



AGENDA MEMORANDUM

Action Item for the City Council Meeting September 17, 2019

DATE: 9/5/2019

TO: Peter Zanoni, City Manager

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Resolution to Approve Land Exchange Agreement with U.S. Navy

CAPTION:

Resolution authorizing the City to execute the Land Exchange Agreement with the United States of America in exchange for a 44-acre parcel, known as Peary Place for the amount up to \$500,000. The City worked to pass legislation in the FY 2018 National Defense Authorization Act to complete all actions identified in the agreement allowing the U.S. Navy to provide property to the City in exchange for clear zone areas at Naval Air Station–Corpus Christi (NASCC), Naval Outlying Field Cabaniss (Cabaniss), and Naval Outlying Field Waldron (Waldron).

SUMMARY:

This resolution authorizes the city to execute the Land Exchange Agreement with the United States of America in exchange for a 44-acre parcel, known as Peary Place for the amount up to \$500,000. The City worked to pass legislation in the FY 2018 National Defense Authorization Act to complete all actions identified in the agreement allowing the U.S. Navy to provide property to the City in exchange for clear zone areas at Naval Air Station–Corpus Christi (NASCC), Naval Outlying Field Cabaniss (Cabaniss), and Naval Outlying Field Waldron (Waldron).

BACKGROUND AND FINDINGS:

General

The City of Corpus Christi worked to pass legislation in the FY 2018 National Defense Authorization Act that provided a process that allows the U.S. Navy to provide a 44-acre parcel property, Peary Place, to the City in exchange for clear zone areas at NASCC, Cabaniss, and Waldron. Per the legislation passed, the City and the U.S. Navy must enter into a Land Exchange Agreement by September 30, 2019 indicating the intention of both parties to proceed with this

transaction.

Project Description

The United States Congress has authorized the Secretary of the Navy the authority to convey certain real property to the City in exchange for real property interests owned by the City of Corpus Christi that are causing an encroachment concern, as determined by the Secretary of the Navy, at NASCC, Cabaniss, and Waldron pursuant to certain terms and conditions more fully set forth in the National Defense Authorization Act for Fiscal Year 2018, signed by the President of the United States.

The U.S. Navy will exchange a 44-acre parcel, Peary Place, that is currently used as a recreational field.

Exchange

The City must provide payment of costs of conveyance not to exceed \$500,000 as payment or reimbursement for costs of appraisals, surveys, permits, fees, environmental compliance, environmental with land exchange, and other administrative costs related to the exchange of the property as required by Federal Law, with final conveyance of the City properties contingent upon additional City Council approval.

ALTERNATIVES:

An alternative to this Land Exchange Agreement is not to move forward with this transaction and allow for the FY 2018 National Defense Authorization Act to expire. Staff recommends that the City moves forward with the transaction which will allow for the City to eliminate costs for the unusable properties that are being transferred to the U.S. Navy and obtain property that can be used for recreational purposes.

FINANCIAL IMPACT:

The City's remaining professional services that need to be carried out will be for the amount of up to \$500,000 to execute this transaction. This amount will be paid from the remaining balance in the Texas Military Revolving Loan Fund and will be one-time expenditures that will cover the total project cost. This is an eligible use of the Funds (land acquisition transactions to ensure land use compatibility around our military installations).

Funding Detail:

| | |
|------------------------|------------------------------------|
| Fund: | 3543 |
| Organization/Activity: | Not applicable |
| Mission Element: | Not applicable |
| Project # (CIP Only): | E17066 |
| Account: | Land and Right-of-Way CIP (550701) |

RECOMMENDATION:

Staff recommends that the city enter into the non-binding Land Exchange Agreement with the U.S. Navy to continue working on the transaction. This transaction will allow the City to acquire 44-acre parcel known as Peary Place in exchange of the NASCC, Cabaniss, and Waldron to the U.S. Navy.

LIST OF SUPPORTING DOCUMENTS:

Legislative language

Aerial Visuals of properties in the transaction.
Land Exchange Agreement