Legislation Details (With Text)

File #:	24-783	**Name:**	
Type:	Presentation	**Status:**	Individual Item Ready
File created:	6/4/2024	**In control:**	Economic Development Corporation
On agenda:	6/17/2024	**Final action:**	
Title:	Presentation and discussion on a proposed expenditure to purchase up to 100 acres out of the AM Esnaurizar Survey No. 1, Abstract 1, Comal County, Texas.		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	1. Frueholz Property Maps		

Date	Ver.	Action By	Action	Result
6/17/2024	1	Economic Development Corporation		

PRESENTER:
Jordan Matney, Deputy City Manager
Jeff Jewell, Director of Economic and Community Development
SUBJECT:
Presentation and discussion on a proposed expenditure to purchase up to 100 acres out of the AM Esnaurizar Survey No. 1, Abstract 1, Comal County, Texas.
DEPARTMENT: Economic and Community Development
COUNCIL DISTRICTS IMPACTED: 4

BACKGROUND INFORMATION:
The NBEDC is proposing to purchase up to 100 acres out of a 240-acre tract at the corner of Kohlenberg and FM 1101 for a total purchase price of $20,000,000 and is depicted on Exhibit A. The proposed expenditure and action would also authorize the NBEDC to enter two separate rights of first refusal agreements for the remainder of the 240 acre tract referenced as Properties B and C on Exhibit A. As part of the agreement to purchase, the seller will dedicate at no cost to the City of New Braunfels, the right of way necessary for the construction of the Kohlenberg Rd improvements project.

The NBEDC, upon entering the contract, will undertake a period for due diligence and preliminary feasibility before the property's closing. The land is intended to be held for speculative purposes for industrial, commercial, or institutional development at a future date.

ISSUE:
The purchase of up to 100 acres.

STRATEGIC PLAN REFERENCE:
☒Economic Mobility ☐Enhanced Connectivity ☐Community Identity
☐Organizational Excellence ☐Community Well-Being ☐N/A

FISCAL IMPACT:

The sales price of $20,000,000 is subject to an independent appraisal. Up to $12,000,000 will be provided in cash at closing with $1,000,000 paid annually for eight (8) years beginning on October 1st of the year following closing until paid in full. Seller agrees that any interest which shall accrue or be paid, with respect to any portion of the payments outlined above, shall be at a rate of three percent (3%) annually.

RECOMMENDATION:

Staff is requesting direction on whether the project should be placed on a future agenda for action.