



INFORMAL STAFF REPORT

MEMORANDUM

To: Margie C. Rose, City Manager

Thru: Constance P. Sanchez, Director of Finance

From: Alyssa M. Barrera, Business Liaison

Date: January 9, 2018

Subject: 2017 Annual Report – Corpus Christi Business and Job Development Corporation (Type A Board)

Attached you will find a list of the 2017 activities for the Corpus Christi Business and Job Development Corporation (Type A Board). Type A contains the following funds, which each provide an individual report:

- Arena Fund
- Economic Development Fund
- Affordable Housing Fund
- Seawall Fund

If you should have any questions, feel free to contact me.

MEMORANDUM

TO: Margie Rose, City Manager

THRU: Alyssa M. Barrera, Business Liaison - City Manager's Office

FROM: Eric Jaramillo, General Manager

DATE: January 9, 2017

RE: Type A Annual Report – 2017

The following is a listing of the awards made by the Type A Board during the calendar year 2016. The Board provided funding through both the Marketing/Co-Promotion Fund and the Arena Capital Improvements Fund.

ARENA MARKETING/CO-PROMOTION FUND:

Subsidies against Arena rent expenses; necessary to secure the following events for the Arena and City of Corpus Christi.

<u>Corpus Christi IceRays</u> 2017-2018 Hockey Season	\$100,000
<u>Rodeo Corpus Christi</u> Concert Series – April 2018	\$45,000
<u>ABG Promotions</u> Back to the 90's – February 4, 2017	\$30,000
<u>American Spirit Championship</u> Cheer Competition – March 25, 2017	\$10,000
<u>Eric Ryan Promotions</u> Alice Cooper – May 10, 2017	\$30,000
<u>Texas Future Farmers of America (FFA)</u> FFA Presentations / Aaron Watson – July 12-14, 2017	\$25,000
<u>SMG</u> Wingapalooza – July 29, 2017	\$15,000

<u>SMG</u> Kidz Bop – October 11, 2017	\$20,000
<u>Texas Youth Football Association (TYFA)</u> Cheer Competition – November 4, 2017	\$15,000
<u>Cheer America Holiday Championship</u> Cheer Competition – December 10, 2017	\$10,000

Total Funds Awarded: \$300,000

ARENA CAPITAL IMPROVEMENTS FUND:

For the fiscal year 2016, the Type A Board approved annual amount of \$200,000 for Arena Capital Improvement Projects. During the calendar year 2017, the following items were purchased or are being purchased in conjunction with those projects:

- Firetrol panel updates and repairs, cooling tower dehumidifier inspection and repairs, loading dock guard shack, ADA door compliances, stair treads, hockey dasher board repairs, variable frequency drive tower inspections and replacements of cooling towers.

Total Funds for Capital Improvements: \$200,000

Additional Type A Funds were ratified:

- Ice Skid Rental \$182,084.50
 - Ratify the funds to begin Oct. 1, 2016
- Zamboni Ice Resurfacer \$ 95,000

Total approved Type A Funds \$697,247.93.



Memorandum

To: Margie Rose, City Manager
From: Mike Culbertson, Chief Operating Officer
Date: January 4, 2018
Subject: Type A Annual Report from the City Manager

The following is a listing of the actions for the Type A Board for fiscal year 2017.

There was a minor amendment to the Type A guidelines to allow internships under the job training portion of the guidelines. This will allow larger companies to participate that will use only those job skills that have been supported by Type A grant funds such as aviation and process technology. The Board can expand this in the future.

Projects approved and executed this year:

Renewed:

LiftFund Loan Buy-Down \$ 250,000

A loan buy-down program that is highly successful in helping small businesses get funding when they cannot get bank financing. They loaned 29 companies over \$507,000 and created 37 new jobs.

SCORE Small Business Counseling \$ 52,600

SCORE is entering into their fourth year of providing counseling services to small businesses by one-on-one counseling, seminars, and email. They handled over 2,000 cases in 2017.

Del Mar College (SBDC) PTAC \$ 48,490

Part of the Small Business Development Center (SBDC), the Procurement Technical Assistance Center (PTAC) will hire a full-time person to help small businesses compete for government supply contracts. They helped 276 small businesses.

Del Mar College Intern \$ 150,000

The intern program helps students find part time jobs in their major area of study. This gives students training and experience and helps small businesses see and hopefully hire these interns. With the change to the City's fiscal year end it became necessary to end the agreement in December 2017 to correspond to the end of a semester. They placed 93 interns in 40 small businesses and created 26 full-time jobs.

Texas A&M University – Corpus Christi Intern \$ 150,000

The intern program helps students find part time jobs in their major area of study. This gives students training and experience and helps small businesses see and hopefully hire these interns. With the change

to the City's fiscal year end it became necessary to end the agreement in December 2017 to correspond to the end of a semester. They placed 75 interns in 22 companies.

In force:

Corpus Christi Cold Storage, LLC \$ 265,000
Cold Storage will invest in improvements and equipment up to \$1,500,000. This will keep the only cold storage facility in the region open. They were in compliance for 2017.

