

**AGREEMENT BETWEEN CORPUS CHRISTI B CORPORATION AND  
CITY OF CORPUS CHRISTI FOR CONTRIBUTION OF  
ARTERIAL AND COLLECTOR STREET FUNDS**

This Agreement for the Contribution of Arterial and Collector Street Funds (“Agreement”) is entered into between the Corpus Christi B Corporation (“Corporation”) and the City of Corpus Christi (“City”), a Texas home rule municipality.

**WHEREAS**, the Texas Legislature in Section 501 of the Local Government Code (Development Corporation Act of 1979) empowered local communities with the ability to adopt an optional local sales and use tax as a means of improving the economic health and prosperity of their citizens;

**WHEREAS**, on November 8, 2016, residents of the City passed Proposition 2, Adopt Type B Sales Tax to Replace Expiring Portion of Type A Sales Tax, which authorized the adoption of a sales and use tax to be administered by a Type B Corporation at the rate of one-eighth of one percent to be imposed for 20 years with use of the proceeds for (1) 50% to the promotion and development of new and expanded enterprises to the full extent allowed by Texas law, (2) \$500,000 annually for affordable housing, and (3) the balance of the proceeds for the construction, maintenance and repair of arterial and collector streets and roads;

**WHEREAS**, the 1/8 cent sales tax authorized by passage of Proposition 2 was subsequently enacted by the City’s City Council (“City Council”) and filed with the State Comptroller of Texas, effective April 1, 2018, to be administered by the Corporation’s Board of Directors (“Board”);

**WHEREAS**, the Board wishes to fund arterial and collector street and road projects in an effective manner;

**WHEREAS**, the City is willing to accept funds in support of its arterial and collector street bond program; and

**WHEREAS**, the Board has determined that it is in the best interests of the residents of the City that the City be awarded sales and use tax revenue funds, by execution of this Agreement, to support the construction, maintenance and repair of arterial and collector streets and roads.

In consideration of the covenants, promises, and conditions stated in this Agreement, the Corporation and the City agree as follows:

**1. Agreement to Provide Funds for Payment of Debt Incurred in the Construction, Maintenance and Repair of Arterial and Collector Streets.** This Agreement between the Corporation and the City is executed to provide for the transfer of funds collected by the Type B Sales Tax approved by residents on November 8, 2016. The Corporation will transfer all arterial and collector street and road funds to the City for payment of debt associated with voter-approved arterial and collector street projects, as the funds are collected, for the purpose of supplementing debt obligation property tax revenues. The funds will be deposited in the City’s debt service fund for payment towards debt on only arterial and collector projects as authorized by Proposition 2 at the November 8, 2016, election.

**2. Biannual Updates.** At the Board’s meetings in June and December of each year, the City will present an update on the disbursement of funds collected for arterial and collector streets by Type B Sales Tax.

**3. Effective Date.** The effective date of this Agreement is the date on which the City Council grants approval to the Corporation for this Agreement, so long as all parties have executed this Agreement.

**4. Term.** The term of this Agreement is from April 1, 2018, through September 30, 2018. This agreement automatically renews for consecutive one-year terms on October 1<sup>st</sup> of each year unless either party informs the other of its decision not to renew the agreement 120 days prior to the end of the then-current term.

**5. Amendments or Modifications.** No amendments or modifications to this Agreement may be made, nor any provision waived, unless the amendment or modification is made in writing and signed by persons duly authorized to sign agreements on behalf of all parties.

**6. Notices.**

a. Any required written notices shall be sent, certified mail, return receipt requested, addressed as follows:

If to Corporation:

Corpus Christi B Corporation  
Attn: President  
1201 Leopard Street  
Corpus Christi, Texas 78401

If to City:

City of Corpus Christi  
Attn.: Director of Finance  
P.O. Box 9277  
Corpus Christi, Texas 78469-9277

City of Corpus Christi  
Attn.: City Manager  
P.O. Box 9277  
Corpus Christi, Texas 78469-9277

c. Notice is effective upon deposit in the United States mail in the manner provided above.

**7. Relationship of Parties.** In performing this Agreement, the Corporation and the City shall act in an individual capacity, and not as agents, representatives, employees, employers, partners, joint-venturers, or associates of one another. The employees or agents of either party may not be, nor be construed to be, the employees or agents of the other party for any purpose.

**CORPUS CHRISTI B CORPORATION**

**CITY OF CORPUS CHRISTI**

\_\_\_\_\_  
Bart Braselton  
President

\_\_\_\_\_  
Samuel Keith Selman  
Interim City Manager

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
Rebecca Huerta  
City Secretary

Date: \_\_\_\_\_

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Aimee Alcorn-Reed  
Assistant City Attorney