

Introduction to Corpus Christi B Corporation



March 19, 2018



Approved Type B Ballot Language (2016)

Replacing the portion of the Type A sales tax that expires in 2018 with the adoption of a one eighth of one percent sales and use tax (maintaining the current level of sales and use tax) to be administered by a Type B Corporation under Chapter 505 of the Texas Local Government Code, to be effective for 20 years, with the use of the proceeds for:

- 1) 50% for economic development, specifically the promotion and development of new and expanded business enterprises to the full extent allowed by Texas law;
- 2) Up to \$500,000 annually on affordable housing; and
- 3) Balance of proceeds to be used for construction, maintenance and repair of arterial and collector streets and roads



Frequently Asked Questions

- Who Administers & Oversees?
 - A Non-Profit Corporation
- Does City Council have to Approve Expenditures?
 - Yes
- Can City Council Fund Certain Projects?
 - No, not without Board approval
- Can City Provide Services or Money?
 - Yes, but only if reimbursed

Source: Section 4A and 4B Sales Tax – Riley Fletcher Basic Municipal Law Seminar – February 24, 2006



Public Hearing Requirement for Type B Projects

- Prior to approving any projects, the Type B must hold a Public Hearing.
 - The required Public Hearing starts a 60 Day window, during which:
 - No Expenditures Can Be Made
 - Public can submit petition with 10% of voters to request an election.
 - Election not required if Voters have already approved Project or Type of Project.
 - If no action after 60 days, expenditures can be made.
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Action Today

- Discuss and approve the bylaws of the Type B Corporation
 - Bylaws provide for:
 - Board membership and offices (in accordance with the Certificate of Formation)
 - Powers and Purposes of the Corporation (in accordance with the Certificate of Formation)
 - Role of City staff and City Council in advising the Board and approving projects and expenditures
 - Other concerns or rules of the Corporation
 - Bylaws must be approved by City Council after your approval today
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