

**VICTORIA SALES TAX DEVELOPMENT CORPORATION**

**FY2025-2026 PROPOSED BUDGET**

**September 22, 2025**

# Victoria Sales Tax Development Corporation

## FY2025-2026 Proposed Budget

September 22, 2025

	Fiscal Year 2023-2024 Actual	Fiscal Year 2024-2025 Original Budget	Fiscal Year 2024-2025 Amended Budget	Fiscal Year 2024-2025 Projected Actual	Fiscal Year 2025-2026 Proposed Budget	Fiscal Year 25-26 Budget vs 24-25 Budget	Fiscal Year 25-26 Budget vs 24-25 Budget Percent
<b>Beginning Fund Balance:</b>							
Undesignated Operating Fund Balance	\$ 16,383,297	\$ 17,008,202	\$ 18,448,060	\$ 18,448,060	\$ 13,351,785	\$ (3,656,417)	-21.5%
Designated Fund Balance - Outstanding Projects	5,750,922	-	815,045	815,045	-	-	0.0%
<b>Total Beginning Fund Balance</b>	<b>\$ 22,134,219</b>	<b>\$ 17,008,202</b>	<b>\$ 19,263,105</b>	<b>\$ 19,263,105</b>	<b>\$ 13,351,785</b>	<b>\$ (3,656,417)</b>	<b>-21.5%</b>
<b>Revenues:</b>							
Sales Tax Receipts	\$ 9,974,156	\$ 9,500,000	\$ 9,500,000	\$ 10,500,000	\$ 9,950,000	\$ 450,000	4.7%
Interest Income	1,183,784	680,000	680,000	836,000	550,000	(130,000)	-19.1%
Miscellaneous Income	33,334	34,000	34,000	34,000	34,000	-	0.0%
Deallocated Funds Transferred In	137,065	-	-	100,000	-	-	0.0%
Sale of Land	-	-	-	181,813	-	-	0.0%
Victoria County Interfocal Airport Agreement	-	125,000	125,000	125,000	-	(125,000)	-100.0%
<b>Total Revenues:</b>	<b>\$ 11,328,339</b>	<b>\$ 10,339,000</b>	<b>\$ 10,339,000</b>	<b>\$ 11,776,813</b>	<b>\$ 10,534,000</b>	<b>\$ 195,000</b>	<b>1.9%</b>
<b>Expenditures:</b>							
Administration Services	\$ 601,780	\$ 696,763	\$ 696,763	\$ 696,763	\$ 1,146,341	\$ 449,578	64.5%
Transportation	363,855	478,855	850,000	850,000	600,000	121,145	25.3%
Parks Projects	700,851	620,000	620,000	411,000	459,000	(161,000)	-26.0%
Contractual Maintenance	153,406	159,800	163,800	160,097	160,232	432	0.3%
Incentive Programs	-	2,000,000	1,900,000	1,652,887	2,000,000	-	0.0%
Entrepreneurial Program	33,333	-	-	-	-	-	0.0%
Workforce Development	-	150,000	150,000	150,000	150,000	-	0.0%
Port of Victoria	1,000,000	-	-	-	-	-	0.0%
Community Center Project	-	-	2,400,000	2,400,000	1,200,000	1,200,000	0.0%
Workforce Housing	500,000	-	1,000,000	1,000,000	260,000	260,000	0.0%
Library Project	-	-	700,000	700,000	-	-	0.0%
Public Safety Project	-	1,000,000	1,000,000	1,000,000	1,000,000	-	0.0%
Research & Marketing	633,896	585,000	590,338	590,338	590,000	5,000	0.9%
Professional Services	309,953	500,000	536,298	536,298	300,000	(200,000)	-40.0%
Education & Training	14,236	20,000	20,000	9,000	15,000	(5,000)	-25.0%
Downtown Operations	184,215	200,000	119,409	49,175	50,000	(150,000)	-75.0%
Utility Projects	1,454,669	2,870,000	2,870,000	2,870,000	2,125,000	(745,000)	-26.0%
Street & Drainage Projects	5,718,565	5,864,861	4,643,716	4,612,574	5,764,440	(100,421)	-1.7%
<b>Total Expenditures:</b>	<b>\$ 14,199,454</b>	<b>\$ 15,145,279</b>	<b>\$ 18,260,324</b>	<b>\$ 17,688,132</b>	<b>\$ 15,820,013</b>	<b>\$ 674,734</b>	<b>4.5%</b>
<b>Ending Fund Balance:</b>							
Undesignated Operating Fund Balance	\$ 18,448,060	\$ 7,061,505	\$ 6,201,363	\$ 8,211,367	\$ 2,665,772	\$ (4,395,733)	-62.2%
Designated Fund Balance - Outstanding Projects	815,045	-	-	-	-	-	0.0%
Reserve Fund Balance	-	5,140,418	5,140,418	5,140,418	5,400,000	259,582	5.0%
<b>Total Ending Fund Balance</b>	<b>\$ 19,263,105</b>	<b>\$ 12,201,923</b>	<b>\$ 11,341,781</b>	<b>\$ 13,351,785</b>	<b>\$ 8,065,772</b>	<b>\$ (4,136,151)</b>	<b>-33.9%</b>

