

**VICTORIA SALES TAX DEVELOPMENT CORPORATION**

**FY2020-2021 PROPOSED BUDGET**

**JULY 27, 2020**

# Victoria Sales Tax Development Corporation

## FY2020-2021 Proposed Budget

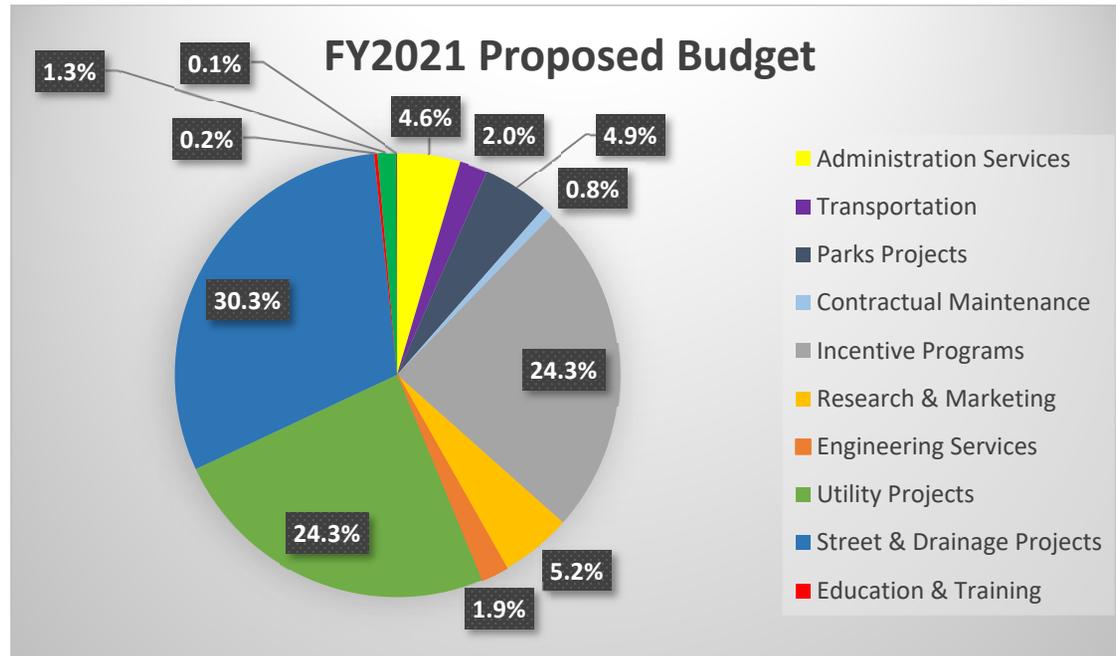
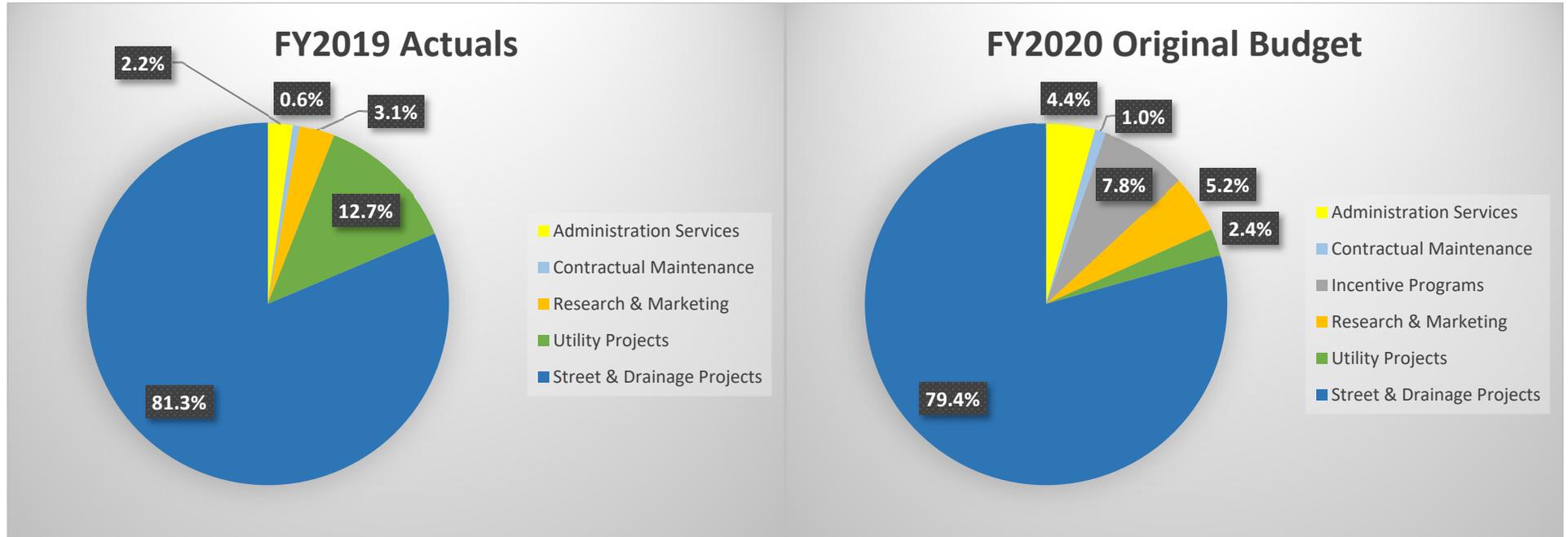
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	Fiscal Year Fiscal Year 2018-2019 Actual	Fiscal Year 2019-2020 Original Budget	Fiscal Year 2019-2020 Amended Budget	Fiscal Year 2019-2020 Projected Actual	Fiscal Year 2020-2021 Proposed Budget	Fiscal Year 20-21 vs 19-20 Variance	Fiscal Year 20-21 vs 19-20 Percent
<b>Beginning Fund Balance:</b>							
Undesignated Operating Fund Balance	\$ 3,013,262	\$ 5,030,923	\$ 5,094,858	\$ 5,094,858	\$ 10,677,485	\$ 5,646,562	112.2%
Designated Fund Balance - Outstanding Projects	17,363,427	-	11,015,555	11,015,555	-	-	0.0%
<b>Total Beginning Fund Balance</b>	<b>\$ 20,376,689</b>	<b>\$ 5,030,923</b>	<b>\$ 16,110,413</b>	<b>\$ 16,110,413</b>	<b>\$ 10,677,485</b>	<b>\$ 5,646,562</b>	<b>112.2%</b>
<b>Revenues:</b>							
Sales Tax Receipts	\$ 8,555,867	\$ 8,276,000	\$ 8,276,000	\$ 8,005,319	\$ 7,673,589	\$ (602,411)	-7.3%
Interest Income	519,251	250,000	250,000	295,000	100,000	(150,000)	-60.0%
Miscellaneous Income	-	28,500	28,500	28,500	28,500	-	0.0%
Deallocated Funds Transferred In	153,269	-	-	230,140	-	-	0.0%
<b>Total Revenues:</b>	<b>\$ 9,228,387</b>	<b>\$ 8,554,500</b>	<b>\$ 8,554,500</b>	<b>\$ 8,558,959</b>	<b>\$ 7,802,089</b>	<b>\$ (752,411)</b>	<b>-8.8%</b>
