



AGENDA MEMORANDUM

First Reading for City Council Meeting of January 8, 2013
Second Reading for City Council Meeting of February 15, 2013

DATE: December 27, 2012

TO: Ronald L. Olson, City Manager

FROM: Fred Segundo, Director of Aviation
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Authorizing the execution of a Ground Lease with FDL – CC, LLC to lease land from the City of Corpus Christi at the Corpus Christi International Airport for the development of a facility to be occupied initially by the Department of Homeland Security, the United States Coast Guard, and Customs and Border Protection.

CAPTION:

Authorizing the City Manager or designee to execute a Ground Lease with FDL – CC, LLC to lease land from the City of Corpus Christi at the Corpus Christi International Airport (“Airport”) for the development of a facility to be occupied initially by the Department of Homeland Security, the United States Coast Guard, and Customs and Border Protection (“Project”), to be located on land at the Airport, which Project will be subleased by FDL – CC, LLC to the General Services Administration (“Government-Tenant”).

PURPOSE:

The purpose of this project is to consolidate the operations of the USCG that are currently divided between Naval Air Station (NAS) Corpus Christi and offices in Downtown Corpus Christi.

BACKGROUND AND FINDINGS:

The United States Coast Guard (USCG) Corpus Christi Sector currently occupies hangar space at NAS Corpus Christi, and office space at Tower II, 555 N. Carancahua, Corpus Christi, TX, under a lease, which expires November 30, 2015. Elements of Customs and Border Protection also currently occupy hangar space at NAS Corpus Christi. The USCG has submitted a request and justification to occupy space in a new USCG Sector Headquarters complex that will be constructed at Airport.

The General Services Administration (GSA) is anticipated to propose a new lease of approximately 140,000 to 180,000 rentable square feet (rsf) of space and approximately 221 parking spaces for the Department of Homeland Security, USCG and Customs and Border Protection at the Airport. The proposed USCG Sector Headquarters complex is anticipated to be comprised of three structures: a two or three-story command and control building of approximately 40,000 to 58,000 rsf; a two-story hangar building of approximately 100,000 to 114,000 rsf; and a one-story ground support building of approximately 5,000 to 8,000 rsf.

The current USCG hangar location at NAS Corpus Christi delays response times for both personnel and USCG aircraft operations. Response times are slowed by distance to personnel berthing areas and the need to stop traffic, open a gate, and cross a road in order to move aircraft from the hangar to the runway. The proximity of the current 60-year old hangar facility to the seawall subjects their aircraft and the facility to excessive corrosion. The current facility's hangar deck space is insufficient to accommodate the anticipated new USCG aircraft. Without relocation to the new Sector complex the anticipated new aircraft would have to alternate staying outside in the corrosive environment adjacent to the seawall. The mission and operational readiness of USCG Corpus Christi Sector and their new aircraft will dependent on the construction and relocation to the new complex at the Airport. The Airport provides advantages in both maintenance and operation requirements. The Airport is located approximately eleven miles inland and will remove aircraft from the current excessive corrosive environment, significantly reducing aircraft maintenance costs. The proposed hangar/berthing arrangement at the Airport will reduce time for stand-by flight crews' and the hangar's proximity to runway will significantly improve aircraft operations.

GSA will be negotiating an assignable ground lease that is anticipated to encompass 10 to 23 acres of land at the Airport.

ALTERNATIVES:

No viable alternative exists.

OTHER CONSIDERATIONS:

Pending release of GSA Request for Lease Proposal (RLP)

CONFORMITY TO CITY POLICY:

(Includes Master Plans, Financial Plans, Strategic Plans, Land Use Plans, IT Plans, etc.)

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

- Airport Advisory Board
- Legal

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year: 2011-2012	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s):

Comments:

RECOMMENDATION:

Staff requests approval of Ordinance.

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Ground Lease