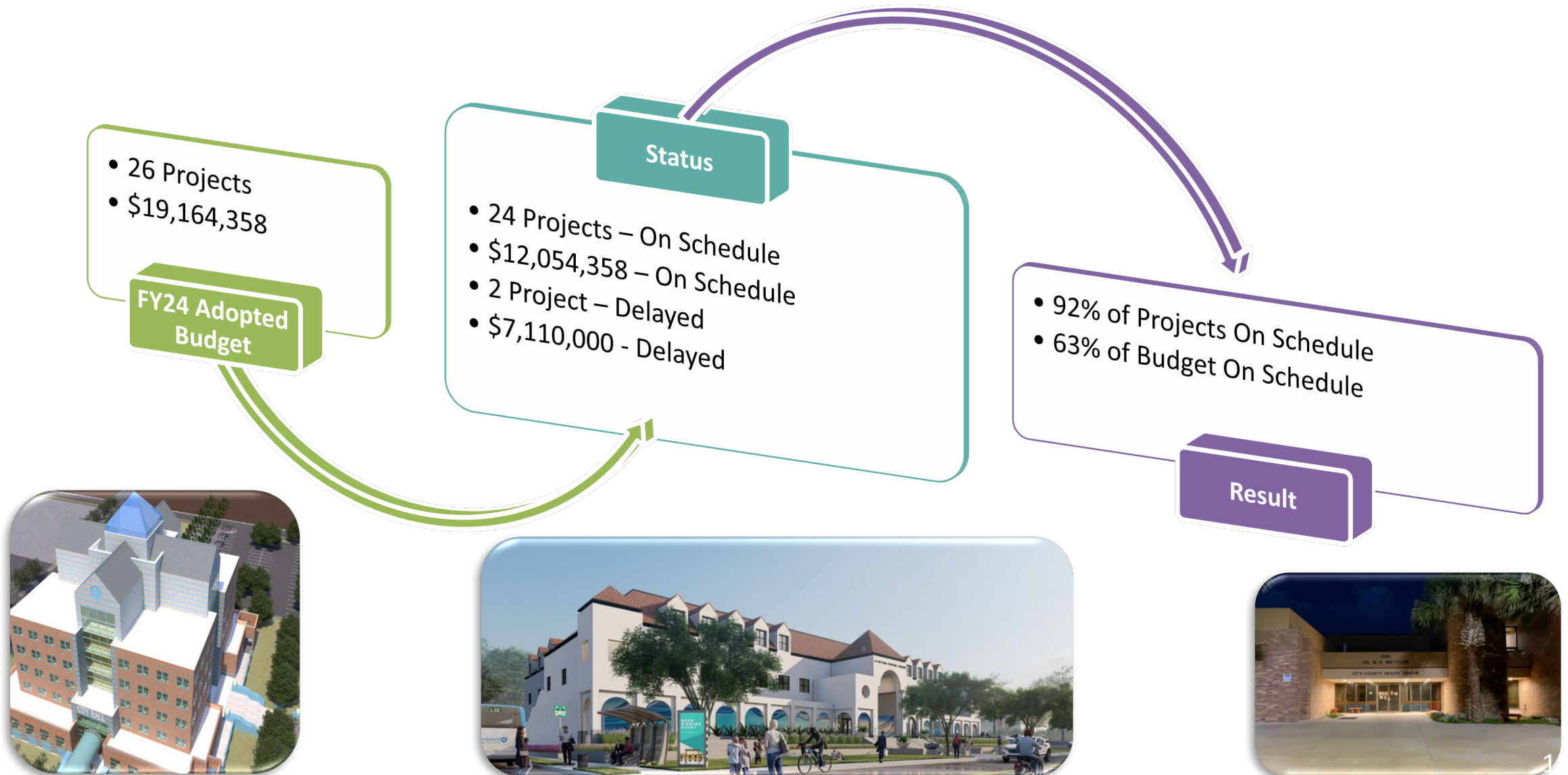
# FY24 Parks & Rec CIP Score Card



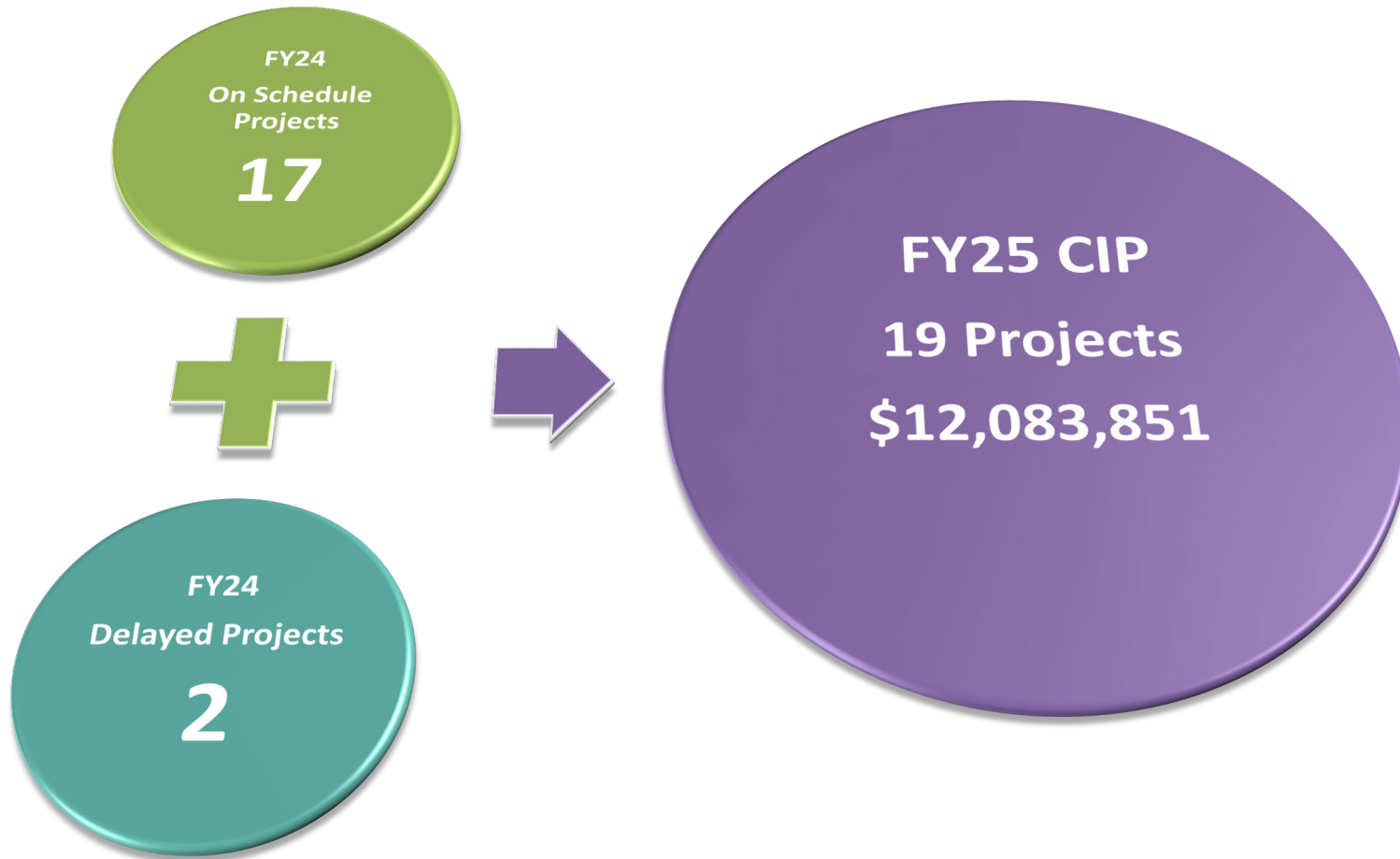
# FY25 Parks & Rec CIP Summary



# FY24 Public Facilities CIP Score Card



# FY25 Public Facilities CIP Summary

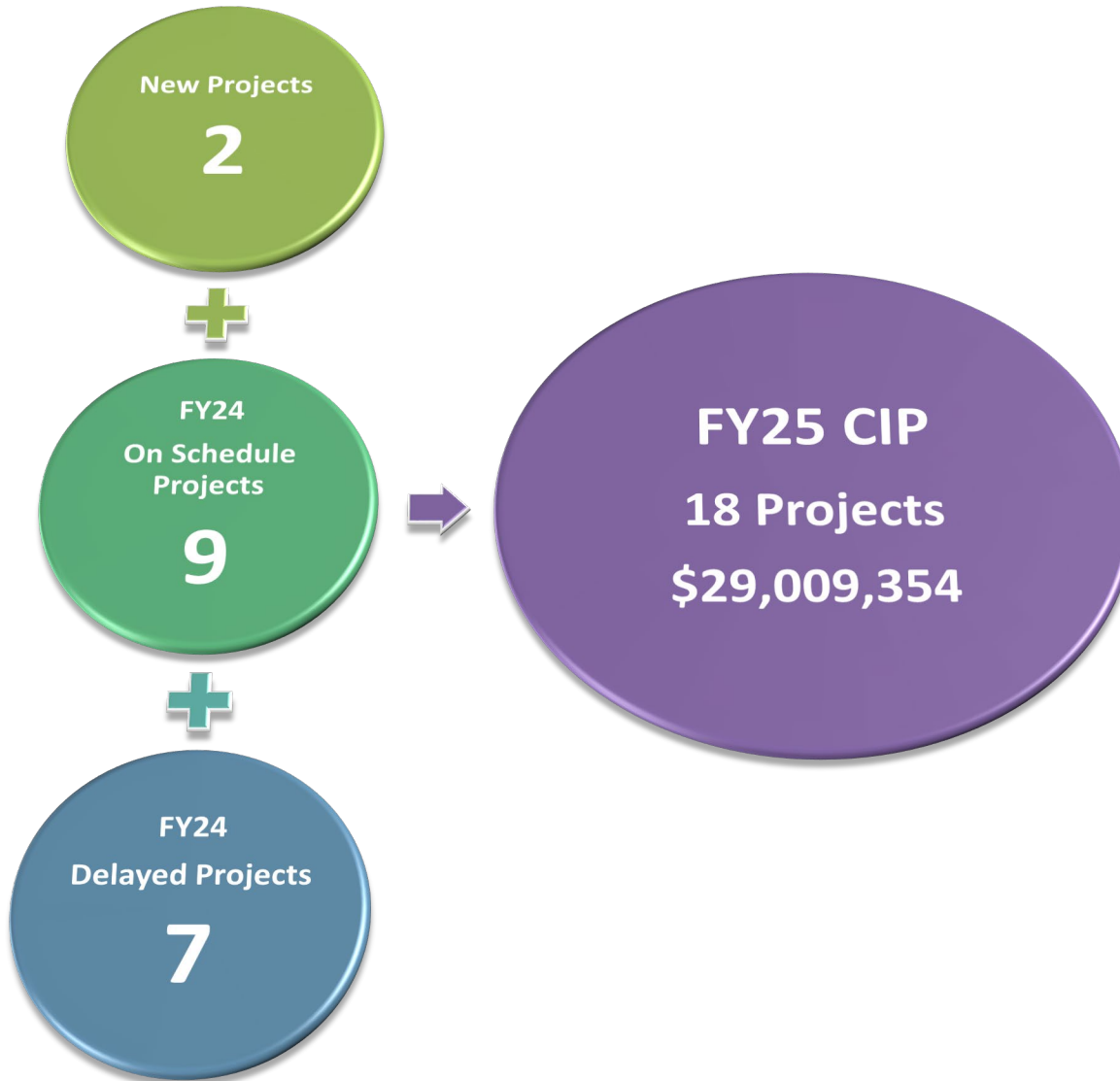




# FY24 Public Health & Safety CIP Score Card



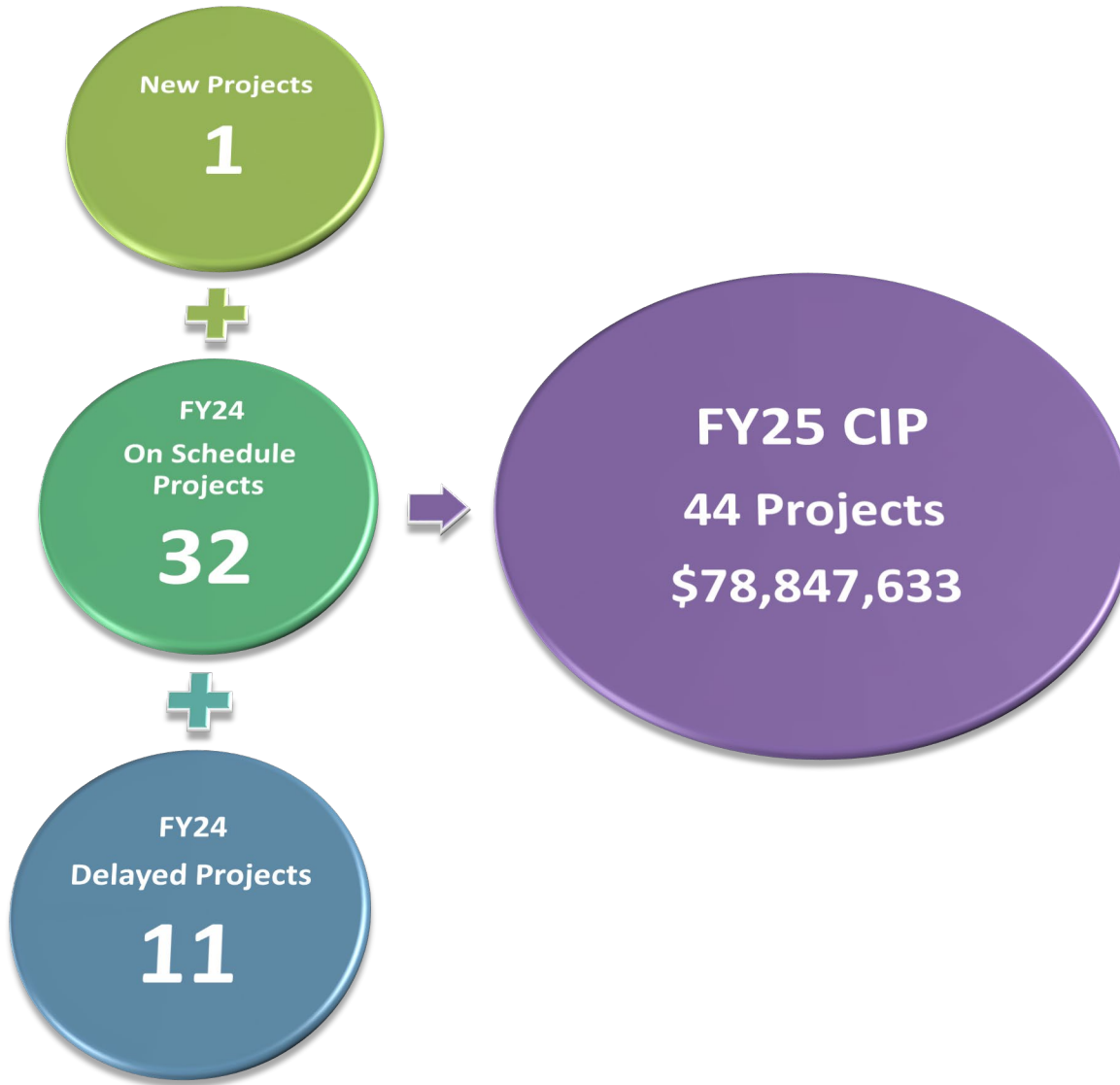
# FY25 Public Health & Safety CIP Summary



