



## **AGENDA MEMORANDUM**

Corpus Christi Tax Increment Reinvestment Zone #3 Meeting November 28, 2023

**DATE:** October 30, 2023

**TO:** Peter Zaroni, City Manager

**FROM:** Alyssa Barrera Mason, Executive Director, CCDMD  
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<p><b>Approval of Amendment to TIRZ #3 Downtown Development Reimbursement Agreement with OK HI-FI, LLC at 415 D Peoples Street and 424 Schatzel Street for OK HI-FI</b></p>
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**CAPTION:**

Motion to approve an amendment to the TIRZ #3 Downtown Development Reimbursement Agreement with OK HI-FI, LLC for improvements to the properties located at 415 D Peoples Street and 424 Schatzel Street for Phase Two incentive amount not to exceed \$68,075, effective upon signature by the City Manager or designee.

**SUMMARY:**

This motion authorizes an amendment to the Reimbursement Agreement for OK HI-FI, LLC in the amount of \$48,075 from the Streetscape and Safety Improvement Program and \$20,000 from the Commercial Finish Out Program (Landlord) for Phase Two of the overall project.

**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, the key to our community's long-term goal of Downtown Revitalization. The Commercial Finish Out Program and the Streetscape and Safety Improvement Program were both created to assist new and existing businesses in the Reinvestment Zone.

Horacio Ramon "Dusty" Oliveira (Owner) acquired these properties in 2017 and 2021 and proposes significant improvements to the interior and exterior of the property. The proposed electrical panel upgrade will help service the new bar, OK HI-FI, set to open in FY 2024. OK HI-FI was initiated in the summer, but upon proper permitting it became clear that an electrical panel upgrade was required to service their tenant and other adjacent businesses already opened. This

space was previously Commons, and we are not funding the interior finishes. There is an existing Streetscape and Safety agreement approved on March 23, 2023 for the parklet and awning, but that scope has been delayed due to pending road reconstruction. The new proposed exterior improvements include: repaving the existing parking lot, lighting, security cameras, perimeter fencing, and landscaping.

**ALTERNATIVES:**

The Board could not approve this agreement or limit the incentive amount.

**FINANCIAL IMPACT:**

The funding source for this project is from the TIRZ #3 Streetscape and Safety Improvement Program and Commercial Finish Out Program. The FY 2024 budget for this program is \$68,075.

**Funding Detail:**

Fund: 1112 – TIF #3  
Organization/Activity: 10277 – Commercial Finish Out Program  
10286 – Streetscape and Safety Improvement Program  
Mission Element: 707 – Economic Development  
Project # (CIP Only): N/A  
Account: 540450 – Reimbursement to Developers

**RECOMMENDATION:**

Staff recommends approving the amendment to the agreement proposing additional incentives to the original agreement. The interior improvements proposed will enable the landlord to upgrade the electrical panel to service a new downtown bar which will occupy a vacant space and contribute to the diverse beverage and entertainment options in downtown. The exterior improvements proposed will repair a significantly damaged parking lot and provide new lighting to a currently dark area of downtown.

**LIST OF SUPPORTING DOCUMENTS:**

TIRZ #3 Presentation – OK HI-FI  
TIRZ #3 Reimbursement Agreement – OK HI-FI  
TIRZ #3 Exhibit – OK HI-FI