QSROnline.com \$ 129,500
QSROnline is a software developer in the city. They plan to add jobs for an expansion nationally. They were in compliance for 2017.

M&G Resins \$3,000,000
M&G Resins is an Italian chemical manufacturing plant has filed bankruptcy. They have not received any incentives to date.

Sam Kane Beef Processors \$3,000,000
Sam Kane is a beef processing plant that was awarded a grant of \$3 million to retain 739 employees and create 70 new jobs. Sam Kane is a city fixture and was in danger of closing its doors. An amendment was signed in 2015 to pay the rest of the incentive payment in 2015 which was completed. They still have to go through compliance in March 2018. If they do not perform there will be a claw back of all or part of the incentive.

HEB Grocery \$1,100,000
HEB bakery will retain 388 jobs. The grant will reimbursement them to repair McCampbell Street outside of their property. The estimate on the street came back higher and the Board increased their grant from \$850,000 to \$1,100,000. They are in compliance and have received \$660,000 of their grant. They completed the road improvements and will complete their compliance review in February 2018.

Completed Projects:

MotorGlobe \$ 125,000
MotorGlobe is a company that is web based and selects the best in class auto dealership in the area. They will have their national headquarters in Corpus Christi. They expect to create 50 new jobs with an average salary of \$50,000/year. They have not performed and this project is closed. They did not receive any incentives.

Majek Boats \$ 360,000
A local boat manufacturing company, Majek will receive a grant of up to \$150,000 for new investment and the creation of jobs. They were also awarded \$210,000 for the improvement of Saluki Drive, the road that runs in front of their property. The final cost of the road was \$180,379.43. Upon completion of the road improvement the City took possession of Saluki Drive. Majek was in compliance and the agreement is complete.

Kanon Services \$ 120,000
Kanon is an oil field service company. They had agreed to invest \$1,750,000 and retain 4 jobs and create 8 jobs. Through 2014 they invested \$2,194,553 million and had created 47 jobs. They have received their first three payments for a total of \$72,000 but were not eligible for payment in 2016 or 2017. This project is closed.



MEMORANDUM

To: Margie C. Rose, City Manager

Thru: Alyssa M. Barrera, Business Liaison

From: Rudy Bentancourt, Housing and Community Development Director

Date: January 2, 2018

Subject: 2017 Affordable Housing Annual Report/ Homebuyer Assistance Program

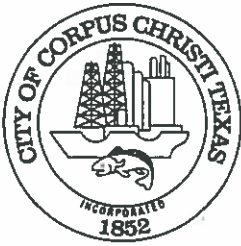
In 2017, the Corpus Christi Business and Job Development Corporation (Type A Board) continued to provide funding for the Homebuyer Assistance Program. The purpose of the program is to provide low to moderate income eligible households with up to \$10,000 in the form of a deferred forgivable loan for down payment assistance towards an existing pre-owned, or new construction home within the city limits of Corpus Christi, with a maximum sales price of \$166,000.

During fiscal year 16-17, the program funded and assisted 40 households with deferred forgivable loans totaling \$399,000 to assist them with the down payment of an affordable home. A homebuyer is eligible for the Homebuyer Assistance Program if they meet the low- and moderate-income limits for household size as established by the U.S. Department of Housing and Urban Development.

FAMILY SIZE	1	2	3	4	5	6	7	8
ANNUAL INCOME	34,800	39,800	44,750	49,700	53,700	57,700	61,650	65,650

Revised 6/6/2017* Income limits are established by HUD and subject to change without notice

At the beginning of the corporation of the fiscal year, an agreement between the Corpus Christi Business and Job Development Corporation and the City of Corpus Christi was executed to continue the implementation and promotion of the Homebuyer Assistance Program. \$200,000 was allocated in the agreement to assist eligible households in fiscal year 16-17 and \$20,000 to reimburse the City for staff time. At the end of November, funding was exhausted, and staff are preparing to request an amendment to the agreement for an additional \$100,000 in funding prior to the agreement expiring in March 2018.



DATE: January 5, 2018
TO: Margie C. Rose, City Manager
FROM: J.H. Edmonds, P.E., Director of Engineering Services
JeffreyE@cctexas.com
(361) 826-3500

UPDATE

Engineering Services Annual Project Updates - 2017

COMPLETED PROJECTS:

1. Bayshore Park

- Bayshore Park – A special events venue including restrooms, infrastructure improvements, lighting, and a dog park (funded by the Parks & Rec Bond 2008 project).
- Parking Lot - Repairs and upgrades to the Old City Hall/Memorial Coliseum parking lot (funded by the Type A Board).
- Pier – Structural improvements (funded by the Type A Board), and surface upgrades such as shade structures, landscaping and lighting upgrades (funded by the Parks & Rec Bond 2008 project).

