



AGENDA MEMORANDUM

Corpus Christi Tax Increment Reinvestment Zone #3 Meeting 9/27/16

DATE: September 19, 2016

TO: President and Honorable Board Members,
Corpus Christi Tax Increment Reinvestment Zone #3

THROUGH: Margie C. Rose, City Manager

FROM: Alyssa M. Barrera, Business Liaison
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<p>Approval of TIRZ #3 Reimbursement Agreement for Clock Tower Apartments at 605 Furman Avenue</p>

CAPTION:

Motion to approve a Downtown Development Reimbursement Agreement with CT Corpus 149, Ltd for improvements to the property located at 605 Furman Ave. for a total incentive amount not to exceed \$1,870,000, which is comprised of incentives under the Downtown Living Initiative and a Project-Specific Development Agreement.

PURPOSE:

The purpose of this item is to approve a Reimbursement Agreement for the Clock Tower Apartments.

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, key to our community's long term goal of Downtown Revitalization. Development of residential units to build the density that will support locally owned business is a high priority.

On August 23, 2016 the TIRZ #3 Board directed staff to prepare a Downtown Development Reimbursement Agreement for the Clock Tower Apartments, which will replace the Second Baptist Church and finally connect Bay Vista and Bay Vista Pointe with the historic Furman Avenue neighborhood. Clock Tower is a 150 unit development with a 283 space structured parking garage. The Parking Garage has been upgraded from a standard concrete slab structure to include façade improvements that mirror the Apartment building and respect the historic nature of the neighborhood.

The Agreement includes a cap of \$1,870,000, to be paid over a ten year period, composed of:

- \$10,000 Reimbursement for 39 Units, paid over 2 years
- 75% Reimbursement of taxes paid to City, County and Del Mar for 10 years.

ALTERNATIVES:

The Board could not approve this agreement.

OTHER CONSIDERATIONS:

N/A

CONFORMITY TO CITY POLICY:

Conforms with the Tax Code, City Charter and TIRZ #3 Project & Financing Plan.

DEPARTMENTAL CLEARANCES:

Finance

Legal

FINANCIAL IMPACT:

☐ Operating

☐ Revenue

☐ Capital

☒ Not applicable

Fiscal Year: 2016-2017	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

RECOMMENDATION:

Staff recommends approving the reimbursement agreement.

LIST OF SUPPORTING DOCUMENTS:

Downtown Development Reimbursement Agreement – Clock Tower Apartments