

Transfer of Main Plaza

- Presented by Ryan Kelso
- Chief Executive Officer

• April 25, 2024



Conveyance of Main Plaza – Proposed Terms

Property

- NBU will convey to the City of New Braunfels (“City”) the property commonly known as 263 Main Plaza, New Braunfels, Texas 78130, which is approximately 1.126 acres in area and comprised of Lots 40, 42, and part of Lot 36, Block 1005, City of New Braunfels, Comal County, Texas (“Main Plaza Property”) through a Special Warranty Deed

Transfer Date

- A date mutually agreed by NBU and the City, no later than August 1, 2024

Transfer Price:

- \$4,550,000, which represents the fair market value of the Main Plaza Property, as reflected in an appraisal obtained by NBU dated April 4, 2024, from Valbridge Property Advisors

Payment Terms

- The transfer price will be paid by the City in installments as follows: (i) \$500,000 on the transfer date; (ii) \$500,000 on October 1, 2024; (iii) \$500,000 on October 1, 2025; (iv) \$500,000 on October 1, 2026; and (v) \$2,550,000 when NBU turns over possession of the Main Plaza Property to the City



Conveyance of Main Plaza – Proposed Terms

Lease of Main Plaza Property

- NBU will lease the Main Plaza Property from the City under a written lease agreement (“Lease”) from the Transfer Date until the date that is one hundred twenty (120) days after NBU obtains a final certificate of occupancy for NBU’s new headquarters
- NBU will pay rent in the amount of \$10 for the entire term of the Lease

Next Steps

- Staff expects the City to present this item to City Council in May or June
- Upon approval by City Council and the NBU Board of Trustees, staff for NBU and the City will work toward a closing to occur on or before August 1, 2024



QUESTIONS?

Mission

Strengthening our community by providing resilient essential services

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Vision

Be a trusted community partner dedicated to excellence in service

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Core Values

Safety, Team, Integrity, Culture, and Stewardship

Action Item:

Approve Resolution #2024-184 authorizing (i) the transfer of approximately 1.126 acres of real property located at 263 Main Plaza, New Braunfels, Texas (the “Main Plaza Property”), to the City of New Braunfels; (ii) the lease of the Main Plaza Property from the City of New Braunfels to New Braunfels Utilities; (iii) execution of any and all documents necessary to convey and lease the Main Plaza Property; and (iv) Other Matters in Connection Therewith