



City of Corpus Christi

1201 Leopard Street
Corpus Christi, TX 78401
cctexas.com

Meeting Minutes

City Council Workshop Session

Thursday, August 26, 2021

9:00 AM

City Council Chambers

FY 2022 Budget Workshop for HOT Tax, American Bank Center, Visit Corpus Christi, Development Services, and any adjustments due to community input

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

Mayor Guajardo called the meeting to order at 9:11 a.m.

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

Executive Assistant to the City Secretary Sarah Brunkenhoefer 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 Zanoni and City Attorney Miles Risley.

Note: Council Member Michael Hunter participated by telephone conference.

Present 8 - Mayor Paulette M. Guajardo, Council Member Roland Barrera, Council Member Gil Hernandez, Council Member Michael Hunter, Council Member Billy A. Lerma, Council Member Ben Molina, Council Member Mike Pusley, and Council Member Greg Smith

Absent 1 - Council Member John Martinez

C. BRIEFINGS TO CITY COUNCIL:

1. [21-1004](#) FY 2022 Budget Workshop for HOT Tax, American Bank Center, Visit Corpus Christi, Development Services, and any adjustments due to community input

Mayor Guajardo referred to Item 1.

Director of Development Services Al Raymond presented information on the following topics: developer engagement timeline; updated fee change summary; proposed revenue increase to existing fees FY22; new revenue-proposed fees; eliminate reduced fee; building scenarios-new residential; land development scenarios-zoning; and land development scenarios.

Council Members, Director Raymond, City Manager Peter Zanoni, and Assistant Director of Development Services Nina Nixon-Mendez discussed the following topics: school districts will now have to pay the full building permit cost; a Council Member's concern about taxing school districts at 100%; a Council Member's concern about the proposed

fee increase for buildings; a request for justification on what the revenue is being spent on; and a Council Member's request for specific discussion on the indirect cost plan.

Executive Officer of the Coastal Bend Homeowner's Association Wendy Herman stated that they were unaware of the new home fee increases, so Development Services held several meetings to discuss in detail the proposed fee increases. She is also working on calculations to see what the increase is going to be on a house on October 31, 2021.

General Manager of American Bank Center Matt Blasy presented information on the following topics: mission statement; about American Bank Center; COVID-19 impact; organization; FY 2021 achievements; performance indicators; FY 2022 proposed budget: \$12.3M; and FY 2022 facility progress report.

Council Members, General Manager Blasy and City Manager Peter Zanoni discussed the following topics: a Council Member's concern about the lack of parking spaces at the American Bank Center; a Council Member's concern that the food service is not adequate for large events; not having a hotel attached to the American Bank Center is a competitive disadvantage; a Council Member's request for more specifics on major building upgrades; and a Council Member's proposal of doing a ground lease in place of the Water Gardens.

President and CEO of Visit Corpus Christi Brett Oetting presented information on the following topics: summer hotel performance; sales tax and visitor volume; sales tax and hotel performance; sales tax and HOT collections; 2020-2021 achievements; Coast Like a Texan summer campaign; ads and summer visitors; FY21-22 proposed budget; and FY 2022 strategy and goals.

Council Members, President Oetting and Director of Parks and Recreation Dante Gonzalez discussed the following topics: there was \$28 million in hotel revenues for the month of July; people from out of town are interested in convention center hotels; sports have surpassed convention economic impact in the last five years; Visit Corpus Christi will be hiring a head of sports sales that will be attending trade shows and conferences; speedboat racing is committed to return to Corpus Christi; and 1,300 swimmers participated in the Games of Texas.

Director of Management and Budget Eddie Houlihan presented information on the following topics: hotel occupancy tax (HOT); HOT revenue history; FY21-22 new proposed HOT uses; additional FY21-22 HOT expenditures; and FY21-22 funding requests.

Council Members, Director Houlihan, City Manager Peter Zanoni and City Attorney Miles Risley discussed the following topics: staff recommends additional funding of \$25,000 for the Botanical Gardens; there is \$8,000 in the marina fund for gateway signage; Type A funds are a good revenue source for power washing of the seawall; short-term rentals are illegal in Corpus Christi, but the City still collects taxes on them regardless of illegality;

and a policy will be brought to Council in the fall regarding short-term rentals.

Director of Management and Budget Eddie Houlihan presented information on the following topics: council workshops; budget public input sessions; Council District 1-August 9; Council District 2-August 11; Council District 3-August 12; Council District 4-August 16; Council District 5-August 18; public input session summary; city manager recommended addition-based on community input sessions; Fiscal Year 2022 holiday proposals; holiday count by City; and staff amendments.

Council Members, Director Houlihan, City Manager Peter Zanoni and Chief Financial Officer Constance Sanchez discussed the following topics: the property tax revenue in the general fund is \$92.6 million; a Council Member's concern about hiring more employees, but adding two additional City holidays; and the Winter break closure only applies to non-essential services, so police officers, firefighters and sanitation workers will still be available.

D. ADJOURNMENT

There being no further business, Mayor Guajardo adjourned the meeting at 12:15 p.m.