

Legislation Details (With Text)

File #:	24-808	Name:	
Type:	Presentation	Status:	Individual Item Ready
File created:	6/10/2024	In control:	Economic Development Corporation
On agenda:	6/20/2024	Final action:	
Title:	Public hearing, discussion, and possible action approving an expenditure of up to \$20,000,000 to purchase up to 100 acres out of the AM Esnaurizar Survey No. 1, Abstract 1, Comal County, Texas, pursuant to section 501.101 of the Texas Local Government Code.		

Sponsors:**Indexes:****Code sections:****Attachments:** 1. Frueholz Property Maps

Date	Ver.	Action By	Action	Result
6/20/2024	1	Economic Development Corporation		

PRESENTER:

Jeff Jewell, Economic and Community Development Director
Jonathan Packer, CEO, New Braunfels Chamber of Commerce

SUBJECT:

Public hearing, discussion, and possible action approving an expenditure of up to \$20,000,000 to purchase up to 100 acres out of the AM Esnaurizar Survey No. 1, Abstract 1, Comal County, Texas, pursuant to section 501.101 of the Texas Local Government Code.

DEPARTMENT: Economic and Community Development**COUNCIL DISTRICTS IMPACTED:** 4**BACKGROUND INFORMATION:**

The New Braunfels Economic Development Corporation (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 on the attached Exhibits. 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:

The NBEDC consider action to purchase the property for future use as an industrial, commercial, or institutional site at a future date.