



# Corpus Christi

1201 Leopard Street  
Corpus Christi, TX 78401  
cctexas.com

## Meeting Minutes

### Corpus Christi Business and Job Development Corporation

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Monday, June 20, 2016

4:00 PM

City Council Chambers

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**A. President Bryan Gulley to call the meeting to order.**

President Gulley called the meeting to order at 4:02 p.m.

**B. Call Roll**

President Gulley verified that a quorum of the Board was present to conduct the meeting.

(Note: Mr. Guerra arrived at 4:14 p.m.)

**Present:** 5 - President R. Bryan Gulley, Vice-President Debbie Lindsey-Opel, Secretary Gabriel Guerra, Bart Braselton and Randy Maldonado

**C. MINUTES**

**1. Approval of the Minutes of the May 16, 2016 Meeting.**

President Gulley referred to approval of the minutes. Ms. Opel made a motion to approve the minutes, seconded by Mr. Maldonado and passed unanimously (Guerra - absent).

**G. PRESENTATION ITEMS:**

**10. Economic Development Request - Texas A&M University - Corpus Christi Engineering Programs**

President Gulley deviated from the agenda and referred to Item 10. Iain Vasey, CEO/President of the Corpus Christi Regional Economic Development Corporation (EDC), stated that the purpose of this item is to provide a presentation from Texas A & M University - Corpus Christi on the University's plan to expand the engineering program by adding two new engineering programs, Civil and Industrial engineering, and request Type A funds. Dr. Trent Hill, Vice President at Texas A & M University - Corpus Christi, presented the following information: a summary of the request for \$2 million in matching funds; the overall budget; the need for engineering graduates; projected jobs for 2016-2020; progression plan for engineering at TAMU-CC; impacts; and the return on investment.

Board members spoke regarding the following topics: the timeline for the program; the matching funds; other funding sources in the community; and the recommendation from the EDC.

**D. FINANCIAL REPORT**

2. Financial Report as of April 30, 2016.

President Gulley referred to Item 2. Assistant Director of Financial Services Alma Casas presented sales tax collections; cash flow statements; the commitment reports; and the pro forma for the economic development fund.

**E. CLOSED SESSION ITEMS:**

President Gulley referred to the day's executive session. The Board went into executive session.

3. **Executive session pursuant to Texas Government Code § 551.071** and Texas Disciplinary Rules of Professional Conduct Rule 1.05 to consult with attorneys concerning legal issues related to potential economic development agreement(s) with Sitel Operating Corporation for a commercial development at 330 Opportunity Drive and pursuant to Texas Government Code § **551.087** to discuss or deliberate regarding commercial or financial information relating to some or all of the aforementioned matter(s) or entities that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations and/or financial or other incentives involving said business prospect, and possible action related to the aforementioned matters in open session.

The Board returned from executive session and after a brief discussion, the following motion was considered:

Motion to approve an agreement with Sitel Operating Corporation for a grant not to exceed \$500,000 over five years at a rate of \$1,000 per job created and retained and appropriating \$500,000 from the unreserved fund balance in the number 1140 economic development fund and changing the FY16 operating budget accordingly.

Ms. Opel made a motion to approve the motion, seconded by Mr. Braselton and passed unanimously.

**F. AGENDA ITEMS:**

4. **Affordable Housing - Reimbursement of HCD Staff Expenditures**  
Motion allocating and transferring \$31,993.89 in Fund 1140 Economic Development Fund from the Affordable Housing's "Available for Projects" balance on the Contracts and Commitment monthly report to the Affordable Housing's "City of Corpus Christi - Reimbursement" balance to reimburse staff time from the Housing and Community Development Department for Type A activities.

President Gulley referred to Item 4. Director of Housing and Community Development Rudy Bentancourt stated that the purpose of this item is to allocate and transfer \$31,993.89 to reimburse staff time spent on the Homebuyer Assistance Program. This amount covers a three-quarter period from July 1, 2015 to March 31, 2016. Mr. Bentancourt provided a breakdown of the staff time by quarter and a description of staff positions working on the program. Program Manager Kelly Fry responded to board member questions.

Board members spoke regarding the following topics: an explanation on the measures including intakes, applied committed and funded; the employee hours spent on the program; how the department would be impacted if the program was not available; the number of individuals funded last year; the length of time to go through the approval process; what attributes to the low success rate; challenges in the program; the administrative charges of 8%; reimbursement for the program since inception; the number of intakes versus the number funded; the gap percentages; the use of timesheets; consideration to approve the reimbursement to remain in compliance with HUD; review of the process and identify ways to bring overhead costs down.

Ms. Opel made a motion to approve Item 4, seconded by Mr. Braselton and passed unanimously.

**5. Affordable Housing - Homebuyer Assistance Program Guidelines**

Discussion and possible action to adopt the Affordable Housing Program's Homebuyer Assistance Program Guidelines.

