



AGENDA MEMORANDUM
Corpus Christi Tax Increment Reinvestment Zone #4 Meeting of April 09, 2024

DATE: April 04, 2024

TO: President and Honorable Board Members,
Corpus Christi Tax Increment Reinvestment Zone #4

THROUGH: Peter Zanoni, City Manager

FROM: Heather Hurlbert, CPA, CGFO, Assistant City Manager
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Approval of TIRZ #4 Reimbursement Agreement for Hotel De Ville

CAPTION:

Motion to approve a Development Reimbursement Agreement with C&P Monarch LP for exterior and interior improvements to the Hotel located at 3500 Surfside Blvd, that benefit the TIRZ #4, for a total incentive amount not to exceed \$432,089 and completion date on or before April 30, 2025.

SUMMARY:

This motion authorizes a Reimbursement agreement with C&P Monarch LP for improvements and project located at 3500 Surfside Blvd. Improvements include structural repairs and improvements, façade improvements, landscaping, signage, exterior security cameras, and parking lot improvements.

BACKGROUND AND FINDINGS:

The primary functions of the TIRZ #4 Zone are to support Infrastructure Projects, Maintenance Projects, and Development Incentives. The North Beach Property Improvement Program is an incentive that encourages private investment in the existing structures and facilities already built on North Beach.

This is an impactful project for North Beach that improves an existing building situated near the popular Texas State Aquarium and the USS Lexington attractions that are visited by over 500,000 visitors annually. Scheduled for completion by April 2025, the developers will complete significant exterior and interior renovations for the hotel.

This planned improvements include:

- Structural repairs and replacement of the existing pilings
 - Guestroom access way floor resurfacing
 - Roof repairs
 - Façade improvements to the main building exterior
 - Landscaping with added trees
 - Planned green spaces with seating area, picnic area and additional seating
 - Picnic area related mechanical, electrical and plumbing (MEP) improvements
 - New signage on the main building
 - Security cameras
 - *Addition of a guest swimming pool area**
 - *Guest room upgrades including flooring, paint, and furniture**
 - *Lobby upgrades**
- *Improvements not eligible for reimbursement consideration but part of the total investment*

The total investment by the developer in this project is estimated at \$1,440,295.

The total eligible reimbursement costs include the following:

Eligible Reimbursement Project Costs	
Description	Estimate
Structural Repairs & Replacement of Pilings	\$206,100
Façade Improvements	\$82,740
Landscaping-Patio, sitting areas, and outdoor spaces	\$111,400
Signage	\$50,900
Security Cameras	\$37,000
Parking Lot Improvements	\$389,025
Total Project Costs	\$877,165

The program allows for a reimbursement of up to 50% of total eligible costs. This would allow for a reimbursement of up to \$438,583. Based on best practices that allows for reimbursement of not more than 30% of the total investment, staff recommends a reimbursement of an amount not to exceed \$432,089 which is equal to 30% of the total investment.

The incentives will be paid out on a reimbursement basis in five annual payments beginning in fiscal year 2025 as funds are available in the TIRZ.

ALTERNATIVES:

The Board could choose not to approve this agreement or modify the incentive amount.

FINANCIAL IMPACT:

The funding source for this project is from the TIRZ #4 North Beach Property Improvement

Program in an amount not to exceed \$432,089. The incentives will be paid in five annual payments beginning in fiscal year 2025.

Funding Detail:

Fund: 1114
Organization/Activity: 13905
Mission Element: 57
Project # (CIP Only): N/A
Account: 540450

RECOMMENDATION:

Staff recommends approval of this agreement.

LIST OF SUPPORTING DOCUMENTS:

PowerPoint – Hotel De Ville Presentation
Agreement