



## **AGENDA MEMORANDUM**

Corpus Christi Business and Job Development Meeting May 21, 2018

**DATE:** April 27, 2018

**TO:** President and Honorable Board Members,  
Corpus Christi Business and Job Development Corporation

**THROUGH:** Margie C. Rose, City Manager

**FROM:** Mike Culbertson  
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De-Obligate funds from M&G Resins USA LLC

### **CAPTION:**

Motion to de-obligate the \$3,000,000 for the expired agreement between the Corporation and M&G Resins USA LLC and return the funds to the unreserved fund balance of the Business and Job Development Fund 1140.

### **PURPOSE:**

De-obligate funds from large project and return to the Business and Job Development fund 1140.

### **BACKGROUND AND FINDINGS:**

The Board approved a motion to provide M&G a Type A grant of \$3,000,000 on September 17, 2012. The City Council approved the grant on October 23, 2012.

The agreement terminated on September 25, 2017 and M&G had not hired the required number of employees and they are not eligible for any of the grant. This payment cannot be earned later in the agreement and should be de-obligated.

### **ALTERNATIVES:**

None.

### **OTHER CONSIDERATIONS:**

This will allow the Board to use this \$3,000,000 for other projects.

### **CONFORMITY TO CITY POLICY:**

This project is consistent with the City's stated goals of promoting economic development and helping small businesses thrive in Corpus Christi.

**EMERGENCY / NON-EMERGENCY:**

Non-Emergency

**DEPARTMENTAL CLEARANCES:****FINANCIAL IMPACT:**

☒ Operating      ☐ Revenue      ☐ Capital      ☐ Not applicable

<b>Fiscal Year: 2017-2018</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget		3,000,000		3,000,000
Encumbered / Expended Amount				
This item		(3,000,000)		(3,000,000)
BALANCE		0		0

Fund: Type A

**RECOMMENDATION:**

Staff recommends de-obligating the \$3,000,000 from M&G Resins USA LLC Large Project budget and return it to fund 1140 for fiscal year 2018.

**LIST OF SUPPORTING DOCUMENTS:**

Letter to M&G January 4, 2018