<b>Expenditures:</b>							
Administration Services	\$ 300,000	\$ 367,820	\$ 367,820	\$ 365,877	\$ 473,854	\$ 106,034	28.8%
Transportation	-	-	-	-	209,000	209,000	0.0%
Parks Projects	-	-	-	-	500,000	500,000	0.0%
Contractual Maintenance	82,460	81,190	82,940	82,940	81,190	-	0.0%
Incentive Programs	-	651,131	651,131	651,131	2,500,000	1,848,869	283.9%
Research & Marketing	423,540	433,540	508,540	508,540	539,540	106,000	24.4%
Engineering Services	-	-	-	-	200,000	200,000	0.0%
Utility Projects	1,711,139	200,000	200,000	200,000	2,500,000	2,300,000	1150.0%
Street & Drainage Projects	10,977,525	6,666,238	17,162,909	12,181,456	3,120,350	(3,545,888)	-53.2%
Education & Training	-	-	-	1,943	25,000	25,000	0.0%
Downtown Operations	-	-	-	-	135,000	135,000	0.0%
Capital Expenses	-	-	-	-	10,350	10,350	0.0%
<b>Total Expenditures:</b>	<b>\$ 13,494,663</b>	<b>\$ 8,399,919</b>	<b>\$ 18,973,340</b>	<b>\$ 13,991,887</b>	<b>\$ 10,294,284</b>	<b>\$ 1,894,365</b>	<b>22.6%</b>
<b>Ending Fund Balance:</b>							
Undesignated Operating Fund Balance	\$ 5,094,858	\$ 5,185,504	\$ 5,691,573	\$ 10,677,485	\$ 8,185,290	\$ 2,999,786	57.8%
Designated Fund Balance - Outstanding Projects	11,015,555	-	-	-	-	-	0.0%
<b>Total Ending Fund Balance</b>	<b>\$ 16,110,413</b>	<b>\$ 5,185,504</b>	<b>\$ 5,691,573</b>	<b>\$ 10,677,485</b>	<b>\$ 8,185,290</b>	<b>\$ 2,999,786</b>	<b>57.8%</b>

