



AGENDA MEMORANDUM

Action Item for the City Council Meeting December 3, 2024

DATE: December 3, 2024

TO: Peter Zaroni, City Manager

FROM: Arturo Marquez, CEcD Ms. Econ., Director of Economic Development
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Resolution approving an interlocal agreement with the Port of Corpus Christi Authority relating to Port Authority land in industrial districts

CAPTION:

Resolution approving an interlocal agreement with the Port of Corpus Christi Authority relating to Port of Corpus Christi Authority land in industrial districts.

SUMMARY:

The City is entering into new Industrial District Agreements with companies located within the City of Corpus Christi Industrial Districts for the 15-year period beginning January 1, 2025. The new Industrial District Agreement requires approval of the landowner. There are several entities with current Industrial District Agreements that are tenants of the Port of Corpus Christi Authority within Industrial District No. 1 which means that Port approval is required as the landowner.

At its meeting of November 19, 2024, the Port Commission of the Port of Corpus Christi Authority reviewed and approved execution of the following documents: (1) Interlocal Agreement between Port of Corpus Christi and City of Corpus Christi relating to Land owned by Port in Industrial Districts, (2) Petition for Annexation, and (3) Agreement for Provision of Municipal Services for each Port of Corpus Christi Authority tenant who wishes to enter into an Industrial District Agreement with the City of Corpus Christi. The Interlocal Agreement provides that the Port Authority consents to inclusion of the leased land in an Industrial District Agreement when requested by its tenant and the Port agrees to execute the Petition for Annexation and Agreement for Provision of Municipal Services attached to the standard form Industrial District Agreement.

The proposed Resolution authorizes the City Manager or Assistant City Manager to execute the Interlocal Agreement between Port of Corpus Christi and City of Corpus Christi relating to Land owned by Port in Industrial Districts, in substantially the form attached as Exhibit A to this Resolution, with such non-substantive changes therein as he shall approve.

BACKGROUND AND FINDINGS:

During the term of an Industrial District Agreement, the landowner and improvement owner make payment to the City in lieu of ad valorem taxes. Historically, the Port has given blanket consent to the inclusion of the Port's leased land in an Industrial District Agreement. The new Industrial District Agreement contains two new forms that require signature by the landowner: the Petition for Annexation and the Agreement for Municipal Services. The Port of Corpus Christi has approved a Resolution to approve the Interlocal Agreement regarding the new Industrial District

Agreements when requested by Port tenants located in an Industrial District.

ALTERNATIVES:

To not approve the Resolution.

FISCAL IMPACT:

The City currently receives approximately \$50,000 in annual Industrial District Agreement Payments in Lieu of Taxes from companies with improvements located on Port Authority land with the Industrial District.

RECOMMENDATION:

Staff recommends approval of the Resolution.

LIST OF SUPPORTING DOCUMENTS:

Resolution