



AGENDA MEMORANDUM
Corpus Christi Business and Job Development Corporation Meeting
4/16/2018

DATE: April 10, 2018

TO: President and Honorable Board Members,
Corpus Christi Business and Job Development Corporation

FROM: Keith Selman, Assistant City Manager
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Motion to approve future insurance payments for the Baseball Stadium

CAPTION:

Possible motion approving the expenditure of funds for property insurance payments for the Baseball Stadium.

PURPOSE:

To provide a recommendation to the Type A Board regarding future insurance payments and budgeting funds for maintenance.

BACKGROUND AND FINDINGS:

The property insurance payments for the Baseball Stadium have been paid with Type A funds since the facility was built. The current FY18 budget includes a budget of \$76,857.31 to cover these costs. Because Type A Sales Tax will expire in July 2018, the funding source for these insurance payments will no longer be available.

Additionally, *Section 8. 8.* of the Stadium Lease Agreement provides:

The City's Property. The City shall, at its expense, procure and keep in force, at all times during the term of this Lease with an insurer or insurers licensed to do business in the State a hazard and casualty insurance policy on the Leased Premises insuring it against loss and damage by fire, collapse, aircraft and all other perils which may be insured against under multi-peril policies available on commercially reasonable terms. Such policy shall be in an amount of not less than one hundred percent (100%) of the insurable replacement cost of the Leased Premises and all improvements therein excluding, however, all of Lessee's personal property).

Four-Year History of Insurance Payments:

Insurance Type	FY18	FY17	FY16	FY15
Flood	\$11,422.44	\$6,960.50	\$5,632.33	\$10,916.78
Windstorm	--	\$51,251.06	\$56,327.70	\$76,417.41
Property	\$65,434.87	\$11,172.95	\$19,687.30	\$21,833.54
Total	\$76,857.31	\$69,384.51	\$81,647.33	\$109,167.73

Because the insurance payments must continue, staff recommends the board consider encumbering funds to pay property insurance for the long-term.

ALTERNATIVES:

None.

OTHER CONSIDERATIONS:

Not applicable.

CONFORMITY TO CITY POLICY:

Conforms to policy

EMERGENCY / NON-EMERGENCY:

Non-emergency

DEPARTMENTAL CLEARANCES:

Legal
Finance
Business Liaison
Assistant City Manager

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year: 2017-2018	Current Year	Future Years	TOTALS
Line Item Budget			
Encumbered / Expended Amount			
This item			
BALANCE			

Fund(s): None.

Comments: N/A

RECOMMENDATION:

Staff recommends that the Type A Board continue to fund the insurance payments for the Baseball Stadium.

LIST OF SUPPORTING DOCUMENTS:

None