



AGENDA MEMORANDUM

Future Item for the City Council Meeting of May 17, 2016

Action Item for the City Council Meeting of May 24, 2016

DATE: May 3, 2016

TO: Ronald L. Olson, City Manager

FROM: Tom Tagliabue, Director, Intergovernmental Relations
tomtag@cctexas.com
361.826.3850

Resolution supporting
the approval of bonds and a project relative to Texas A&M University-Corpus Christi

CAPTION:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS, AUTHORIZING THE MAYOR TO APPROVE THE ISSUANCE OF (I) THE NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE CORPORATION STUDENT HOUSING REVENUE BONDS (CHF- COLLEGIATE HOUSING ISLAND CAMPUS, L.L.C.- TEXAS A&M UNIVERSITY- CORPUS CHRISTI ISLAND CAMPUS PROJECT) SERIES 2016A AND TO APPROVE THE PROJECT TO BE ACQUIRED WITH THE PROCEEDS OF SUCH BONDS, AND (II) THE NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE CORPORATION STUDENT HOUSING REVENUE BONDS (CHF- COLLEGIATE HOUSING CORPUS CHRISTI II, L.L.C.- TEXAS A&M UNIVERSITY- CORPUS CHRISTI PROJECT) SERIES 2016A AND TO APPROVE THE PROJECT TO BE ACQUIRED WITH THE PROCEEDS OF SUCH BONDS

PURPOSE:

In order for the interest on the bonds to be exempt from the holder's income, pursuant to Section 147(f) of the Internal Revenue Code of 1986, the Series 2016A bonds and the Project (i.e. student housing) must be approved by the City Council after the publication of Notice of Hearing and the holding of a hearing.

BACKGROUND AND FINDINGS:

This would be the third time the City has been asked to approve bonds and projects under Section 147(f) of the Internal Revenue Code of 1986. On May 13, 2014, the City approved bonds for the student housing on the TAMUCC Momentum Campus. In addition, in 2006, the City Council approved bonds for a non-commercial radio station operated by an educational media foundation. The resolution specifically states the bonds "...shall not constitute obligations of the City or a pledge of its faith and credit, and the City shall not be obligated to pay the Bonds or the interest thereon or otherwise incur any liability in respect thereof."

A Notice of Public Hearing was published in the Corpus Christi Caller-Times on April 8, 2016. A Public Hearing relating to the notice was held on April 25, 2016. According to the minutes of the public hearing, no member of the public spoke at the meeting.

ALTERNATIVES:

Denial of the Resolution

OTHER CONSIDERATIONS:

Not applicable

CONFORMITY TO CITY POLICY:

Not applicable

EMERGENCY / NON-EMERGENCY:

Non-emergency

DEPARTMENTAL CLEARANCES:

Legal
Finance

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

(To fill out chart, see instructions below)

Fiscal Year: 2015-2016	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s):

Comments:

Not applicable

RECOMMENDATION:

Staff recommends approval of the resolution

LIST OF SUPPORTING DOCUMENTS:

Resolution
Certification
Prior City Council Agenda Memo (May 13, 2014)