



AGENDA MEMORANDUM

Corpus Christi Tax Increment Reinvestment Zone #3 Meeting November 18, 2025

DATE: November 18, 2025

TO: Peter Zaroni, City Manager

FROM: Arlene Medrano, Executive Director, CCDMD
Arlene@cctexasdmd.com
(361) 882-2363

Approval of TIRZ #3 Downtown Development Reimbursement Agreement with Coastal Cowboy Construction, LLC at 1218 2nd Street for The Quad on Second
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CAPTION:

Motion to approve a Downtown Development Agreement with Coastal Cowboy Construction, LLC for improvements to the property located at 1218 2nd Street for a total incentive amount not to exceed \$162,550, effective upon signature by the City Manager or designee from the TIRZ #3 Downtown Living Initiative Program and Streetscape and Safety Improvement Program.

SUMMARY:

This motion authorizes a Reimbursement Agreement for Coastal Cowboy Construction, LLC in the amount of \$120,000 from the Downtown Living Initiative Program and \$42,550 from the Streetscape and Safety Improvement Program. The owner envisions a complete transformation of a vacant lot into a four-unit market rate apartment building. These apartment units will provide additional high-quality housing to the surrounding area and be the first residential project to be incentivized in the South Downtown area since the formation of the downtown reinvestment zone.

BACKGROUND AND FINDINGS:

The Incentive Programs adopted by the TIRZ #3 Board in the Project and Financing Plan are specially structured to encourage specific types of development, the key to our community's long-term goal of Downtown Revitalization. The Downtown Living Initiative was created to assist multi-family development in the Reinvestment Zone with regard to building rehabilitation, office conversion, and new construction. The Streetscape and Safety Improvement Program was created to assist businesses in the Reinvestment Zone with regard to exterior improvements and safety standards.

The owner and developer, Lance Garza, is a third generation Corpus Christi native and began his construction career in Austin. His goal is to bring the energy, creativity and design forward approach of Austin housing to Corpus Christi, and this project is the first step.

The Quad on Second will have a modern look and be a safe community-friendly residential option for the area. Each apartment unit will be 1,427 sqft and have a three-bedroom, two-and-a-half-bathroom layout with quality finishes. The scope of work includes: construction of four market rate apartments, new tenant parking spaces, a pin-pad gate, landscaping, exterior lighting, and signage.

ALTERNATIVES:

The Board could not approve this agreement or limit the incentive amount.

FINANCIAL IMPACT:

The funding source for this project is from the TIRZ #3 Downtown Living Initiative and Streetscape and Safety Improvement Programs. The amount of funding paid for this project is up to \$162,550 out of the FY 2027 budget, subject to appropriation in the FY 2027 operating budget.

Funding Detail:

Fund: 1112 – TIF #3
Organization/Activity: 10278 – Downtown Living Initiative Program
10286 – Streetscape and Safety Improvement Program
Mission Element: 57 – Economic Development
Project # (CIP Only): N/A
Account: 540450 – Reimbursement to Developers

RECOMMENDATION:

Staff recommends approving this agreement. This property will undergo a complete transformation from a vacant lot to a new residential option for the South Downtown area.

LIST OF SUPPORTING DOCUMENTS:

TIRZ #3 Presentation – The Quad on Second
TIRZ #3 Reimbursement Agreement – The Quad on Second
TIRZ #3 Exhibit – The Quad on Second