# Victoria Sales Tax Development Corporation

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### Administration Services - \$1,146,341

*Retail and Economic Development Services*

\$652,241

*Contract Management & City's Administration Services*

494,100

Total:

\$1,146,341

### Transportation - \$600,000

*Victoria Transit*

\$600,000

### Parks Projects - \$459,000

*MLK Park*

\$250,000

*Riverside Park Soccer Field Parking Lot*

209,000

Total:

\$459,000

### Contractual Maintenance - \$162,800

*Lone Tree Business Park I and II Projects*

\$11,232

*Loop 463 Right of Way Mowing Program*

56,000

*Loop 463 Entryway Maintenance Program*

93,000

Total:

\$160,232

### Incentive Programs - \$2,000,000

*Future Incentive Programs*

\$2,000,000

### Workforce Development - \$150,000

*Workforce Development*

\$150,000

### Community Center Project - \$1,200,000

*Community Center Project*

\$1,200,000

### Workforce Housing - \$260,000

*Pine Street Project*

\$260,000

### Public Safety Project - \$1,000,000

*Public Safety Headquarters Project*

\$1,000,000

### Research & Marketing - \$590,000

*Contract with Victoria Economic Development Corporation*

\$520,000

*Retail Economic Development Plan and Recruitment Services Project*

50,000

*Sales Tax Analysis and Reporting System Project*

20,000

Total:

\$590,000

### Professional Services - \$300,000

*Professional Services*

\$300,000

### Education & Training - \$15,000

*Board Member Training & Professional Memberships*

\$15,000

# Victoria Sales Tax Development Corporation

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### Downtown Operations - \$50,000

*Contribution to Downtown TIRZ #1 for Façade Grant Program* \$50,000

### Utility Projects - \$2,125,000

*Mockingbird Sanitary Sewer Line Replacement* \$206,813

*Regional Wastewater Treatment Plant Project 1 Phase 1 Construction* 1,918,187

**Total:** \$2,125,000

### Street, Sidewalk, Drainage & Other Infrastructure Projects - \$5,764,440

*Lone Tree Mill and Overlay* \$1,026,110

*Hanselman Road Mill and Overlay* 656,235

*Glasgow Mill and Overlay* 576,000

*Edinburg Mill and Overlay* 705,510

*Juan Linn Mill and Overlay* 347,625

*SW Ben Jordan Mill and Overlay* 1,102,500

*Miori Lane Mill and Overlay* 1,350,460

**Total:** \$5,764,440

**Total FY2025-2026 Budget Requests:** \$15,820,013

# Victoria Sales Tax Development Corporation

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### Administration Services

#### *Retail and Economic Development Services*

**Requested Funding FY2025-26: \$652,241**

VSTDC outsources retail and economic development services that will include working closely with VSTDC, Victoria Economic Development Corporation, City of Victoria, Victoria County, Main Street Program, and other economic development partners as well as other City staff in promoting the business and economic development interests within the community. The services include promoting business attraction and retention that promotes the economic viability within our community such as coordinating with consultants and other partners. These services are outsourced to the City of Victoria and be under the direct direction of the City Manager. The City of Victoria continues to work towards augmenting staff to be able to expand services expected by VSTDC. Additional funding for this project in FY2025-26 is related to the new Business & Retention Program.

