

Agenda Item Details

Meeting	Dec 08, 2020 - Bryan City Council Second Regular Meeting
Category	6. Statutory (Automatic Approval) Agenda - This agenda consists of items previously approved by Council action such as adoption of items that are part of an approved budget or capital improvement projects, first and only readings of ordinances, interlocal agreements, or action that is required by law or delegated to the City Manager. Items may be removed from the statutory agenda for separate consideration at the request of two Councilmembers.
Subject	E. Approval of conveyance of Queen Theater from Downtown Bryan Association (DBA) to the City in an amount not to exceed \$470,000 and authorize the Mayor to execute documents approved by the City Attorney conveying ownership of the Queen Theatre located at 110 South Main Street from the DBA to the City of Bryan
Type	Action (Statutory)
Preferred Date	Dec 08, 2020
Absolute Date	Dec 08, 2020
Fiscal Impact	Yes
Dollar Amount	470,000.00
Budgeted	No
Budget Source	Fiscal Year 2021 General Fund
Goals	Economic Development Quality of Life

Summary:

Due to the leadership of the Downtown Bryan Association (DBA) and Mr. Ben Hardeman, along with the financial and physical efforts of numerous individuals, citizens, local businesses, and other organizations throughout the Bryan-College Station community, the Queen Theatre is fully restored as an iconic building in the heart of Historic Downtown Bryan. To ensure its continued care and maintenance, and to promote the Queen's appeal as an important Bryan tourist attraction well into the future, the DBA Board of Trustees has proposed to convey the building to the City of Bryan.

On November 5, 2020, the DBA Board of Trustees voted unanimously to approve the following terms:

1. Conveyance to the City of Bryan ownership of the Queen Theatre property and improvements located at 110 S. Main Street, for the current mortgage balance of approximately \$451,403.86 (the pay-off estimate as of September 4, 2020), plus applicable closing costs
2. Conveyance to the City of Bryan all furniture, fixtures, and equipment associated solely with the operation of the theater space, including but not limited to: projector, a/v equipment,

theater screen, movable furniture in lobby and outside of restrooms, equipment for the operations of concessions, and merchandise associated with the Queen

3. Ownership of all other physical assets, furniture, fixtures, and equipment shall be retained by the Downtown Bryan Association

With regard to restrictive covenants, the DBA Board of Trustees agreed to the following:

1. Five (5) years from the date of the conveyance of the property, the Downtown Bryan Association shall be granted a non-assignable Right of First Refusal, should the then current Mayor and City Council for the City of Bryan determine it is no longer in the best interest of the citizens of Bryan for the City to retain ownership of the property. At that time, the sales price under the Right of First Refusal granted to the Downtown Bryan Association shall be for an amount equal to or no greater than the amount of this conveyance agreement (to wit, actual amount paid by City based on mortgage payoff plus applicable closing costs).
2. The Right of First Refusal must be exercised not later than the expiration of 180 days following notice from the City of Bryan of its intent to sell the property, and Right shall terminate upon expiration of the 180 days without the Right being exercised.
3. If the Downtown Bryan Association chooses not to exercise its Right to purchase the Queen Theatre back from the City of Bryan, and the then current Mayor and City Council find it in the best interest of the City of Bryan and its citizens, the property may then be sold to a third-party at fair market value. Inasmuch as the Queen Theatre is designated as a historic site, the City Council would not decide to relinquish ownership, protection, and preservation of it without notice and a public hearing in accordance with Chapter 26 of the Texas Parks & Wildlife Code to allow public discussion with community citizens prior to the decision.

This City Council item is the approval for the Mayor to execute appropriate conveyance documents, as prepared or approved by the City Attorney, consistent with the above terms. The City will be responsible for the current mortgage balance (estimated at approximately \$451,403.86 as of 09/04/2020), plus applicable closing costs, in a total amount not to exceed \$470,000, and assume maintenance and upkeep of the building moving forward.

Staff Analysis and Recommendation:

Staff recommends approval to accept conveyance of Queen Theater for the consideration of an amount not to exceed \$470,000 and to authorize the Mayor to execute documents approved by the City Attorney for the conveyance of the Queen Theatre from DBA to the City of Bryan. The Queen has a rich history as part of Downtown Bryan, and if properly cared for and continually enhanced, can remain a vibrant attraction for the enjoyment of Bryan's citizens and visitors for years to come.

Options:

1. Approve the conveyance in an amount not to exceed \$470,000 and authorize the Mayor to execute appropriate conveyance documents approved by City Attorney
2. Modify proposed terms for conveyance and authorize the Mayor to execute
3. Do not authorize the Mayor to execute conveyance and provide direction to staff

Attachments:

1. November 5, 2020 meeting minutes of the DBA Board of Trustees

(Conveyance documents will be available for viewing in the City Secretary's Office)

[November 5, 2020 DBA Minutes re. Queen Conveyance Terms.pdf \(1,270 KB\)](#)

