



AGENDA MEMORANDUM
Corpus Christi Tax Increment Reinvestment Zone #3 Meeting February 27, 2018

DATE: February 20, 2018

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

THROUGH: Margie C. Rose, City Manager

FROM: Keith Selman, Assistant City Manager
KeithSe@cctexas.com
(361) 826-3898

Clock Tower Apartments Agreement Termination

CAPTION:

Motion approving an agreement with CT Corpus 149, Ltd. to terminate the TIRZ #3 incentive agreement with said entity that was approved on September 27, 2016.

PURPOSE:

The purpose of this item is to approve the agreement to terminate the TIRZ #3 Agreement with CT Corpus 149, Ltd.

BACKGROUND AND FINDINGS:

The TIRZ#3 Board Approved an incentive agreement with CT Corpus 149 Ltd in September 2016 for the development of 150-unit apartment building. The building plans were reviewed and approved in October 2016, but the building permit was not picked up and the project has since stalled. Further, the property has not been maintained by the owner, resulting in several citations. Attempts were made to contact the developers by phone, email and letter.

The Developers responded to an email on January 31, 2018, stating that they were not able to provide a date to begin construction, but were willing to agree to terminate the TIRZ agreement.

The TIRZ #3 Agreement included 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.

The Developer provided an executed copy of the termination agreement and the action today is to allow the Board to approve the termination agreement, so that funds can be released for other projects.

ALTERNATIVES:

The Board could not approve this termination agreement.

OTHER CONSIDERATIONS:

N/A

CONFORMITY TO CITY POLICY:**DEPARTMENTAL CLEARANCES:**

Finance

Legal

FINANCIAL IMPACT:

X Operating

☐ Revenue☐ Capital

X Not applicable

Fiscal Year: 2017-2016	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 Termination Agreement.

LIST OF SUPPORTING DOCUMENTS:

Termination Agreement