

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, AUTHORIZING A LEASE PURCHASE AGREEMENT WITH THE ALLEN INDEPENDENT SCHOOL DISTRICT TO PROVIDE FOR A LEASE WITH THE OPTION TO PURCHASE THE PROPERTY AT 2 BUTLER CIRCLE, ALLEN, TEXAS; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS,** Allen Independent School District (“AISD”) owns property commonly known as 2 Butler Circle, Allen, Texas consisting of an approximately 27,940 square foot office warehouse located on 6.306 acres (“the Property”); and

**WHEREAS,** the City of Allen (“City”) owns adjoining property used as part of its municipal complex; and

**WHEREAS,** AISD is willing to sell the Property to the City for total consideration in the amount of the market value of the Property; and

**WHEREAS,** the City Council of the City of Allen, Collin County, Texas, has determined that it is in the public interest to purchase the Property pursuant to a Lease Purchase Agreement;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, THAT:**

**SECTION 1.** The City Manager is hereby authorized to negotiate an agreement with the Allen Independent School District to lease the Property for a term of three (3) years beginning October 1, 2106 and ending September 30, 2019, said agreement to contain at least the following provisions:

**A.** The City will pay rent as follows:

- (1) For the period from October 1, 2016 to September 30, 2017, \$450,000.00 due and payable October 1, 2016;
- (2) For the period from October 1, 2017, to September 30, 2018, \$450,000.00 due and payable October 1, 2017; and
- (3) For the period from October 1, 2018, to September 30, 2019, \$790,000.00 due and payable October 1, 2018.

**B.** The City shall be granted an option to purchase the Property for a purchase price of \$1,700,000, said Option to be exercisable upon the City’s payment of an option fee in the amount of \$10,000.00 to AISD on or before January 1, 2019.

**C.** All amounts of rent and the option fee previously paid by the City pursuant to the agreement shall be credited toward the purchase price of the Property at the time of Closing.

**SECTION 2.** The City Manager or designee is hereby further authorized to execute all other documents in connection with the lease and if so desired, purchase, of the Property on behalf of the City, substantially according to the terms and conditions set forth in this Resolution.

**SECTION 3.** This Resolution shall become effective from and after its passage.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, ON THIS THE 26th DAY OF JULY, 2016.**

**APPROVED:**

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**Stephen Terrell, MAYOR**

**ATTEST:**

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**Shelley B. George, TRMC, CITY SECRETARY**