

# 1001 N WATER STREET LLC

500 N. CAPITAL OF TEXAS HWY  
BUILDING 8, SUITE 100  
AUSTIN, TX 78746

November 9, 2023

City of Corpus Christi  
Attn.: City Manager's Office  
Tax Increment Reinvestment Zone #3  
P.O. Box 9277  
Corpus Christi, Texas 78469-9277

Re: Addition Extension request for Downtown Development Reimbursement Agreement for  
1001 N Water Street LLC (The NorthWater)

Dear Mr. Zaroni,

We have made great progress on the renovation of the NorthWater (formerly Princess Apartments) but have encountered further construction delays since our last update and extension request. The following summarizes some of the issues we have encountered since our last update.

The replacement of the electrical systems was more involved and expensive than expected because all wire is in rigid conduit, which we selected because of its industrial loft look. Our electrician has finished wiring all units and is currently in the process of installing the remainder of the light fixtures and some wiring in common areas. The electricians are about 6 months behind their revised schedule. In addition, we had to delay working on the upper floors as the inspector required us to replace the roof (which had unexpectedly started leaking) prior to any work being completed on the 5<sup>th</sup> floor. Getting bids and completing the replacement of the roof resulted in delay of at least 8 weeks. We also decided to upgrade the fire alarm system which we had not planned on. We are still awaiting final approval from the fire marshal.

As proposed in our renovation plan, we are replacing the inefficient chiller system with a highly efficient mini-split HVAC units. While common in Europe and Mexico, they are still not commonly used on this scale in the US and the pricing we were receiving from most HVAC contractors was far outside of our budget. It took several months but we finally retained a subcontractor who had experience installing the systems on the scale of the North Water project and they have just commenced installation of the mini-split systems this month. We are told it will be 45 days to complete.

Over the next 60 days we plan to complete the HVAC, floor sealing and stain, and balconies (which are going to be completed after the HVAC is installed so they have access on the balcony), plumbing, and electrical. Lastly, we have been using the lot that will be paved for parking as a staging area for containers. The containers are still needed over the next 60 days after which time we can commence construction of the parking lots.

Although we are close to being completed, and no one is more motivated to finish this renovation and get it occupied than we are, we respectfully ask for an additional extension to allow us to obtain our Certificate of Occupancy. We are excited about the impact that this development will have on Downtown Corpus Christi and appreciate yours and the City's continued support for this development. Please call me at 512-970-3889 if you have any questions or concerns.

Sincerely



David M. Fournier  
Principal