

Agenda Item Details

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| Meeting | Nov 12, 2024 - Bryan City Council Second Regular Meeting |
| Category | 5. Consent (Automatic Approval) Agenda - This agenda consists of ministerial or "housekeeping" items required by law such as routine bids, contracts, purchases, and resolutions. Items may be removed from the consent agenda for separate consideration at the request of two Councilmembers. |
| Subject | E. Approval of the Second Amendment to the Chapter 380 Agreement between the City of Bryan and Bryan Kimbell Building, L.L.C. |
| Type | Action (Consent) |
| Preferred Date | Nov 12, 2024 |
| Absolute Date | Nov 12, 2024 |
| Fiscal Impact | No |
| Goals | Economic Development |

Summary:

The Kimbell Feed building originally served as a grocery store and housed the Lawrence Grocery Company in Bryan through the 1920's. In 1948, it was sold to the Kimbell-Bryan Company, headed by Fort Worth entrepreneur Kay Kimbell. From 1948-1962 the building sold feed, supplies, and farming implements to the Brazos Valley community. Although not a historic landmark, the Kimbell Feed building is a significant piece of architecture in the community. Every attempt should be made to restore the structure and preserve its ability to continue making contributions to the story of Downtown Bryan.

On January 9, 2024, the City Council approved a Chapter 380 with Bryan Kimbell Building, L.L.C. with the following developer obligations:

1. Developer agrees to apply for a roofing permit within thirty (30) days of the effective date of this Agreement
2. Developer agrees to complete construction on the project by May 1, 2024
3. Developer agrees that by 2025, the taxable appraised value of the real property (including improvements business personal property, if any) shall be \$2,000,000 or higher

Due to delays in sourcing materials and the availability of certain sub-contractors, the developer experienced a delay in completing the project. This First Amendment extended the deadline for completion by 120 days to August 28, 2024.

As of the date of this report, the roof has been completed, the paint has been ordered, and plumbing and electrical rough-ins are being completed. The most significant current delay is the delivery and installation of the elevator. Otis Company is currently running 12 weeks behind for delivery and installation. Similarly, the HVAC systems have been difficult to source, so the developer is anticipating a November/December delivery for those as well. Due to these delays, a Second Amendment is being considered to extend the deadline for completion to February 28, 2025. As consideration for this amendment, starting in tax year 2026, in the event the property is not appraised by BCAD at a value of \$2,000,000 or more, the developer shall pay to the City a payment in lieu of taxes ("PILOT"). The PILOT for a given year is an amount equal to the difference between what the City would have collected in taxes based on a value of \$2,000,000 and what the City was actually paid.

Staff Analysis and Recommendation:

To facilitate the preservation and restoration of an iconic Downtown North building, staff recommends approval of this Second Amendment to the Chapter 380 Agreement.

Options:

1. Approve the Second Amendment to the Chapter 380 Agreement

2. Modify the Second Amendment to the Chapter 380 agreement, which may require additional discussions with the developer and consideration at a future City Council meeting
3. Deny the Second Amendment to the Chapter 380 Agreement and provide direction to staff

Attachments:

1. Original Chapter 380 Agreement
2. First Amendment to the Chapter 380 Agreement
3. Proposed Second Amendment to the Chapter 380 Agreement
4. Progress photos

[Kimbell Feed Ch 380 original.pdf \(553 KB\)](#)

[First Amendment Kimbell Fee 380.pdf \(304 KB\)](#)

[SecondAmendment Kimbell Fee 380 EDA 10-15-24.docx \(1\).pdf \(285 KB\)](#)

[Kimbell Feed Progress Photos.pdf \(991 KB\)](#)