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### Administrative Services

#### *Director of Economic Development*

This full-time position is responsible for working closely with VSTDC, Victoria Economic Development Corporation, Main Street Program and other economic development partners as well as City staff in promoting the business and economic development interests within the community. The Director will be responsible for promoting business attraction and retention that promotes the economic viability within our community. This individual will become the direct point of contact with The Retail Coach and other partners. This role will represent an exciting chance for the City of Victoria to build an innovative and robust economic platform for economic and community development. The Director will shape economic and community development activities, its strategies and goals, maintain and analyze data reflecting the effectiveness of economic activities and promotions, and look to increase the City's commercial, residential and industrial tax base. This position will report directly to the City Manager. In FY2020-2021 this person would be directly overseeing the Economic Development Strategic Plan process.

#### **Requested Funding FY2020-21: \$160,000**

Historical Funding	Amount
2018-19	\$-0-
2019-20	\$-0-

#### *Grant Administrator*

The Grant Administrator is an employee of the City of Victoria who manages all aspects of the grant process, from research and grant identification to application submission to post award management and reporting. This person will be working closely with our economic development partners and the Golden Crescent Regional Planning Commission for EDA Grant Opportunities. This request is for 20% of total salary and benefits.

#### **Requested Funding FY2020-21: \$13,854**

Historical Funding	Amount
2018-19	\$-0-
2019-20	\$-0-



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### ***Contract Management & City's Administration Services***

The interlocal agreement with the City of Victoria covers the following as it relates to construction projects funded by VSTDC:

1. Research and development costs;
2. Engineering, accounting, and legal services;
3. Plans, specifications, surveys, and other expenses incident to determining the feasibility and practicability of acquiring, constructing, reconstructing, improving, and expanding the projects; and
4. Administrative expenses and such other expenses as may be necessary or incident to the acquisition, construction, reconstruction, improvement, and expansion of projects.

### **Requested Funding FY2020-21: \$300,000**

Historical Funding	Amount
2018-19	\$300,000
2019-20	\$300,000

## **Transportation**

### ***Victoria Transit***

The agreement authorizes the Golden Crescent Regional Planning Commission (GCRPC) to administrate, oversee, and operate the transit system in the City of Victoria, now in its 22<sup>nd</sup> year of operation, and identifies a proposed match of \$209,000 which had previously been funded by the City of Victoria. The proposed match is the same amount as the previous six fiscal years.

### **Requested Funding FY2020-21: \$209,000**

Historical Funding	Amount
2018-19	\$-0-
2019-20	\$-0-

## **Parks Projects**

### ***Riverside Splashpad***

The proposed project will enhance quality of life by constructing of a multi-decked splashpad consisting of several levels of interactive play and numerous slides in Riverside Park near the entrance off of McCright Drive for a total estimated cost of \$1 million. The City of Victoria will provide additional funding of \$500,000 for this project.

