

VICTORIA SALES TAX DEVELOPMENT CORPORATION

FY2023-2024 PROPOSED BUDGET

OCTOBER 23, 2023

Victoria Sales Tax Development Corporation

FY2023-2024 Proposed Budget

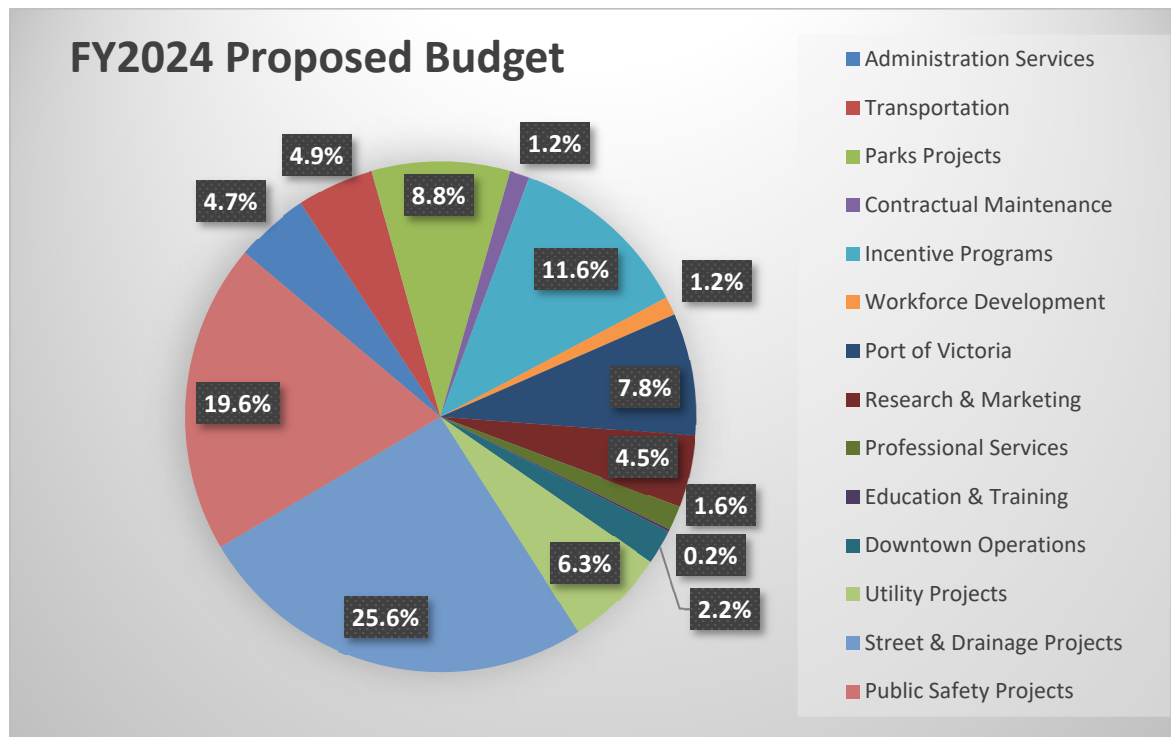
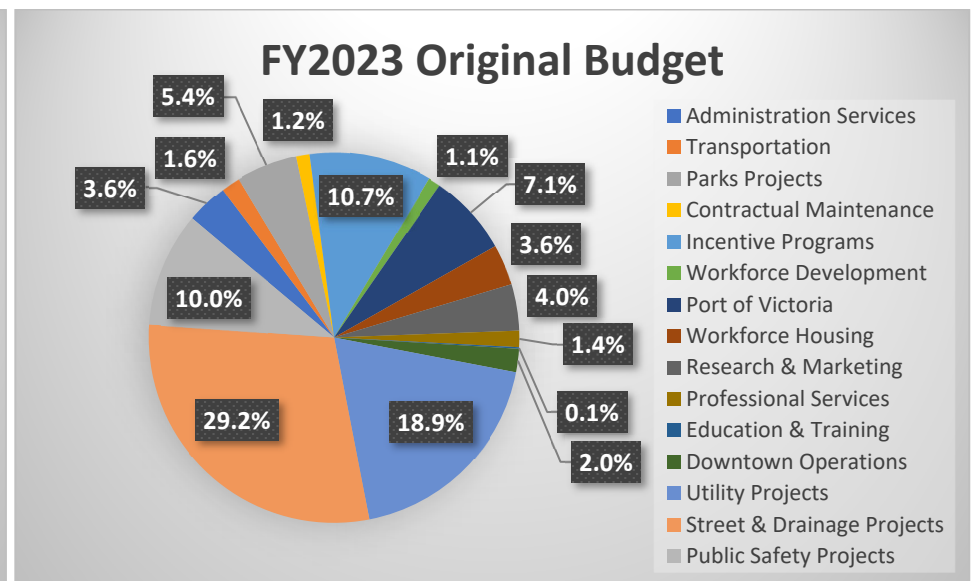
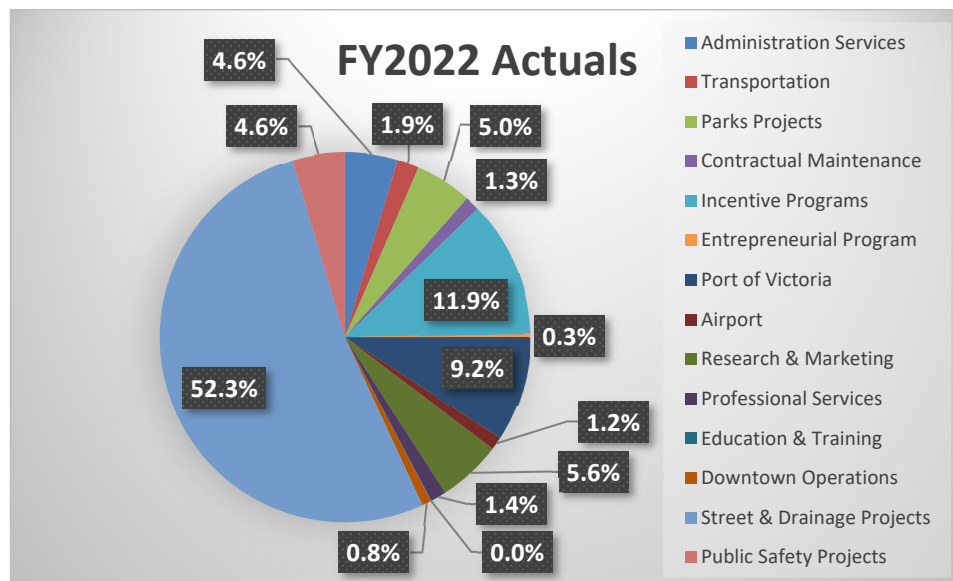
October 23, 2023