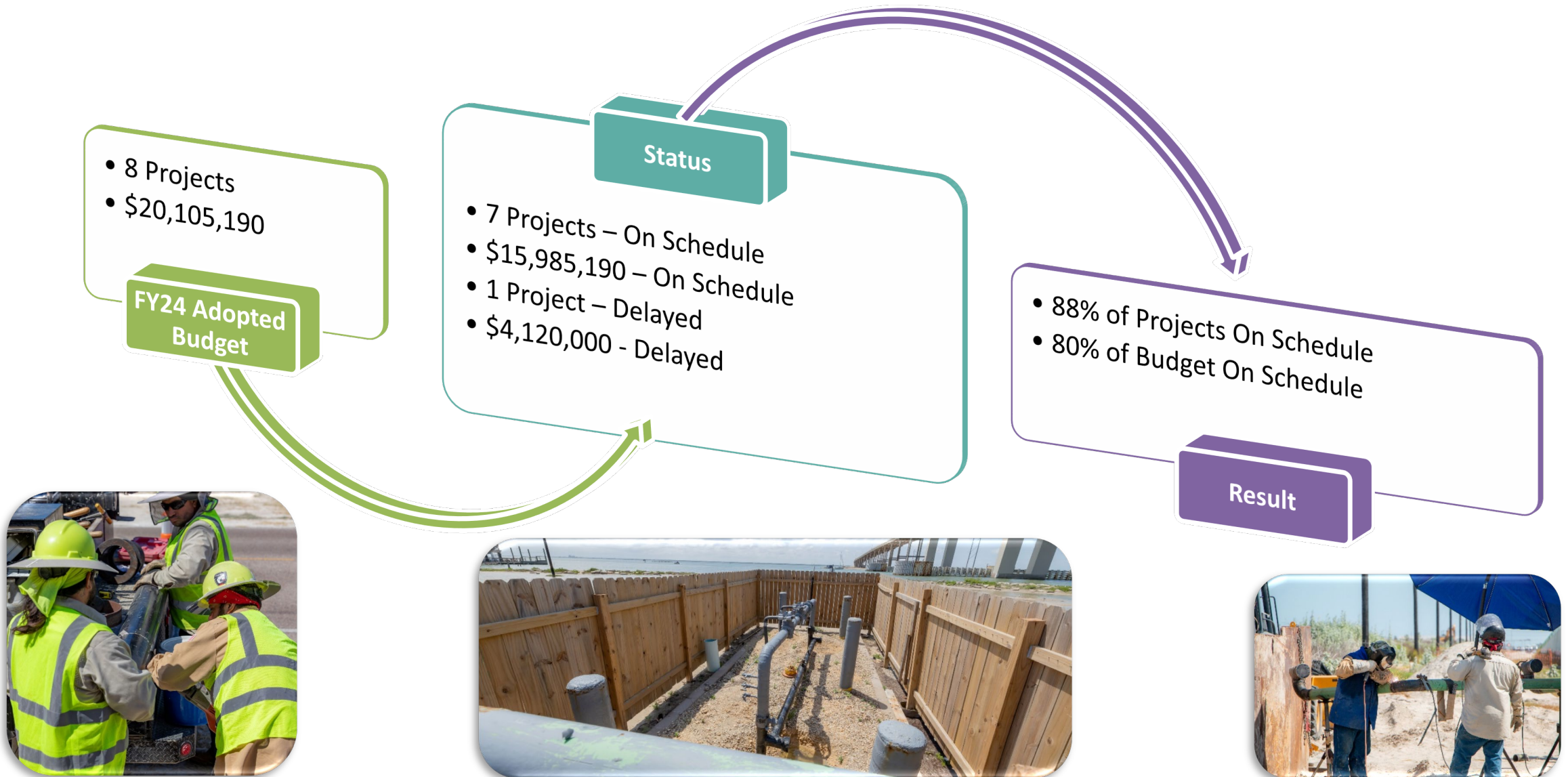
# FY24 Streets CIP Score Card



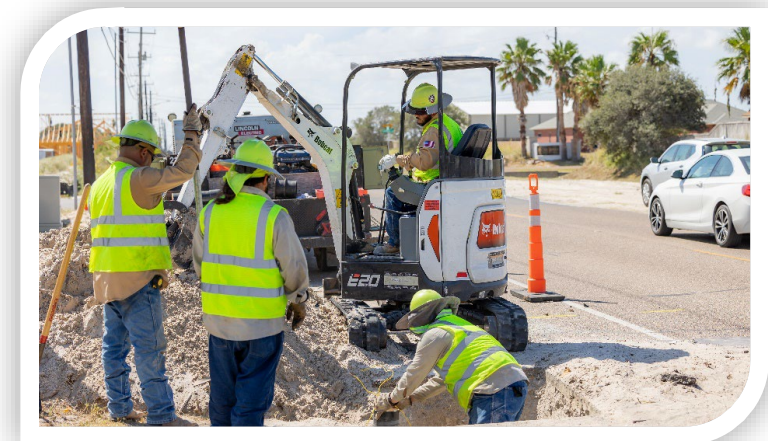
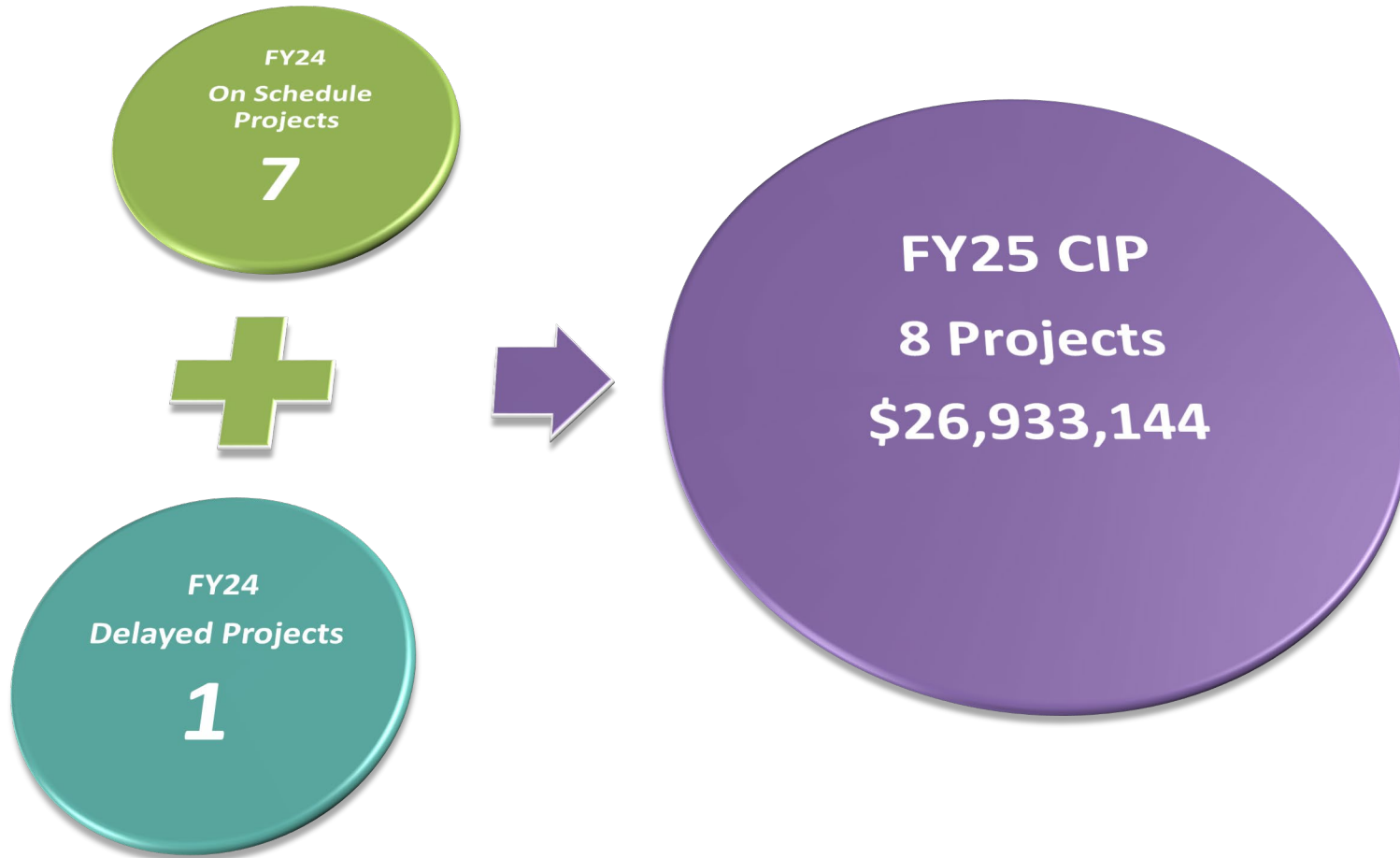
