



CITY OF
CORPUS CHRISTI

AGENDA MEMORANDUM

First Reading for the City Council Meeting of April 14, 2026
Second Reading for the City Council Meeting of April 21, 2026

DATE: April 14, 2026
TO: Peter Zaroni, City Manager
FROM: Richard McCurley, Director of Aviation

Ordinance authorizing the City Manager to execute a Ground Lease Estoppel Certificate and Agreement for The Texan Stores at the Corpus Christi International Airport.

CAPTION:

Ordinance approving a lease estoppel to the ground lease with Dlugosch III, LLC (DBA The Texan Stores) at the Corpus Christi International Airport, acknowledging the ground lease and consenting to the Ground Lease Estoppel Certificate and Agreement; authorizing the City Manager to execute all documents necessary and related to the agreement; and provide for an effective date.

SUMMARY:

The Texan Stores, leasing an 8-acre unimproved land for a forty-year lease for a gas station "one-stop shop" has requested that the City agree to execute all documents as may be necessary and related to the transaction. No financial impact to the Airport Fund. All other terms and conditions to remain the same.

BACKGROUND AND FINDINGS:

"The Texan" is a chain of convenience stores and gas stations primarily operating in Texas. They are known for offering "one-stop shop" experience with fresh, made-to-order food, clean restrooms, and spacious dining areas with a customer-centric approach.

As permitted under the existing lease agreement, the tenant The Texan wishes to incorporate a ground lease estoppel certificate and agreement consenting to the leasehold interest to the lender: REGIONS BANK, INC. an Alabama-chartered state commercial bank.

An estoppel certificate and agreement is a standard legal instrument used to confirm the current status and terms of a lease for the benefit of a third party, such as a lender. In this instance, the request is prompted by an acquisition of the current lender, necessitating a formal confirmation of the Ground Lease terms for the successor institution. These documents are necessary to provide the lender with 'financial certainty' that the City, as Landlord, and the Tenant are in agreement regarding the lease standing. It works by legally preventing ('estopping') the City from later asserting facts that contradict the certificate. This request is consistent with prior estoppels the City has successfully executed with the Coast Guard Lender and TCC Davis Holdings Lender.

The Texan Stores is executing a 40-year agreement with the City at the front of the Corpus Christi International Airport. An 8-acre unimproved land lease with a building area of 11,978 SF and a gas canopy comprised of 28 pumps and 4 truck diesel pump canopy.

The Texan Stores expect to break ground at the end of Q2 of 2026 with an estimated construction period of ten months.

ALTERNATIVES:

None

FISCAL IMPACT:

There is no fiscal impact under the ground lease estoppel request

RECOMMENDATION:

City staff recommend approval of this action item

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Ground Lease Estoppel and Agreement