Historical Funding	Amount
2024-25	\$387,663
2023-24	\$292,680

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

**Requested Funding FY2025-26: \$494,100**

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

Historical Funding	Amount
2024-25	\$309,100
2023-24	\$309,100

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### Transportation

#### *Victoria Transit*

**Requested Funding FY2025-26: \$600,000**

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 26<sup>th</sup> year of operation, and identifies a match of \$600,000 which had been funded by the City of Victoria prior to FY2021-22.

Historical Funding	Amount
2024-25 (amended)	\$600,000
2023-24	\$228,855

### Parks Projects

#### *Parks Projects*

**Requested Funding FY2025-26: \$459,000**

Planned projects include design for renovations to MLK Park and to the Riverside Soccer Complex parking lot. Projects funded in prior years include the Riverside Park Dog Park, Duck Pond, Deleon Plaza, and Riverside Soccer Complex.

Historical Funding	Amount
2024-25	\$620,000
2023-24	\$1,130,000

### Contractual Maintenance

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

**Requested Funding FY2025-26: \$11,232**

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.

Historical Funding	Amount
2024-25	\$13,800
2023-24	\$13,800

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

**Requested Funding FY2025-26: \$56,000**

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.

<b>Historical Funding</b>	<b>Amount</b>
2024-25	\$56,000
2023-24	\$56,000

### ***Loop 463 Entryway Maintenance Program***

**Requested Funding FY2025-26: \$93,000**

The funding would cover costs associated with the maintenance of the entryways along Loop 463 which will be performed by the City's Community Appearance department. Costs include labor and materials to maintain the trees, flower beds, and mowing for these sites.

<b>Historical Funding</b>	<b>Amount</b>
2024-25	\$90,000
2023-24	\$90,000

### **Incentive Programs**

**Requested Funding FY2025-26: \$2,000,000**

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 and/or Performance Agreements.

<b>Historical Funding</b>	<b>Amount</b>
2024-25	\$2,000,000
2023-24	\$1,500,000

### **Workforce Development**

**Requested Funding FY2025-26: \$150,000**

These funds are intended to support workforce development in the region. One option utilized in prior years is the High Demand Job Training Program. As part of this program, Texas Workforce Commission enables Boards to collaborate with local EDCs and match their local economic development sales tax funds to jointly support the provision of such training. The grant awards are a one-to-one match of local EDC dollars, up to a maximum of \$150,000.00, and are awarded throughout the fiscal year.

<b>Historical Funding</b>	<b>Amount</b>
2024-25	\$150,000
2023-24	\$150,000

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### Community Center Project

#### Requested Funding FY2025-26: \$1,200,000

The City of Victoria is pursuing a renovation project up to \$35 million for the Community Center, which would improve the venue’s capacity to host livestock shows, rodeos, concerts, recreational athletic events and larger conventions, as well as local events such as church festivals, weddings and quinceañeras.

These improvements would include:

- A new, up-to-3,000 fixed-seat covered event arena, which could be used for rodeos and equestrian events as well as concerts and other entertainment offerings. Seating capacity could increase to 4,500 for concert events.
- Conversion of the existing arena into an exhibition hall that could also be used for recreational athletic events and increase capacity to host larger conferences/exhibitions when coupled with the existing dome.
- Renovation of the existing dome that would relocate and enhance the stage and green room areas and could attract more events and activities.
- Improvements to the fairgrounds that include adding RV hook ups, lighting and permanent outdoor restroom facilities.
- Other general updates to the existing building, including air and heating, technology and the addition of breakout rooms.
- Other general site improvements, including improved parking, lighting and circulation flow

On May 3, 2025, Victoria voters approved the creation of a **venue tax** to help fund the renovation. Design work began in 2025, construction will begin in March 2026, and the project will be substantially complete in time for the 2027 Victoria Livestock Show.