# FY25 Streets CIP Summary



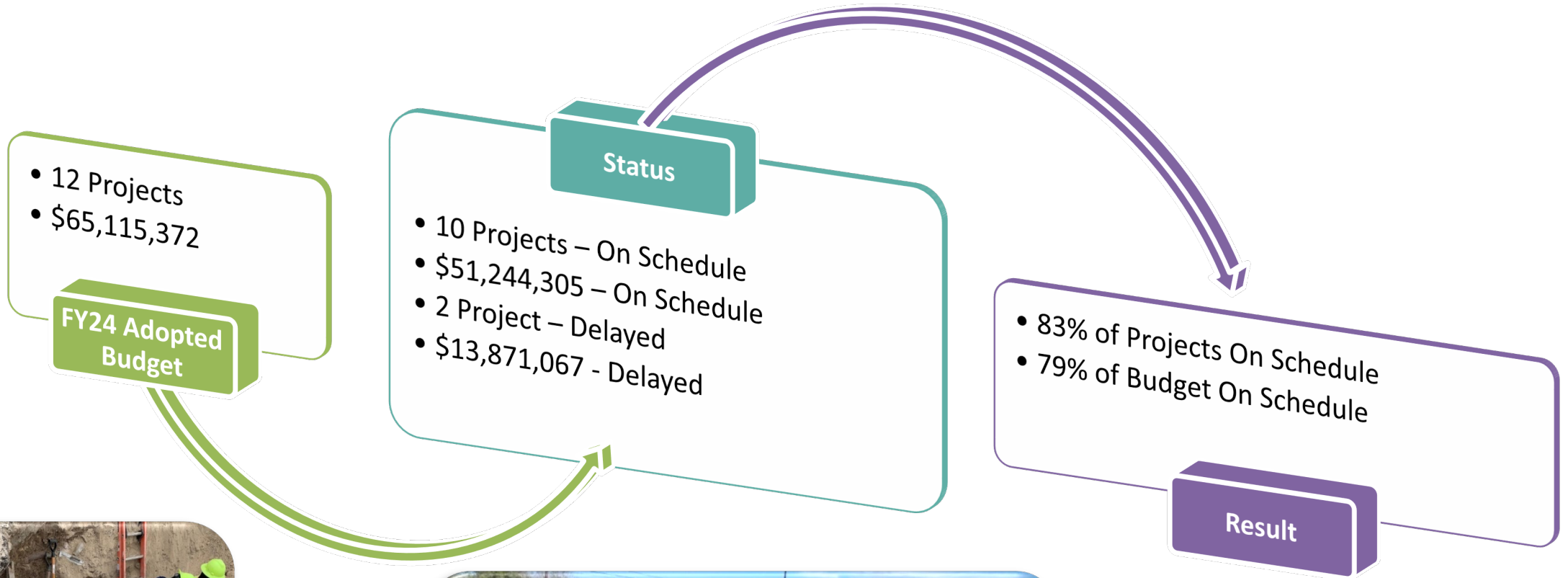
# FY24 Gas CIP Score Card



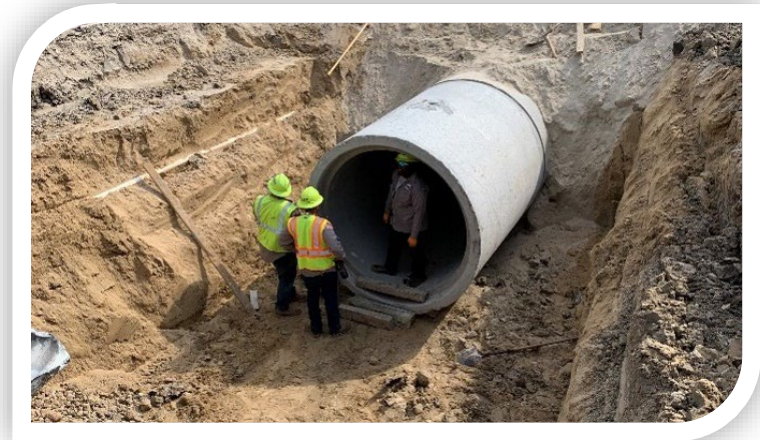
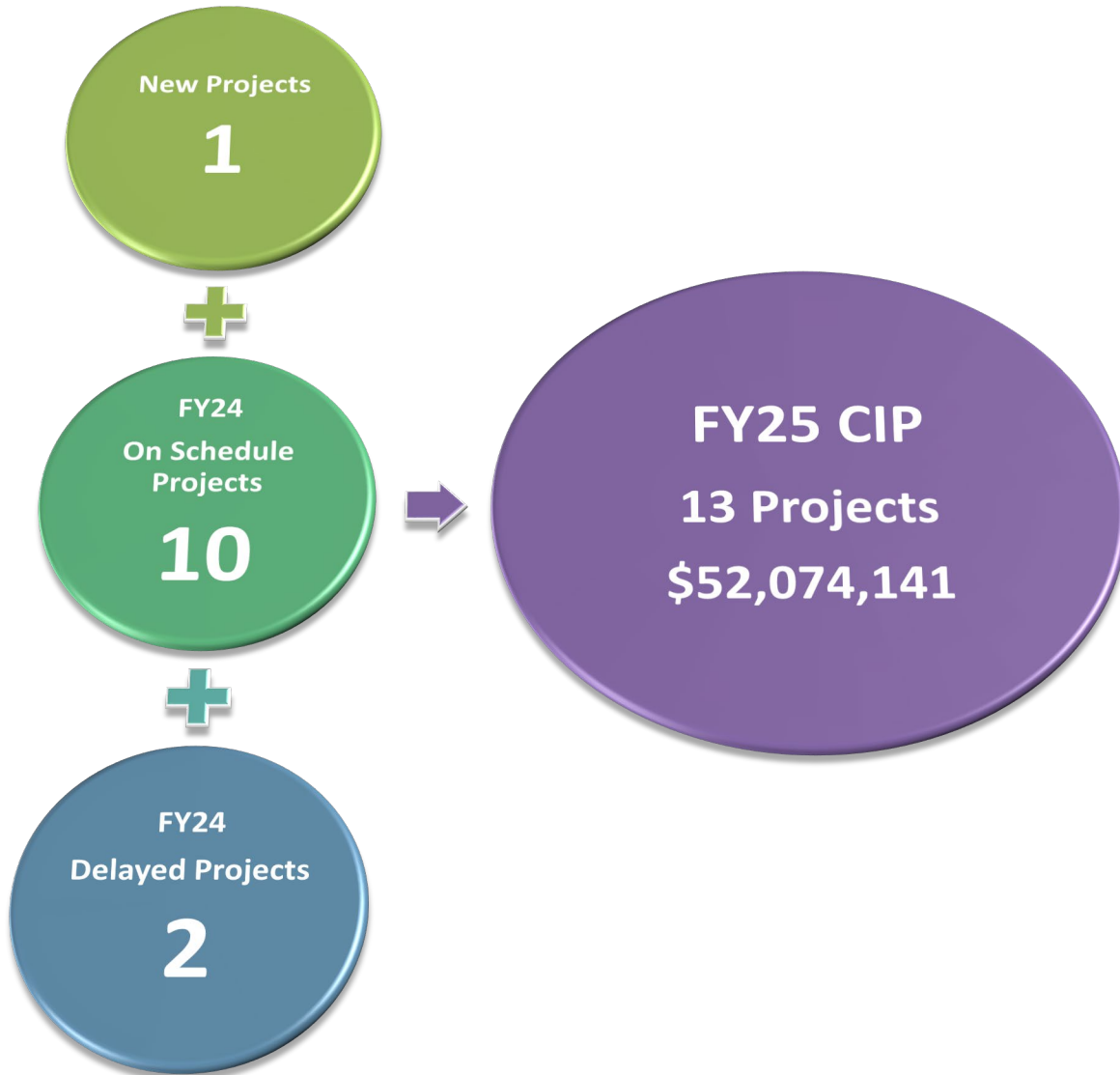
# FY25 Gas CIP Summary