	Fiscal Year 2021-2022 Actual	Fiscal Year 2022-2023 Original Budget	Fiscal Year 2022-2023 Amended Budget	Fiscal Year 2022-2023 Projected Actual	Fiscal Year 2023-2024 Proposed Budget	Fiscal Year 23-24 Budget vs 22-23 Budget	Fiscal Year 23-24 Budget vs 22-23 Budget Percent
Beginning Fund Balance:							
Undesignated Operating Fund Balance	\$ 11,130,046	\$ 16,692,180	\$ 16,949,060	\$ 16,949,060	\$ 15,875,285	\$ (816,895)	-4.9%
Designated Fund Balance - Outstanding Projects	12,959,018	-	7,990,130	7,990,130	-	-	0.0%
Total Beginning Fund Balance	\$ 24,089,064	\$ 16,692,180	\$ 24,939,190	\$ 24,939,190	\$ 15,875,285	\$ (816,895)	-4.9%
Revenues:							
Sales Tax Receipts	\$ 9,636,998	\$ 8,675,000	\$ 8,675,000	\$ 10,174,105	\$ 9,103,000	\$ 428,000	4.9%
Interest Income	200,902	125,000	125,000	935,234	400,000	275,000	220.0%
Miscellaneous Income	66,984	30,000	30,000	37,349	32,600	2,600	8.7%
Deallocated Funds Transferred In	1,189,862	-	-	658,000	-	-	0.0%
Sale of Land	679,170	-	-	-	-	-	0.0%
Total Revenues:	\$ 11,773,915	\$ 8,830,000	\$ 8,830,000	\$ 11,804,688	\$ 9,535,600	\$ 705,600	8.0%
Expenditures:							
Administration Services	\$ 503,090	\$ 506,685	\$ 506,685	\$ 506,685	\$ 601,780	\$ 95,095	18.8%
Transportation	209,000	228,855	228,855	228,855	628,855	400,000	174.8%
Parks Projects	542,875	750,000	1,777,125	1,777,125	1,130,000	380,000	50.7%
Contractual Maintenance	139,400	163,600	199,781	179,793	159,800	(3,800)	-2.3%
Incentive Programs	1,302,262	1,500,000	2,880,000	2,078,944	1,500,000	-	0.0%
Entrepreneurial Program	33,333	-	66,667	66,667	-	-	0.0%
Workforce Development	-	150,000	150,000	150,000	150,000	-	0.0%
Port of Victoria	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-	0.0%
Airport	126,134	-	98,866	90,000	-	-	0.0%
Workforce Housing	-	500,000	500,000	500,000	-	(500,000)	-100.0%
Research & Marketing	610,540	566,790	714,790	698,040	585,540	18,750	3.3%
Professional Services	149,790	200,000	443,200	443,200	200,000	-	0.0%
Education & Training	4,078	20,000	20,000	10,000	20,000	-	0.0%
Downtown Operations	89,411	285,000	363,188	329,641	285,000	-	0.0%
Utility Projects	-	2,651,804	1,894,804	1,894,804	811,425	(1,840,379)	-69.4%
Street & Drainage Projects	5,713,877	4,087,674	9,756,576	9,514,839	3,298,660	(789,014)	-19.3%
Public Safety Projects	500,000	1,400,000	1,400,000	1,400,000	2,530,695	1,130,695	80.8%
Total Expenditures:	\$ 10,923,789	\$ 14,010,408	\$ 22,000,537	\$ 20,868,593	\$ 12,901,755	\$ (1,108,653)	-7.9%
Ending Fund Balance:							
Undesignated Operating Fund Balance	\$ 16,949,060	\$ 6,279,419	\$ 6,536,300	\$ 10,642,932	\$ 9,033,691	\$ 2,754,272	43.9%
Designated Fund Balance - Outstanding Projects	7,990,130	-	-	-	-	-	0.0%
Reserve Fund Balance	-	5,232,353	5,232,353	5,232,353	3,475,439	(1,756,914)	-33.6%
Total Ending Fund Balance	\$ 24,939,190	\$ 11,511,772	\$ 11,768,653	\$ 15,875,285	\$ 12,509,130	\$ 997,358	8.7%