President Gulley referred to Item 5. Director of Housing and Community Development Rudy Bentancourt stated that the purpose of this item is to formally adopt the Homebuyer Assistance Program Guidelines. The Type A Board last approved the guidelines in 2014. The Board reviewed the guidelines at their May 16, 2016 meeting and based on those discussions, staff has reduced the requirement for paycheck stubs from 6 months to 3 months.

Board members spoke regarding the following topics: whether future income is a HUD requirement and the formula used; how "first come, first served" is defined; the title commitment requirement; the state law requirement to follow HUD guidelines for income requirements and cost of the home; whether the program can be altered or changed; whether the documents required for the program are a requirement by HUD; and creation of a task force to review the guidelines and provide clarification to reduce requirements.

Mr. Braselton made a motion to approve the guidelines as presented, seconded by Mr. Maldonado and passed unanimously.

**6. Affordable Housing - FY 16 Homebuyer Assistance Program Agreement**

Motion allocating and transferring \$25,000 in Fund 1140 Economic Development Fund from the Affordable Housing's "Available for Projects" balance on the Contracts and Commitment monthly report to the Affordable Housing's "City of Corpus Christi - Reimbursement" balance in the amount of \$25,000 to reimburse the City for staff time in implementing the Program; and authorizing the president to execute an affordable housing services agreement with the City's Housing and

Community Development Department.

President Gulley referred to Item 6. Director of Housing and Community Development Rudy Bentancourt stated that the purpose of this item is to allocate and transfer \$25,000 to reimburse staff for implementing the Homebuyer Assistance Program and authorizing the President to execute an affordable housing services agreement with the Housing and Community Development Department. With the approved funds, staff is proposing to assist 20 homebuyers with \$10,000 in down payment assistance. The agreement is for a term of six months from April 1, 2016 to September 30, 2016.

Board members spoke regarding the continued use of the approved guidelines and reimbursing staff services on a month-to-month basis up to \$3,500 per month.

Mr. Braselton made a motion allocating and transferring \$21,000 in Fund 1140 Economic Development Fund from the Affordable Housing's "Available for Projects" balance on the Contracts and Commitment monthly report to the Affordable Housing's "City of Corpus Christi - Reimbursement" balance in the amount of \$21,000 to reimburse the City for staff time in implementing the Program; and authorizing the president to execute an affordable housing services agreement with the City's Housing and Community Development Department, seconded by Ms. Opel and passed unanimously.

**7. Seawall Fund - McGee Beach Dredging Contract**

Motion recommending approval of an engineering contract with HDR Engineering, Inc. in the amount of \$28,651 to provide a feasibility assessment for dredging the southern portion of the downtown marina to improve boat access to the new 'R' Pier south of the Cooper's Alley L-Head with the possibility of beneficial placement of dredged material on McGee Beach.

President Gulley referred to Item 7. Director of Engineering Services Jeff Edmonds stated that the purpose of this item is to approve an engineering contract with HDR Engineering Inc. in the amount of \$28,651 to provide a feasibility assessment for dredging the southern portion of the downtown marina to improve boat access and the possibility of beneficial placement of dredged material on McGee Beach. Project Managers Shane Torno and Brian Bresler and Marina Superintendent Peter Davidson were available to respond to questions.

Board members asked questions regarding the following topics: the background on the previous study performed in 2003; data on the number of cubic yards and sand placement on the beach; the quality of the sand; the maintenance permit with the Army Corps of Engineers; whether there is bad sediment from the outfall in the basin; additional costs based on the results of the assessment; the ability to receive a CEPRA grant for McGee Beach; and whether the scope includes the area where the current Seawall restaurant is located.

Mr. Braselton made a motion to approve Item 7, seconded by Ms. Opel and passed unanimously (Guerra - absent).

**8. Seawall Fund - FY 2017 Capital Improvement Program**

Motion to approve the Fiscal Year 2017 Seawall Capital Improvement Program Budget and recommend City Council approval and appropriation of funds.

President Gulley referred to Item 8. Director of Engineering Services Jeff Edmonds stated that the purpose of this item is to approve the FY2017 Seawall Capital Improvement Program (CIP) Budget. Mr. Edmonds provided a brief overview of the projects identified for the Seawall and Flood Protection System Maintenance Budget. Mr. Edmonds said the projects are listed in order of priority to restore or enhance the seawall.

Board members spoke regarding the following topics: the funding of \$3.4 million in Year 1 (FY16-17); the transfer from the seawall fund to City's CIP fund; the recurring seawall maintenance plan; and an explanation of the projects.

Ms. Opel made a motion to approve Item 8, seconded by Mr. Guerra and passed unanimously.