# FY24 Storm Water CIP Score Card

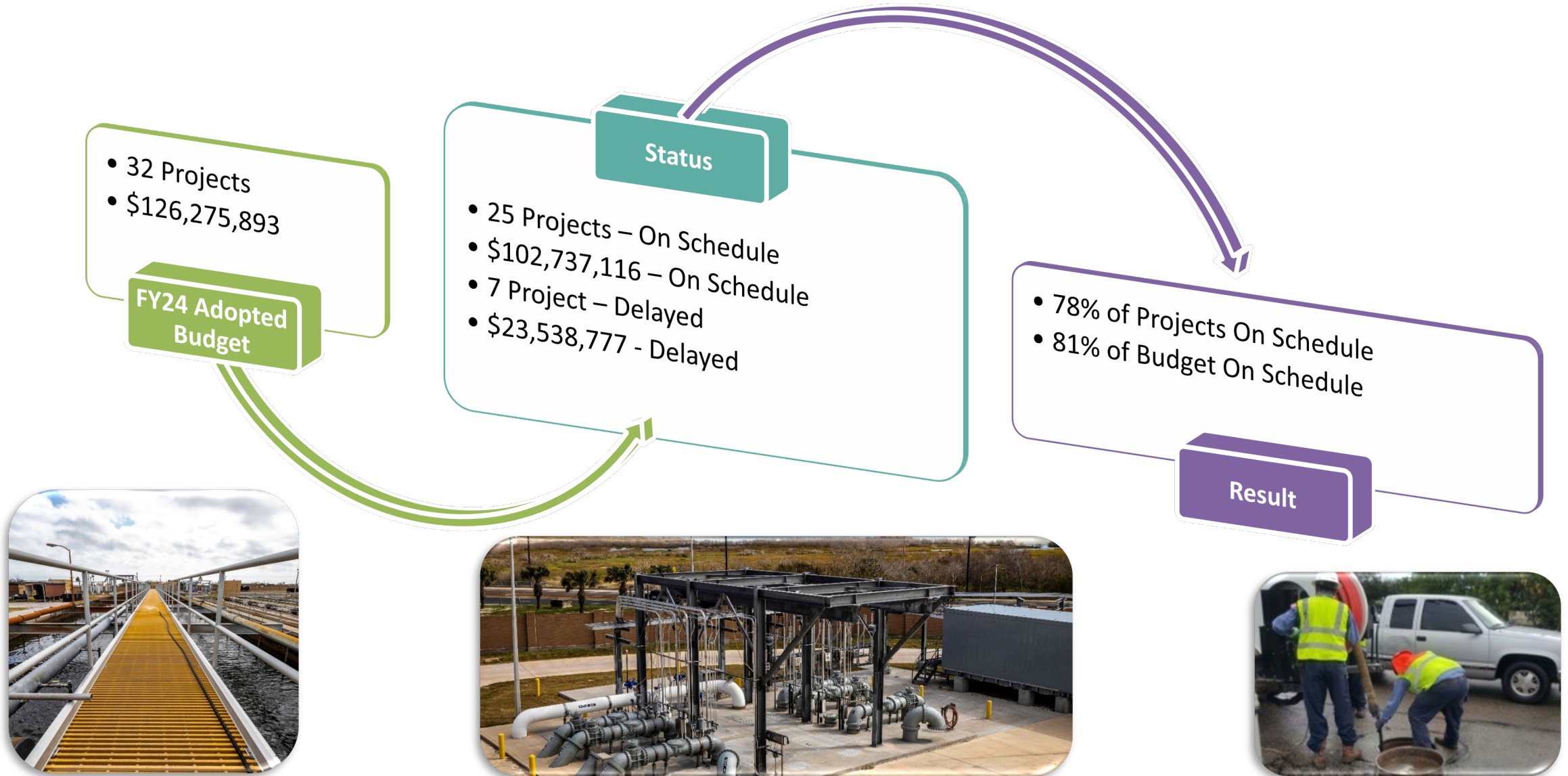


# FY25 Storm Water CIP Summary

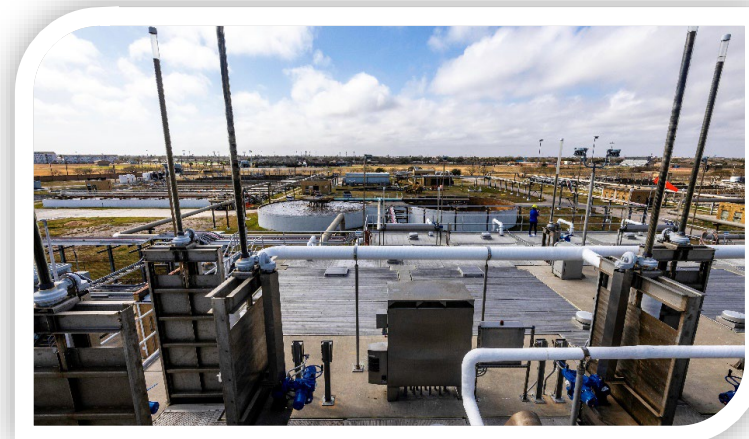
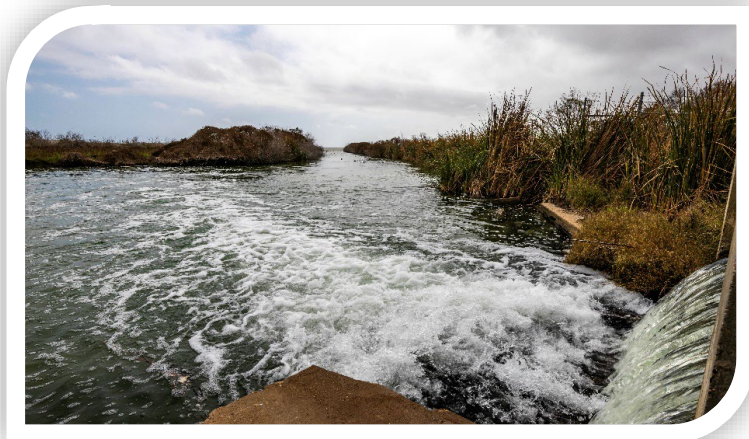




