



City of Corpus Christi

1201 Leopard Street
Corpus Christi, TX 78401
cctexas.com

Meeting Minutes

Corpus Christi Business and Job Development Corporation

Monday, April 20, 2020

2:30 PM

City 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 & Job 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 2:38 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.

NOTE: President Scott Harris and Board Members Leah Olivarri, Diana Summers, Lee Trujillo, John Valls and Alan Wilson participated by video conference.

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

C. PUBLIC COMMENT

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

PUBLIC COMMENT - AUDIENCE AND PRESENTER SOCIAL DISTANCING AND PUBLIC TESTIMONY AND PUBLIC HEARING INPUT AT PUBLIC MEETINGS OF THE PLANNING COMMISSION. To reduce the chance of COVID-19 transmission, public meetings will be held in a manner intended to separate, to the maximum practical extent, audience and presenters from personal contact with members of Community, City Staff, and the Type A & B Corporation. Public testimony and public hearing input for Public Comment and all items on the agenda at public meetings of the Type A & B Corporation should be provided in writing, in the form of an e-mail or by using the PUBLIC COMMENT/INPUT FORM located on the City Secretary's webpage (PREFERRED METHOD) and shall be e-mailed to NormaD2@cctexas.com no later than five minutes after the start of each meeting of the Type A & B Corporation. Testimony and/or public input shall be in accordance with the City Secretary's instructions, which shall be posted on the City Secretary Office's door and on the City website, and allow for electronic submission. The written public testimony shall be provided to members of the Type A & B Corporation prior to voting on measures for that meeting. Written testimony shall be limited in accordance with the City Secretary's requirements and shall be placed into the record of each meeting. This testimony shall serve as the required public testimony pursuant to Texas Government Code 551.007 and shall constitute a public hearing for purposes of any public hearing requirement under law. The meeting may be held telephonically or via videoconference. The public may participate remotely by following the instructions of the City Secretary at cctexas.com/departments/city-secretary.

D. MINUTES

1. Approval of Minutes of the Type A Board March 16, 2020 Regular Meeting Minutes

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

E. FINANCIAL REPORT

2. Type A Financial Reports as of February 29, 2020

President Harris referred to Item 2. Assistant Director of Financial Services Alma Casas presented the financial reports as of February 29, 2020

F. CLOSED SESSION ITEMS: (None)

G. AGENDA ITEMS:

3. Motion approving an incentive agreement in the amount of \$154,227.00 between the Corpus Christi Business and Job Development Corporation

and the Community Development Corporation of Brownsville, dba come dream. come build., regarding an affordable housing project at 4017 Capitol Drive.

President Harris referred to Item 3. Director of Housing and Community Development Rudy Bentancourt said the purpose of this item was to present an agreement to develop a proposed affordable housing project located at 4017 Capitol Drive. At the March 20th meeting, staff made a presentation regarding the project and returned with an agreement and request \$154,227.00 of Type A Affordable Housing funds for the development of the land, which will assist in the cost of the project. Mr. Bentancourt stated the agreement needs to abide by the following: provide detailed project concept and scope of work within 60 days of execution; project must be for affordable for home ownership; project completion within two years; provide \$154,227 from the Type A Board on a reimbursement basis upon percentage of work completed; property must remain affordable for 20 years and a clawback provision is in place if not completed on time or if not limited to affordable housing.

Board members, City Manager Peter Zanoni and Mr. Bentancourt discussed the following topics: communication methods used to inform builders of the RFP and the timelines; whether the construction will be completed on time; the developer has opened a local office in Corpus Christi and they will use local builders; and this agreement will put the vacant park into production and create affordable single family housing, which will give a people the opportunity for home ownership.

Ms. Olivarri made a motion to approve item 3, seconded by Mr. Wilson and passed unanimously (Summers – Absent).

4. Resolution ratifying the April 3, 2020 motion of the Corpus Christi Business and Job Development Corporation Board authorizing an agreement with the City of Corpus Christi in the amount of \$2,000,000.00 for Street Preventative Maintenance Program repairs to the Patti Drive from Saratoga to Dunbarton Oaks and Ocean Drive/Shoreline Blvd from IH-37 to Louisiana, except for any area that was recently resurfaced, for promotion and development of new and expanded business enterprises and the creation of a small business incentive program by the City for creation of jobs and business development; appropriating funds in the amount of \$2,000,000.00 from the Business and Job Development Fund; and amending the budget.

President Harris referred to item 4.

Board Members and Director of Public Works Richard Martinez discussed parking issues on Saratoga Boulevard. Mr. Martinez said the area is a C1 collector, which accommodates street parking along that area. Staff is performing a traffic study, will review the study with the Traffic Engineering group, and will present a recommendation to Council to amend the parking plan.

Mr. Wilson made a motion to ratify the resolution, seconded by Mr. Trujillo,

and passed unanimously.

5. Motion to deobligate \$3,000,000 of Type A Funds that were previously comitted to a potential redevelopment of the 1914 Nueces County Courthouse.

President Harris referred to item 5. Chief Financial Officer Constance Sanchez stated this item is a recommendation from the City Attorney's Office to deobligate \$3,000,000 that was previously earmarked for a potential incentive for the rehabilitation of the historic 1914 Nueces County Courthouse. On October 28, 2019, the Type A Board approved a letter of support to Nueces County for an incentive not to exceed \$3,000,000.00 for potential renovation and preservation of the Nueces County Courthouse. With the COVID 19 pandemic, however, a different use of the funds is warranted. The City Manager spoke with the County Judge and a County Commissioner and explained the situation. City Staff would like to recommend that Type B funds be used to support the rehabilitation of the Nueces County Courthouse, thus freeing up Type A funds for the small business recovery program, which could be discussed at the June meeting or at a special-called meeting. Judge Canales concurs with staff's recommendation. Staff is recommending the \$3,000,000.00 be de obligated and re direct the funds for the small business recovery program.

