

Bastrop Economic Development Corporation
Board of Directors - Meeting Agenda
Bastrop City Hall City Council Chambers
1311 Chestnut Street
Bastrop, TX 78602
(512) 332-8870



Wednesday, May 08, 2024
4:00 PM

Bastrop Economic Development Corporation (BEDC) meetings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary at (512) 332-8800 or write 1311 Chestnut Street, 78602, or by calling through a T.D.D. (Telecommunication Device for the Deaf) to Relay Texas at 1-800-735-2989 at least 48 hours in advance of the meeting.

The BEDC Board reserves the right to reconvene, recess, or realign the Regular Session or call Executive Session or order of business at any time prior to adjournment.

- 1. CALL TO ORDER**
- 2. PUBLIC COMMENT(S)**

At this time, three (3) minute comments will be taken from the audience on any topic. Anyone in attendance wishing to address the BEDC Board must complete a citizen comment form prior to the start of the meeting. In accordance with the Texas Open Meetings Act, if a citizen discusses any item not on the agenda, the BEDC Board cannot discuss issues raised or make any decision at this time. Instead, the Board is limited to making a statement of specific factual information or a recitation of existing policy in response to the inquiry.

- 3. REGULAR BUSINESS & PRESENTATIONS**

- 3.A** Consideration and possible action on Resolution No. R-2024-0004 authorizing a second amendment to the real estate purchase contract with Acutronic.

Sylvia Carrillo-Trevino, ICMA-CM, CPM, Interim Director of the BEDC and City Manager

- 4. EXECUTIVE SESSION**

- 4.A** The Bastrop EDC Board of Directors will meet in a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following:

(1) Section 551.071 Consultation with Attorney and Section 551.087 Economic Development Negotiations regarding performance agreement and purchase contract with Acutronic Real Estate, Inc.

4.B The Bastrop EDC Board of Directors will reconvene into open session to discuss, consider and/or take any action necessary related to the executive sessions noted herein.

5. ADJOURNMENT

CERTIFICATE

I, the undersigned authority, do hereby certify that this Notice of Meeting as posted in accordance with the regulations of the Texas Open Meetings Act on the bulletin board located at the entrance to the City of Bastrop City Hall, a place of convenient and readily accessible to the general public, as well as to the BEDC's website, www.bastropedc.org/about/board-materials and said Notice was posted on the following date and time: May 5, 2024 at 2:00 p.m. and remained posted for at least two hours after said meeting was convened.

/s/ Angela Ryan
Angela Ryan, Operations Manager



STAFF REPORT

MEETING DATE: May 8, 2024

TITLE:

Consideration and possible action on Resolution No. R-2024-0004 authorizing a second amendment to the real estate purchase contract with Acutronic.

AGENDA ITEM SUBMITTED BY:

Sylvia Carrillo-Trevino, ICMA-CM, CPM, Interim Director of the BEDC and City Manager

BACKGROUND/HISTORY:

The BEDC began working on an agreement with Acutronic in 2021 and an agreement was finally reached in January of 2023. The agreement was wrapped in the completion of the Industrial Park infrastructure. Due to the timing of the completion of that work, as well as a reduction of BEDC revenue, that project was shelved.

The Acutronic agreement calls for a shovel-ready site. To date, City staff have been working with the Acutronic design professionals to determine the best and most efficient layout.

The agreement in place also calls for Acutronic to be complete with their inspection period by May 9th 2024, extended from April 9th 2024.

The May 9th date needs one further extension to allow staff the ability to resolve outstanding utility Questions under the inspection period. This extension would allow an extension to May 22, 2024; with one option to extend thereafter through June 5, 2024, if deemed necessary and approved by the Interim Director of the BEDC.

Additionally, Legal continues to work through any restrictions in the park the company would like amended. At this time, staff has no issue with items in the amendment that are part of the manufacturing process. Those changes will come to the board at the next regular meeting in May.

FISCAL IMPACT:

None

RECOMMENDATION:

Approve the extension.

ATTACHMENTS:

- Resolution
- Contract Extension

RESOLUTION NO. R-2024-0004

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION APPROVING A SECOND AMENDMENT TO THE REAL ESTATE PURCHASE CONTRACT WITH ACUTRONIC REAL ESTATE, INC; AUTHORIZING ALL NECESSARY ACTIONS, INCLUDING EXECUTION OF NECESSARY DOCUMENTATION; REPEALING ALL RESOLUTIONS IN CONFLICT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Development Corporation Act of 1979, as amended (Section 501.001 et seq., Texas Local Government Code, formerly the Development Corporation Act of 1979) (the “Act”) authorizes a development corporation to fund certain projects as defined by the Act and requires development corporations to enter into performance agreements to establish and provide for the direct incentive or make an expenditure on behalf of a business enterprise under a project; and