### **Requested Funding FY2020-21: \$500,000**

Historical Funding	Amount
2018-19	\$-0-
2019-20	\$-0-



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### Maintenance

#### *Lone Tree Business Park I and II Projects*

Mowing contracts for the Lone Tree Business Park I and II sites cover 32 annual mowings for purposes of maintaining presentable sites to prospective businesses / investors.

**Requested Funding FY2020-21: \$25,190**

Historical Funding	Amount
2018-19	\$24,820
2019-20	\$25,190

#### *Loop 463 Right of Way Mowing Program*

The mowing contract for the Loop 463 Right of Way from Highway 87 to Salem Road provides for an additional three to four to the three annual mowings performed by TxDOT. The project will greatly improve the appearance of one of the main retail areas of Victoria.

**Requested Funding FY2020-21: \$56,000**

Historical Funding	Amount
2018-19	\$60,000
2019-20	\$56,000

### Incentive Programs



This appropriation of funds would be used towards economic development projects that arise throughout the fiscal year, including but not limited to, 380 agreements with developers. Included in this amount is the second and final payment of the US-59 Texan Project for \$651,131.

**Requested Funding FY2020-21: \$2,500,000**

Historical Funding	Amount
2018-19	\$-0-
2019-20	\$651,131

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### Research & Marketing

#### ***Contract with Victoria Economic Development Corporation***

The Victoria Economic Development Corporation's key objectives are to recruit new businesses, both international and domestic, in order to create jobs and increase the tax base; and to retain and expand existing business by assisting them to increase profitability through exports, strategic alliances, new project development and workforce development improvements. The amount proposed is the same as the prior year although VEDC is requesting \$463,000. The final proposed amount is pending work to be done by the VEDC Contract Renegotiating Sub-Committee. See attached exhibit for VEDC's proposed FY2020-2021 budget.

#### **Requested Funding FY2020-21: \$394,000**

Historical Funding	Amount
2018-19	\$384,000
2019-20	\$394,000

#### ***Retail Economic Development Plan and Recruitment Services Project***

VSTDC has contracted with the Retail Coach since FY2014 to provide consulting services to facilitate marketing of Victoria.

#### **Requested Funding FY2020-21: \$30,000**

Historical Funding	Amount
2018-19	\$30,000
2019-20	\$30,000

#### ***Sales Tax Analysis and Reporting System Project***

VSTDC has contracted with Lewis McClain since 2018 for professional consulting services for constructing and maintaining a Sales Tax Analysis & Reporting System. During the COVID-19 event, HDL Companies has provided their sales tax reporting product free of charge which normally has an annual cost of \$6,000. This company also provides sales tax audit services for which fees are paid based on recovered amounts.

#### **Requested Funding FY2020-21: \$15,540**

Historical Funding	Amount
2018-19	\$7,632
2019-20	\$9,540

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### ***Strategic Planning***

Contract with strategic planning consultant to seek stakeholder input and revise the Victoria Economic Development Strategic Plan. VSTDC would include the following partners/organizations: VEDC, Main Street, Victoria Regional Airport, City of Victoria, Victoria County, Port of Victoria, Chamber of Commerce, Visitors and Convention Bureau, COG, UHV, Victoria College, Victoria Alliance, Retail Coach, area-wide EDC's.



**Requested Funding FY2020-21: \$100,000**

Historical Funding	Amount
2018-19	\$-0-
2019-20	\$-0-

### **Engineering Services**

#### ***Industrial Sites – Feasibility Study***

The purpose of these funds is to create flexibility for VSTDC as they work with VEDC and/or other partners to identify development opportunities. The funds are intended to help with costs associated, but not limited to, engineering analysis, environmental studies, and market studies to make land as developable as possible.