Board members, Ms. Sanchez and City Manager Peter Zanoni discussed the following items: present the item to the Commissioners Court; discuss whether to earmark \$3 million for the rehabilitation of the County Courthouse; recommend adding an end date to the agreement; in response to a question about possibly tabling item 5, City Manager Peter Zanoni stated if item 5 is tabled, then item 6 will need to be postponed, which would effectively delay assistance through the small business recovery program; and funds available in the Type B funds to support the Nueces County Courthouse rehabilitation project.

Mr. Wilson made a motion to approve item 5, seconded by Mr. Tamez, and passed unanimously.

6. Resolution authorizing an agreement between the Corpus Christi Business and Job Development Corporation and the City of Corpus Christi in an amount of \$2,500,000.00 for Street Preventative Maintenance Program repairs to Interstate 37 (IH-37) from Mesquite Street to Shoreline Blvd (North) and Staples Street from South Padre Island Drive to Gollihar Road for promotion and development of new and expanded business enterprises and the creation of a small business incentive program by the City for creation of jobs and business development; appropriating funds in the amount of \$2,500,000.00 from the Business and Job Development Fund; and amending the budget.

President Harris referred to item 6. Chief Financial Officer Constance Sanchez said the purpose of this item is to authorize an agreement between the Corpus Christi Business and Job Development Corporation and the City of Corpus Christi for Street Prevention Maintenance Program repairs for interstate HWY 37 from Mesquite Street to Shoreline Boulevard and Staples Street from South

Padre Island Drive to Gollihar Road for promotion and development of new and expanded business enterprise and the creation of a small business incentive program by the City for creation of jobs and business development. This item also amends the budget by appropriating \$2,500,00.00 out of the unreserved fund balance in the Business and Job Development Fund. This is the second agreement between the Type A and the City. In exchange for these funds, the city will create a small business incentive program through a 380 agreement. The first Chapter 380 agreement with LiftFund has generated substantial interest from small businesses. From April 1st to April 17th, LiftFund has received over 430 phone calls. The small business recovery program has received over 242 applications for an ask of about \$5.7 million. One application has been funded within five days and six are in the final stages of review. The first program offered loans in the amount of \$1,700,000, which put us 3.4 times oversubscribed in the ask. The item today would add another \$2,125,000 for loans if approved. The City Council will then consider this program at its next regular meeting. Staff recommends approval of the resolution.

Board Members, Ms. Sanchez discussed the following topics: statistics for the average loan applications; required paperwork that is not being turned in with the application and delaying the results; whether more testing is being done in order to reopen some of the small business; and whether sales taxes are being paid by the businesses that were awarded the loan.

Mr. Valls made a motion to approve item 6, seconded by Mr. Wilson, and passes unanimously.

H. PRESENTATION ITEMS:

8. Update - Repurposing of Arena Funds from Capital to Operating

President Harris deviated from the agenda and referred to item 8. American Bank Center General Manager Matt Blasy presented the following items: how COVID 19 has impacted the American Bank Center's production and how they plan on handling the situation for the short and long term; shutting down nonessential equipment; restructured third party agreements; preliminary staff layoffs and furloughs; approximately \$1.4 million of the remaining approved capital funds were halted to reduce spending; assessing what could be held off and move forward with projects they consider to be critical to the operation; funding sources such as kitchen and concession equipment improvements are halted, and improvements will resume with the next year's capital funds; a reserve fund was held for funding items they considered to be more critical such as production materials and building upgrades; adjustments were made for next year's proposal; projects planned for the summer or later this fiscal year were put towards 2021; and repurposed \$1 million of the funds, shifting it from capital commitment to offset operating costs for the remainder of the fiscal year, and to retain essential full time employees, salaries and wages so when things open they will have the majority of their staff.

7. Affordable Housing - Homebuyer Assistance Program Update

President Harris referred to item 7. Board members agreed to postpone the affordable housing update for next month's meeting.

9. Engineering Services Monthly Status Report - April 2020

President Harris referred to item 9. Board members agreed to postpone the Engineering update for next month's meeting.

10. Corpus Christi Regional Economic Development Corporation (CCREDC) Quarterly Update (Q1 2020)

President Harris referred to item 10. Board members agreed to postpone the Corpus Christi Regional Economic Development update for next month's meeting.

I. **EXECUTIVE DIRECTOR COMMENTS:**

President Harris referred to the Executive Director comments. Chief Financial Officer Constance Sanchez stated there were no comments.

J. **IDENTIFY FUTURE AGENDA ITEMS**

President Harris referred to the Future Agenda Items. Chief Financial Officer Constance Sanchez identified the following future items: present the affordable housing, engineering, and economic development updates; and present the first draft of the proposed budget for fiscal year 2021.

Board Members requested the following future agenda items: update on the loan program and street maintenance expenditures; in response to a request for possible use of the American Bank Center for high school graduations, City Manager Peter Zanoni said those events are on hold at this time in order to stay in compliance with the Governor's and President's orders; update on the trade school internship program.

K. **ADJOURNMENT**

There being no further business, President Harris adjourned the meeting at 3:43.

** 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.*

This meeting may be held via videoconference call pursuant to Texas Government Code § 551.127. If this meeting is held via videoconference call or other remote method of meeting, then a member of this governmental body presiding over this meeting will be physically present at the location of this meeting unless this meeting is held pursuant to Texas Government Code § 551.125 due to an emergency or other public necessity pursuant to Texas Government Code § 551.045.