Victoria Sales Tax Development Corporation

FY2023-2024 Proposed Budget

October 23, 2023



Victoria Sales Tax Development Corporation

FY2023-2024 Proposed Budget

October 23, 2023

Administration Services - \$601,708

<i>Retail and Economic Development Services</i>	\$292,680
<i>Contract Management & City's Administration Services</i>	<u>309,100</u>
Total:	<u>\$601,780</u>

Transportation - \$628,855

<i>Victoria Transit</i>	\$228,855
<i>Transit Route Study</i>	150,000
<i>Victoria Regional Airport</i>	<u>250,000</u>
Total:	<u>\$628,855</u>

Parks Projects - \$1,130,000

<i>Deleon Plaza</i>	\$630,000
<i>Future Parks Project</i>	<u>500,000</u>
Total:	<u>\$1,130,000</u>

Contractual Maintenance - \$159,800

<i>Lone Tree Business Park I and II Projects</i>	\$13,800
<i>Loop 463 Right of Way Mowing Program</i>	56,000
<i>Loop 463 Entryway Maintenance Program</i>	<u>90,000</u>
Total:	<u>\$159,800</u>

Incentive Programs - \$1,500,000

<i>Future Incentive Programs</i>	<u>\$1,500,000</u>
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Workforce Development - \$150,000

<i>Workforce Development</i>	<u>\$150,000</u>
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Port of Victoria - \$1,000,000

<i>Port of Victoria</i>	<u>\$1,000,000</u>
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Research & Marketing - \$585,540

<i>Contract with Victoria Economic Development Corporation</i>	\$520,000
<i>Retail Economic Development Plan and Recruitment Services Project</i>	50,000
<i>Sales Tax Analysis and Reporting System Project</i>	<u>15,540</u>
Total:	<u>\$585,540</u>

Professional Services - \$200,000

<i>Professional Services</i>	<u>\$200,000</u>
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Education & Training - \$20,000

<i>Board Member Training & Professional Memberships</i>	<u>\$20,000</u>
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Victoria Sales Tax Development Corporation

FY2023-2024 Proposed Budget

October 23, 2023

Downtown Operations - \$285,000

<i>Downtown Main Street – Maintenance Program</i>	\$85,000
<i>Downtown Main Street – Façade Grant Program</i>	100,000
<i>Downtown Main Street – Large Grant Program</i>	<u>100,000</u>
Total:	<u>\$285,000</u>

Utility Projects - \$811,425

<i>Rosenquist Sewer Line Extension</i>	<u>\$811,425</u>
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Street, Sidewalk, Drainage & Other Infrastructure Projects - \$3,298,660

<i>Mockingbird Mill and Overlay</i>	\$714,510
<i>Ben Jordan Mill and Overlay</i>	594,675
<i>Delmar Drive Mill and Overlay</i>	86,890
<i>Odem Street Mill and Overlay</i>	789,300
<i>East Larkspur Mill and Overlay</i>	863,285
<i>Lone Tree Drainage Project</i>	<u>250,000</u>
Total:	<u>\$3,298,660</u>

Public Safety Projects - \$2,530,695

<i>Public Safety Headquarters Construction</i>	<u>\$2,530,695</u>
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Total FY2023-2024 Budget Requests: \$12,901,755

Victoria Sales Tax Development Corporation

FY2023-2024 Proposed Budget

October 23, 2023

Administration Services

Retail and Economic Development Services

Requested Funding FY2023-24: \$292,680

VSTDC will outsource 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 will include promoting business attraction and retention that promotes the economic viability within our community such as coordinating with consultants and other partners. These services will be 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.

Historical Funding	Amount
2021-22	\$145,000
2022-23	\$197,585

Contract Management & City's Administration Services

Requested Funding FY2023-24: \$309,100

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
2021-22	\$309,100
2022-23	\$309,100

Victoria Sales Tax Development Corporation

FY2023-2024 Proposed Budget

October 23, 2023

Transportation

Victoria Transit

Requested Funding FY2023-24: \$228,855

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 25th year of operation, and identifies a proposed match of \$228,855 which had been funded by the City of Victoria prior to FY2021-22.

Historical Funding	Amount
2021-22	\$209,000
2022-23	\$228,855

Victoria Transit Route Study

Requested Funding FY2023-24: \$150,000

A common issue that arises when discussing the utilization and existing routes of Victoria Transit is the need to look at making changes to existing routes, adding routes, or changing the overall operational time period of the system. The only way to truly assess what improvements need to be made is via a Route Study. These are one-time funds that will be used for a Route Study to be conducted in coordination with Victoria Transit (Golden Crescent Regional Planning Commission).

Historical Funding	Amount
2021-22	\$-0-
2022-23	\$-0-

Victoria Regional Airport

Requested Funding FY2023-24: \$250,000

The City and County approved a Joint Action Agreement to create a new jointly sponsored Airport Commission. These funds will be allocated to possibly assist the new Airport Commission thru the transition or assist with any low hanging fruit/pressing items that might arise. It is expected that the full transition will take up to six months. Funds will also be used for the pilot program.

