



AGENDA MEMORANDUM

Corpus Christi Tax Increment Reinvestment Zone #3 Meeting September 19, 2023

DATE: September 08, 2023

TO: Peter Zanoni, City Manager

FROM: Alyssa Barrera Mason, Executive Director, CCDMD
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**Approval of TIRZ #3 Downtown Development Reimbursement Agreement with
C&P Monarch, LP at 1102 S Shoreline Boulevard for Holiday Inn Express**

CAPTION:

Motion to approve a Downtown Development Agreement with C&P Monarch, LP for improvements to the property located at 1102 S Shoreline Boulevard for a total incentive amount not to exceed \$2,000,000, subject to City Council approval of the Rooftop Activation Program as part of an amendment to the TIRZ #3 Project and Financing Plan.

SUMMARY:

This motion authorizes a Reimbursement Agreement for C&P Monarch, LP in the amount of \$2,000,000 comprised of \$1,000,000 from the Streetscape and Safety Improvement Program and \$1,000,000 from the Rooftop Activation Program. The owner envisions this 148-room hotel as a preeminent tourist destination, with multiple uses and amenities to be offered throughout the property.

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 Streetscape and Safety Improvement Program and Rooftop Activation Program were created to assist businesses in the Reinvestment Zone with regard to exterior improvements and safety standards.

C&P Monarch, LP (Kalpesh Chaudhari and Kuntalben Patel) acquired this property in 2021 and proposes a massive renovation, splitting the current buildings into two hotels. The South Tower phase will be made into a Holiday Inn Express with details of the next phase still being finalized.

The hotel originally opened in 1965 and has been rebranded or reopened into four hotels since then. This project includes complete renovation of the interior and infrastructure as well as:

Streetscape Improvements

- complete redesign of the façade
- lobby entrance canopy
- lobby roof
- resurfaced and restriped parking lot
- landscaping
- pedestrian walkway connecting to Ocean Drive
- lighting
- upgraded security cameras
- murals
- signage
- double doors
- decorative fencing

Rooftop Improvements

- rooftop event center
- elevators and stairs to reach the rooftop event center

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 Streetscape and Safety Improvement Program and the Rooftop Activation Program. The FY 2024 budget for this program is \$2,000,000.

Funding Detail:

Fund: 1112 – TIF #3
Organization/Activity: 10286 –Streetscape and Safety Improvement Program
_____ - Rooftop Activation Program
Mission Element: 707 – Economic Development
Project # (CIP Only): N/A
Account: 540450 – Reimbursement to Developers

RECOMMENDATION:

Staff recommend approving this agreement. This property is unique as the only hotel directly on the beach in this area. This property will become a prime location for perfect rooftop views, easy Downtown access, rooftop events, and a host of premium amenities that will be a major local and tourist destination serving Corpus Christi for years to come.

LIST OF SUPPORTING DOCUMENTS:

TIRZ #3 Presentation – Holiday Inn Express

TIRZ #3 Reimbursement Agreement – Holiday Inn Express

TIRZ #3 Exhibit – Holiday Inn Express