



AGENDA MEMORANDUM

Corpus Christi Tax Increment Reinvestment Zone #3 Meeting September 17, 2019

DATE: September 4, 2019

TO: Peter Zaroni, City Manager

FROM: Alyssa Barrera Mason, Executive Director, CCDMD
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<p>Approval of TIRZ #3 Reimbursement Agreement for 807 N Upper Broadway, LLC at 807 N Upper Broadway</p>

CAPTION:

Motion to approve a Downtown Development Reimbursement Agreement with 807 N Upper Broadway, LLC for improvements to the property located at 807 N Upper Broadway for a total incentive amount not to exceed \$520,000, effective upon signature by the City Manager or designee.

SUMMARY:

This motion authorizes a Reimbursement Agreement for 807 N Upper Broadway, LLC through the Project Specific Development Agreement in the amount of \$520,000.

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. The Project Specific Development Agreement was created to activate vacant buildings and land in the Reinvestment Zone.

On August 27, 2019 the TIRZ #3 Board directed staff to prepare a Downtown Development Reimbursement Agreement with 807 N Upper Broadway, LLC at 807 N Upper Broadway. The Developer will be performing a full-scale renovation on this historically significant building which has sat vacant since 1983. Improvements include installing new HVAC, electrical, plumbing, fire safety, and elevator systems. Sitework for the building includes upgrades to the public utility infrastructure for wastewater and electrical power. A new roof along with an observation deck will be built. The windows will be replaced but the integrity of the historical façade will remain. The parking lot will be resurfaced and will include lighting and landscaping along with some spaces provided with covered parking. The total project cost is \$10,400,000.

The Developer will occupy the third floor as their corporate offices. The first, second, and basement floors will have mechanical, electrical, and plumbing systems capped off for build-out of future tenants.

ALTERNATIVES:

The Board could not approve this agreement.

FINANCIAL IMPACT:

The funding source for this project is from the TIRZ #3 Project Specific Development Agreement. This program consists of a reimbursement of taxes paid on an annual basis up to 10 years or expiration of the TIRZ, whichever occurs first.

Funding Detail:

Fund: 1112
Organization/Activity: 10279
Mission Element: 707
Project # (CIP Only): N/A
Account: 540450

RECOMMENDATION:

Staff recommends approving the agreement.

LIST OF SUPPORTING DOCUMENTS:

TIRZ #3 Reimbursement Agreement – 807 North Upper Broadway