



AGENDA MEMORANDUM

Corpus Christi Tax Increment Reinvestment Zone #3 Meeting December 4, 2018

DATE: November 26, 2017

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

THROUGH: Keith Selman, Interim City Manager

FROM: Alyssa M. Barrera, Executive Director, Downtown Management District
Alyssa@cctexasdmd.com
(361) 882-2363

Approval of a 2nd Amendment TIRZ #3 Reimbursement Agreement for the Stonewater Projects

CAPTION:

Motion approving Amendment No. 2 to the Downtown Development Reimbursement Agreement for Studio 44 Apartments f/k/a "Studio 21", Broadway Lofts, and the related Parking Facilities with Stonewater Properties 723 Broadway LLC and Stonewater Properties Carancahua Inc., which provides an extension of the deadline for completion of the three phases of the Development.

PURPOSE:

The purpose of this item is to extend the completion deadlines for the three phases of the Stonewater Development.

BACKGROUND AND FINDINGS:

On April 12, 2016 the TIRZ #3 Board approved an incentive package and Agreement for the Stonewater Development, a three-phase project to convert two existing office buildings to residential apartments and upgrade the supporting parking facilities.

The Agreement includes a cap of \$655,000, to be paid over a ten-year period, composed of:

- Phase 1 - \$185,000 Reimbursement for 37 Units (paid over two years)
- Phase 2 - \$420,000 Reimbursement for 44 Units (paid over one year)
- Phase 3 – Up to \$50,000 for Parking Lot Improvements (75% reimbursement of property taxes paid on improvements for max of ten years).

Stonewater has requested an extension of the performance deadlines as follows:

Phase	Original Deadline	1 st Extension	Proposed Deadline
Studio 44 Apartments	12/1/2017	12/31/2018	3/31/2019
Broadway Lofts	12/1/2018	12/1/2019	12/31/2020
Parking Lot Improvements	12/1/2018	12/1/2018	12/31/2020

ALTERNATIVES:

The Board could not approve this Amendment.

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 amendment to the Agreement

LIST OF SUPPORTING DOCUMENTS:

Letter Requesting Extension – Stonewater

Amendment No. 2 - Downtown Development Reimbursement Agreement – Stonewater