Historical Funding	Amount
2021-22	\$-0-
2022-23	\$-0-

Victoria Sales Tax Development Corporation

FY2023-2024 Proposed Budget

October 23, 2023

Parks Projects

Future Parks Projects

Requested Funding FY2023-24: \$1,130,000

Planned projects include sidewalks within Riverside Park and parking lot improvements at the Riverside Park Soccer Field complex. In addition, funding for the Deleon Plaza Project is being requested to add a water feature and cover additional items as construction has progressed.

Historical Funding	Amount
2021-22	\$500,000
2022-23	\$750,000

Contractual Maintenance

Lone Tree Business Park I and II Projects

Requested Funding FY2023-24: \$13,800

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
2021-22	\$27,600
2022-23	\$27,600

Loop 463 Right of Way Mowing Program

Requested Funding FY2023-24: \$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.

Historical Funding	Amount
2021-22	\$56,000
2022-23	\$56,000

Loop 463 Entryway Maintenance Program

Requested Funding FY2023-24: \$90,000

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.

Historical Funding	Amount
2021-22	\$60,000
2022-23	\$80,000

Victoria Sales Tax Development Corporation

FY2023-2024 Proposed Budget

October 23, 2023

Incentive Programs

Requested Funding FY2023-24: \$1,500,000

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.

Historical Funding	Amount
2021-22	\$2,500,000
2022-23	\$1,500,000

Workforce Development

Requested Funding FY2023-24: \$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.

Historical Funding	Amount
2021-22	\$-0-
2022-23	\$150,000

Port of Victoria

Requested Funding FY2023-24: \$1,000,000

VSTDC approved a project in FY2021-2022 which committed \$3,000,000 to the Victoria Navigation District (“Port of Victoria”) for a railport project that would expand rail access to the Port’s south industrial site. This is the final payment of this agreement.

Historical Funding	Amount
2021-22	\$1,000,000
2022-23	\$1,000,000

Victoria Sales Tax Development Corporation

FY2023-2024 Proposed Budget

October 23, 2023

Research & Marketing

Contract with Victoria Economic Development Corporation

Requested Funding FY2023-24: \$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
2021-22	\$501,250
2022-23	\$501,250

Retail Economic Development Plan and Recruitment Services Project

Requested Funding FY2023-24: \$50,000

This funding is for consulting services to facilitate retail marketing of Victoria.

Historical Funding	Amount
2021-22	\$30,000
2022-23	\$50,000

Sales Tax Analysis and Reporting System Project

Requested Funding FY2023-24: \$15,540

VSTDC has contracted with Lewis McClain since 2018 for professional consulting services for constructing and maintaining a Sales Tax Analysis & Reporting System. Starting in FY2021, VSTDC contracted with HDL Companies for their sales tax reporting product which has an annual cost of \$6,000. This company also provides sales tax audit services for which fees are paid based on recovered amounts.

Historical Funding	Amount
2021-22	\$15,540
2022-23	\$15,540

Victoria Sales Tax Development Corporation

FY2023-2024 Proposed Budget

October 23, 2023

Professional Services

Professional Services

Requested Funding FY2023-24: \$200,000

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.

Historical Funding	Amount
2021-22	\$200,000
2022-23	\$200,000

Utility Projects

Rosenquist Sewer Line Extension

Requested Funding FY2023-24: \$811,425

Project scope consists of the extension of a 12" sanitary sewer main and appurtenances from the Spring Creek Outfall Sewer along the west side of Spring Creek allowing for future development of a large tract of land, known as the Rosenquist Tract. The design was laid with a grade, such that the line could be further extended toward the subsequent phases of Spring Green. Total project cost amounts to \$975,245 (additional funding provided by City of Victoria).

