



AGENDA MEMORANDUM
City Council Meeting of September 20, 2022

DATE: August 26, 2022
TO: Peter Zanoni, City Manager
FROM: Mike Culbertson, Interim CEO
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**Corpus Christi Regional Economic Development Corporation (CCREDC)
Quarterly Update to City Council (the Second Quarter of Calendar Year 2022)**

OUTSIDE PRESENTER(S):

<u>Name</u>	<u>Title/Position</u>	<u>Organization</u>
1. Mike Culbertson	Interim CEO	CCREDC

BACKGROUND:

The CCREDC provides quarterly updates to the City Council. In accordance with this practice, the CCREDC will update the City Council on its activities and the status of the local economy. This presentation covers April – June 2022. Our last presentation was on April 19, 2022.

The Metropolitan Statistical Area (MSA) economy is moving back to normal with ups and downs. Although gas has started to go down, the Eagle Ford is still not pumping as before. With the unknown of oil's future, investors are hesitant to put more money into drilling. The unemployment rate has been coming down, and the MSA was down to 5.1% for a couple of months. It has since increased to 5.8%. Some of the increase in the unemployment rate can be attributed to teachers who are on a nine-month contract and are considered to be "unemployed" during the summer months. This will reverse in August. We still have a challenge in trying to increase the Labor Rate Participation. We believe some of this is hidden by the "gig economy", which is a labor market characterized by the prevalence of short-term contracts or freelance work as opposed to permanent jobs. Additionally, the housing market remains superheated.

One of the goals of the CCREDC is to secure high paying jobs and diversifying our economy. Sales tax collections are up across most cities in the MSA from 2021 with the exception of a couple of smaller cities. The CCREDC is working on 23 major projects that are valued at \$23.0 billion in capital investment and that could possibly create 3,800 quality primary jobs. The CCREDC is looking for other industries to attract to our region. We have completed a Targeted Industry Survey to look at industries that we can target, but we are also looking at re-shoring opportunities. We are coordinating with partners to push a "sense of place" initiative. Your CCREDC is delivering value to the City and the region.

LIST OF SUPPORTING DOCUMENTS:

CCREDC City Council Q2 2022 Quarterly Update