



AGENDA MEMORANDUM

Action Item for the City Council Meeting of September 22, 2020

DATE: September 17, 2020

TO: Peter Zanoni, City Manager

FROM: Al Raymond III, Director, Development Services
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Resolution authorizing a joint application with Nueces County to the Texas General Land Office for CDBG-MIT Hurricane Harvey State Mitigation Competition funds for the North Beach Canal Project; and a Memorandum of Understanding with Nueces County to provide for management of the grant and City maintenance of the project.

CAPTION:

Resolution authorizing a joint application with Nueces County to the Texas General Land Office for CDBG-MIT Hurricane Harvey State Mitigation Competition funds for the North Beach Canal Project, and a Memorandum of Understanding with Nueces County to provide for management of the grant and City maintenance of the project.

SUMMARY:

This is a Resolution authorizing a joint application with Nueces County to the Texas General Land Office for CDBG-MIT Hurricane Harvey State Mitigation Competition funds for the North Beach Canal Project, and a Memorandum of Understanding with Nueces County to provide for management of the grant and maintenance of the project.

BACKGROUND AND FINDINGS:

Nueces County has extended the invitation to the City of Corpus Christi to join its application for the North Beach Canal project for CDBG-MIT Hurricane Harvey State Mitigation Competition funds.

The Hurricane Harvey State Mitigation Competition, Round 1, has available funds of \$1 billion. Funds will be awarded to cities, counties, COGs, state agencies, Indian tribes, port authorities, river authorities, and special purpose districts. Examples of projects include flood control and drainage improvements,

infrastructure improvements, green infrastructure, public facilities, buyouts. Located in a HUD-MID County, the City of Corpus Christi may submit 3 applications individually and 3 jointly with another political subdivision.

The Memorandum of Understanding provides that the County and the City will:

1. Pursue CDBG-MIT funding for the Navigable Canal at North Beach that directly affect the citizens of both jurisdiction.
2. Allow the County to take the lead responsibility for a contractual relationship with the GLO;
3. Work with other local, regional, state and/or federal agencies, jurisdictions, organizations, or entities affected by the activities above;
4. Work with the appropriate state and local officials or agencies to maximize the efficiency of CDBG-MIT funds to accomplish the activities above;
5. The City will be responsible for the operation and maintenance of the project area upon project completion, as evidenced by the GLO's acceptance of the final project completion report; and
6. Select appropriate points of contact for application entry and submission, project development, strategic implementation, financial reporting and auditing as necessary to comply with relevant local ordinances, state and federal laws and regulations.
7. This document does not create a monetary obligation by the City to the County and does not obligate the City to expend any funds on the aforesaid project that are not yet appropriated.

The deadline for the grant submission is October 28, 2020. The application will be posted by Nueces County for public comment on September 28, and Nueces County Commissioners Court will hold a public hearing on October 7.

The North Beach Canal could be 60 feet or wider and 10 feet deep with bulkhead sides. It could have a connection to Corpus Christi Bay with a channel the full width and depth of the interior channel. It would be intended to address drainage but the canal would be a catalyst to economic development. The project cost has been estimated at \$42.5 million.

On October 29, 2019, through Ordinance 031927, City Council designated a 1,423 acre area on North Beach within the jurisdiction of the City of Corpus Christi Tax Increment Reinvestment Zone (TIRZ) Number 4; setting a maximum City financial participation of \$20,000,000 via a scaled contribution for a period not to exceed 20 years; establishing a Board of Directors for the TIRZ; and, establishing a preliminary Project and Financing Plan.

The zone is expected to be one of a variety of potential funding sources and programs that will be acting in concert to accomplish a transformed public environment in North Beach. By improving and maintaining public spaces with a high level of service, plus increasing density, the zone and the other programs will encourage the development of new land uses and the redevelopment or rehabilitation of existing uses. The intended result is that North Beach will become a vibrant and economically vital urban waterfront district with a variety of tourist, entertainment, residential, retail, and lodging uses.

ALTERNATIVES:

Decline to participate in the application.

FISCAL IMPACT:

The estimated project cost is \$42.5 million for the North Beach Canal project. Maintenance of the project could be funded through TIRZ Number 4.

FUNDING DETAIL:

Revenue and Expense:

Fund: NA
Organization/Activity: NA
Mission Element: N/A
Project # (CIP Only): N/A
Account: N/A

RECOMMENDATION:

Staff recommends approval of the Resolution authorizing a joint application with Nueces County to the Texas General Land Office for CDBG-MIT Hurricane Harvey State Mitigation Competition funds for the North Beach Canal Project, and a Memorandum of Understanding with Nueces County to provide for management of the grant and maintenance of the project.

LIST OF SUPPORTING DOCUMENTS:

Resolution
Memorandum of Understanding