

**INTERLOCAL AGREEMENT REGARDING SALE OF REAL PROPERTY
BETWEEN THE CITY OF PLANO
AND THE PLANO INDEPENDENT SCHOOL DISTRICT**

This Interlocal Agreement Regarding Sale of Real Property (the “Agreement”) is made and entered into by and between the City of Plano, a Texas municipal corporation and political subdivision located in Collin County, Texas (the “City”), and the Plano Independent School District, a Texas public school district and political subdivision located in Collin County, Texas (the “School District”). The City and the School District are collectively referred to herein as “the Parties” and separately as “Party.”

RECITALS

WHEREAS, the School District is the owner of three tracts of real property which are generally described in Exhibit “A” attached hereto and incorporated herein (the “Properties”); and

WHEREAS, the School District’s Board of Trustees has determined that after the end of the 2024-25 school year, the Properties will be surplus and not necessary to meet the then current and foreseeable needs of the School District for educational purposes; and

WHEREAS, the City desires to purchase and use the Properties for a purpose that is consistent with the surrounding property, benefits the community, and maintains the integrity and security of the neighborhood; and

WHEREAS, Texas Government Code Chapter 791 (the “Act”) authorizes municipalities and school districts to contract with one another for the performance of governmental functions and services under the terms of the Act; and

WHEREAS, the Parties agree that the City’s purchase and use of the Properties is in the best interests of both City and the School District; and

WHEREAS, City and the School District desire to enter into this Interlocal Agreement pursuant to the Act setting forth the terms and conditions detailing the potential sale of the Properties by the School District to the City.

NOW, THEREFORE, for and in consideration of the mutual covenants, terms and conditions set forth herein, and the mutual benefits to each Party, the receipt and sufficiency of which are hereby acknowledged, City and the School District hereby agree as follows:

I. ADOPTION OF PREMISES

All of the matters stated in the above Recitals are true and correct and are hereby incorporated into the body of this Agreement.

II. POTENTIAL SALE OF THE PROPERTIES

- A. The sale of the Properties will be a sale of the surface only, and the School District will reserve any mineral rights. The Parties intend to close on the sale of the Properties by August 31, 2025. Any sale of the Properties is contingent upon the Parties executing a mutually approved Real Estate Sales Contract. The School District and the City shall negotiate the terms of a Real Estate Sales Contract to be considered by the governing body of each Party. In the event the Parties cannot reach an agreement on the terms of such Real Estate Sales Contract, either Party may terminate this Agreement by providing thirty (30) days written notice to the other Party. The Parties acknowledge and agree that this Agreement conveys no title or property interest in the Properties to the City.
- B. The Parties agree that the sale of the Properties to the City is contingent on the City using the Properties in a manner consistent with a resolution adopted by the School District's Board of Trustees on May 7, 2024, specifically that the Properties will be used for a purpose that: (i) is consistent with the surrounding property; (ii) benefits the community; and (iii) maintains the integrity and security of the neighborhood. Said uses will be detailed in the Real Estate Sales Contract as well as the deeds to the Properties.
- C. The School District is currently intending to demolish the school buildings located on the Properties after the end of the 2024-2025 school year, contingent on approval of such demolition by the School District's Board of Trustees.
- D. The purchase price for the Properties shall be equal to the fair market value reflecting the value of the Properties.
- E. One of the Properties (Armstrong Middle School) includes a deed restriction on approximately 2.657 acres that the property, nor any part thereof, shall ever be used for any purpose other than as a site for a public school without the prior written approval of the then owner or owners of more than three-fourths of the acres contained in the 90.338-acre tract of land that was then owned by the seller and specifically described in the deed (the "Deed Restriction"). The Parties will cooperate to determine the parameters and possible resolution of the Deed Restriction.

III. CITY RESPONSIBILITIES

- A. The City shall offer a purchase price for each of the three tracts based on the fair market value determined by a certified appraiser licensed to practice in Texas consistent with the condition of the tract at closing. The City shall negotiate in good faith with the School District and share any appraisals it obtains regarding the fair market value of any of the Properties.

