



# Corpus Christi

1201 Leopard Street  
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## Meeting Minutes

### Corpus Christi Business and Job Development Corporation

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Monday, April 18, 2016

4:00 PM

City Council Chambers

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**A. President Bryan Gulley to call the meeting to order.**

President Gulley called the meeting to order at 4:08 p.m.

**B. Call Roll**

President Gulley verified that a quorum of the Board was present to conduct the meeting.

(Note: Mr. Guerra arrived at 5:24 p.m.)

**C. MINUTES**

**1. Approval of the Minutes of the March 21, 2016 Meeting.**

President Gulley referred to approval of the minutes. President Gulley noted a scrivener's error on Item 7 for the acronym CEPRA. Ms. Opel made a motion to approve the minutes, seconded by Mr. Braselton and passed unanimously (Guerra - absent).

**D. FINANCIAL REPORT**

**2. Financial Report as of February 29, 2016.**

Assistant Director of Financial Services Alma Casas presented the sales tax collections; cash flow statements; the commitment reports; and the pro forma for the economic development fund.

Board members spoke regarding the following topics: the administrative service charges listed on the cash flow actual statements and the transfer to general fund listed on the cash flow estimates in the amount of \$2,714.92 and the responsibility of the insurance for the baseball stadium.

**E. CLOSED SESSION ITEMS: (NONE)**

**F. AGENDA ITEMS: (ITEM 3)**

**3. Sales Tax Revenue**

Discussion and possible action to address declining sales tax revenue

in fiscal year 2015-2016.

President Gulley referred to Item 3. Assistant Director of Financial Services Alma Casas stated that the purpose of this item is to discuss the decline in sale tax revenues. At the March 21, 2016 Type A meeting, the Board requested to receive information about the sales tax trend for the Type A funds to determine whether any budget adjustments need to be made. Ms. Casas provided a brief overview of the sales tax shortfalls and presented two options for the Board's consideration: 1) formally amend the operating budget in each of the three Type A funds to reduce the budget for sales tax revenue by \$600,000 in each fund for FY2015-2016. The economic development fund has the most activity and the fund balance is sufficient to pay all existing commitments. Any future commitments would have to be brought back before the Board; or 2) leave the FY2015-2016 budget as is, and simply note and monitor the decline in sales tax revenues.

Board members spoke regarding the following topics: consideration to leave the budget as is and continue to monitor sales tax; a spreadsheet to determine the impact on the economic development fund and its ability to fund possible future incentives; the fund balance for the economic development fund; staff's recommendation to formally amend the operating budget; the ability to fund the contract commitments; City Council approval to amend the budget; and the variances in the sales tax budgeted versus actual amounts from FY2013-2014 through FY2015-2016.

Ms. Opel made a motion to support Option 2, seconded by Mr. Braselton and passed unanimously (Guerra - absent).

**G. PRESENTATION ITEMS: (ITEMS 7, 8 and 5)**

**7. Economic Development Update - January to March 2016**

President Gulley deviated from the agenda and referred to Item 7. Mike Culbertson, Corpus Christi Regional Economic Development Corporation, provided the quarterly report for the small business and major business incentive projects.

Board members spoke regarding the following topics: a status on Sam Kane Beef Processors; the completion of the Del Mar College Process Center; M&G Group; and an explanation of how the LiftFund works.

**8. Engineering Services Update - April 2016**

President Gulley referred to Item 8. Director of Engineering Services Jeff Edmonds presented the monthly update on the Engineering Services projects. Board members spoke regarding the following topics: the Barge Dock final condition assessment report; the completion of the Miradores project; the maintenance funding for the Miradores; and the cost for the McGee Beach feasibility study.

**5. Discussion of possible FY2015-2016 Affordable Housing funding for the Homebuyer Assistance Program**

President Gulley deviated from the agenda and referred to Item 5. Director of

Housing and Community Development Rudy Bentancourt stated that the purpose of this item is to discuss and possibly obtain direction on requesting FY2015-2016 Affordable Housing funding for the Homebuyer Assistance Program. Mr. Bentancourt presented information on the remaining balance to include committed, unpaid and funded as of March 2016 and the number of households assisted. Mr. Bentancourt provided the Type A Affordable Housing Guidelines in the packet.

Board members spoke regarding the following topics: the use of the program since changing the funding of the deferred forgivable loan to \$10,000; the ability for homebuyers to use HOME funds; whether changes can be made to the guidelines; questions regarding the HUD guidelines for homebuyer eligibility including: future income, the purchasing household size; and Housing and Community Development making the determination of eligibility, changing the wording in the guidelines to say HUD as opposed to Housing and Community Development when an item is required by HUD; the lender requirement stating lenders are required to submit paycheck stubs for the past 6 months; participating lenders for the program; a future action item request for additional funding to reimburse Housing and Community Development staff time; and a presentation from the Corpus Christi Housing Authority.

**G. PRESENTATION ITEMS: (ITEMS 4 and 6)**

**4. Habitat for Humanity Presentation**

President Gulley referred to Item 4. Warren Andrich, Chairman of the Corpus Christi Habitat for Humanity, stated that the purpose of this item is to present a proposal to the Type A Board for funding consideration. Mr. Andrich presented the following information: the work done by Habitat for Humanity; the number of homes currently built each year; the need for additional partners to build more homes per year in the City; the request for \$107,000 in matching funds to match donations provided to Habitat for Humanity; how the funds will be utilized; a capacity building plan; and capacity levels.

Board members spoke regarding the following topics: whether the partnerships have been established; where Habitat for Humanity is in the process; how the program will work; the status on the City Council's affordable housing strategies; the Community Development Corporation; request that Habitat for Humanity provide a firm proposal; whether this is a one-time request for funding; Habitat for Humanity's overall operating and administrative costs; whether Habitat for Humanity has the resources necessary to reach the expected capacity level; clarity on the strategic vision of the plan; how the mortgage payments are accounted for; flexibility on the requested funding; the taxable property that has been created through Habitat for Humanity; and placing this item on a future agenda for discussion and action, to include an agreement.

**6. Discussion regarding Economic Development Sales Tax Reauthorization**

President Gulley referred to Item 6, a discussion regarding the economic development sales tax reauthorization. Ms. Opel and Interim Assistant City Manager Jay Ellington shared the following information from the City Council Retreat held on March 22, 2016: the legislation passed in 2015 providing

options for the economic development sales tax; the ballot alternatives for the City Council to consider including Type A, Type B or General Revenue; a recommendation from the Type A Board; the recommendation from the Corpus Christi Regional Economic Development Corporation on how to disperse the funds; and the direction from the City Council to have the City Attorney bring back ballot language for the General Revenue option.

There was a power outage during the discussion on this item and Assistant City Secretary Paul Pierce recommended postponing this item until the next meeting.

**H. EXECUTIVE DIRECTOR COMMENTS:**

None.

**I. PUBLIC COMMENT**

President Gulley called for public comment. Abel Alonzo, 1701 Thames, thanked the Board for being good stewards of taxpayer money and spoke in opposition to changes being made to the economic development sales tax.

**J. IDENTIFY FUTURE AGENDA ITEMS**

None.

**K. ADJOURNMENT**

The meeting was adjourned at 5:56 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.*