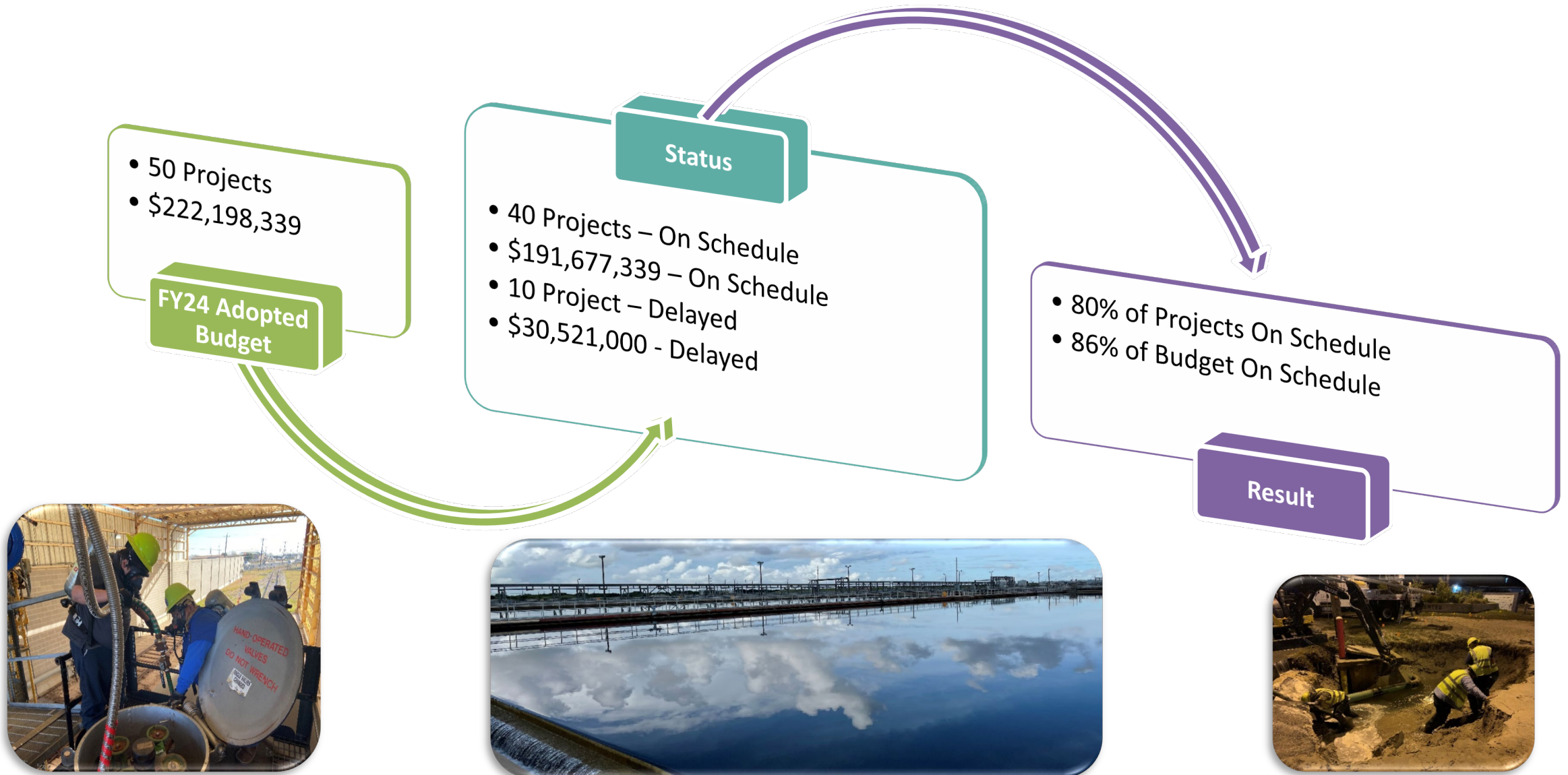
# FY24 Wastewater CIP Score Card



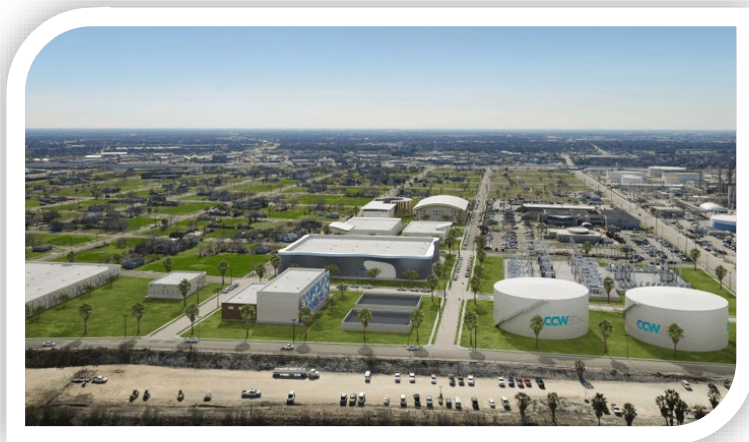
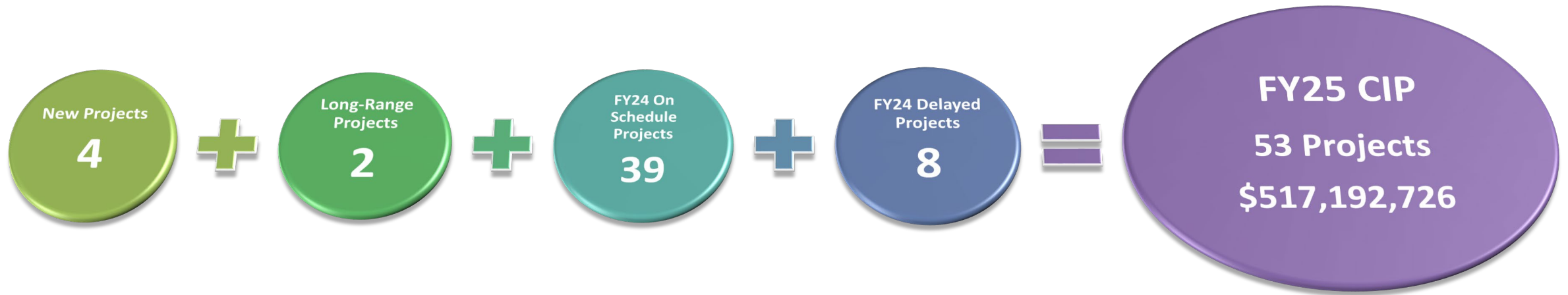
# FY25 Wastewater CIP Summary



# FY24 Water CIP Score Card



# FY25 Water CIP Summary



# BOND 2024

## ➤ Bond 2024 – 38 Projects / \$175M

- Proposition A – Streets (18 projects / \$89.5M)
- Proposition B – Parks & Rec (11 projects / \$37.65M)
- Proposition C – Public Safety (7 projects / \$45M)
- Proposition D – Cultural Facilities (2 projects / \$2.85M)

PROPOSED  
**BOND**  
**2024**

\$175 MILLION  
INVESTMENT

✓ STREETS    ✓ PUBLIC SAFETY  
✓ PARKS     ✓ CULTURAL FACILITIES

# HOTEL OCCUPANCY TAX

FY2024-2025 PROPOSED BUDGET

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*Presented by  
Heather Hurlbert  
Assistant City Manager  
August 29, 2024*

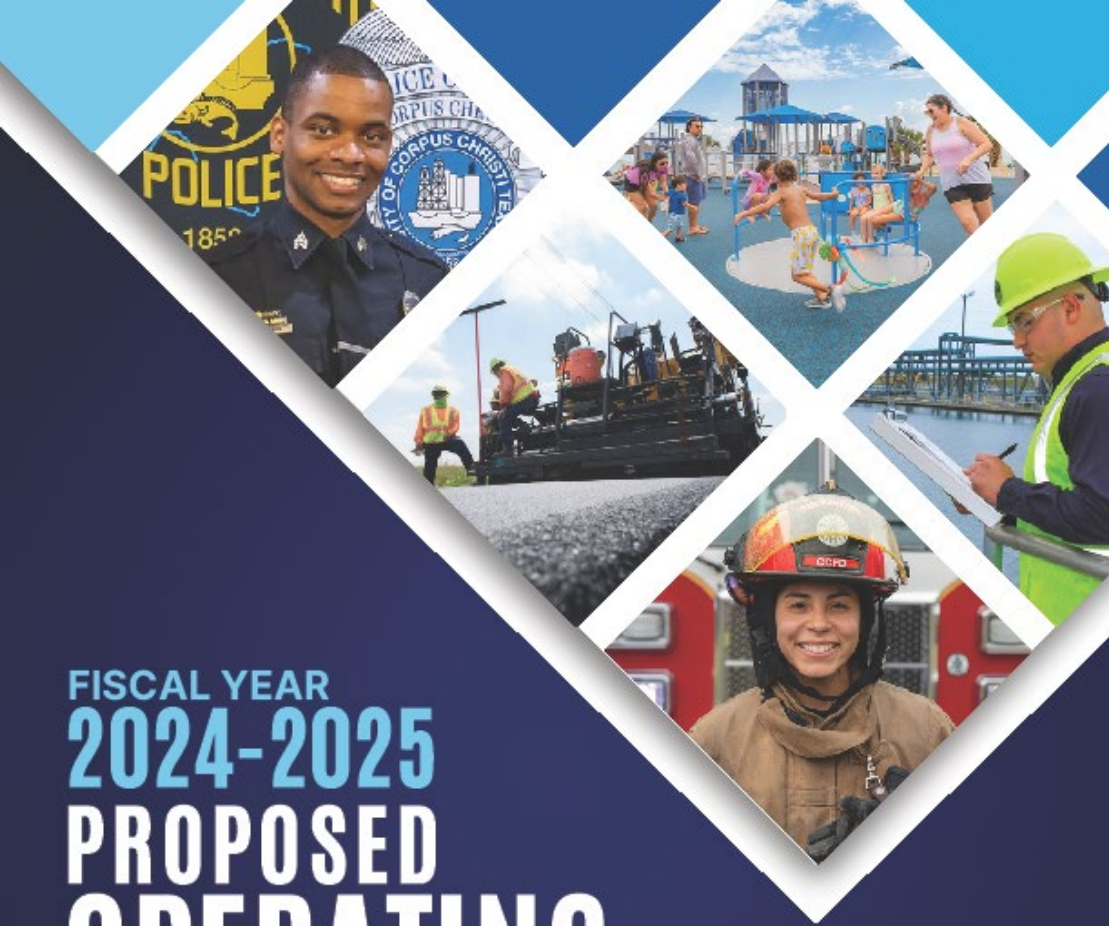
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CITY MANAGER  
PETER ZANONI



# Hotel Occupancy Tax (HOT)

## Texas State Comptroller:

- **Local Hotel Occupancy Tax (HOT)** must be collected from all guests who rent a room or space in a hotel costing \$2 or more each day.
- **State Hotel occupancy tax (SHOT)** must be collected from all guests who rent a room or space in a hotel costing \$15 or more each day.
  - The tax applies not only to hotels and motels but bed and breakfasts, condominiums, apartments and houses.

