



AGENDA MEMORANDUM

Corpus Christi B Corporation Meeting, July 15, 2024

DATE: July 15, 2024

TO: President and Honorable Board Members, Corpus Christi B Corporation

FROM: Randy Almaguer, Compliance Officer, CCREDC
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South Texas Military Housing, LP – Admirals Quarters

CAPTION:

Public Hearing and Motion authorizing a business incentive agreement with the South Texas Military Housing (STMH) in the amount up to \$1,000,000.00 for the construction of a Chief of Naval Air Training (CNATRA) Flag Officer quarters at Naval Air Station – Corpus Christi (NASCC).

SUMMARY:

This motion to approve a business incentive agreement up to \$1,000,000.00 from the Corpus Christi B Corporation Economic Development fund would be for the construction of the CNATRA Flag Officer quarters and facility for the two-star Admiral overseen by the STMH who are in a public/private venture with the Navy, who renovates, builds, maintains, and manages family housing onboard NAS-CC.

BACKGROUND AND FINDINGS:

On November 13, 2023, the Type B Board approved a resolution authorizing the use of up to \$1,000,000.00 from the Corpus Christi B Corporation Economic Development Fund for an agreement with STMH, for the construction of a CNATRA Flag Officer quarters on NAS-CC subject to the future approval of an agreement by the Type B Board and amending the FY 2023-2024 budget to increase expenditures by \$1,000,000.00

CNATRA is a two-star Admiral who oversees all naval air training; including pilots, naval flight officers (NFO), and Blue Angels, and is headquartered onboard NASCC. CNATRA has a staff of 193 military and civilian personnel stationed; the average salary is \$65,000 per year.

After Hurricane Harvey, the Admirals quarters were condemned and there are currently no existing budget methods to build the CNATRA facility. The construction of the two-story facility is estimated to be \$1,550,000.00; the second story for living quarters and the first floor to host important meetings, special dignitaries, visiting guests and an entertainment venue for the NASCC.

City participation has occurred for similar projects across the United States in the past. For example, in support of their military partners the City of Huntsville since 2003 has spent more than \$3,500,000.00 upgrading housing for generals on Redstone Arsenal; one of the houses is more than 4,000-square feet and was earmarked for the general. The size of this unit is because it involves a lot of entertainment of dignitaries and space needed for official functions. Since then, they have funded two more houses and added two major commands. Losing CNATRA could be devastating to the base. The importance of having a flag officer (Admiral) onboard NAS Corpus Christi is critical.

In eras of austerity, base realignments can happen and when they do it is important that one of the commands be a flag officer. CNATRA has become an advocate for our area. Base Realignment and Closure (BRAC) does not have to occur for cuts to come to our bases.

There are also other participating entities who are pledging funds for the project, The Port of Corpus Christi, City of Kingsville, and Kleberg County.

ALTERNATIVES:

The Type B Board may choose to fund at a lesser amount or not at all.

FINANCIAL IMPACT:

The financial impact is an amount up to \$1,000,000.00 to be funded with the Type B Economic Development Fund in FY 2024.

Funding Detail:

Fund:	1146	Economic Development Fund
Organization/Activity:	15020	Small Business Projects
Mission Element:		
Project # (CIP Only):		
Account:	530000	Professional Services Expense

RECOMMENDATION:

Staff recommend approval of the expenditure in the amount up to \$1,000,000.00 to be funded by the Corpus Christi B Corporation in FY 2024.

LIST OF SUPPORTING DOCUMENTS:

Agreement
PowerPoint