



AGENDA MEMORANDUM

Corpus Christi Tax Increment Reinvestment Zone #3 Meeting October 15, 2019

DATE: October 3, 2019

TO: Peter Zaroni, City Manager

FROM: Alyssa Barrera Mason, Executive Director, CCDMD
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**Approval of TIRZ #3 Reimbursement Agreement for
Stonewater Properties Water Street, Inc. at 401 S Water Street**

CAPTION:

Motion to approve a reimbursement request in an amount not to exceed \$200,000 with Stonewater Properties Water Street, Inc. (Nueces Brewing Co.) under the Downtown Development Reimbursement Agreement for 401 S Water Street.

SUMMARY:

This motion authorizes payment for a building rehabilitation to accommodate a new tenant, Nueces Brewing Company, at 401 S Water Street. Specific work included improving sidewalks, parking lot, driveways, landscaping, lighting, exterior wall repairs, roof repairs, canopy repairs, and gutter repairs. The incentive consists of an annual reimbursement for a five-year period up to 75% of the property taxes paid on the improvements to the participating taxing entities in the TIRZ #3. Once \$200,000 is reimbursed or the five-year period ends, whichever occurs first, no further incentive payments or obligations will be made to Stonewater Properties Water Street Inc.

BACKGROUND AND FINDINGS:

On May 15, 2018, the TIRZ #3 Board approved a Downtown Development Reimbursement Agreement with Stonewater Properties Water Street, Inc. located at 401 S. Water Street. The project fit the criteria for the Project Specific Development Program which was created to encourage specific types of developments, key to our community's long-term goal of downtown revitalization. The project consisted of a building rehabilitation to accommodate a new tenant, Nueces Brewing Company, which opened in June 2019.

Nueces Brewing Company has been a popular downtown destination since opening its doors. They host weekly events and provide a family-friendly environment. The venue provides outdoor patio seating and games, live music, and food trucks.

ALTERNATIVES:

The Board could not approve this agreement.

FINANCIAL IMPACT:

The funding source for this project is from the TIRZ #3 Project Specific Development Program in an amount not to exceed \$200,000. The funds for this program are from a reimbursement of property taxes paid by the property owner on an annual basis.

Funding Detail:

Fund:	1112 – TIRZ #3
Organization/Activity:	10279 – Project Specific
Mission Element:	707 – Economic Development
Project # (CIP Only):	N/A
Account:	540140 – Reimbursement to Developers

RECOMMENDATION:

Staff recommends approval of the motion as presented. Per the TIRZ #3's service agreement with the Downtown Management District (DMD), DMD staff has completed a compliance performance audit in accordance with Section 2 of the Downtown Development Reimbursement Agreement. DMD staff has confirmed completion of the project as stated in the Reimbursement Agreement.

LIST OF SUPPORTING DOCUMENTS:

Reimbursement Request – Stonewater Properties Water Street Inc.
Certificate of Occupancy
PowerPoint – Nueces Brewing