**Requested Funding FY2020-21: \$200,000**

Historical Funding	Amount
2018-19	\$-0-
2019-20	\$-0-

### **Utilities Projects**

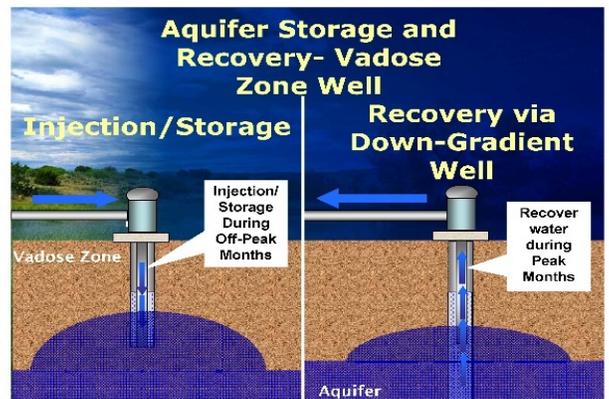
#### ***ASR Phase III Project - Construction***

This funding is for the design and construction one new Aquifer Storage and Recovery Well and required monitoring wells located in Riverside Park near Young Street. The estimated Storage rate is 1,650 gpm or 2.3 MGD or 7.29 ac-ft/day. The estimated Recovery rate at 3,150 gpm or 4.53 MGD or 13.83 ac-ft/day.

The ASR Assessment Project is planned to be completed by the end of 2020, with required reporting to TCEQ. It confirms the steps necessary to permit, design and construct the new ASR well and required monitoring wells.

**Requested Funding FY2020-21: \$2,500,000**

Historical Funding	Amount
2018-19	\$1,620,000
2019-20	\$200,000



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### Street, Sidewalk, Drainage & Other Infrastructure Projects



#### ***Crestwood Phase III Reconstruction Project - Construction***

This is the last phase of the Crestwood Drive Reconstruction Project. This phase consists of reconstructing Crestwood Drive from Navarro to Main in a three-lane concrete section including an 8' hike and bike trail, a 5' sidewalk, and water and sanitary sewer replacement. This project is anticipated to be completed by December 2022.

**Requested Funding FY2020-21: \$3,120,350**

Historical Funding	Amount
2018-19	\$5,554,244
2019-20	\$6,666,238

### Education & Training

#### ***Board Member Training***

This funding will be for various training opportunities for VSTDC board members.

**Requested Funding FY2020-21: \$18,000**

Historical Funding	Amount
2018-19	\$-0-
2019-20	\$-0-

#### ***Director of Economic Development Training and Membership***

This funding will be for various training opportunities for the Director of Economic Development as well as membership to the Texas Economic Development Council.

**Requested Funding FY2020-21: \$7,000**

Historical Funding	Amount
2018-19	\$-0-
2019-20	\$-0-

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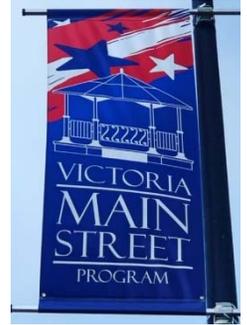
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### Downtown Operations

#### ***Downtown Main Street – Maintenance Program***

The City of Victoria Main Street Program functions to revitalize the Main Street / Downtown area to bring in new businesses and restaurants as well as completing beautification projects to encourage more shoppers to frequent this part of the City. This funding would be for a maintenance contract for mowing, tree trimming, landscaping, leaf blowing of 700 Main Center, Street of 10 Friends, Library, DeLeon Plaza and City Hall.



**Requested Funding FY2020-21: \$85,000**

Historical Funding	Amount
2018-19	\$-0-
2019-20	\$-0-

#### ***Downtown Main Street – Façade Grant Program***

The program would provide 50% match grant funding up to \$25,000 per applicant for façade restoration or other improvements necessary to stabilize a structure, to move a historic structure to another location within the historic district or other locations as approved by City Council, and/or to meet building code requirements.

**Requested Funding FY2020-21: \$50,000**

Historical Funding	Amount
2018-19	\$-0-
2019-20	\$-0-

### Capital Expenses

#### ***Director of Economic Development - Computer & Software***

This funding will be for computer equipment and software costs related to the hiring of a Director of Economic Development.

**Requested Funding FY2020-21: \$3,350**

Historical Funding	Amount
2018-19	\$-0-
2019-20	\$-0-

#### ***Director of Economic Development - Furniture***

This funding will be for office furniture related to the hiring of a Director of Economic Development.

**Requested Funding FY2020-21: \$7,000**

Historical Funding	Amount
2018-19	\$-0-
2019-20	\$-0-