



City of Corpus Christi

1201 Leopard Street
Corpus Christi, TX 78401
cctexas.com

Meeting Minutes

Corpus Christi B Corporation

Monday, January 27, 2020

1:30 PM

Council Chambers

Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services are requested to contact the City Secretary's office (at 361-826-3105) at least 48 hours in advance so that appropriate arrangements can be made.

The mission of the Business & Jobs Development (Type A) and B Corporations is to promote and enhance the City of Corpus Christi's economic base by supporting projects and programs that create primary jobs, improve small business and affordable housing opportunities, and improve infrastructure in our City.

A. President Scott Harris to call the meeting to order.

President Scott Harris called the meeting to order at 1:33 p.m.

B. Call Roll and Excuse Absences

City Secretary Rebecca Huerta called the roll and verified that a quorum of the Board was present to conduct the meeting.

Present 7 - President Scott Harris, Board Member Leah Pagan Olivarri, Secretary Diana Summers, Vice-President Robert Tamez, Board Member Lee Trujillo, Board Member John Valls, and Board Member Alan Wilson

Absent 1 - Council Liaison Michael Hunter

C. PUBLIC COMMENT

President Harris referred to Public Comment. There were no comments from the public.

PLEASE BE ADVISED THAT THE OPEN MEETINGS ACT PROHIBITS THE CORPORATION FROM RESPONDING AND DISCUSSING YOUR COMMENTS AT LENGTH. THE LAW ONLY AUTHORIZES THEM TO DO THE FOLLOWING:

1. MAKE A STATEMENT OF FACTUAL INFORMATION.

2. RECITE AN EXISTING POLICY IN RESPONSE TO THE INQUIRY.

**3. ADVISE THE CITIZEN THAT THIS SUBJECT WILL BE PLACED ON AND
AGENDA
AT A LATER DATE.**

D. MINUTES

1. Approval of Minutes of the December 9, 2019 Meeting

President Harris referred to item 1. Mr. Valls made a motion to approve the minutes as presented, seconded by Mr. Tamez, and passed unanimously.

E. FINANCIAL REPORT

2. Type B Financial Reports as of November 30, 2019

President Harris referred to Item 2. Assistant Director of Financial Services Alma Casas presented the financial reports as of November 30, 2019.

F. CLOSED SESSION ITEMS: (None)**G. AGENDA ITEMS: (None)****H. PUBLIC HEARING:**

3. Public Hearing and Motion authorizing a business incentive agreement with The Botanical and Nature Institute of South Texas, Inc. dba South Texas Botanical Gardens & Nature Center in the amount of \$89,000 for the resurfacing of the nature trail at 8545 South Staples Street with funding available from Corpus Christi B Corporation Economic Development Fund.

President Harris referred to Item 3. Chief Operating Officer of the Corpus Christi Regional Economic Development Corporation Mike Culbertson said the purpose of this item was to present a business incentive agreement with the Botanical Gardens in the amount of \$89,000 for the re-surfacing of the nature trails. The Botanical Gardens will use the \$89,000 to pave 3,000 feet of trails and will use this grant to get a larger grant from the Texas Parks and Wildlife Department. The Corpus Christi Regional Economic Development Corporation was briefed on the agreement in January and recommends approval from the Type B Corporation.

President Harris opened the public hearing for item 3. There were no comments from the public, President Harris closed the Public Hearing.

Board Members, City Manager Peter Zanoni and Mr. Culbertson discussed the following topics: caliche material will be used along with a polymer to help keep the material together to pave the trails; whether the trails will be ADA compliance; if the agreement is a tourism project and qualifies as a Type B project. Assistant City Attorney Aimee Alcorn-Reed stated if the Type B Board find that improvements to the Botanical Gardens would promote or bring new business enterprises because having this cultural public park in our community is something we need to attract new business, then the project would qualify as a Type B project; if projects could be approved without being ADA

approved; and board members asked for the applicant requesting the funds be available at the meeting for follow up questions.

Mr. Wilson made a motion to approve item 3 with the contingent on the ADA Regulatory Compliance, seconded by Mr. Trujillo, and passed unanimously.

4. Public Hearing and Motion authorizing a business incentive agreement with LiftFund in the amount of \$100,000 for the Dream Fund, a revolving loan fund for small businesses within the city limits of Corpus Christi with funding available from the Corpus Christi B Corporation Economic Development Funds.

President Harris referred to Item 4. Chief Operating Officer of the Corpus Christi Regional Economic Development Corporation Mike Culbertson said the purpose of this item was to present a business incentive agreement with the Lift Fund in the amount of \$100,000 for the Dream Fund which is a revolving loan for small business within the city limits of Corpus Christi with funding available from the Corpus Christi B Corporation Fund 1145. The Type B Corporation does not loan the money, but assist when the interest rate is high the Type B will buy down the interest and make the loan more affordable for the small business owner; if there is a default, per the agreement Lift Fund will makeup for that default. This is a recommendation from the Corpus Christi Regional Economic Development Corporation to the Type B Corporation.

President Harris open the public hearing for item 4. Market Manager for Lift Fund Laura Leal Estrada spoke in support and the criteria of the Lift Fund. There being no other comments President Harris closed the Public Hearing.

Mr. Tamez made a motion to approve item 4, seconded by Mr. Valls, and passed unanimously.

5. Public Hearing and Motion authorizing an Affordable Housing agreement with TG 110 Village at Greenwood GP, LLC in the amount of \$1,250,000 for a \$12.7 million dollar development with 30 affordable housing rental units out of a total of 60 multi-family, mixed income units to be paid over two years with funding available in the Corpus Christi B Corporation Affordable Housing Funds.

