

Victoria Sales Tax Development Corporation

The Victoria Sales Tax Development Corporation (VSTDC) was created in 1996 (Resolution 1996-19R) after voters approved an additional one-half of one percent sales tax to be used to fund a development corporation as authorized by section 4B, Article 5190.6 V.A.T.C.S., of the Development Corporation Act of 1979 (the Act). VSTDC may use Type 4B revenue to increase economic development by funding land, buildings, equipment, facilities expenditures, targeted infrastructure and improvements for projects including:

- manufacturing and industrial facilities, recycling facilities, distribution centers, and small warehouse facilities;
- research and development facilities, regional or national corporate headquarters facilities, primary job training facilities operated by higher education institutions, job training classes, telephone call centers and career centers not located within a junior college taxing district;
- certain infrastructure improvements that promote or develop new or expanded business enterprises;
- aviation facilities;
- commuter rail, light rail or commuter bus operations;
- port-related facilities, railports, rail switching facilities, marine ports, inland ports; and
- maintenance and operating costs associated with projects.

Type 4B revenue may also be used to fund land, buildings, equipment, facilities, targeted infrastructure and improvements for quality of life projects such as:

- professional and amateur sports and athletic facilities, tourism and entertainment facilities, convention facilities and public parks;
- related store, restaurant, concession, parking and transportation facilities;
- related street, water and sewer facilities; and
- affordable housing.

Type 4B revenue may be used to promote and develop new and expanded business enterprises that create or retain primary jobs, by funding:

- public safety facilities;
- recycling facilities;
- streets, roads, drainage and related improvements;
- demolition of existing structures;
- general municipally owned improvements; and
- maintenance and operating costs associated with projects.

Also, as stated in the original resolution, VSTDC was created to “further the public purpose on behalf of the City of Victoria of promoting and developing industrial and manufacturing enterprises to promote and encourage employment and the public welfare.” A promise to the voters ensured that 100% of the funds collected would be spent directly on community development projects. The promise also stated that no salaries or administrative costs would be funded by the proceeds of the tax and that the VSTDC would not be allowed to issue long-term debt in the form of bonds or other similar instruments.

Examples of projects funded by VSTDC include:

Lone Tree Business Park

Lone Tree Business Park II

Youth Sports Complex Project

Downtown Business District Overlay Phase III Project

Salem Crossing Oversizing Reimbursement Agreement Project

Navarro Median Utility – Country Club to Mockingbird Project

Placido Benavides Street Project

Red River and Crestwood Street Projects