



AGENDA MEMORANDUM

Corpus Christi Tax Increment Reinvestment Zone #3 Meeting June 20, 2017

DATE: June 12, 2017

TO: President and Honorable Board Members,
Corpus Christi Tax Increment Reinvestment Zone #3

THROUGH: Margie C. Rose, City Manager

FROM: Alyssa M. Barrera, Business Liaison
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Approval of a 2nd Amendment TIRZ #3 Reimbursement Agreement for the 600 Building at 600 Leopard Street
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CAPTION:

Motion approving Amendment No. 2 to the Downtown Development Reimbursement Agreement for the 600 Building with the 600 Building, L.L.C., which provides that the Developer must close on the purchase of the property on or before November 30, 2017; and ratifying acceptance of the amendment to begin April 30, 2017.

PURPOSE:

The purpose of this item is to update the Reimbursement Agreement for the 600 Building Apartments.

BACKGROUND AND FINDINGS:

On January 19, 2016 and March 29, 2016 the TIRZ #3 Board approved an incentive package for the 600 Building, a project to convert the existing office building to a 126 unit apartment complex. The developer, Marcel Wiznia, is a Corpus Christi native who has successfully converted historic buildings to apartments in New Orleans, Louisiana and sees an opportunity for this type of product in the Corpus Christi market. The project utilizes State and Federal Historic Tax Credits in addition to the Department of Housing and Urban Development (HUD) Mortgage Insurance for Rental and Cooperative Housing.

The Agreement, approved by council on November 15, 2016 includes a cap of \$2,560,000, to be paid over a ten year period, composed of:

- \$10,000 Reimbursement for 126 Units, paid over 2 years
- Up to \$1,300,000 Reimbursement of taxes paid to City, County and Del Mar for 10 years.

The attached Amendment updates the Agreement in response to a delay in the closing process.

ALTERNATIVES:

The Board could not approve this amendment.

OTHER CONSIDERATIONS:

N/A

CONFORMITY TO CITY POLICY:

Conforms with the Tax Code, City Charter and TIRZ #3 Project & Financing Plan.

DEPARTMENTAL CLEARANCES:

Finance

Legal

FINANCIAL IMPACT:

☐ Operating

☐ Revenue

☐ Capital

X Not applicable

Fiscal Year: 2016-2017	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

RECOMMENDATION:

Staff recommends ratifying the amendment to the Agreement

LIST OF SUPPORTING DOCUMENTS:

Amendment No. 2 - Downtown Development Reimbursement Agreement – 600 Building
Letter Requesting Extension – 600 Building