

Resolution approving Amendment No. 2 to the Business Incentive Agreement Between the Corpus Christi B Corporation and Elevate QOF, LLC; extending the construction completion date of March 31, 2026, to August 31, 2026; extending the primary job creation, retention dates for certification; and making certain findings related to affirmation of the Business Incentive Agreement for the Hilton Homewood Suites Hotel Project.

WHEREAS, the Texas Legislature in Section 501 of the Local Government Code (Development Corporation Act of 1979) empowered local communities with the ability to adopt an optional local sales and use tax as a means of improving the economic health and prosperity of their citizens;

WHEREAS, on November 8, 2016, residents of the City passed Proposition 2, adopting Type B Sales Tax to replace expiring portion of Type A Sales Tax, which authorized the adoption of a sales and use tax to be administered by a Type B Corporation at the rate of one-eighth of one percent to be imposed for 20 years with use of the proceeds for (1) 50% to the promotion and development of new and expanded enterprises to the full extent allowed by Texas law, (2) \$500,000 annually for affordable housing, and (3) the balance of the proceeds for the construction, maintenance and repair of arterial and collector streets and roads;

WHEREAS, the 1/8 cent sales tax authorized by passage of Proposition 2 was subsequently enacted by the City's City Council ("City Council") and filed with the State Comptroller of Texas, effective April 1, 2018, to be administered by the B Corporation's Board of Directors ("Board"), and allowing for economic development projects that expand business enterprises and create primary jobs;

WHEREAS, on December 11, 2023, in accordance with Texas Local Government Code Section 505.159, the Corpus Christi B Corporation held a public hearing and authorized a business incentive grant project with Elevate QOF, LLC, for a grant amount not to exceed \$2,000,000.00 for a Hilton Homewood Suites Hotel at the corner of N. Chaparral Street and Lomax Street, including primary job creation and retention;

WHEREAS, on January 22, 2024, the Corpus Christi B Corporation approved a Business Incentive Agreement with Elevate QOF, LLC for a total incentive amount not to exceed \$2,000,000.00 for the Hilton Homewood Suites Hotel, subject to Elevate QOF, LLC creating and retaining a total of 65 primary jobs in Corpus Christi throughout the term of the agreement;

WHEREAS, pursuant to Texas Local Government Code Sections 505.160 and 505.303, no petition was received within 60 days of the first published notice of the Hilton Homewood Suites Hotel Project;

WHEREAS, the City Council of the City of Corpus Christi authorized the business incentive agreement between the Type B Corporation and Elevate QOF LLC on April 23, 2024, via Ordinance No. 033350, appropriating the total incentive amount not to exceed \$2,000,000.00 for costs associated with Homewood Suites by Hilton at the corner of N. Chaparral Street and Lomax Street; authorizing the expenditure of up to \$2,000,000.00

from the Type B unreserved fund balance and amending the fiscal year 2023-24 operating budget to increase expenditures by \$2,000,000.00.

WHEREAS, on March 27, 2025, Elevate QOF, LLC, submitted a formal request to amend the Business Incentive Agreement for the Homewood Suites Hotel project, requesting an extension to the construction completion deadline from September 30, 2025, to March 31, 2026;

WHEREAS, on May 19, 2025, the Corpus Christi B Corporation approved Amendment No. 1, extending the construction completion deadline to March 31, 2026;

WHEREAS, on February 2, 2026, Elevate QOF, LLC, submitted a second formal request to, again, amend the Business Incentive Agreement for the Homewood Suites Hotel project, requesting an extension to the construction completion deadline from March 31, 2026 to August 31, 2026; and

WHEREAS, the Corpus Christi Regional Economic Development Corporation requested approval of an amendment to the agreement to provide the extension and allow the agreement to secure the creation of primary jobs.

BE IT RESOLVED BY THE BOARD OF THE CORPUS CHRISTI B CORPORATION OF THE CITY OF CORPUS CHRISTI, TEXAS:

Section 1. The Board of the Corpus Christi B Corporation finds that the foregoing statements included in the preamble of this resolution are true and correct, and hereby affirms such findings for all intents and purposes, and affirms the approval of the B Corporation Business Incentive Program Agreement with Elevate QOF, LLC for a Hilton Homewood Suites Hotel incentive to provide for job creation.

Section 2. The Board of the Corpus Christi B Corporation approves the attached **Amendment No. 2** to the Business Incentive Agreement between the Corpus Christi B Corporation and Elevate QOF, LLC, extending the construction completion date of **March 31, 2026, to August 31, 2026**, and extending completion and performance timelines.

PASSED AND APPROVED on the _____ day of _____, 2026.

ATTEST:

Diana Summers, President

Rebecca Huerta, City Secretary