



DATE: May 15, 2023

TO: President and Honorable Board Members,
Corpus Christi Business and Job Development Corporation

THROUGH: Peter Zanoni, City Manager

FROM: Jeff Edmonds, P.E., Director of Engineering Services
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Request for Funding
ABC Arena Urgent Mechanical Improvements and ABC Arena Landscaping
Improvements

CAPTION:

Motion authorizing the appropriation of Arena Funds in the amount of \$6,500,000.00 from the unreserved fund balance in the Arena Fund for the American Bank Center (ABC) Arena Urgent Mechanical Improvements and ABC Arena Landscaping transferring the funds from the Arena Fund to the Arena Capital Improvement Fund.

SUMMARY:

This motion authorizes the design and construction funding for the ABC Arena Urgent Mechanical Improvements and ABC Arena Landscaping. The ABC improvements will restore deferred maintenance items in urgent condition to normal condition. Improvements include two 1,000-ton chillers in urgent condition, building envelope leaks and arena dehumidification and arena landscaping and irrigation.

BACKGROUND AND FINDINGS:

The American Bank Center comprises three facilities; The Selena Auditorium, which was built around 1975, the Convention Center built in 1979, and the multi-use arena built in 2004. The Selena Auditorium and the Convention Center received extensive remodels in 2004.

The Arena is home to the Corpus Christi IceRays ice hockey team and the Texas A&M University Islanders basketball team. Additionally, the arena hosts numerous concerts, and special events such as high school graduations, WWE SmackDown, Disney on Ice, and Buc Days.

In June of 2022, The City of Corpus Christi engaged M-E Engineers, under an emergency declaration, to request an assessment of the American Bank Center. The assessment would provide the City of Corpus Christi and the new ABC operator OVG360 with a comprehensive assessment of the deferred maintenance scope to complement the observations made by the

new maintenance team. Through the M-E Engineering report and OVG360 maintenance staff assessments, some items have been deemed urgent; amongst these are two arena chillers, the arena dehumidification system, and building envelope leaks affecting critical operations. Total estimated cost of these projects is \$5.2M

The Landscaping is in dire need of improvements due to the damage sustained in the 2021 historic freeze and poor upkeep. The landscaping will improve the curb appeal of the ABC arena surroundings to provide a welcoming atmosphere for arena visitors with improvements and rehabilitation to existing medians, new plants and trees, irrigation repairs and upgrades, and installation of lighting. Total estimated cost of the portion that benefits the arena is \$1.3M.

ALTERNATIVES:

The alternative is to reject the request for funding. This will result in the continued deterioration of the urgent scope items and may cause the urgent condition to become an emergency.

FISCAL IMPACT:

The fiscal impact in FY 2023 is an amount of \$6,500,000.00 from the Type A Arena Sales Tax Fund. The monies will be appropriated and transferred to the Arena Capital Fund.

Funding Detail:

Funds will be transferred from the Type A fund account to Arena Capital Fund account.

Fund:	Fund 3274 Arena Type A Capital Fund
Organization/Activity:	23195
Department:	57 Economic Development
Project # (CIP Only):	23195 Arena Urgent Mechanical Improvements
Amount:	\$6,500,000.00

RECOMMENDATION:

Staff recommend authorizing the request for additional funding in the amount of \$6,500,000.00 from the Type A Arena Sales Tax to support the ABC Arena Urgent Mechanical and Landscaping Improvements.

LIST OF SUPPORTING DOCUMENTS:

Location Map