



AGENDA MEMORANDUM

Future Item for the City Council Meeting of August 15, 2017
Action Item for the City Council Meeting of August 22, 2017

DATE: August 3, 2017
TO: Margie C. Rose, City Manager
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Resolution supporting
the approval of bonds and a project relative to Texas A&M University-Corpus Christi

CAPTION:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS, AUTHORIZING THE MAYOR TO APPROVE THE ISSUANCE OF THE NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE CORPORATION STUDENT HOUSING REVENUE BONDS (CHF- COLLEGIATE HOUSING ISLAND CAMPUS, L.L.C.- TEXAS A&M UNIVERSITY-CORPUS CHRISTI ISLAND CAMPUS PROJECT) SERIES 2017A AND TO APPROVE THE PROJECT TO BE ACQUIRED WITH THE PROCEEDS OF SUCH BONDS.

PURPOSE:

In order for the interest on the bonds to be exempt from the holder's income, pursuant to Section 147(f) of the Internal Revenue Code of 1986, the Series 2017A bonds and the Project (*i.e.*, student housing) must be approved by the City Council after the publication of Notice of Hearing and the holding of a hearing.

BACKGROUND AND FINDINGS:

The City has previously been asked to approve bonds and projects under Section 147(f) of the Internal Revenue Code of 1986. On May 17, 2016, the City approved two revenues bonds – one for the construction of student housing on the Texas A&M University Corpus Christi (TAMUCC) Momentum Campus (currently under construction) and the acquisition of current student housing on the Ward Island Campus (which did not occur). On May 13, 2014, the City approved bonds for the student housing on the TAMUCC Momentum Campus. In addition, in 2006, the City Council approved bonds for a non-commercial radio station operated by an educational media foundation. The resolution specifically states the bonds "...shall not constitute obligations of the City or a pledge of its faith and credit, and the City shall not be obligated to pay the Bonds or the interest thereon or otherwise incur any liability in respect thereof."

A Notice of Public Hearing was published in the Corpus Christi Caller-Times on July 18, 2017. A Public Hearing relating to the notice was held on August 1, 2017. According to the minutes of the public hearing, no member of the public spoke at the meeting.

ALTERNATIVES:

Denial of the Resolution

OTHER CONSIDERATIONS:

Not applicable

CONFORMITY TO CITY POLICY:

Not applicable

EMERGENCY / NON-EMERGENCY:

Non-emergency

DEPARTMENTAL CLEARANCES:

Legal

Financial Services

FINANCIAL IMPACT:

☐ Operating

☐ Revenue

☐ Capital

☒ Not applicable

Fiscal Year: 2016-2017	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s):

Comments:

Not applicable

RECOMMENDATION:

Staff recommends approval of the resolution

LIST OF SUPPORTING DOCUMENTS:

Resolution

Presentation

Certification

Public Notices

Map of housing on TAMUCC Ward Island Campus

Internal Revenue Service Section 147