



## COUNCIL AGENDA SUMMARY

**DATE:** April 1, 2021  
**TO:** Mayor, City Council  
**FROM:** Blake Phelps  
**RE:** **Waterway East Boulevard Funding and Development Agreement Amendment**

**ISSUE:** Authorize Mayor Craft to execute the First Amendment to Funding and Development Agreement with Coastal Resort Properties, LP (CRP) to update sections related to CRP's delivery of the \$1.215 million letter of credit and Statutory Warranty Deed for the right-of-way corridor and further define CRP's obligation to reimburse the City for 50% of soft costs and the City's ability to draw on the letter of credit.

**BACKGROUND:** The City was awarded \$21.7 million by the Alabama RESTORE Council to improve connections from the Foley Beach Express to Highway 59, including improvements along Canal Road, Waterway East Boulevard and other ancillary connections. These projects are intended to provide additional connectivity to and from these major roadway arteries and reduce congestion in these areas.

In evaluating possible east-west roadway corridors on the north side of the Intracoastal Waterway, the City recognized the unique opportunity to partner with Coastal Resort Properties, LP to extend Waterway East Boulevard through CRP's property to align with a roadway connection to Cotton Creek Drive being planned by ALDOT. The construction of these improvements would provide a new connection from the eastern half of Cotton Creek Drive to Highway 59 and would align directly with a future north-south connection from Cotton Creek Drive to the Foley Beach Express.

The City Council previously approved a Funding and Development Agreement with CRP which includes the following terms:

- CRP will deed to the City a 100' wide public right-of-way to construct roadway improvements through the CRP property.
- CRP will pay half of the soft costs associated with the Waterway East Boulevard project up to \$1.215 million. Soft costs include surveying, designing, permitting, bid administration, contracting and construction engineering and inspection.

- CRP will be allowed to construct, at their expense, up to three signalized intersections with the section of roadway on CRP property.
- RESTORE Grant funds will be used solely to fund construction costs.
- Construction will begin no later than December 31, 2022.
- The City may terminate the agreement at any time prior to construction start if it is deemed RESTORE Grant funds are not adequate to construct the project.

The First Amendment will update sections related to CRP's delivery of the \$1.215 million letter of credit and Statutory Warranty Deed for the right-of-way corridor and further define CRP's obligation to reimburse the City for 50% of soft costs and the City's ability to draw on the letter of credit.

**RECOMMENDATION:** Authorize Mayor Craft to execute the proposed First Amendment to Funding and Development Agreement with Coastal Resort Properties, LP (CRP) for the right-of-way acquisition and construction of Waterway East Boulevard through CRP property.

**BUDGET IMPLICATIONS:** CRP will reimburse the City half of the soft costs for the project up to \$1.215 million. Funds for this project are budgeted in the City's Capital Improvement Plan.

**PREVIOUS ACTION:** The City Council authorized Mayor Craft to execute a Funding and Development Agreement with Coastal Resort Properties, LP on November 23, 2020 for the right-of-way acquisition and construction of Waterway East Boulevard through CRP property.

**ATTACHMENTS:** None

**DEPARTMENT:** Executive Department

**STAFF CONTACTS:** Blake Phelps, Economic Development Coordinator