

AMENDMENT NO. 2 TO DOWNTOWN DEVELOPMENT REIMBURSEMENT AGREEMENT – Ward Building

This Amendment No. 2 amends the agreement between the City of Corpus Christi, as an agent of the Tax Increment Reinvestment Zone No. 3, and Peoples Street Project, LLC (the “Developer”), regarding the development at 541 N Chaparral (the “Agreement”).

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

- 1) The first paragraph of Section 1 of the Agreement is hereby deleted in its entirety and replaced with the following language.

“The City shall reimburse the Developer from available TIRZ #3 funds in an amount up to the estimated project cost listed next to each Improvement in attached **Exhibit C** (the “**Estimated Project Costs**”), except that (a) the total amount of all such reimbursements for the Development may not exceed \$430,000.00 and (b) if the Developer actually incurs a cost for an Improvement less than that Improvement’s Estimated Project Cost, the City shall reimburse the Developer for only the amount of the cost that the Developer actually incurred for that Improvement.

For purposes of this Agreement, the value of the Property at the time of the Agreement is \$312,864.00 (“the Base Value”). The taxes paid to the taxing entities and dedicated to the TRIZ #3 for the increased value above the Base Value constitutes the Increment.

Based on qualifications of the Development, the Program reimbursement structure is as follows:”

- 2) Paragraph (b)(1) of Section 1 of the Agreement is hereby replaced in its entirety as follows:

“(1) Beginning the tax year after the Developer receives a Certificate of Occupancy (“C of O”) for the Improvements from the City’s Development Services Department, the City shall reimburse annually up to 75% of the Increment paid to the participating taxing entities in TIRZ #3, for up to 10 years or until the termination of increment collection for the TIRZ #3, which is currently set to expire in 2028, whichever comes first. The maximum amount of incentive under this subsection B is \$240,000.00. Once the City has reimbursed \$240,000.00, this Agreement will terminate and the City and the TIRZ #3 will have no further obligation to the Developer.

(A) \$40,000.00 of this incentive will be paid to the Developer within 60 days following receipt of proof of payment of Development

Services permitting fees in at least the amount of \$40,000.00 for the Development.

3) Paragraph (a) of Section 3 of the Agreement is hereby replaced in its entirety as follows:

“(a) The Developer completes the Work on the Property on or before December 31, 2022 (the “**Completion Date**”) in accordance with **Exhibit A** and the City’s building codes and policies.”

4) All other terms and conditions of the previously executed Agreement between the parties which are not inconsistent herewith shall continue in full force and effect.

EXECUTED IN DUPLICATE ORIGINALS this ____ day of _____, 20__, by the authorized representative of the parties.

**City of Corpus Christi
on Behalf of the TIRZ #3**

Developer

Constance Sanchez
Chief Financial Officer

William L. Hoover
Manager

Date: _____

Date: _____

Attest:

APPROVED AS TO LEGAL FORM:

Rebecca Huerta
City Secretary

Assistant City Attorney

Date