Update on Downtown Living Initiative

September 23, 2025

Downtown Living Initiative Overview

The Downtown Living Initiative Program, created in 2016, aims to incentivize the renovation or new construction of residential offerings downtown.

Current Incentives- Downtown Living Initiative

- Originally capped at **$10,000** per unit, DLI was amended to further stimulate development.
- The TIRZ #3 board increased the incentive to **$30,000** per unit for multi-family developments of over **3** units that meet the required design criteria.
- Additional per unit funds may be allocated, up to **30%** of the per unit development cost for vacant building rehabilitation, office conversion or new construction.
- Depending on the scale of the project, this may be paid in a lump sum or over a period of several years.

Northwater- Downtown Living Initiative

Program	Total	Period
• Downtown Living Initiative	$580,000	5 Years, Equal Payments
• Project Specific (Added)	$98,000	Up to 10 Years
• **Total Combined Incentive Amount**	$678,000	

Residential Projects

Status	Project Name	Address	Year Open	Number of Units	Incentive Awarded	Overall Investment	% of Total investment
Completed	Studio 44	817 N Carancahua St	2019	44	$185,000	$2,900,000	6%
	Ronjo V	201 S Chaparral St	2022	29	$220,000	$1,700,000	13%
	535 Carancahua	535 Carancahua St	2023	4	$28,000	$276,000	10%
	Northwater	1001 N Water St	2024	58	$678,000	$5,000,000	13%
	Palms at Blucher Park	214 S Tancahua St	2024	72	N/A	$17,200,000	N/A
	Avanti Legacy	502 S Tancahua St	2023	42	N/A	$16,800,000	N/A
	Fish Pond	902 Buford St	2023	112	N/A	$18,000,000	N/A
In Construction	416 Flats	416 N Chaparral St	2028	102	$3,006,000	$15,000,000	20%
Total				**463**			

Current Project- 416 Flats

Address	416 N Chaparral Street
Description	• 416 N Chaparral St, LLC acquired this property in 2019 and proposes a massive renovation to the entire 10-story building. The building will include 102 units of apartments, townhomes, penthouses, and two street level retail spaces. Rent for the units will range from $900 -$2,300. • Interior improvements will include: new elevators, new mini-split/PTAC/HVAC units, MEP repairs and upgrades, a reconfiguration of the common areas to include a seating area and new bathrooms, a reconfiguration of the retail spaces, sheetrock repairs, new vinyl flooring, new paint, new cabinets and countertops for the living units, and new doors. • Exterior improvements will include: repairs to brick facade, a new entrance, new windows, fresh paint, repaving and restriping the parking lot, parking lot fencing, new lighting, security cameras, awnings, and landscaping.
Project Cost	$ 14,983,130
Incentive Proposed	• Downtown Living Initiative Program - $3,060,000
Completion Date	August 30, 2027

Proposed Incentives and Comparison

Proposal- Increase to $50,000- $75,000 a Door

- Increased incentives will direct future development
- Average cost of one unit is $200k-$250k

Comparison with Other Cities

City or Program	Incentive Amount
Amarillo, TX (Center City TIRZ)	≈ **$57,000/unit**
Chicago, IL (Fullerton/Milwaukee)	≈ **$100,000/unit**
Chicago, IL (Multi-Family TIF Rehab)	≈ **30–50% of cost** (varies)
Fort Worth (West Side Development)	≈ **$70,000/unit**
San Antonio — Center City Housing Incentive Policy	≈ **$173,400 per condo unit**.
TSAHC's Affordable Housing Partnership (statewide)	≈ **$75,000 per unit**

Office to Residential Conversion Program

Promising

Converting vacant office space into residential is a development strategy many cities are utilizing especially after the record number of office vacancies following the Covid epidemic.

But Complex

Structural & design barriers: Ideal conversions are in smaller, older buildings with more adaptable layouts.

Technical complexities: Plumbing, electrical, egress, and HVAC systems often need complete overhaul—costly and unpredictable.

Scale issue: Only a small share of new apartments come from conversions.

Uptown Potential

Wilson Plaza is currently for sale

RCLO Real Estate Consulting 2021 Finding

In 2021, RCLCO conducted an Overview Residential Market Study Update of Downtown Corpus Christi

- Under the base case scenario, downtown Corpus Christi can support approximately 460 units over the next 5 years (2021-2025) and 920 units over the next 10 years.
- Since 2021, 135 residential units have been completed in Downtown with TIRZ support.
  - 102 units approved (total of 237 units reflecting 51.5% of recommended units)
- 70 potential units on the horizon

Looking Ahead:

- Initiate new residential study on targeted approach to office to residential conversion in FY 2026 looking for the following data:
  - Conversion cost estimates and financial feasibility analysis for targeted TIRZ boundary buildings
  - Partner selection for development and property management