



## **AGENDA MEMORANDUM**

Corpus Christi Tax Increment Reinvestment Zone #3 Meeting July 22, 2025

**DATE:** July 22, 2025

**TO:** Peter Zanoni, City Manager

**FROM:** Arlene Medrano, Executive Director, CCDMD  
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<p><b>Approval of TIRZ #3 Downtown Development Reimbursement Agreement with DGHG Properties, LLC at 419 Starr Street for Flanagan's Downtown</b></p>
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**CAPTION:**

Motion to approve a Downtown Development Agreement with DGHG Properties, LLC for improvements to the property located at 419 Starr Street for a total incentive amount not to exceed \$118,649, effective upon signature by the City Manager or designee from the TIRZ #3 Streetscape and Safety Improvement Program and to be paid out in FY 2025 - 2026.

**SUMMARY:**

This motion authorizes a Reimbursement Agreement for DGHG Properties, LLC in the amount of \$118,649 from the Streetscape and Safety Improvement Program. The tenant envisions expanding his current location and completing an exterior remodel. The Streetscape and Safety Improvement Program was created to assist businesses in the Reinvestment Zone with regard to exterior improvements and safety standards.

**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.

Flanagan's/Graffiti's is a bar/nightclub that has operated in downtown since 2010. The owner has been a long-term tenant with plans to expand his thriving business into the neighboring 12,000 sq. ft. Bay Jewel event center. Regrettably, the Bay Jewel event center will be closing its doors. This particular bar is a center for social interaction among young professionals, eventgoers, and nightlife enthusiasts.

The tenant envisions a complete renovation with exterior improvements to include: new exterior lighting, replacement of the entrance doors, a fresh coat of paint, a new mural, new windows, signage, security cameras, and repairs to the awning.

Flanagan's/Graffiti's downtown has built a strong community for its visitors and local patrons to enjoy. The improvements will allow the owners to accommodate their growing community of attendees and increase the safety of this corner.

**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. The amount of funding paid out for this project is up to \$118,649 paid out of the FY2026 budget.

**Funding Detail:**

Fund: 1112 – TIF #3  
Organization/Activity: 10286 – Streetscape and Safety Improvement Program  
Mission Element: 57 – Economic Development  
Project # (CIP Only): N/A  
Account: 540450 – Reimbursement to Developers

**RECOMMENDATION:**

Staff recommends approving this agreement. This building will benefit from streetscape improvements, making the area more esthetically attractive while also increasing the lighting a safety of the street corner.

**LIST OF SUPPORTING DOCUMENTS:**

TIRZ #3 Presentation – Flanagan's Downtown  
TIRZ #3 Reimbursement Agreement – Flanagan's Downtown  
TIRZ #3 Exhibit – Flanagan's Downtown