



## **AGENDA MEMORANDUM**

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

**DATE:** January 05, 2024

**TO:** Peter Zaroni, City Manager

**FROM:** Alyssa Barrera Mason, Executive Director, CCDMD  
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<p><b>Approval of TIRZ #3 Downtown Development Reimbursement Agreement with Corpus Christi Cosmopolitan, LLC at 401 N Chaparral Street, Retail Suite A</b></p>
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**CAPTION:**

Motion to approve a Downtown Development Reimbursement Agreement with Corpus Christi Cosmopolitan, LLC for improvements to the property located at 401 N Chaparral Street, Retail Suite A for a total incentive amount not to exceed \$20,000, effective upon signature by the City Manager or designee.

**SUMMARY:**

This motion authorizes a Reimbursement Agreement for Corpus Christi Cosmopolitan, LLC in the amount of \$20,000 from the Commercial Finish Out (Landlord) Program. The landlord plans to install a new HVAC system, new electrical wiring, and an interior wall to split the space into two separate leasable suites.

**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 new businesses in the Reinvestment Zone with regard to interior permanent/semi-permanent finish-out improvements.

The Cosmopolitan, co-owned by John and Mary Evilsizor, opened in 2018 after many years of anticipation and is at 100% occupancy with a waiting list for new residents. It was the second mixed-use multifamily property in the city, and the retail space was not "white boxed" at the time of original construction. Due to the costs of white boxing the space, it has remained vacant, except

for the Edward Jones Office. Corpus Christi Cosmopolitan, LLC purchased the property in 2021, with a commitment to filling the retail space. In preparation for a new tenant, they have submitted an application to use the Commercial Finish Out (Landlord) Program to install a new HVAC system, new electrical wiring, and an interior wall to split the space into two separate leasable suites. A lease has been signed with a new tenant, and a Commercial Finish Out Grant will be proposed at the next TIRZ #3 meeting for their portion of the project.

**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 \$20,000.

**Funding Detail:**

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

**RECOMMENDATION:**

Staff recommends approving this agreement. These improvements are necessary for the new tenant to be able to move into this space. In the heart of Downtown on Chaparral Street, the future of this space is bright and will be a great asset to those living, working, and visiting Downtown.

**LIST OF SUPPORTING DOCUMENTS:**

TIRZ #3 Presentation – The Cosmopolitan Retail Suite A  
TIRZ #3 Exhibit – The Cosmopolitan Retail Suite A