

RESOLUTION NO. 121-2018

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS APPROVING THE DEVELOPMENT CORPORATION OF ABILENE, INC. ("DCOA") PURCHASE OF PROPERTIES IN WEST ABILENE.

WHEREAS, certain industrial properties in West Abilene are for sale and would be very useful to DCOA for further developing Abilene's manufacturing and distribution sectors; and,

WHEREAS, on April 23, 2018, DCOA approved resolution DCOA-2018.15 authorizing the CEO to enter into a purchase contract for properties in West Abilene and expend up to \$15,000.00 for any due diligence activities to be conducted on the properties during the 90-day due diligence period; and,

WHEREAS, the purchase contract is dated May 10, 2018, is in the amount of \$5,000,000.00, and the due diligence activities conducted by staff on the property include a Phase I Environmental Site Assessment, structural engineers' opinion, and assessments by a plumber, roofing contractor, electrician, HVAC contractor, fire suppression contractor and restoration service contractors; and,

WHEREAS, the purchase contract allows DCOA the option of terminating prior to the expiration of the due diligence period, which has not expired; and,

WHEREAS, the purchase contract includes a lease-back agreement of one of the buildings located at the site to the current owner for a period of thirty (30) months, \$10.00 annual base rent and Lessee's payment of occupancy costs such as insurance, taxes, routine maintenance and utilities; and,

WHEREAS, the purchase closing is to occur after the DCOA board's receipt, review and approval of the results of the due diligence activities conducted on the properties; and,

WHEREAS, DCOA staff concludes the properties are in need of repairs and cleanup; however, the benefits of owning the properties for DCOA's economic development purposes are great; and,

WHEREAS, on August 2, 2018, DCOA approved resolution DCOA-2018.24 authorizing the purchase of the West Abilene properties for \$5,000,000.00 plus all applicable closing costs, subject to City Council approval; and,

WHEREAS, DCOA requests City Council approve the DCOA purchase of West Abilene properties.

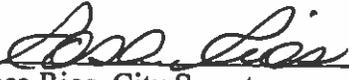
NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS:

PART 1. That hereby authorized is the DCOA's purchase of West Abilene properties for \$5,000,000.00 including a lease-back to the current property owner as described in the purchase contract, plus all applicable closing costs.

PART 2. That this Resolution takes effect immediately upon its passage.

ADOPTED this the 2nd day of August 2018.

ATTEST:



Rosa Rios, City Secretary



Anthony Williams, Mayor

APPROVED:



Stanley Smith, City Attorney