Historical Funding	Amount
2024-25 (amended)	\$3,000,000
2023-24	\$-0-

# Victoria Sales Tax Development Corporation

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### Workforce Housing

#### **Requested Funding FY2025-26: \$260,000**

VSTDC has made significant investments to support workforce housing, recognizing that quality, affordable housing is essential for attracting and retaining a strong labor force. Over the past several years, the corporation has partnered with developers to help bring new housing opportunities to the community.

Past investments include \$500,000 for the Enchanted Gardens Apartments and \$1,000,000 for the Odem Street Apartments, a larger-scale multifamily project aimed at expanding housing availability for working families. Building on these successes, the corporation is continuing its commitment with an upcoming \$260,000 investment in the Pine Street project, which will further broaden affordable housing choices for residents.

Through these projects, the corporation has helped address the community’s housing needs while supporting economic growth, ensuring that Victoria remains a competitive and vibrant place for businesses and workers alike.

<b>Historical Funding</b>	<b>Amount</b>
2024-25 (amended)	\$1,000,000
2023-24	\$500,000

### Public Safety Project

#### ***Public Safety Headquarters Project***

#### **Requested Funding FY2025-26: \$1,000,000**

The City began construction on its new Public Safety Headquarters in FY2024. This 70,000-square-foot facility will house the Victoria Police Department, the Municipal Court and the Victoria Fire Department administration.

The facility will provide adequate space and amenities to help the City better serve the public. The current Victoria Police Department station was built in 1968 for a staff of 50 people. Today, the police department has more than 160 employees. Likewise, the Municipal Court lacks a dedicated courtroom, and the Victoria Fire Department administration is housed in an outdated former fire station.

The new building, centrally located at Main and Airline, is designed to accommodate Victoria’s public safety needs for the next 25 years. The project is primarily funded through certificate of obligation bonds, with additional funds coming from the Victoria Sales Tax Development Corporation, the American Rescue Plan Act and other one-time funding sources. This \$1,000,000 contribution will be transferred into the City’s debt service fund annually to make payments over the first 10 years of amortization of the bonds; this is the second year of funding. VSTDC made a one-time cash contribution to this project in FY2024 for \$2,530,695.

<b>Historical Funding</b>	<b>Amount</b>
2024-25	\$1,000,000
2023-24	\$-0-

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### Research & Marketing

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

**Requested Funding FY2025-26: \$520,000**

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.

Historical Funding	Amount
2024-25	\$520,000
2023-24	\$520,000

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

**Requested Funding FY2025-26: \$50,000**

This funding is for consulting services to facilitate retail marketing of Victoria. VSTDC has contracted with Retail Coach since 2018 and Buxton since 2023 for services related to these efforts.

Historical Funding	Amount
2024-25	\$50,000
2023-24	\$50,000

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

**Requested Funding FY2025-26: \$20,000**

VSTDC began contracting with ZacTax for a property tax and sales tax reporting system. This system is utilized for analyzing sales tax receipts as well as estimating economic impacts of new projects coming to the City.

Historical Funding	Amount
2024-25	\$15,540
2023-24	\$15,540

### Professional Services

#### *Professional Services*

**Requested Funding FY2025-26: \$300,000**

The purpose of these funds is to create flexibility for VSTDC as they work with the City, 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.

Historical Funding	Amount
2024-25	\$500,000
2023-24	\$200,000

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### Education & Training

#### ***Board Member Training & Professional Memberships***

**Requested Funding FY2025-26: \$15,000**

This funding will be for various training opportunities for VSTDC board members and City administration and for membership fees for the International Economic Development Council and the Texas Economic Development Council.