Historical Funding	Amount
2021-22	\$200,000
2022-23	\$2,651,804

Street, Sidewalk, Drainage & Other Infrastructure Projects

Mockingbird Mill and Overlay – Stockbauer to Loop 463

Requested Funding FY2023-24: \$714,510

Project scope consists of milling the existing asphalt pavement for Mockingbird Lane between Stockbauer and Loop 463, followed by chip seal, 1 ½" hot-mix asphaltic concrete pavement, and final striping.

Ben Jordan Mill and Overlay – Airline to Red River

Requested Funding FY2023-24: \$594,675

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

Victoria Sales Tax Development Corporation

FY2023-2024 Proposed Budget

October 23, 2023

Delmar Drive Mill and Overlay – North Street to Pleasant Green

Requested Funding FY2023-24: \$86,890

Project scope consists of milling the existing asphalt pavement for Delmar Drive between North and Pleasant Green, followed by chip seal, 1 ½” hot-mix asphaltic concrete pavement, and final striping. Request is for partial funding (total cost estimated at \$556,515).

Odem Street Mill and Overlay – Laurent to Port Lavaca Highway

Requested Funding FY2023-24: \$789,300

Project scope consists of milling the existing concrete pavement and repair major spalled areas for Odem Street between Laurent and Port Lavaca Hwy, followed by chip seal, 1 ½” hot-mix asphaltic concrete pavement, and final striping.

East Larkspur Mill and Overlay – Navarro to Placido

Requested Funding FY2023-24: \$863,285

Project scope consists of milling the existing asphalt pavement for E. Larkspur between Navarro and Placido Benavides, followed by chip seal, 1 ½” hot-mix asphaltic concrete pavement, and final striping.

Lone Tree Drainage Project

Requested Funding FY2023-24: \$250,000

Project scope includes constructing an outfall for the Lone Tree Acres Subdivision from Hyak St. to Lone Tree Creek and regrading of open ditches in both Lone Tree Acres and Lone Tree Acres South. Improving the drainage in this neighborhood increases value of neighborhood. With drainage complete, the streets will be improved and have a longer life due to better drainage. Request is for partial funding (total cost estimated at \$4,290,000).

Total Funding for Street, Sidewalk, Drainage & Other Infrastructure Projects: \$3,298,660

Historical Funding	Amount
2021-22	\$3,765,985
2022-23	\$4,087,674

Public Safety Projects

Public Safety Headquarters Project

Requested Funding FY2023-24: \$2,530,695

Project scope consists of the construction of a new Public Safety Building. The first phases included land purchase and engineering design. Following will be the construction phase. The City of Victoria purchased land on Main Street in FY2022 for the future site of this facility. This project improves the functions of the police force, currently staffed at City Hall where space is limited causing performance reductions and improves citizen awareness of Public safety.

Historical Funding	Amount
2021-22	\$-0-
2022-23	\$1,400,000

Victoria Sales Tax Development Corporation

FY2023-2024 Proposed Budget

October 23, 2023

Education & Training

Board Member Training & Professional Memberships

Requested Funding FY2023-24: \$20,000

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
2021-22	\$25,000
2022-23	\$20,000

Downtown Operations

Downtown Main Street – Maintenance Program

Requested Funding FY2023-24: \$85,000

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.

Historical Funding	Amount
2021-22	\$85,000
2022-23	\$85,000

Downtown Main Street – Façade Grant Program

Requested Funding FY2023-24: \$100,000

The program would provide 50% match grant funding up to \$20,000 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.

Historical Funding	Amount
2021-22	\$100,000
2022-23	\$100,000

Victoria Sales Tax Development Corporation

FY2023-2024 Proposed Budget

October 23, 2023

Downtown Main Street – Large Grant Program

Requested Funding FY2023-24: \$100,000

This grant program would primarily fund projects that bring buildings into code compliance based on use, fire suppression systems, elevators, grease traps, ADA compliance and/or projects that involved repurposing the use of the building in downtown Victoria.

Historical Funding	Amount
2021-22	\$-0-
2022-23	\$100,000