

# Caller Times

## New Texas law to benefit funding of improvements to American Bank Center



**Vicky Camarillo**

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A new Texas law will allow the city of Corpus Christi to keep a portion of hotel occupancy tax revenue to fund improvements and the expansion of the American Bank Center.

House Bill 5012 allows some municipalities to create project finance zones. In those zones, the communities can keep hotel-motel occupancy tax revenue, which would otherwise go to the state, to reinvest in qualified projects.



Carroll High School's 2023 commencement ceremony is held at the American Bank Center on Saturday, June 3, 2023, in Corpus Christi, Texas. Angela Piazza/Caller-Times

Through the project finance zone, the city of Corpus Christi can keep 4% of the hotel occupancy tax from hotels within a 3-mile radius of the American Bank Center to fund improvements and the expansion of the convention center. The zone is expected to generate about \$5 million in the next two years and about \$192 million over 30 years.

The American Bank Center — comprising the convention center, arena and Selena Auditorium — has seen minimal upkeep for decades, according to city officials. The convention center and Selena Auditorium are nearing 50 years old, and the arena is close to 20.

**American Bank Center upgrades:**Millions of dollars planned for fixes, improvements to American Bank Center

In April, the City Council voted to expend about \$8.4 million in fixes and improvements to the American Bank Center, using a combination of \$6.5 million in voter-approved sales tax revenue and about \$1.2 million from area hotel-motel occupancy taxes.

Work will include replacing or repairing two chiller units and a dehumidification system, building envelope leaks and the stage lift system, according to city records.

The exterior of the convention center will also see upgrades, including its irrigation system and landscaping, and new outdoor seating is planned at the auditorium.

In a news release, Mayor Paulette Guajardo thanked state Sen. Juan “Chuy” Hinojosa and Rep. Todd Hunter for their efforts to push the legislation.

“The redirection of these hotel tax dollars is a testament to the progress we will see in the future of Corpus Christi,” Guajardo said.