Historical Funding	Amount
2024-25	\$20,000
2023-24	\$20,000

### Downtown Operations

#### ***Contribution to Downtown TIRZ #1 for Façade Grant Program***

**Requested Funding FY2025-26: \$50,000**

This program would provide funding to the Downtown TIRZ #1 to administer a façade grant program in the City's downtown area 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.

Historical Funding	Amount
2024-25	\$200,000
2023-24	\$200,000

### Utility Projects

#### ***Mockingbird Sanitary Sewer Line Replacement***

**Requested Funding FY2025-26: \$206,813**

Project scope includes the replacement by cured-in-place (CIP) lining of the 15" existing concrete sanitary sewer line in Mockingbird Lane from Navarro St. to Lilac Ln. Manholes will also be rehabilitated with a liner product.

#### ***Regional Wastewater Treatment Plant Project 1 Phase 1 Construction***

**Requested Funding FY2025-26: \$1,918,187**

Project scope consists of construction for a new headworks and screening facility which will capture all raw influent upstream of the raw sewage pump station. Design for this project was funded in FY2025.

**Total Funding for Utility Projects: \$2,125,000**

Historical Funding	Amount
2024-25	\$2,870,000
2023-24	\$811,425

# Victoria Sales Tax Development Corporation

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

#### ***Lone Tree Mill and Overlay - Lone Tree Creek to Delmar***

**Requested Funding FY2025-26: \$1,026,110**

Project scope consists of milling the existing asphalt pavement for Lone Tree Road from Lone Tree Creek to Delmar Drive, followed by chip seal, 1 ½" hot-mix asphaltic concrete pavement, and final striping.

#### ***Hanselman Mill and Overlay - Hwy 59 to Delmar***

**Requested Funding FY2025-26: \$656,235**

Project scope consists of milling the existing asphalt pavement for Hanselman Road between Highway 59 and Delmar Drive, followed by chip seal, 1 ½" hot-mix asphaltic concrete pavement, and final striping.

#### ***Glasgow Mill and Overlay - Simpson to Stone Gate***

**Requested Funding FY2025-26: \$576,000**

Project scope consists of milling the existing asphalt pavement for Glasgow Street between Simpson and Stone Gate, followed by chip seal, 1 ½" hot-mix asphaltic concrete pavement, and final striping.

#### ***Edinburg Mill and Overlay - Glasgow to 1100 Edinburg***

**Requested Funding FY2025-26: \$705,510**

Project scope consists of milling the existing asphalt pavement for Edinburg Street between Navarro and Joplin, followed by chip seal, 1 ½" hot-mix asphaltic concrete pavement, and final striping.

#### ***Juan Linn Mill and Overlay - Ben Jordan to Ben Wilson***

**Requested Funding FY2025-26: \$347,625**

Project scope consists of milling the existing asphalt pavement for Juan Linn Street between Ben Jordan and Ben Wilson, followed by chip seal, 1 ½" hot-mix asphaltic concrete pavement, and final striping.

#### ***SW Ben Jordan Mill and Overlay - Bottom to S. Laurent***

**Requested Funding FY2025-26: \$1,102,500**

Project scope consists of milling the existing asphalt pavement for SW Ben Jordan between Bottom Street and S. Laurent Street, followed by chip seal, 1 ½" hot-mix asphaltic concrete pavement, and final striping.

#### ***Miori Lane Mill and Overlay - Sam Houston to Stockbauer***

**Requested Funding FY2025-26: \$1,350,460**

Project scope consists of milling the existing asphalt pavement for Miori Lane between Sam Houston and John Stockbauer, followed by chip seal, 1 ½" hot-mix asphaltic concrete pavement, and final striping.

**Total Funding for Street, Sidewalk, Drainage & Other Infrastructure Projects: \$5,764,440**

<b>Historical Funding</b>	<b>Amount</b>
2024-25	\$5,864,861
2023-24	\$3,298,660