- B. The City, at its expense, will obtain a Phase I environmental site assessment on each of the Properties no later than December 31, 2024, and, if necessary, a Phase II environmental site assessment no later than January 31, 2025. The City may enter the Properties to perform such studies, subject to the following: (i) the City will deliver evidence to School District that the City has insurance for its proposed inspection activities, in amounts and with coverages that are substantially the same as those maintained by School District or in such lesser amounts or with such lesser coverages as are reasonably satisfactory to School District; (ii) City must notify School District in advance of City's plans to inspect the Properties so that School District may be present during the inspections; (iii) City must deliver to School District copies of all reports that City prepares or receives from third-party consultants or contractors within ten (10) days after their preparation or receipt; and (iv) City must abide by any other reasonable entry rules imposed by School District.
- C. The City will cooperate with the School District to determine future uses of each of the Properties, if sold to the City, during Winter 2024/25 and Spring 2025, which may include a community process to receive input from the surrounding neighborhood.
- D. The City will be responsible for any re-platting and/or rezoning of the Properties as necessary after closing.
- E. If any of the Properties is sold to the City, the City will consider honoring the school's namesake (Olney Davis, Forman, or Armstrong) as part of the future name of the property and/or its facilities, subject to compliance with City naming policies and regulations. By way of example, if the Armstrong Middle School property is converted into athletic fields the City would consider naming the facilities, "Armstrong Fields" or "Armstrong Park".

IV. SCHOOL DISTRICT RESPONSIBILITIES

- A. The School District shall negotiate in good faith with the City and share any appraisals it obtains regarding the fair market value of any of the Properties.
- B. The School District will cooperate with the City to determine future uses of each of the Properties, if sold to the City, during Winter 2024/25 and Spring 2025, which may include a community process to receive input from the surrounding neighborhood.
- C. Contingent on approval by the School District's Board of Trustees, the School District will undertake the demolition of the school buildings and other structures on each of the Properties, consistent with identified future uses of the Properties.

V. TERM OF AGREEMENT

This Agreement shall be effective when it has been signed by both Parties, after approval from its governing body, and shall expire on the earlier of: (a) the date that is twelve (12) months after the effective date; or (b) the date the Parties have entered into a Real Estate Sales Contract for the sale of the Properties, unless the Agreement is earlier terminated as provided for herein.

VI. LIABILITY

Each Party shall be responsible for its own actions and the actions of its own officers, agents, employees, and contractors to the extent authorized by law. Nothing in this Agreement shall be deemed to waive, modify or amend any legal defense available at law or in equity to either the City or the School District nor to create any legal rights or claim on behalf of any third party. Neither the School District nor the City waives, modifies, or alters to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas.

VII. NOTICES

Any notice required or permitted under this Agreement must be in writing. Any notice required by this Agreement will be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this Agreement. Notice may also be given by regular mail, personal delivery, courier delivery, or other commercially reasonable means and will be effective when actually received. The address for notice for each party is set forth below. Any address for notice may be changed by written notice delivered as provided herein.

TO CITY:

City of Plano
Attn: Special Projects – Real Estate
1520 K Avenue, Suite 365
Plano, TX 75074

TO PLANO INDEPENDENT SCHOOL DISTRICT:

Plano Independent School District
Attn: Superintendent of Schools
2700 W. 15th Street
Plano, TX 75075

VIII. MISCELLANEOUS

- A. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns. This Agreement shall not be assigned by either Party.
- B. This Agreement constitutes the entire agreement of the Parties with respect to the subject matter of this Agreement and supersedes any prior understandings or written or oral agreements between the Parties respecting the subject matter hereof.
- C. No amendment, modification or alteration of the provisions of this Agreement shall be binding unless the same is in writing, dated subsequent to the date hereof and duly executed by the Parties.
- D. This Agreement may be executed concurrently in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- E. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
- F. This Agreement has been approved by the governing bodies of the City and the School District. Any funds to be paid under this Agreement shall be paid from current revenues only.
- G. It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the Parties. It is understood and agreed among the Parties that each Party, in satisfying the conditions of this Agreement, has acted independently, and each Party assumes no responsibilities or liabilities to third parties in connection with these actions.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this Agreement by their authorized representatives as of the dates listed below.

PLANO INDEPENDENT SCHOOL DISTRICT

Date: _____

By: _____

Name: _____

TITLE: _____

CITY OF PLANO, TEXAS

Date: _____

By: _____

Mark D. Israelson
CITY MANAGER

APPROVED AS TO FORM:

Paige Mims, CITY ATTORNEY

EXHIBIT "A"

Description of Properties

1. **Armstrong Middle School**, 3805 Timberline Drive, Plano, Texas 75074. Described as Lot 1R, Block 1, F. M. Armstrong Middle School Addition, according to the plat filed for record as Document Number 2002-0129497, Collin County, Texas.
2. **Davis Elementary School**, 2701 Parkhaven Drive, Plano, Texas 75075. Described as Lot 1R, Block A, Davis Elementary School Addition, according to the plat filed for record as Document Number 20070706010002250, Collin County, Texas.
3. **Forman Elementary School**, 3600 Timberline Drive, Plano, Texas 75074. Described as Lot 1R, Block A, Forman School Addition, according to the plat filed for record as Document Number 20100806010001490, Collin County, Texas.