



AGENDA MEMORANDUM

Corpus Christi Tax Increment Reinvestment Zone #3 Meeting January 30, 2024

DATE: January 05, 2023

TO: Peter Zaroni, City Manager

FROM: Alyssa Barrera Mason, Executive Director, CCDMD
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Approval of TIRZ #3 Downtown Development Reimbursement Agreement with Nueces Lofts Partners, LLC at 317 Peoples Street for Community Grocery

CAPTION:

Motion to approve a Downtown Development Agreement with Nueces Lofts Partners, LLC for improvements to the property located at 317 Peoples Street for a total incentive amount not to exceed \$15,175, effective upon signature by the City Manager or designee.

SUMMARY:

This motion authorizes a Reimbursement Agreement for Nueces Lofts Partners, LLC in the amount of \$15,175 from the Commercial Finish Out Program (Landlord). This space was previously the original All Good Fitness and is now proposed to become a new market featuring locally sourced food options.

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 Commercial Finish Out Program was created to assist businesses in the Reinvestment Zone with regard to interior permanent/semi-permanent finish-out improvements.

Nueces Lofts Partners, LLC (owner) acquired this property in 2006, and the building was the first historic rehab/adaptive reuse project in Downtown. We approved an incentive package for the tenant in 2023, but the ownership has since changed managing partners. The new managing partner requests this incentive support after recently investing \$500,000 in Nueces Lofts to modernize the property. The proposed upgrades will help service the new market, Community

Grocery, set to open in FY 2024. The landlord will complete mechanical, electrical, and plumbing repair for the space.

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 Commercial Finish Out Program. The FY 2024 budget for this program is \$15,175.

Funding Detail:

Fund: 1112 – TIF #3
Organization/Activity: 10277 – New Tenant Commercial Finish Out
Mission Element: 707 – Economic Development
Project # (CIP Only): N/A
Account: 540450 – Reimbursement to Developers

RECOMMENDATION:

Staff recommends approving this agreement. The proposed interior improvements will assist the tenant in completing the construction build out for this property ensuring Community Grocery's FY 2024 opening. Community Grocery will be a great asset to those living, working, and visiting Downtown.

LIST OF SUPPORTING DOCUMENTS:

TIRZ #3 Presentation – Community Grocery (Landlord)
TIRZ #3 Reimbursement Agreement – Community Grocery (Landlord)