
AGENDA REPORT

Meeting Date: August 21, 2024

Item Number: 1

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(Staff Use Only)

Subject

Consider and act upon a Fifth Amendment to the Purchase and Sale Agreement between the WEDC and McClure Partners Construction Company.

Recommendation

Motion to approve a Fifth Amendment to the Purchase and Sale Agreement between the WEDC and McClure Partners Construction Company and further authorize the Board President or his/her designee to execute said agreement.

Discussion

As the Board will recall, the WEDC has been working toward the redevelopment of the Highway 78 and Brown Street properties since early 2018. The Purchase and Sale Agreement between McClure Partners Construction Company and the WEDC was approved by the Board on August 19, 2020. A First Amendment to the Purchase and Sale Agreement was approved on March 16, 2022, to address issues with the completion of the water line relocation, which was required to be completed prior to closing. A Second Amendment to the Purchase and Sale Agreement was approved on July 19, 2023, extending the water line relocation deadline to address issues with the abandonment of the water line easement. A Third Amendment to the Purchase and Sale Agreement was approved on January 12, 2024, extending the Inspection Period to allow the WEDC time to finalize engineering plans, install TxDOT improvements, and begin installation of the public infrastructure (water, sewer, drainage), and fire lanes for Cooper Plaza. A Fourth Amendment to the Purchase and Sale Agreement was approved on April 17, 2024, extending the Inspection Period 90 days, to July 25, 2024.

This Fifth Amendment extends the Inspection Period deadline 90 days, from July 25, 2024, to October 23, 2024.

Analysis:

- Corner Lot: 1.74 acres or 75,804 square feet
- Sales Price: \$20/SF or approximately \$1,516,080
- Water Line Relocation Deadline: September 30, 2023
- Inspection Period: 120 Days
- Closing Date: 60 Days

First Amendment Deadlines:

- Water Line Relocation Deadline: March 31, 2023
- Due Diligence/Survey Delivery: 4-15-23
- Inspection Period: 7-29-23
- Closing Deadline: 9-27-23

Second Amendment Deadlines:

- Water Line Relocation Deadline: September 30, 2023
- Due Diligence/Survey Delivery: 10-15-23 (15 days after water line relocation date)
- Inspection Period: 1-28-24 (120 days after water line relocation date)
- Closing Deadline: 3-28-24 (60 days after inspection period)

Third Amendment Deadlines:

- Inspection Period: 4-26-24 (120 days after water line relocation date of Sept 29, 2023 + 90-day extension)
- Closing Deadline: 6-25-24 (60 days after inspection period)

Fourth Amendment Deadlines:

- Inspection Period: 7-25-24 (120 days after water line relocation date of Sept 29, 2023 + 90-day extension + 90-day extension)
- Closing Deadline: September 23, 2024

Fifth Amendment Deadlines:

- Inspection Period: 10-23-24 (120 days after water line relocation date of Sept 29, 2023 + 90-day extension + 90-day extension + 90-day extension)
- Closing Deadline: December 22, 2024

If approved, the anticipated closing date is December 15, 2024, so the anticipated grand opening would be in September or October 2025.