

Ordinance authorizing the creation of a Corpus Christi B Corporation project, which includes the expenditure up to \$1,000,000.00 for an agreement with South Texas Military Housing, LP for the construction of a Chief of Naval Air Training Flag Officer quarters at Naval Air Station - Corpus Christi; appropriating \$1,000,000 from the unreserved fund balance of the Corpus Christi B Corporation Economic Development fund; and amending the budget.

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, Adopting 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 has determined that it is in the best interests of the residents of the City that up to \$1,000,000.00 from the Corpus Christi B Corporation Economic Development Fund be reserved for a project to construct a Chief of Naval Air Training ("CNATRA") Flag Officer quarters at Naval Air Station – Corpus Christi ("NAS-CC") and approved the reservation of funds for this project on November 13, 2023;

WHEREAS, CNATRA's continued presence at NAS-CC will provide an economic benefit to the City through the retention of 193 military jobs and the creation of 4 new military jobs;

WHEREAS, the Flag Officer quarters will provide an economic benefit to the City by serving as the entertainment and community center of NAS-CC, which allows NAS-CC to host executive military personnel and events that focus on NAS-CC and the Corpus Christi region; and

WHEREAS, the City Council has determined that the construction of a CNATRA Flag Officer quarters at NAS-CC will promote or develop new or expanded business enterprises that create or retain primary jobs in Corpus Christi.

Be it ordained by the City Council of the City of Corpus Christi, Texas:

Section 1. Funds in the amount of \$1,000,000.00 are appropriated from Type B Fund No. 1145 for an agreement with South Texas Military Housing, LP.

Section 2. The FY2023-24 Operating Budget adopted by Ordinance No. 033151 is amended to increase expenditures by \$1,000,000.00.

Section 3. The City Council authorizes the use of up to \$1,000,000.00 from the Corpus Christi B Corporation Economic Development Fund for an agreement with South Texas Military Housing, L.P., for the construction of a Chief of Naval Air Training Flag Officer quarters at Naval Air Station – Corpus Christi, subject to the future approval of an agreement by the Corpus Christi B Corporation Board.

Introduced and voted on the _____ day of _____, 2023.

PASSED and APPROVED on the _____ day of _____, 2023.

ATTEST:

Paulette Guajardo, Mayor

Rebecca Huerta, City Secretary