



AGENDA MEMORANDUM

Corpus Christi Tax Increment Reinvestment Zone #3 Meeting September 17, 2019

DATE: September 4, 2019

TO: Peter Zanoni, City Manager

FROM: Alyssa Barrera Mason, Executive Director, CCDMD
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<p>Approval of TIRZ #3 Reimbursement Agreement for Corpus Christi PATCH, Inc. at 715 N Chaparral Street</p>
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CAPTION:

Motion to approve a Downtown Development Reimbursement Agreement with Corpus Christi PATCH, Inc. for improvements to the property located at 715 N Chaparral Street for a total incentive amount not to exceed \$100,000, effective upon signature by the City Manager or designee.

SUMMARY:

This motion authorizes a Reimbursement Agreement for Corpus Christi PATCH, Inc. through the Chaparral Street Property Improvement Program in the amount of \$100,000 whereas \$50,000 will be provided upfront and the remaining \$50,000 will be reimbursed upon proof of work completion.

BACKGROUND AND FINDINGS:

The Incentive Programs adopted by the TIRZ #3 Board in the Project and Financing Plan are specially structured to encourage specific types of development, key to our community's long-term goal of Downtown Revitalization. The Chaparral Street Property Improvement Program was created to incentivize redevelopment of older vacant properties along Chaparral Street.

On July 24, 2018, the TIRZ #3 Board approved a Memorandum of Understanding (MOU) with Corpus Christi PATCH, Inc. in which the Board committed up to \$100,000 in TIRZ matching funds to be raised by August 2, 2019.

On August 27, 2019 the TIRZ #3 Board directed staff to prepare a Downtown Development Reimbursement Agreement with Corpus Christi PATCH, Inc. at 715 N Chaparral Street. Corpus Christi PATCH, Inc. exceeded the fundraising goal through cash and pledged donations in addition to in-kind contributions from a roofing, plumbing, and environmental remediation contractor which all added up to \$114,617. The Developer will be installing a new roof first and any additional funds must be used towards repairs to HVAC, electrical, plumbing, or environmental. The total project cost for the roof is \$101,000 including a \$15,000 in-kind contribution from the contractor.

ALTERNATIVES:

The Board could choose not approve this agreement.

FINANCIAL IMPACT:

The funding source for this project is from the TIRZ #3 Chaparral Street Property Improvement Program. This budget for this program is \$200,000 in FY 2018-19. Funds were earmarked for the MOU with Ritz, and so are currently available. The project will consist of two payments of \$50,000 each with the first being paid upfront and the second payment to be paid upon completion of the roof.

Funding Detail:

Fund: 1112
Organization/Activity: 10276
Mission Element: 707
Project # **(CIP Only)**: N/A
Account: 540450

RECOMMENDATION:

Staff recommends approving the agreement.

LIST OF SUPPORTING DOCUMENTS:

TIRZ #3 Reimbursement Agreement – RITZ Theatre