

Legislation Text

File #: 24-832, **Version:** 1

PRESENTER:

Jeff Jewell, Economic and Community Development Director

SUBJECT:

Discuss and consider a resolution recommended by the New Braunfels Economic Development Corporation approving a project expenditure of up to \$20,000,000 for the purchase of 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) held a special-called meeting on June 17, 2024 to consider the opportunity to purchase up to 100 acres out of a 240-acre tract at the corner of Kohlenberg and FM 1101. The land is situated between other industrial businesses and is intended to be held for industrial, commercial, or institutional development at a future date.

At the time of publication of the City Council agenda, the NBEDC was scheduled to hold a public hearing on the proposed expenditure at its regular meeting on June 20, 2024. The expenditure, if approved, will also authorize the NBEDC to enter two separate rights of first refusal agreements for the remainder of the 240 acre tract also 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 Road improvements project.

ISSUE:

Approving a resolution recommend by the NBEDC to purchase up to 100 acres of property as indicated above.

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. The NBEDC will provide up to \$12,000,000 in cash at closing, with \$1,000,000 paid annually for eight (8) years beginning 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. Since this is funded entirely by the NBEDC, there is no fiscal impact to the City.

RECOMMENDATION:

Approval of the recommendation.