



AGENDA MEMORANDUM

Corpus Christi Tax Increment Reinvestment Zone #3 Meeting
May 15, 2018

DATE: May 7, 2018

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

THROUGH: Margie C. Rose, City Manager

FROM: Alyssa M. Barrera, Executive Director, Downtown Management District
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<p>Approval of TIRZ #3 Reimbursement Agreement for Le Meridien at 1100 N. Mesquite Street.</p>

CAPTION:

Motion to approve a Downtown Development Reimbursement Agreement with Nueces County Courthouse Development Partners, L.L.C., for improvements to the Old Nueces County Courthouse located on the 1100 block of North Mesquite Street, for a total incentive amount not to exceed \$1,000,000, which is comprised of incentives under the Project Specific Development Agreement program.

PURPOSE:

The purpose of this item is to approve a Reimbursement Agreement for Le Meridien.

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. Developments that include improvements to the right of way, walkability and urban design features are a high priority.

On April 24, 2018 the TIRZ #3 Board directed staff to prepare a Downtown Development Reimbursement Agreement for Le Meridien at the corner of Mesquite Street and IH37. The Project is an historic adaptive reuse conversion into a full-service hotel. The project includes restoration of the exterior of the building. The hotel is proposed to be a full service 4 star hotel with 159 rooms. The project will include a pool, fitness room, meeting space and 162 proposed parking spaces.

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

- 50% Reimbursement of taxes paid to City, County and Del Mar on the new improvements.

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: 2017-2018	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:

TIRZ #3 Agreement – Le Meridien