



City of Corpus Christi

1201 Leopard Street
Corpus Christi, TX 78401
cctexas.com

Meeting Minutes

City Council

Thursday, August 25, 2022

9:00 AM

Council Chambers

FY 2022-2023 BUDGET WORKSHOP - Economic Development Department, Hotel Occupancy Tax, American Bank Center, Visit Corpus Christi, Airport and Potential Adjustments from Community Input Sessions

A. Mayor Paulette Guajardo to call the meeting to order.

Mayor Guajardo called the meeting to order at 9:10 a.m.

B. City Secretary Rebecca L. Huerta to call the roll of the required Charter Officers.

Assistant City Secretary Ruth Bocchino called the roll and verified that a quorum of the City Council and the required Charter Officers were present to conduct the meeting.

Charter Officers: City Manager Peter Zaroni, City Attorney Miles K. Risley and Assistant City Secretary Ruth Bocchino

Present: 9 - Mayor Paulette Guajardo, Council Member Roland Barrera, Council Member Gil Hernandez, Council Member Michael Hunter, Council Member Billy A. Lerma, Council Member John Martinez, Council Member Ben Molina, Council Member Mike Pusley, and Council Member Greg Smith

C. BRIEFINGS:

1. [22-1453](#) FY 2022-2023 BUDGET WORKSHOP - Economic Development Department, Hotel Occupancy Tax, American Bank Center, Visit Corpus Christi, Airport and Potential Adjustments from Community Input Sessions

Mayor Guajardo referred to Item 1.

Director of Management and Budget Eddie Houlihan presented information on the following topic: City Council.

Council Members and Director Houlihan discussed the following topic: a Council Member's request that At-Large Council Members have a larger car allowance than single district members.

Director of Finance Heather Hurlbert presented information on the following topics: city property tax rate definitions; truth in taxation; FY 2023 tax rate comparison; adjustments to I&S; allocation of capacity; general facts; the City of Corpus Christi receives 25% of the property tax bill; options; and recommendation.

Council Members, Director Hurlbert and City Manager Zanoni discussed the following topics: the no new revenue rate would be \$57.87; in the 2018 bond program there were three street projects that were put on hold because of the bridge project, but the street projects will now go forward; MIG Consultants will present a drainage solution for North Beach; in response to a Council Member's concern about how the decision for this project was made as opposed to other projects, staff stated that there is a master list for the most important drainage projects; a Council Member recommends that the Hotel Occupancy Tax (HOT) not be transferred over to the general fund; and Council Members are in support of the North Beach improvements.

Director of Management and Budget Eddie Houlihan and Assistant Director of Construction Management Brett Van Hazel presented information on the following topics: fee adjustments and charges; general fund-fee changes-Fire-EMS; solid waste; other funds-fee changes-development services; engineering-public improvement inspection fee; engineering public improvement inspection scenarios; inspector additions-option #1; inspector additions-option #2; other funds-fee changes-marina; other funds-fee changes-metrocom-911 wireline services; streets-right-of-way; and water rate-public agency fee.

Council Members, City Manager Zanoni, Director Houlihan, Assistant Director of Construction Management Brett Van Hazel, Director of Engineering Services Jeff Edmonds, Assistant Director of Development Services Michael Dice, and Assistant City Manager Neiman Young discussed the following topics: currently staff is spending 2.5 hours inspecting subdivisions and 30 minutes at commercial sites; staff recommends spending three to four hours on a subdivision is efficient; a Council Member's concern that the fees will be charged to the homeowner and not the developer; that specifications need to be updated; hiring more inspectors will ensure that shortcuts are not being taken; street standards need to be improved; the amount of time a contractor spends on an inspection varies for each job; a Council Member's concern about neighborhood streets falling apart so quickly; and the solution is better designed standards.

Director of Finance Heather Hurlbert presented information on the following topics: economic development department; current ED touchpoints; ED support positions; ED service gap identified; best practices; organizational overview; initial focus areas; departmental responsibilities; FY 2023 economic development department proposed budget: \$705.8k; and FY 2023 enhancement.

Council Members, Director Hurlbert, City Manager Zanoni, Interim CEO with the Regional Economic Development Corporation (REDC) Mike Culbertson discussed the following topics: in order to incentivize more businesses, staff needs to determine what the strategic plan is; creating an economic development department will not duplicate services with the REDC; a Council Member is not in favor of adding two more people to the economic development department; the City's goal is to create a strategic plan for economic development; a Council Member suggests that the Port of Corpus Christi pay

for the economic development department; downtown has a \$1.5M budget; and a Council Member is not in favor of how this department is structured.

Director of Management and Budget Eddie Houlihan presented information on the following topics: Hotel Occupancy Tax (HOT); HOT revenue history; and FY 22-23 HOT expenditures.

Council Members, Director Houlihan, President and CEO of Buccaneer Days Johnny Philipello, and Chief Financial Officer Constance Sanchez discussed the following topics: the \$100k for Buc Days would go into marketing for the Air Show and PBR; this \$100k request came in after the proposed budget; if the 2% dedicated to the convention center covers any debt services; and capital improvements can be used to secure bonds.

Director of Management and Budget Eddie Houlihan presented information on the following topics: community input; budget public input sessions; public input session summary; and City Manager recommended additions-based on community input sessions.

There were no comments from the Council.

Director of Management and Budget Eddie Houlihan presented information on the following topics: potential adjustments and related budget amendments; council workshops; staff amendments-general fund; enterprise fund; internal services fund; debt service fund; special revenue fund; and capital budget.

Council Members, City Manager Zaroni, and Director Houlihan discussed the following topics: in FY 2023, \$7.6M is being spent on the arena and convention center for big items like the roof, the chiller system and the kitchen.

D. ADJOURNMENT

There being no further business, Mayor Guajardo adjourned this meeting at 12:56 p.m.