**9. FY 2017 Operating Budget**

Motion to approve the Corporation's Fiscal Year 2016-2017 operating budget for the Seawall Fund #1120, the Seawall Debt Service Fund #1121, the Arena Facility Fund #1130, the Arena Facility Debt Service Fund #1131, the Business/Job Development Fund #1140, and the Baseball Stadium Debt Service Fund #1141.

President Gulley referred to Item 9. Director of Financial Services Constance Sanchez stated that the purpose of this item is to approve the FY2016-2016 operating budget for each of the Type A funds. Ms. Sanchez provided an overview of the seawall, arena and business/job development funds and the debt service funds for the seawall, arena and baseball stadium.

Board members spoke regarding the following topics: a breakdown of the increase for IT allocation in the arena facility fund; the decrease in arena marketing/co-promotions; the future request from SMG for ice skid upgrades; and continued monitoring of the business and job development commitments.

Ms. Sanchez requested that the operating budget be amended in the business and job development fund to increase expenditures by \$500,000 for the action made today regarding the incentive for Sitel.

Mr. Guerra made a motion to approve the operating budget and to amend the business and job development fund by increasing expenditures by \$500,000 in the reserve for commitments, seconded by Ms. Opel and passed unanimously. The operating budget was passed as amended.

**G. PRESENTATION ITEMS:**

**11. Affordable Housing - Habitat for Humanity Presentation**

President Gulley referred to Item 11. Mr. Braselton announced that he was abstaining from the discussion on this item. Barbara Sweeney, Executive

Director for Habitat for Humanity, stated that the purpose of this item is to request Type A funding in the amount of \$102,000 in matching donation funds to build affordable homes. The funding will be used to build three homes. One home will be built in the Carver neighborhood and the other two will be determined in a targeted neighborhood to drive revitalization. Ms. Sweeney provided a project budget; capacity levels; and the capacity building plan.

Board members spoke regarding the following topics: the total request for funding; the amount of funding per home; the amount of funds contributed to Habitat for Humanity over the last year; the ability to spread the funding over the total five homes that are planned to be built in 2016 and 2017; and an agreement with Habitat for Humanity to administer the funds.

12. **Seawall Fund - McGee Beach Breakwater and Bayshore Park Presentation**

President Gulley referred to Item 12. Shane Torno, Project Manager, stated that the purpose of this item is to provide an overview of the McGee Beach Breakwater Improvements Study. Mr. Torno presented the following information: the breakwater features, current conditions of the concrete pier, elevated concrete walkway and concrete cap, and repair options. Brian Bresler, Project Manager provided an overview of the Bayshore Park project including: a location map and scope overlap, the pier conditions; and options for consideration. Interim Director of Parks and Recreation Stacie Talbert Anaya was available to respond to questions.

Board members spoke regarding the following topics: the requirement for ADA compliance on the elevated concrete walkway; the possibility to do partial demolition of the elevated concrete walkway; options for a bumper system on the jetty; demobilization costs; whether there would be additional costs for phasing or project segmenting; the current lease at the concession; the condition of the criss-cross ADA ramp; restoring access and connectivity to the beach; funding from the capital improvement program for Bayshore Park; the sand at the boat basin and use of the elevated walkways; and the purpose for the cap on the breakwater.

13. **Engineering Services Update - June 2016**

President Gulley referred to Item 13. Director of Engineering Services Jeff Edmonds referred to the engineering services month report that was provided in the packet.

H. **EXECUTIVE DIRECTOR COMMENTS:**

None.

I. **PUBLIC COMMENT**

None.

J. **IDENTIFY FUTURE AGENDA ITEMS**

President Gulley referred to Identifying Future Agenda Items. The following

items were identified: the affordable housing guidelines; the action item for Habitat for Humanity; and a future item regarding the Texas A & M University's engineering program within the next 60 to 90 days.

**K. ADJOURNMENT**

**The meeting was adjourned at 7:16 p.m.**

*\* Regardless of the agenda heading under which any item is listed, any word or phrase of any item listed on this agenda shall be considered a subject for consideration for purposes of the Texas Open Meetings Act and other relevant laws, and the Board of Directors may deliberate and vote upon any such subject and resolutions related thereto. Any descriptions of property or amounts stated in this agenda are descriptive and not restrictive, and property and amounts may be changed in the motions, actions or documents. In addition to other items listed in this agenda, policies and procedures of this corporation, legal analysis of any items, policies or procedures, and any items that are currently receiving funding from this corporation may be discussed and deliberated and these matters are added as subjects of discussion to this meeting. This agenda has been reviewed and approved by the attorney for the governing body, and the presence of any subject or description in the Executive Session portion of this agenda constitutes a written interpretation of Chapter 551 of the Texas Local Government Code by the attorney for this corporation indicating that said subject or description thereof may be legally discussed in a closed meeting.*