



CITY OF
CORPUS CHRISTI

AGENDA MEMORANDUM

Corpus Christi Tax Increment Reinvestment Zone #3
Special Meeting January 27, 2026

DATE: January 27, 2026

TO: Peter Zanoni, City Manager

FROM: Arlene Medrano, Executive Director, CCDMD
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Approval of TIRZ #3 Downtown Development Reimbursement Agreement with Nueces County for the Demolition of 1914 Nueces County Courthouse

CAPTION:

Motion to approve a Downtown Development Agreement with Nueces County for the demolition of the 1914 Nueces County Courthouse for a total incentive amount not to exceed \$2,000,000, effective upon signature by the City Manager or designee.

SUMMARY:

This motion authorizes a Reimbursement Agreement for Nueces County in the amount of \$2,000,000 from the TIRZ Member Agency Reimbursement Program. With the Historical Commission granting Nueces County permission to demolish the courthouse it is necessary to take advantage of this opportunity. Demolishing the 1914 Nueces County Courthouse will remove blight, increase safety and encourage future redevelopment.

BACKGROUND AND FINDINGS:

Since the relocation of staff nearly 50 years ago, the 1914 Nueces County Courthouse building has been a concern to the downtown area due to its deteriorating condition in a highly visible and highly traveled area of the city. After years of trading hands and multi-jurisdictional attempts to redevelop the building, the Nueces County has resolved that public intervention from the TIRZ #3 for the demolition of the building is the only path forward. Demolition of the building will not only increase public safety and remove blight from the surrounding area but will also encourage future development.

The county has attempted to sell the building on three separate occasions for redevelopment. Each attempt has failed due to the cost of renovations ranging as high as \$120 million. One of the attempts was in May 2018, when the TIRZ #3 Board directed staff to prepare a Downtown

Development Reimbursement Agreement for “Le Meridien” at the site of the 1914 Nueces County Courthouse with a \$1,000,000 tax reimbursement for the proposed hotel. The developer defaulted on the terms of the deal, specifically closing on the purchase of the property, so the agreement ended.

The 1914 Nueces County Courthouse has a state easement in place until September 1, 2027 that makes the demolition of the building presently illegal; however, Nueces County Commissioners have shared the state is prepared to remove that deed restriction to allow for demolition. Following the termination of the 2018 redevelopment proposal, Nueces County partnered with the Texas Historical Commission’s Town Square Initiative group to get a 2016 Feasibility Study updated with a hotel development model that provided a return on investors funding. The Feasibility Study identified seven challenges that need to be addressed in order for any outside developer to seriously consider the project. One challenge was the need to eliminate uncertainty for future development proposals.

In August of 2019, the TIRZ #3 Board approved an offer letter of support to the Texas Historical Commission that stated commitment to the redevelopment of the historical 1914 Nueces County Courthouse. **To date, there have been no new developers that have entered into a new agreement for redevelopment.**

On October 24, 2025, the Nueces County Commissioners Court passed a motion making their participation in the TIRZ #3 beyond December 31, 2028, contingent upon the TIRZ #3 agreeing to fund the demolition of the 1914 Nueces County Courthouse and requiring that such a decision be made by December 31, 2025.

The project scope of work will include the complete demolition of the 1914 Nueces County Courthouse. The demolition will also encompass a new asbestos survey, engineered demolition design plans and specifications, and asbestos abatement plan.

ALTERNATIVES:

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

FISCAL IMPACT:

The funding source for this project is from the TIRZ#3 TIRZ Member Agency Reimbursement Program. The amount of funding reimbursed for this project is up to \$2,000,000 and will be reimbursed in three equal annual payments of \$666,666 upon completion of demolition and application for reimbursement.

Funding Detail:

Fund: 1112 – TIF #3

Organization/Activity: TBD - New

Department: 57 – Economic Development

Project # (CIP Only): N/A

Account: 540450 – Reimbursement to Developers

RECOMMENDATION:

Staff recommends approving this agreement for the demolition of the 1914 Nueces County Courthouse. The proposed demolition will significantly improve the area for future redevelopment, eliminate a source of blight and increase public safety for the area. This recommendation comes with the support from Nueces County Judge and Nueces County Commissioners Court.

LIST OF SUPPORTING DOCUMENTS:

TIRZ #3 Presentation – 1914 Nueces County Courthouse Demolition

Work Authorization No 3 – Hanson Professional Services, Inc.

TIRZ#3 Reimbursement Agreement – 1914 Nueces County Courthouse Demolition

TIRZ#3 Exhibit - 1914 Nueces County Courthouse Demolition