

Inner Harbor Water Supply Project

Authorizing Acquisition of Property

Agenda Item 23-0044

December 20, 2022



Background

- Location Map.
- Cost and basis of terms.
- Recommendation.

An aerial photograph of a large, green, undeveloped plot of land. The plot is outlined with a yellow boundary line. Several streets are labeled on the image: "Summers St" on the left, "Palm Dr" in the center, "Nueces Bay Blvd" on the right, and "W. Broadway St" at the bottom right. In the background, a large industrial facility with numerous white storage tanks and tall distillation columns is visible under a blue sky with scattered white clouds. A north arrow is located in the top right corner of the image.



Cost and Basis of Terms

- Agreement between City and Flint Hills Resources Corpus Christi, LLC to acquire real property and easements.
- 728 days to restore property in the event that the city elects not to close if all permits are not granted.
- City will have the right to terminate contract at any time during the feasibility period.
- Flint Hill Resources will have the right to re-purchase all property and easement rights within 5 years of closing of conveyance.

Cost and Basis of Terms

- \$5,455,000 – Based on Valbridge appraisal from January 20, 2021
 - 12.5 acres fee simple Property in the amount of \$2,380,000 (\$4.37 per square ft).
 - 11 acres for easements in the amount of \$3,075,000.
 - Cost includes non-refundable Option Period fees.
- Prior to exercising option & closing the purchase, The City will obtain:
 - Water rights permit from the TCEQ.
 - Discharge permit from the TCEQ.
 - All necessary permits from the U.S. Army Corps of Engineers.
 - Disannexation of the Property.
 - Authorization to execute a 212 ETJ Development Agreement.
 - Encumbrance of the full amount of the Purchase Price (\$5,455,000).

Recommendation

- Staff recommends approval.
 - Purchase of the Flint Hills property and associated easements.
 - Purchase of an easement from Union Pacific Railroad.
 - Authorize the use of eminent domain, if necessary, to acquire these property interests from Flint Hills and Union Pacific for public use for water supply projects.

Four horizontal, wavy bands of blue and cyan colors, resembling water or waves, spanning the width of the slide.

Thank you!