2. Salt Flats Levee Project/ FEMA Mapping

- Task Orders 1 – 5 outlined below were completed. Six (6) projects were developed from these task orders and programmed in the CIP.
 - Task Order 1 - Update and Finalize Phase 2A Report – Salt Flat Levee Assessment
 - Task Order 2 - LLPT Participation/Flood Protection System Vulnerabilities Identification
 - Task Order 3 - Salt Flats Levee 2D Hydraulic Model
 - Task Order 4 - Conceptual Design of Improvements for Salt Flat Levee
 - Task Order 5 - Preliminary Design of Floodwall Replacement for Museum of Science and History

2017 PROJECT SUMMARIES:

3. Salt Flats Levee Project/ FEMA Mapping:

Task Order No. 1 - Update and Finalize Phase 2A Report – Salt Flat Levee Assessment:

- Completed in previous years.

Task Order No. 2 - LLPT Participation/Flood Protection System Vulnerabilities Identification:

- Original scope of work was completed.
- Additional issues related to the Salt Flats Levee vulnerabilities, such as erosion to the Salt Flats Levee channel that occurred at the location of the Broadway Wastewater Treatment Plant bypass pumping outfall, being addressed through this Task Order.

Task Order No. 3 - Salt Flats Levee 2D Hydraulic Model:

- Completed and sent to FEMA for comments in January 2017.

Task Order No. 4 - Conceptual Design of Improvements for Salt Flat Levee:

- Completed in Spring 2017. See Item 9 below for the design project.
- An amendment was initiated and is underway to verify any impacts from the New Harbor Bridge.

Task Order No. 5 - Preliminary Design of Floodwall Replacement for Museum of Science and History:

- Completed in April 2017.
- See Item 8 below for the design project.

4. Barge Dock Project:

- The project was bid twice, and currently pending approval and award by the Type A Board and City Council.
- The first bids were significantly over budget due to ambiguities that were clarified on the second bid.
- Second bid opening held on November 8, 2017; six bids were received.
 - Grace Paving & Construction, Inc., was the lowest responsive and responsible contractor with a base bid of \$466,115.01.
 - Including the 2 additive alternates brings the total bid to \$553,199.17.

5. McGee Beach Re-nourishment/ Boat Basin Dredging Project:

- Feasibility Study prepared by HDR was distributed to Type A Board in January 2017.
- Govind Development was the AE Selected through the RFQ process to prepare the McGee Beach re-nourishment plans.
- McGee Beach held up well during Hurricane Harvey.
- Monitoring continues; this project is currently on hold pending renourishment is warranted.

6. Marina Breakwater at McGee Beach Improvements

- Proposed improvements consist of removal and replacement of the existing elevated concrete cap to help fortify the seawall against wave energy.
- Lockwood, Andrews and Newman (LAN) was the AE Selected through the RFQ process to prepare the McGee Beach Breakwater Safety Improvement plans.
- The design scope and fee negotiations with LAN are nearly complete. Anticipate this contract will be brought to the Type A Board and City Council in February 2018.

7. Bayshore Park

Bayshore Park:

- Bayshore Park construction was substantially completed in Fall 2017. Final change order negotiations are underway.

Parking Lot:

- Type A funding was approved for repairs and upgrades to the Old City Hall/Memorial Coliseum parking lot; work complete in September 2017.

Pier:

- Type A Board funding for structural repairs to the pier and walkway leading up to the Marina Breakwater was approved; work substantially complete in November 2017.

8. Corpus Christi Museum of Science and History Floodwall

- Provides a new floodwall (or a coastal structure) that extends from the Promenade under the Harbor Bridge to the USACE Bulkhead, with backfill of the triangular area between the new wall and existing wall location.
- HDR Engineering was the AE Selected through the RFQ for design.
- Type A Board approved and recommended the project design contract award by City Council on 9/18/17.
- City Council approved the contract award on 10/17/17, but rescinded the award on 10/24/17 with the following concerns:
 - Additional coordination with POCCA prior to design.
 - The estimated construction costs are too high.
- City Staff met with the POCCA in December 2017, and started the coordination process to determine the City's land options (purchase, lease, or easement). POCCA staff in attendance at the meeting did not foresee any issues with the proposed floodwall improvements in front of the museum. POCCA and City staff will collaborate to work out the property use issues.
- Anticipate bringing back to City Council in February or March 2018.

9. Salt Flats Levee Improvements

- The Salt Flats Levee System is an integral component of the downtown flood protection system. The levee requires improvements and maintenance to ensure that the system will function as originally designed.
- HDR Engineering was the AE Selected through the RFQ for design.
- Anticipate this contract will be brought to the Type A board in February 2018.

10. Seawall Capital Repairs

- Munoz Engineering was the AE Selected through the RFQ process to assess the seawall, and develop and prioritize the maintenance repair activities.
- A small contract with Munoz Engineering was issued in December 2017, with an anticipated report in April 2018.

11. Kinney and Power Street Pump Station Improvements

- This project evaluates the capacity of the existing 2 pump stations to determine the feasibility of interim solutions to maximize the capacity at the Kinney and Power Street Pump Stations before a major investment for a potential third pump station.
- Urban Engineering was the AE Selected through the RFQ process to assess the existing pump stations, determine if any improvements can be made, and prepare cost/benefit analysis for any recommended improvements.
- Anticipate this contract will be brought to the Type A Board in February 2018.