WHEREAS, Acutronic Real Estate, Inc. (“Buyer”) desires to purchase approximately 13.84 acres of land (the “Property”) from BEDC for One Million Eighty-Nine Thousand Dollars (\$1,089,000.00) and develop a manufacturing facility and other business development, location, and/or expansion, as well as substantial capital improvements on the Property within the Bastrop Business and Industrial Park, a target area for development for the BEDC (“Project”); and

WHEREAS, the Buyer entered into a Real Estate Purchase Contract with the BEDC for the Project (“Purchase Contract”) executed on January 10, 2024; and

WHEREAS, the Purchase Contract stipulates an Inspection Period of 90 days after the Effective Date of the Purchase Contract, which was April 9, 2024; and

WHEREAS, on April 15, 2024, the BEDC approved an amendment to the Purchase Contract extending the Inspection Period until May 9, 2024 (the “First Amendment”); and

WHEREAS, as a result of recent deliberations between the parties, the BEDC and Buyer find that extending the Inspection Period for a second time is warranted in order to finalize certain Project details; and

WHEREAS, the Board has reviewed the terms and conditions of the proposed second amendment to the Purchase Contract by and between the BEDC and Buyer, determines that it fully complies with the statutory requirements that govern the BEDC, and is in the best interest of the BEDC to approve such amendment.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION THAT:

SECTION 1. The findings set out above are hereby found to be true and correct and are incorporated herein for all purposes.

SECTION 2. All resolutions in conflict are hereby repealed.

RESOLUTION NO. R-2024-0004

SECTION 3. The BEDC hereby approves the terms of the second amendment to the Purchase Contract, attached hereto as Exhibit "A", between BEDC and the Buyer (the "Second Amendment").

SECTION 4. The Board authorizes the BEDC Interim Executive Director to take all necessary actions, including the execution of all necessary and related documentation to finalize the second extension of the Inspection Period within the Purchase Contract.

SECTION 5. This Resolution is effective upon passage.

DULY RESOLVED AND ADOPTED by the Board of Directors of the Bastrop Economic Development Corporation, this ____ day of _____ 2024.

BASTROP ECONOMIC
DEVELOPMENT CORPORATION

Ron Spencer, Board Chair

ATTEST:

Frank Urbanek, Board Secretary

APPROVED AS TO FORM:

Denton Navarro Rodriguez Bernal Santee & Zech, P.C.

EXHIBIT "A"

Second Amendment to the Real Estate Purchase Contract between Acutronic Real Estate, Inc., and the Bastrop Economic Development Corporation

DRAFT

SECOND AMENDMENT TO CONTRACT

This SECOND AMENDMENT TO CONTRACT (“Second Amendment”) is made and entered into as of May ____, 2024, by and between BASTROP ECONOMIC DEVELOPMENT CORPORATION (“Seller”) and ACUTRONIC REAL ESTATE INC., or assigns (“Buyer”).

RECITALS

A. Seller and Buyer entered into the Real Estate Purchase Contract (as amended, the “Contract”) dated effective January 10, 2024, providing for the purchase and sale of 13.84 acres in the Bastrop Business and Industrial Park in Bastrop County, Texas, and described in the Contract (the “Property”).

B. Seller and Buyer subsequently entered into an Amendment to Contract, which extended the Inspection Period under the Contract until May 9, 2024.

C. Seller and Buyer desire to amend the Contract a second time to provide for further extension of the Inspection Period.

D. All capitalized terms used but not defined herein shall have the same meaning and definition as those used in the Contract.

THEREFORE, in consideration of the covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by all parties hereto, Seller and Buyer agree as follows:

1. Inspection Period. The Inspection Period under the Contract is hereby extended to May 22, 2024; with one option to extend thereafter through June 5, 2024, if deemed necessary and approved by the Interim Director of the BEDC.

2. Ratification. Except as modified and amended by this Amendment, all of the other terms and conditions of the Contract are hereby ratified and confirmed.

3. Counterparts. This Amendment may be executed in two or more counterparts, and each counterpart shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. A scanned email version of any signature hereto shall be deemed an original for all purposes.

4. Titles of Sections. All titles or headings of sections or other divisions of this Amendment are only for the convenience of the parties hereto and shall be of no force and effect, and shall not be construed to add to, modify, clarify, or otherwise change the context of such sections of this Amendment as a whole.

EXECUTED as of the date first above written.

SELLER:

BASTROP ECONOMIC DEVELOPMENT
CORPORATION

By _____
Name: _____
Title: _____

BUYER:

ACUTRONIC REAL ESTATE INC.

By _____
Name: _____
Title: _____