

Legislation Text

File #: 24-817, **Version:** 1

PRESENTER:

Jordan Matney, Deputy City Manager
Jeff Jewell, Economic and Community Development Director

SUBJECT:

Approval of a Transfer Agreement between New Braunfels Utilities and the City of New Braunfels regarding real property addressed as 263 Main Plaza, New Braunfels, Comal County, Texas, 78130 and authorizing the City Manager to execute all necessary documents.

DEPARTMENT: Economic and Community Development

COUNCIL DISTRICTS IMPACTED: 5

BACKGROUND INFORMATION:

The New Braunfels Economic Development Corporation (NBEDC) held a public hearing on May 16, 2024 and approved a grant of up to \$4,550,000 to the City of New Braunfels for the purchase of a 1.126 acre tract, commonly known as 263 Main Plaza in New Braunfels, Comal County, Texas. The New Braunfels City Council approved this grant at its June 10, 2024 meeting. The proposed Transfer Agreement addresses the transfer price, deadlines and other required dates, leaseback information, conditions, and other stipulations outlined with the transfer of the property. The Agreement must be executed for the transfer process to begin.

ISSUE:

The NBEDC approved a grant to the City of New Braunfels for the purchase of 263 Main Plaza. This item advances the approval of the Transfer Agreement between New Braunfels Utilities and the City.

STRATEGIC PLAN REFERENCE:

Economic Mobility Enhanced Connectivity Community Identity
 Organizational Excellence Community Well-Being N/A

FISCAL IMPACT:

The NBEDC approved a grant to the City of New Braunfels of up to \$4,550,000 with \$500,000 due by August 1, 2024 and the balance to be paid as follows:

1. \$500,000 on October 1, 2024
2. \$500,000 on October 1, 2025
3. \$500,000 on October 1, 2026
4. \$2,550,000 on the sooner of the following to occur:
 - a. The date that NBU turns over possession of the property to the City under the Lease
 - b. The Lease Termination Date, as defined in the Lease

The NBEDC has sufficient funds to fund this grant expenditure.

RECOMMENDATION:

City Council approves the Transfer Agreement between the City and NBU and authorizes the City Manager to execute said agreement.