President Harris referred to Item 5. Mr. Valls stated he was recusing himself from the vote and discussion on this item. Homeless Outreach Coordinator Emily Shafer Northrup said the purpose of this item is to authorize an Affordable Housing agreement with TG110 Village at Greenwood GP, LLC in the amount of \$1.25 million in Type B Funds to be applied towards a \$12.7 million affordable multifamily, mixed income housing which will provide 60 units located at Greenwood and Frio street. Ms. Northrup stated the operation of affordable housing is to assist families living at or below the poverty level. The property will provide resident services, such as financial literacy classes, food panty, leadership training, and nutrition assistance.

President Harris opened the public hearing for item 5. Mr. Raymond Lucas, a representative for Prospera, spoke in support of the Affordable Housing Agreement. There being no other comments, President Harris closed the Public Hearing.

Board Members, Ms. Northrup and Mr. Lucas discussed the following items: funding sources for the project; amenities package such as swimming pool, playground and club house are required by the Federal Government in order to receive GLO funding; previous funding approved for the Fish Pond project was \$500,000 at 112 units, which cost \$4,500.00 a unit for 30 years, compared with the Village at Greenwood Affordable Housing agreement, which is for 51 units at a cost of \$24,500.00 a unit; the balance in Type B account being approximately \$100,000 if the project is approved and if there will be enough funds to approve any potential home grant programs if they approve this agreement; compliance with the Type B agreement requires 30 units to be income and rent restricted for 20 years; whether there is a clawback provision in the contract for the \$1.25 million if all the funds are not used; if sidewalks will be available.

Ms. Olivarri made a motion to amend the motion as follows: motion to amend by requiring language in the agreement to proportionally adjust the total amount paid to the Developer, and require repayment of any amount paid to the Developer, if the Developer fails to spend \$12.7 million on the project within 2 years or prior to receipt of Certificate of Occupancy, if the construction is completed in less than 2 years, seconded by Mr. Wilson. The motion passed with the following vote: President Harris, Ms. Olivarri, Mr. Tamez, Mr. Trujillo and Mr. Wilson, voting "Aye"; Summers, voting "No"; and Mr. Valls abstained.

Ms. Olivarri made a motion to approve the motion as amended, seconded by Mr. Wilson. The motion passed with the following vote: President Harris, Ms. Olivarri, Mr. Tamez, Mr. Trujillo and Mr. Wilson, voting "Aye"; Ms. Summers, voting "No"; and Mr. Valls abstained.

6. Public Hearing and Motion authorizing an Affordable Housing agreement with the Salvation Army in the amount of \$500,000 for a new \$6.3 million new facility to be used for transitional housing for homeless individuals, families, and veterans with single room and family occupancy; with funding available from Corpus Christi B Corporation Affordable Housing Funds.

President Harris referred to Item 6. Homeless Outreach Coordinator Emily Shafer Northrup said the purpose of this item was to authorizing an Affordable Housing agreement with the Salvation Army in the amount of \$500,000 for a new \$6.3 million facility that will provide transitional housing to individuals, families and veterans. The goal of the Salvation Army is to transition family and individuals from homelessness into permanent, stable affordable housing. The Salvation Army is the only facility that provides housing where the family can stay together. The new facility will provide 60 single beds and 30 family rooms each with four beds. The facility will serve over 10,000 individuals a year and will provide food, shelter and supportive services such as: multi purpose business center, computer lab, court yard, playground for youth, library and separate lounging area for veterans, children and families.

Salvation Army Business Manager Gustavo Perez discussed the following: amount of services that will be provided and the amount of individuals they will be able to help with the expansion of the facility.

Salvation Army Chair Person Polly Harris discussed the following: rapid

re-housing program; assistance they provide to the families and how they assisted during hurricane Harvey.

President Harris open the public hearing for item 6. There were no comments from the public, President Harris closed the Public Hearing.

Board Members and Ms. Northrup discussed the following items: the site being already owned by the Salvation Army; whether there is a claw back provision; baseball field will not be relocated due to not having the money or manpower to maintain and operate the field;

Mr. Valls made a motion to approve item 6, seconded by Ms. Olivarri and passed unanimously.

I. PRESENTATION ITEMS: (None)

J. EXECUTIVE DIRECTOR COMMENTS:

President Harris referred to the Executive Director comments. City Manager Peter Zaroni stated there were no comments.

K. IDENTIFY FUTURE AGENDA ITEMS

President Harris referred to the Future Agenda Items. Chief Financial Officer Constance Sanchez identified the following future items: present a frame work or guidelines for the Type B Economics Development projects.

President Harris requested a cash flow analysis.

L. ADJOURNMENT

There being no further business, President Harris adjourned the meeting at 3:11 p.m.

** Regardless of the agenda heading under which any item is listed, any word or phrase of any item listed on this agenda shall be considered a subject for consideration for purposes of the Texas Open Meetings Act and other relevant laws, and the Board of Directors may deliberate and vote upon any such subject and resolutions related thereto. Any descriptions of property or amounts stated in this agenda are descriptive and not restrictive, and property and amounts may be changed in the motions, actions or documents. In addition to other items listed in this agenda, policies and procedures of this corporation, legal analysis of any items, policies or procedures, and any items that are currently receiving funding from this corporation may be discussed and deliberated and these matters are added as subjects of discussion to this meeting. This agenda has been reviewed and approved by the attorney for the governing body, and the presence of any subject or description in the Executive Session portion of this agenda constitutes a written interpretation of Chapter 551 of the Texas Local Government Code by the attorney for this corporation indicating that said subject or description thereof may be legally discussed in a closed meeting.*