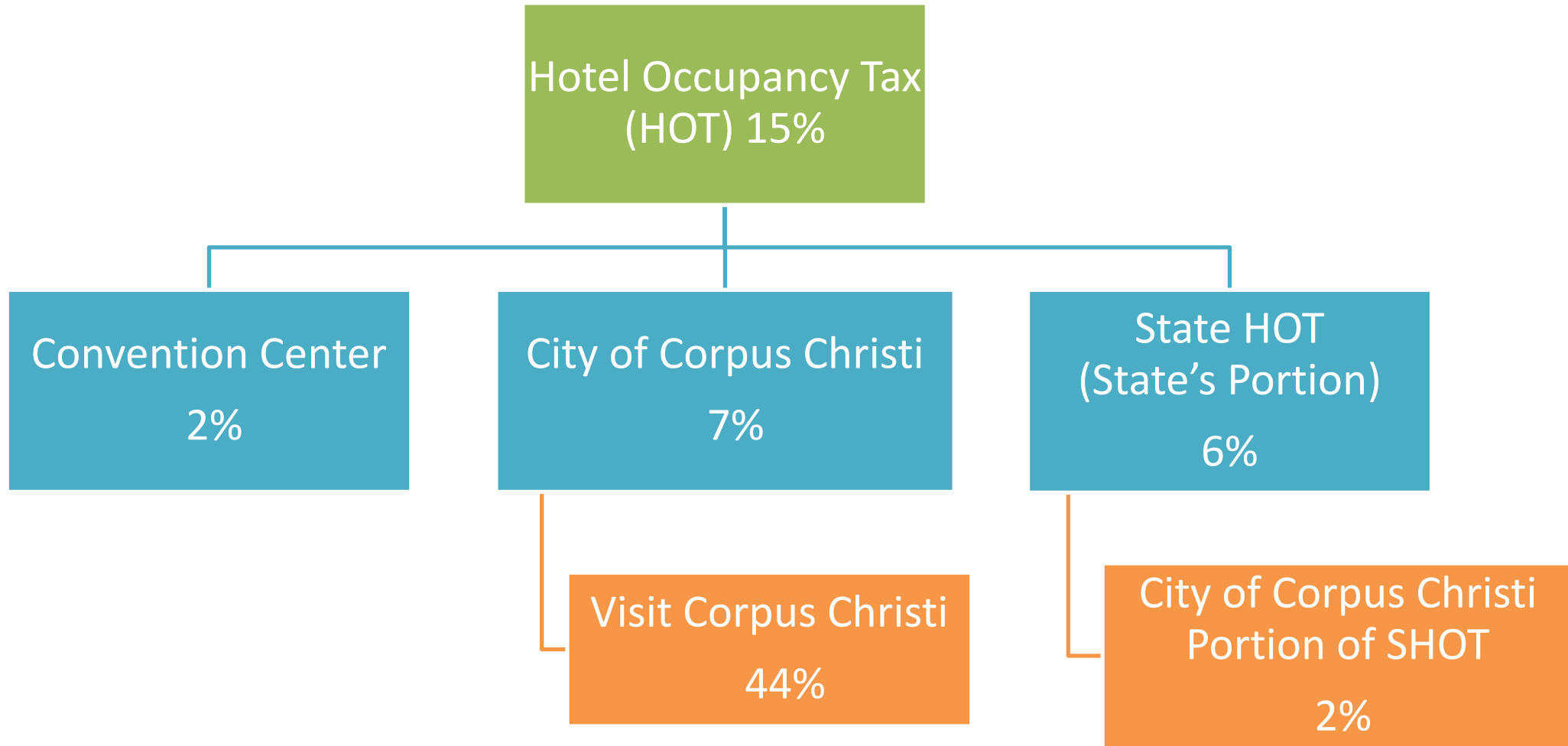
In Corpus Christi, an overall **15% Hotel Occupancy Tax** is charged on all overnight stays.

- Municipal Tax Rate: 7%
- State HOT Tax Rate: 6% (2% goes to coastal communities for beach)
- Convention Center Tax Rate: 2%
- Maximum HOT Tax Rate allowed is 17%

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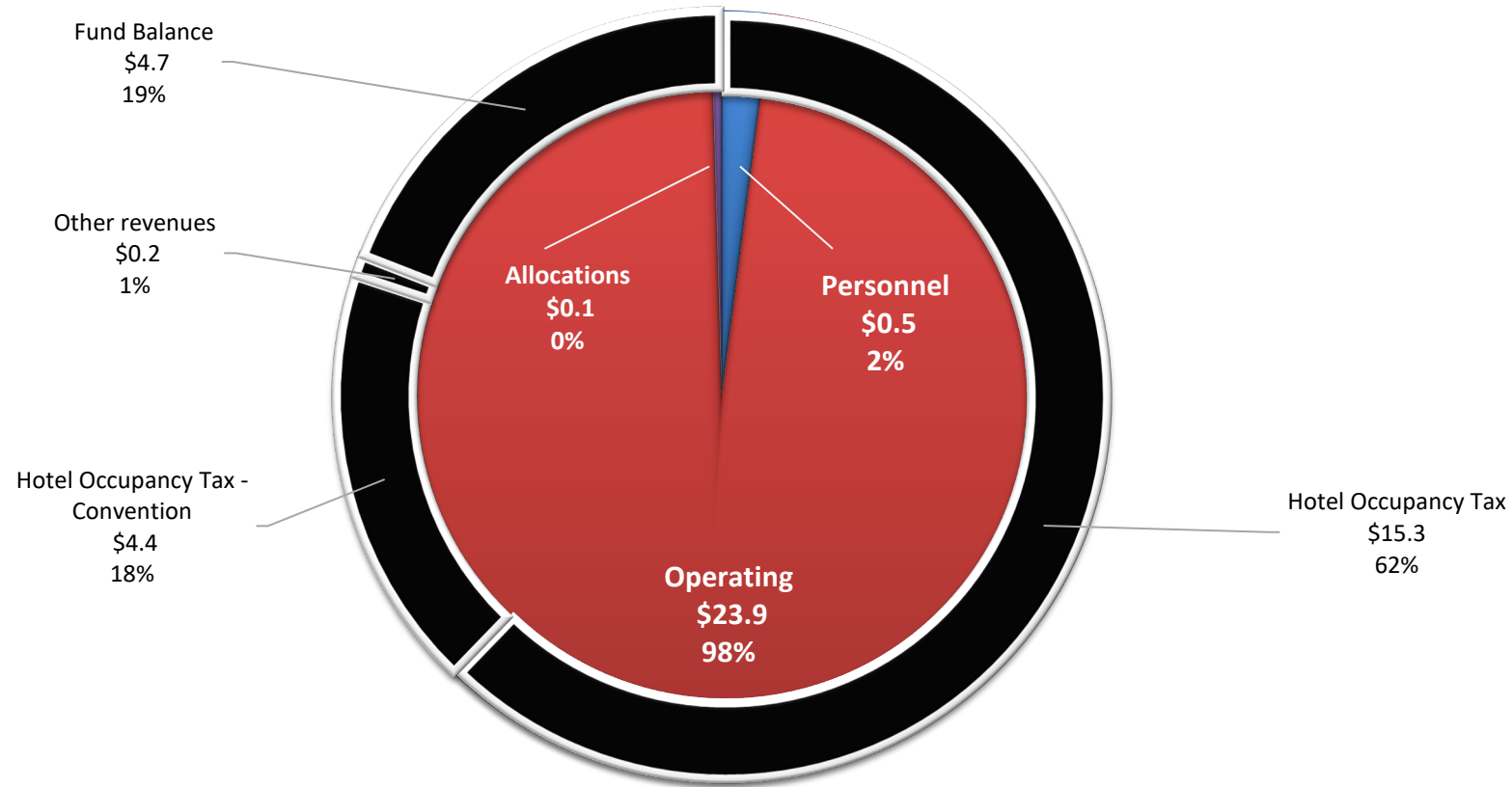
CCTPID (Corpus Christi Tourism Public Improvement District) – CCTPID collects a fee on hotels with 40 or more rooms at a rate of 2% of the taxable room rate sold at qualifying hotels located within the TPID. The revenue collected is used to supplement the existing sales and marketing budget of VCC in order to produce increased leisure, business, and large group business to Corpus Christi hotels.

# Hotel Occupancy Tax (HOT)





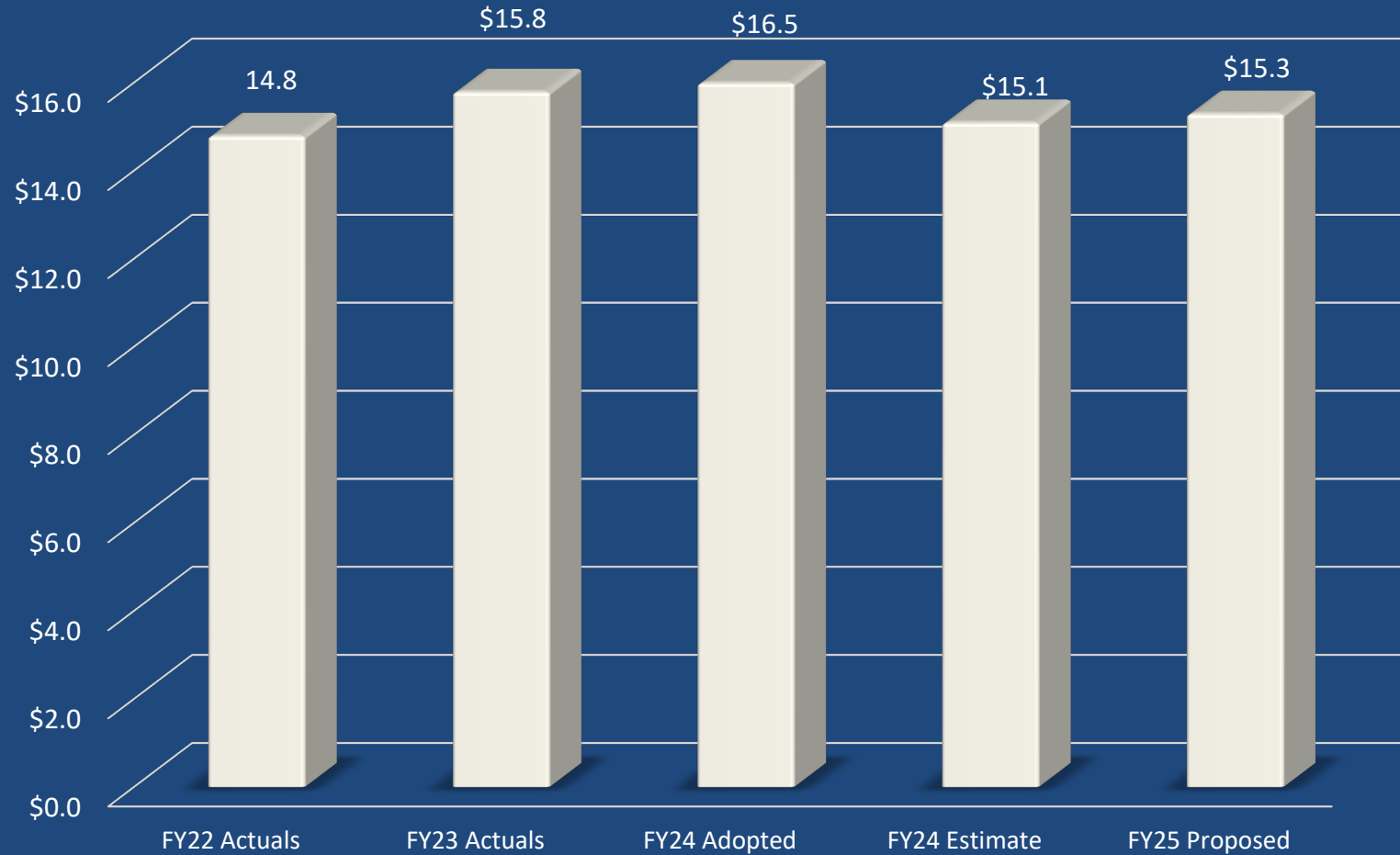
# FY 2025 PROPOSED BUDGET HOT FUND: \$24.5M



