

MEMORANDUM

TO: Claire Powell, City Manager

FROM: Marichelle Samples, Director of Economic Development and Tourism

DATE: August 18, 2025

SUBJECT: **Approval of the Sale of City-Owned Property at 195 West Corporate Drive to the Boys & Girls Clubs of Greater Tarrant County, Inc.; and Authorization for the City Manager, or Her Designee, to Execute All Necessary Documents.**

BACKGROUND

The City of Lewisville owns approximately 0.8778 acres of improved land located at 195 West Corporate Drive, Lewisville, Texas (the "Property"). This Property is the location of the former Fire Station #3, which relocated in November 2018. Police personnel have now moved into the new Tittle McFadden Public Safety Center. In early 2019, the police department occupied the building, and it has since been used for storage. The City now desires to convey this Property to the Boys & Girls Clubs of Greater Tarrant County, Inc. ("BGC"), a Texas 501(c)(3) nonprofit corporation. This conveyance is for the public purpose of renovating the Property to provide or support programming that promotes youth development, education, public safety, and equitable access to vital programs, including after-school care, for underserved families in the City. This initiative also aims to repurpose underutilized public land, strengthen community engagement, reduce juvenile crime, and ensure the responsible disposition of city resources by removing unused and unneeded properties from the City's ongoing maintenance requirements.

This conveyance is authorized under Texas Local Government Code Section 253.011, which allows the City to convey real property to a 501(c)(3) nonprofit organization without complying with the notice and bidding requirements of Chapter 272 of the Texas Local Government Code. Consideration for such a transfer is an agreement requiring the nonprofit organization to use the property in a manner that primarily promotes a public purpose of the City, subject to reversion of the property to the City.

ANALYSIS

The proposed transaction involves two key agreements:

- **Purchase and Sale Agreement:** This agreement governs the sale of the Property at 195 West Corporate Drive from the City to BGC. Key terms include BGC's obligation to use the Property for public purposes, an option for the City to lease the site back for \$1.00 for up to four months (if needed), an anticipated closing date of September 2, 2025, and an "as-is, where-is" condition. The agreement also includes a reverter clause, which will be

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incorporated into the Special Warranty Deed with Reverter executed at closing. The deed will legally convey title to BGC and ensure that the Property automatically reverts to the City if it is not used for the agreed-upon public purpose, subject to a notice and cure period and exceptions for force majeure.

- **Consideration and Grant Agreement:** As part of the project, the BGC is seeking economic development incentives which include the following:
 - a one-time grant equal to one hundred percent (100%) of all planning and development fees paid to the City for the project; and
 - a one-time grant equal to one hundred percent (100%) of all impact fees paid to the City.

In the agreement, BGC commits to renovating the Property for youth development, education, public safety, and vital programs for underserved families. Construction must commence within twelve (12) months and reach substantial completion within twenty-four (24) months of conveyance, with potential extensions for force majeure. Grant funds must be repaid if ownership reverts to the City within ten years.

The proposed project aligns with the City's goals of community revitalization, serving underserved populations, and the responsible reuse of underutilized City-owned property.

CITY STAFF'S RECOMMENDATION

That the City Council approve the sale and authorize the City Manager, or her designee, to execute all necessary agreements as set forth in the caption above.