



AGENDA MEMORANDUM
Corpus Christi Business and Job Development Corporation
Meeting April 20, 2020

DATE: April 16, 2020

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

FROM: Constance P. Sanchez, Chief Financial Officer
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Deobligating \$3,000,000 of Type A Funds

CAPTION:

Motion to approve the deobligation of \$3,000,000 that was previously earmarked for a potential incentive for a qualified developer for the rehabilitation of the historic 1914 Nueces County Courthouse.

SUMMARY:

This item will authorize the deobligation of \$3,000,000 of Type A Economic Development funds.

BACKGROUND AND FINDINGS:

On April 25, 2018, the Board approved a \$3,000,000 incentive for Nueces County Courthouse Development Partners, LLC. to renovate the 1914 Courthouse and create a 159-room hotel. However, the project did not go forward, and those funds were deobligated in the Business and Job Development Fund.

After conducting a feasibility study, the Nueces County Judge requested written documentation for an incentive from the Type A Board to establish certainty for a potential developer.

Date	Action
April 25, 2018	Type A Board Approves \$3,000,000 agreement incentive agreement with Nueces County Courthouse Development Partners, LLC
May 15, 2018	City Council Approves \$3,000,000 agreement incentive agreement with Nueces County Courthouse Development Partners, LLC
July 15, 2019	Type A Board passes motion to de-obigate \$3,000,000 after agreement with Nueces County Courthouse Development Partners, LLC is cancelled
October 28, 2019	Based on a request from Nueces County, the Type A Board approves a letter of support for an incentive not to exceed \$3,000,000 with a potential developer for the 1914 Courthouse.
April 20, 2020	Today's action will deobligate the funding that the board previously motion to contribute towards a future development project

As a result of the current COVID-19 pandemic, the Corpus Christi Business and Job Development Corporation, the City of Corpus Christi and its residents find themselves in a position for a different use of these funds to promote business and job development in our city. As such, staff is requesting that the Type A Board deobligate these \$3,000,000 which will be used for a small business recovery program.

ALTERNATIVES:

The Board could choose not to approve this item. However, this would decrease the funding available to contribute to the small business recovery program which is intended to assist small businesses in sustaining until the end of the worldwide pandemic. The Corpus Christi B Corporation is a viable alternative for offering redevelopment incentives for the 1914 Nueces County Courthouse.

FISCAL IMPACT:

The \$3,000,000 remains in the unreserved fund balance. This action would simply deobligate these funds for a potential incentive towards the redevelopment of the Nueces County Courthouse.

Funding Detail:

Fund: 1140 Business and Job Development Fund
Organization/Activity: 15040 Large Business Projects
Mission Element:
Project # (CIP Only):
Account:

RECOMMENDATION:

Staff recommends approval of this motion.

LIST OF SUPPORTING DOCUMENTS:

Letter