HOT Fund	FY 2023 Actuals	FY 2024 Budget	FY 2025 Budget	Variance 24 vs. 25
Revenues	\$20.7	21.5	\$19.9	(\$1.6)
Expenditures	\$19.3	\$24.4	\$24.5	\$0.1

# HOT REVENUE HISTORY

\$ in Millions



# FY2025 HOT Expenditures

Description	Proposed FY2025 \$ in Millions
Tax Collection Software	\$0.1
Texas State Aquarium	\$0.3
Special Events (Lexington and Junior Olympics Boxing)	\$0.1
Museum of Science & History	\$0.5
Art Museum of South Texas	\$0.4
Botanical Gardens	\$0.1
Convention Center Maintenance & Operations	\$1.8
Group Incentive Program (GIP)	\$0.6
Seawall Programming	\$0.1
PBR Nationwide Tour Marketing	\$0.3

Description	Proposed FY2025 \$ in Millions
Visit Corpus Christi Tourism & Convention promotion	\$6.7
Arts Grants/Projects	\$0.3
Bayfront Arts and Science Park Maintenance	\$1.0
Multicultural Area Maintenance	\$0.5
City Wide Wayfinding	\$0.3
Whataburger Field Maintenance & Insurance	\$0.4
Beach & Shoreline Operations (SHOT)	\$1.5
Transfer to General Fund	\$0.3
Transfer to CIP Fund for ABC	\$9.2
<b>TOTAL</b>	<b>\$ 24.5</b>

# FY2025 Convention Center Capital Maintenance

Description	Proposed FY2025 \$ in Thousands
Kitchen Equipment Replacement	\$75
Warehouse Walk-in Doors Replacement	\$25
Main Kitchen Walk-in Over-Haul	\$75
Cleaning Equipment Replacement	\$150
Parking Garage Fencing Improvements	\$100
Add built-in Screens and Projectors HG Ballroom	\$250
Trash Cans Replacement	\$25
Building Maintenance and Improvements	\$700
<b>TOTAL</b>	<b>\$1,400</b>

# FY2025 HOT CIP Fund Projects

Description	Proposed FY2025 \$ in Millions	Funding Planned for FY2026 \$ in Millions
Auditorium Electrical Distribution Equipment and Switchboards	\$ .77	\$1.3
Auditorium Fire Pump Upgrades	\$.15	
Convention Center Loading Dock/Parking Garage Flood Mitigation	\$1.8	
Convention Center HVAC Management System Replacement and Improvements	\$2.9	
Convention Center HVAC System and Chiller Replacement	\$2.3	\$3.5
Convention Center Lighting Control System	\$1.3	
<b>TOTAL TRANSFER TO CIP FUND</b>	<b>\$9.2</b>	<b>\$4.8</b>



VISIT CORPUS CHRISTI

# Power of Tourism

2023-2024 Budget Presentation



Visit Corpus Christi is an internationally accredited 501c6 Destination Management Organization contracted by the city of Corpus Christi to promote travel and tourism. The Organization is managed by a 17-member Board of Directors with a mission of Strengthening the Community by Sharing Corpus Christi with the World.

**VCC receives no public funds and has two primary funding sources that are paid for by visitors staying in overnight accommodations.**

1. Per state statute the city of Corpus Christi levies a 7% Hotel Occupancy Tax (HOT) on overnight visitors in hotels and short-term rentals of which VCC receives 44%.
2. Beginning August 1, 2022, hotels within the city limits with over 40 rooms created a Tourism Public Improvement District (TPID). The TPID is a 2% assessment on overnight stays of which VCC receives 100% for marketing and sales initiatives.

Visit Corpus Christi also has a 501c3 non-profit foundation. This foundation supports the local hospitality and tourism industry via sports development, workforce development initiatives and education programs, and providing funding to individuals and businesses during times of need through the Visit CC Cares program.

**\$1.48 BILLION**  
ANNUAL VISITOR SPENDING

TOURISM CONTRIBUTES \$50 MILLION+ ANNUALLY IN TAX REVENUES TO THE CITY. TOURISM'S IMPACT IS ENOUGH TO FUND...



**28,000 TOTAL**  
EMPLOYEES IN THE LEISURE & HOSPITALITY INDUSTRY.

LEISURE & HOSPITALITY IS THE 4TH LARGEST INDUSTRY IN CORPUS CHRISTI.

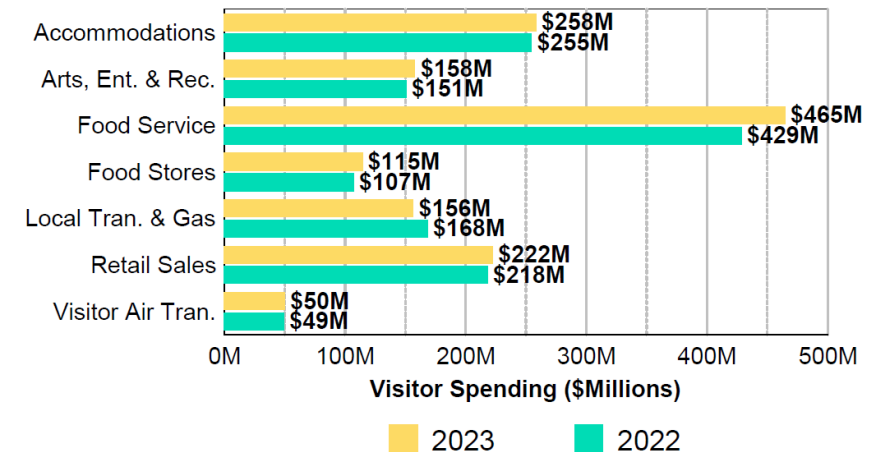


\*\*Dean Runyan Annual Economic Impact Report, TAMUCC Report on the Fiscal Impact of Tourism, and the Bureau of Labor Statistics

**Return on Investment of Tourism:**

- **\$12,590:1** - Residents: To keep the economy running at its current pace, local residents would have to spend \$12,590 annual if there was no tourism.
- **\$56:1** - Conventions, Sports, Film, Music: For every \$1 VCC spends to incentivize groups to have their event in Corpus Christi, those attendees spend \$56 in local businesses.
- **\$30:1** - Visitor Spend: For every \$1 spent on advertising, investments resulted in \$30 of visitor spending in Corpus Christi.
- **\$5.60:1** - Sales and Marketing: For every \$1 spent on marketing and sales, more than \$5.60 is returned to the city in local tax revenues, that are used to fund essential city services like streets, police, fire and parks.
- **\$11.60:1** - Advertising: For every \$1 VCC spends on advertising to potential tourist, visitors spend \$11.60 in the flight and overnight accommodations.

**Visitor Spending by Commodity Purchased**



3.05 million rooms sold



# Corpus Christi leads the Texas coast



# Forecasts indicate slow beginning but strong end

## Forecasted year over year change

		Demand	Revenue
FY2023	Q4	+1.3%	+3.0%
FY2024	Q1	-0.8%	+0.5%
	Q2	-0.8%	+0.1%
	Q3	+1.7%	+3.8%
	Q4	+2.9%	+5.6%
FY2025	Q1	+2.7%	+5.4%
	Q2	+2.4%	+4.3%
	Q3	+1.2%	+3.0%
	Q4	+1.0%	+2.9%
FY2026	Q1	+1.1%	+2.9%

# Convention sales

## Metrics

### SECURE GROUP BUSINESS THROUGH PROSPECTING EFFORTS.

#### New leads

59 new group leads were sourced

#### Tentative Leads in the funnel – without Skills USA

133 leads

106,628 room nights

\$48,937,221 in estimated economic impact

#### Definite leads

19 leads were turned definite worth:

6,404 room nights

\$2,296,395 in estimated economic impact



# SkillsUSA Texas 2024 recap

April 4 – 7, 2024

- Over 7,000 attendees
- 8,761 room nights
- \$1,357,955 estimated hotel revenue
- \$5,239,154 estimated Economic Impact
- \$197,326 local tax collections generated

MEET   
CORPUS  
CHRISTI



# Sports sales

## Metrics

### SECURE GROUP BUSINESS THROUGH PROSPECTING EFFORTS.

#### New Leads

25 leads were sourced

#### Tentative Leads in the funnel

11 leads

20,674 room nights

\$9,202,999 estimated economic impact

#### Definite Leads

21 leads were turned definite worth:

15,949 room nights

\$7,044,898 in estimated economic impact



# Film & Music update

International 'FDCLA' Latino Film Festival  
International Latino film festival held in Corpus Christi

'COHETES' Feature Film Production Partnership  
F&M Commission proving guidance for funding

Pre-production: Corpus Christi Film Commission Marketing Commercial  
Collaboration with local community filmmakers and community partners

