



## AGENDA MEMORANDUM

Future Item for the City Council Meeting of March 25, 2014

Action Item for the City Council April 8, 2014

**DATE:** February 21, 2014

**TO:** Ronald L. Olson, City Manager

**THROUGH:** Wes Pierson, Assistant City Manager  
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### Type A Grant for Hausman Foods, LLC

#### **CAPTION:**

Ordinance Approving a Business Incentive Agreement between the Corpus Christi Business and Job Development Corporation ("Type A Corporation") and Hausman Foods, LLC ("Hausman") to provide a grant of up to \$205,920, for the creation of jobs and authorizing the City Manager, or designee, to execute a Business Incentive Project Service Agreement with the Type A Corporation regarding implementation and administration of the Hausman Business Incentive Agreement for the creation of jobs; and appropriating \$205,920 from the unreserved fund balance in the No. 1140 Business/Job Development Fund for said business incentive grant from the Type A Corporation to Hausman; and changing the FY 2013-2014 operating budget, adopted by Ordinance No. 029915, by increasing proposed expenditures by \$205,920.

#### **PURPOSE:**

Hausman will invest in their meat processing facility on Beacon Street and create jobs in Corpus Christi. They will invest \$2,100,000 and create 52 full-time employees with an annual payroll of \$1,205,920.

#### **BACKGROUND AND FINDINGS:**

Hausman Foods, LLC has obtained contracts with several major retailers and food service companies that will require the staffing of a second shift. The United States Department of Agriculture Food Safety and Inspection Service (USDAFSIS) has approved the additional shift and staffing should be complete by the July 2014. This new activity will take place at 4261 Beacon Street, Corpus Christi, Texas 78405.

Hausman Foods, LLC capital outlays will include refrigeration upgrades, additional grinding and freezing equipment, and rolling stock. Establishment primarily engaged in manufacturing sausages, cured meats, smoked meats, canned meats, frozen meats, and other prepared meats and meat specialties, from purchased carcasses and other materials.

**ALTERNATIVES:**

The company is not eligible for any other incentives.

**OTHER CONSIDERATIONS:**

Hausman has been a fixture in this community for over forty years. This grant will be used to invest in their facility and the creation of jobs.

**CONFORMITY TO CITY POLICY:**

This project is consistent with the City’s stated goals of promoting economic development and incentivizing business to expand and thrive in Corpus Christi.

**EMERGENCY / NON-EMERGENCY:**

Non-emergency

**DEPARTMENTAL CLEARANCES:**

Engineering

**FINANCIAL IMPACT:**

Operating       Revenue       Capital       Not applicable

<b>Fiscal Year: 2013-2014</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget				
Encumbered / Expended Amount				
This item		205,920		205,920
BALANCE		205,920		205,920

Fund: Type A 1140

**RECOMMENDATION:**

Staff recommends approval of the Type A Grant to Hausman Foods, LLC in the amount of \$205,920 for improvements to their meat processing facility and the creation of jobs.

**LIST OF SUPPORTING DOCUMENTS:**

Type A Agreement  
Project Service Agreement