



AGENDA MEMORANDUM

Corpus Christi Tax Increment Reinvestment Zone #3 Meeting September 30, 2020

DATE: August 27, 2020

TO: Peter Zanoni, City Manager

FROM: Alyssa Barrera Mason, Executive Director, CCDMD
Alyssa@cctexasdmd.com
(361) 882-2363

Jason Alaniz, Real Estate & Main Street Manager, CCDMD
Jason@cctexasdmd.com
(361) 882-2363

**Approval of 1st Amendment TIRZ #3 Reimbursement Request for 807 N Upper Broadway, LLC
at 807 N Upper Broadway**

CAPTION:

Motion approving Amendment No. 1 to the Downtown Development Reimbursement Agreement for 807 N Upper Broadway LLC, which provides a six-month extension of the deadline to complete construction of the improvements from September 30, 2020 to March 31, 2021, effective upon signature by the City Manager or designee.

SUMMARY:

This motion authorizes an extension of the completion date requirement for 807 N Upper Broadway, LLC. This project consists of a full-scale renovation of this 30,000+ SF historically significant building that has sat vacant for decades with multiple failed attempts at renovation.

BACKGROUND AND FINDINGS:

On September 17, 2019, the TIRZ #3 Board approved a Downtown Development Reimbursement Agreement with 807 N Upper Broadway, LLC for the property located at 807 N Upper Broadway. The project fit the criteria for the Project Specific Development Agreement Program which was created to activate vacant buildings and land in the Reinvestment Zone.

The Developer has invested over \$5,500,000 into the project to date but has encountered several issues and re-designs that have caused delays including the expansion and enhancement of the rooftop amenity to include a larger deck area, larger shade structure, and climate controlled rooftop elevator lobby with bathrooms. Additionally, the pandemic has caused delays with the construction due to crew segregation, out of town steel erecting crews, and delivery of materials.

To date, the Developer has completed or is near completion on the following improvements:

Windows	MEP Rough-in	Rooftop Steel Framing
Exterior Brick Work	Fire Suppression Rough-in	Rooftop Concrete Beams
Metal Stud Framing	HVAC Ducting	Concrete Work for Elevators

The total project cost is \$10,400,000 and the Developer is fully committed to completing this project in accordance with the requested revised schedule.

ALTERNATIVES:

The Board could not approve this amendment or limit the completion date requirement.

FINANCIAL IMPACT:

There is no financial impact associated with this item. The funding source for this project is from the TIRZ #3 Project Specific Development Agreement. The Project Specific Development Agreement is a reimbursement on property taxes paid annually by the Developer.

Funding Detail:

Fund: 1112 – TIF #3
Organization/Activity: 10279 – Project Specific Development
Mission Element: 707 - Economic Development
Project # (CIP Only): N/A
Account: 540450 – Reimbursement to Developers

RECOMMENDATION:

Staff recommends approving the amendment to the Agreement and extending the completion date for this project by six months from September 30, 2020 to March 31, 2021. This project will activate a targeted decades old vacant building that has had multiple failed attempts at renovation. Additionally, the Developer is taking careful consideration in preserving the integrity of the historic façade. The Developer has multiple development projects and businesses in the Corpus Christi area all in different stages of development and this will be the office headquarters for this developer and business owner.

LIST OF SUPPORTING DOCUMENTS:

Letter Requesting Extension – 807 NUB
Amendment No. 1 Development Reimbursement Agreement – 807 NUB