ACES High Production Commercial Shoot  
Medical national commercial production

Film friendly Texas forum  
May 16<sup>th</sup>, New Braunfels, TX

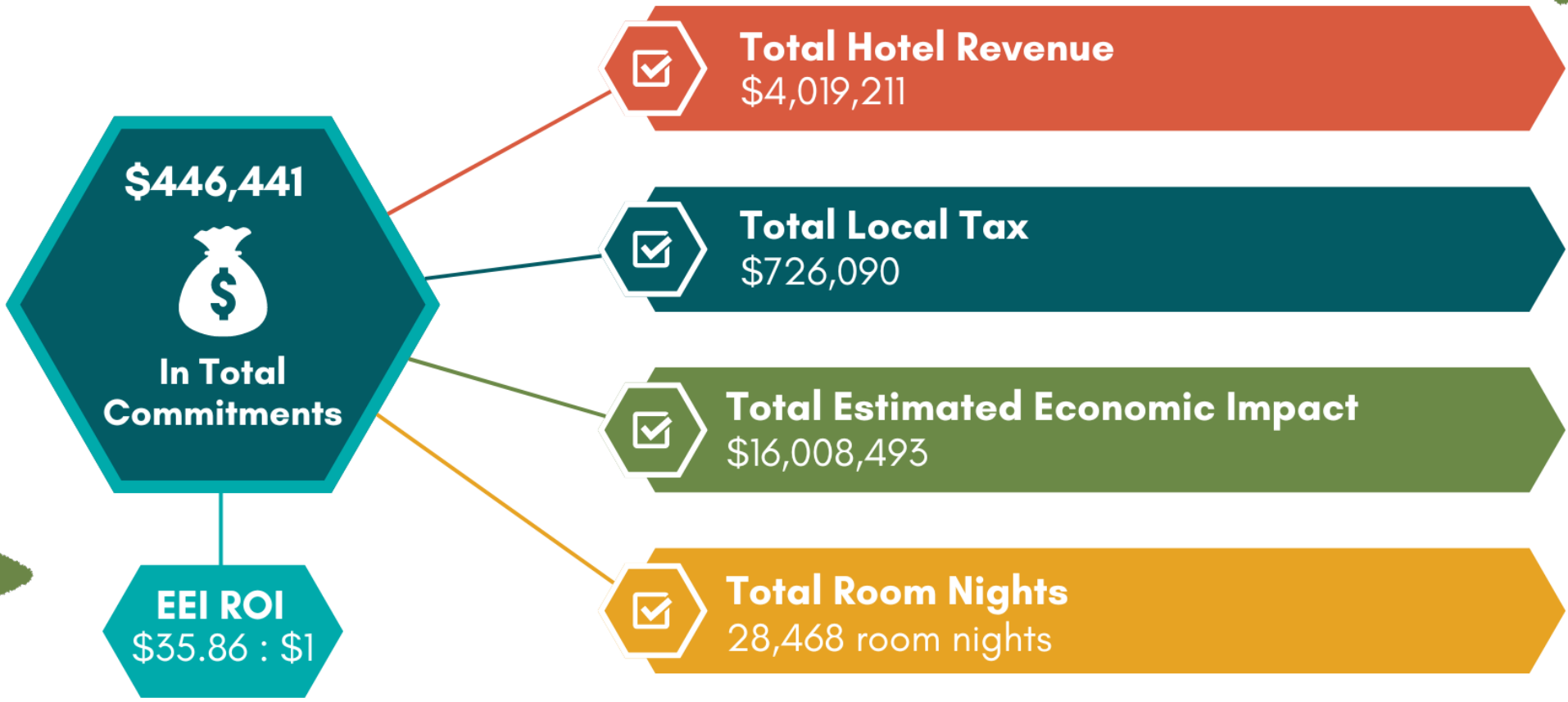
Association of Film Commissioners International (AFCI)  
Lydia Garza became a Certified Film Commissioner

Music Walk – October 4, 2024  
In conjunction with Fall marketing campaign initiatives



# Group Incentive Program

FY 23-24 Recap



# Public Relations Notable Publications To Date

Forbes (UVM: 84,460,132 )

- These "in your backyard" vacation destinations save time and money

Travel Leisure (UVM: 11,300,000)

- 8 best places to retire in Texas, according to local experts

Texas Highways (UVM: 292,000)

- 4 Ways to Relax and Recharge in Corpus Christi

AAA Travel (UVM: 1,250,000 )

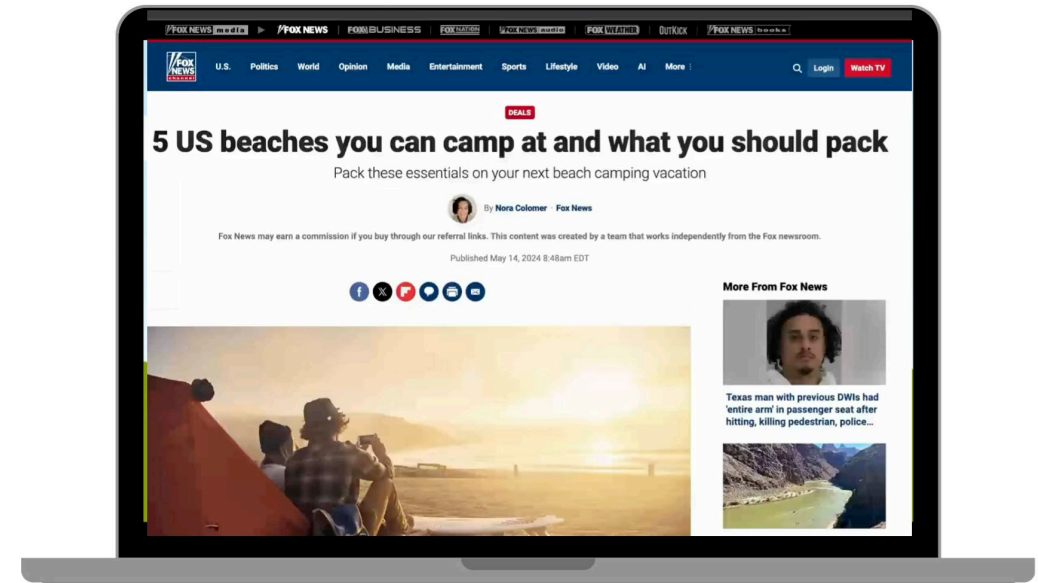
- 7 fun getaways across Texas

Texas monthly (UVM: 1,512,777)

- A Monthly Block Party Marks a Proud New Era or Corpus Christi

Fox news (UVM: 469,651,171)

- 5 US beaches you can camp at and what you should pack







# *The Golden Age of Travel*

PREPARE TO EXPERIENCE THE TIMELESS GLAMOUR OF TRAVEL

**THURSDAY**  
**NOVEMBER 7**

AMERICAN BANK CENTER  
HENRY GARRETT BALLROOM

DOORS OPEN AT 5:30 PM

# 2024-2025 Strategies

- ✓ **Air Service Development and Expansion of Marketing**
- ✓ **International Tourism Sales & Marketing Strategy**
- ✓ **Corpus Christi Sports Hall of Fame and Awards**
- ✓ **Film & Music Commission Sales Strategy**
- ✓ **Austin Takeover with Partners for CB to ATX**
- ✓ **Experience Grant Program Expansion**
- ✓ **Hospitality Workforce Program (PATH) Expansion**
- ✓ **Corpus Christi Relocation Marketing Campaign**
- ✓ **Corpus Christi Global Meetings Day Event**



# Transparenc.com

- ✓ **2023 DestinationNEXT Assessment**
- ✓ **2023-27 Strategic Plan**
- ✓ **Annual Destination Business Plan**
- ✓ **Current and Past:**
  - ✓ **Monthly Organizational Reports**
  - ✓ **Quarterly Data Reports & Insights**
  - ✓ **Annual Reports**
  - ✓ **Economic Impact Reports**
  - ✓ **Resident Sentiment Surveys**
  - ✓ **Tourism Partner Studies & White Papers**

Scan the code for more information





# VISIT CORPUS CHRISTI



# BUDGET WRAP-UP

## FY2024-2025 PROPOSED BUDGET

*Presented by*

Eddie Houlihan,  
Director of Management & Budget

August 29, 2024

FISCAL YEAR  
**2024-2025**  
PROPOSED  
**OPERATING  
BUDGET**

PRESENTED TO CITY COUNCIL  
ON JULY 30, 2024



CITY OF CORPUS CHRISTI  
CITY MANAGER  
PETER ZANONI



# Budget Public Input Sessions

Aug.  
5

District 1 Community Input session, Brewster Street Ice House

Aug.  
7

District 2 Community Input session, The Terrace Restaurant & Bar

Aug.  
8

District 3 Community Input session, Muelle 37

Aug.  
14

District 5 Community Input session, Del Mar College Oso Creek

Aug.  
15

District 4 Community Input session, Funtrackers in the Game

Aug.  
19

District 4 Community Input session, The Waterline at Doc's

Aug.  
21

District 1 Community Input session, Railroad Seafood & Brewery



# Public Input Session Summary

- Average attendance – 35
- Comments were focused on Libraries, Senior Centers, Public Safety, Code Compliance, and Homelessness

# Council Workshops

DATE	TOPIC
Thursday, August 1	Water and Wastewater
Thursday, August 8	Budget Recommendations Update, Libraries, Code Compliance, Parks and Recreation , Employee Compensation and Benefits
Thursday, August 15	Solid Waste, Public Works, Animal Care Services, Health
Thursday, August 22	Police, Fire, Development Services
Thursday, August 29	Capital Improvement Program, HOT Projects including Visit Corpus Christi presentation, Potential Adjustments





# Budget Amendments

## General Fund

Net Revenue adjustment / Use of Fund Balance	\$29,948
<b>Expenditures Increase:</b>	
Restore 5 of 5 Code Compliance Officers	\$284,783
Restore Code Compliance \$200K of \$400K mowing budget and \$100K of \$200K demolition budget	\$300,000
Restore 40 of 55 hours to Garcia Library	\$404,265
Restore 3 months of OSO Bay Learning Center Operations	\$269,822
Restore Greenwood Senior Center Operations	\$180,191
Restore 2 Animal Care Kennel Technicians	\$77,917
Add Funding for Community Text Messaging Service Pilot Program	\$300,000
Adding funding for North Beach Kiwanis Baseball Field	\$100,000
Adding Funding for 1 Grant Writer Position	\$63,256

# Budget Amendments

## General Fund

<b>Expenditures Decrease:</b>	
Decrease Transfer to Street Fund and use Steet Fund Balance	\$699,684
Additional Projected Vacancy Savings	\$628,051
Eliminate funding for Assistant City Manager (ACM) and ACM Executive Assistant	\$358,065
Decrease Overtime across various departments	\$184,429
Decrease Cash Management Temporary Services	\$70,007
Eliminate 2 positions as part of Library Director's Alternative Hours Plan	\$69,946

# Budget Amendments

## Special Revenue Funds

- Street Maintenance – \$699,684
  - Decrease Interfund Transfer from General Fund and replace with fund balance in Street maintenance fund - \$699,684
- Local Emergency Planning Fund - \$8,631
  - Increase Contributions and Donations revenue - \$8,631
  - Increase Everbridge Agreement expenditures - \$8,631



FISCAL YEAR  
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CITY OF CORPUS CHRISTI  
CITY MANAGER  
PETER ZANONI

# FY2024-2025

## BUDGET WORKSHOP #5

CIP REVIEW  
HOT PROJECTS  
VISIT CORPUS CHRISTI  
BUDGET WRAP-UP

**AUGUST 29, 2024**