



AGENDA MEMORANDUM

Corpus Christi Business and Job Development Meeting October 28, 2019

DATE: September 18, 2019

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

FROM: Mike Culbertson, COO, CCREDC
mculbertson@ccredc.com

De-Obligate Unused Grant Funds

CAPTION:

Motion to de-obligate \$454,050.00 from Govind Development, LLC in the Major Business Incentives grants and return the funds to the Business and Job Development Fund 1140 for Fiscal Year 2019-2020.

SUMMARY:

De-obligate \$454,050 funds from unspent large project grant for Govind Development, LLC and return to the Type A Fund 1140.

BACKGROUND AND FINDINGS:

Govind Development, LLC was granted \$908,000 by the Type A board and the agreement went into effect June 15, 2015. The company earned their first two incentive payments but had a downturn that did not allow them to be in compliance for the rest of the term of the agreement. They were paid \$453,950.00 and have \$454,050.00 left in the grant. There is no way the company can earn this incentive.

ALTERNATIVES:

None

FINANCIAL IMPACT:

This will give \$454,050 back to the Type A economic development fund for use for other projects

Funding Detail:

Fund: 1140 Business and Job Development Fund
Organization/Activity: 15010 Large Business Projects
Mission Element: 707 Economic Development

Project # **(CIP Only):** N/A
Account: 530000 Professional Services

RECOMMENDATION:

Staff recommends de-obligating the \$454,050.00 from the large project grant for Govind Development, LLC and return it to Fund 1140 for Fiscal Year 2019-2020.

LIST OF SUPPORTING DOCUMENTS:

Govind Agreement