

**Resolution authorizing a Chapter 380 Economic Development Agreement between the City of Corpus Christi, Texas and 2AVH Calallen, LP; which will provide for ad valorem and sales tax rebates not to exceed a total of \$5,200,000.00 pursuant to Texas Local Government Code Section 380.001 et seq.**

**WHEREAS**, Chapter 380 of the Texas Local Government Code authorizes a municipality to make grants to promote state or local economic development and to stimulate business and commercial activity in the municipality;

**WHEREAS**, 2AVH Calallen, LP, has proposed to develop approximately 25.2 acres of land within the City of Corpus Christi, Texas as described in Exhibit A, attached hereto;

**WHEREAS**, 2AVH Calallen, LP, will secure Statewide Retailers and Full Service Restaurants for its development which will create jobs, stimulate business and commercial activity for the City; and

**WHEREAS**, 2AVH Calallen, LP has applied for incentives through a Chapter 380 agreement, which would provide reimbursement payments over 10 years in the amount not to exceed \$5,200,000.00 based on percentages of the amount of ad valorem tax and sales tax that the 2AVH Calallen, LP pays on the economic development improvements to the property; and

**WHEREAS**, the City recognizes the positive economic impact that the proposed Chapter 380 agreement will have on the City through creation of jobs, stimulation of business and commercial activity in the City, and increased tax revenues related to the construction of the proposed project; now therefore

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS:**

**SECTION 1.** The City Council specifically finds that the foregoing statements included in the preamble of this resolution are true and correct and adopts such findings for all intents and purposes related to the authorization of this project.

**SECTION 2.** That the City Manager or designee is authorized to execute a Chapter 380 agreement with 2AVH Calallen, LP, in the total amount not to exceed \$5,200,000.00 in ad valorem and sales tax grants for the economic development of approximately 25.2 acres of land within the City of Corpus Christi, Texas for Statewide Retailers and Full Service Restaurants.

**SECTION 3.** That 2AVH Calallen, LP shall complete construction of this project by December 31, 2027, or the 380 Economic Development Incentive Agreement will terminate.

**SECTION 4.** That under this 380 economic development incentive, once construction is complete, the CITY will rebate 75% of ad valorem taxes paid by 2AVH Calallen, LP that are attributable to the project.

**SECTION 5.** That under this 380 economic development incentive, the CITY will rebate .005 sales tax which is ½ of .01 cent of “City Operations Sales Tax” paid by 2AVH Calallen, LP that are attributable to the project. There shall be no reimbursement to 2AVH Calallen, LP from the sales tax allocated (now or in the future) to a Type A or Type B corporation, a crime control district, a municipal development district, a municipal development corporation, a district for fire control, prevention or emergency medical services or to any other district, corporation or entity. There will also be no reimbursement to 2AVH Calallen, LP from a sales tax for property tax relief, for a sports or community venue project, for a metropolitan or rapid transit authority, for street maintenance, or for any other use that is limited by state law.

**SECTION 6.** That this 380 economic development incentive to 2AVH Calallen, LP, will terminate upon the earlier to occur of: (i) December 31, 2036; (ii) 2AVH Calallen, LP 's receipt of the total Chapter 380 Payments equal to the Maximum Payment Amount of up to \$5,200,000.00; or (iii) earlier termination in accordance with the terms of the Chapter 380 Economic Development Incentive Agreement.

PASSED AND APPROVED on the \_\_\_\_\_ day of \_\_\_\_\_, 2024.

ATTEST:

CITY OF CORPUS CHRISTI

\_\_\_\_\_  
Rebecca Huerta  
City Secretary

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Paulette M. Guajardo  
Mayor