



Agenda Item Report

Legislative Board: City Council
Date: July 21, 2026
Contact: Lindsey Baker
Agenda Item ID / Number: 2026-469- / H.7

ITEM TITLE: Approval to authorize the City Manager to negotiate and execute an agreement between the City of Buda and the Buda Economic Development Corporation regarding the construction, improvement, operation, and programming of the Depot on Main, the train depot project on the Downtown Buda Greenbelt (City Manager Micah Grau and Assistant City Manager Lindsey Baker)

1. EXECUTIVE SUMMARY

The Depot on Main, a partnership between the Buda Economic Development Corporation (BEDC) and the City of Buda, will be used to support local economic development through a subsidized retail incubator, entrepreneurial development program, vendor showcase space, and related small business support activities. Uses, which may evolve over time, will include retail spaces, co-op/consignment retail areas, BEDC offices, art studios/galleries, and promotion of tourism through displayed materials and event placements.

The Depot on Main agreement outlines the responsibilities and costs that the City of Buda and BEDC, respectively, will incur over the 50-year agreement period. The BEDC Board of Directors unanimously approved the agreement on May 11, 2026, and authorized the BEDC Executive Director to finalize negotiations with the City of Buda. The agreement includes the following responsibilities:

City Maintenance Responsibilities:

1. The plaza and greenbelt grounds, parking areas, sidewalks, irrigation, and landscaping.
2. All structural components of the Facility, including the foundation, load-bearing walls, and roof.
3. Exterior building surfaces and exterior painting.
4. Repairs resulting from casualty events to the extent covered by insurance maintained by the City.

BEDC Responsibilities:

1. Routine, operational upkeep associated with its use of the Facility, including janitorial and custodial services, interior cleaning, interior painting and finishes, doors, locks, security systems, routine maintenance of HVAC, plumbing, electrical, and lighting systems, and repairs and replacements costing \$5,000 or less per occurrence.

Shared Capital & Major Repair Costs:

1. Unless otherwise noted in the agreement, the City and BEDC will share 50% of the cost of major repairs, replacements, and capital improvements exceeding \$5,000, including HVAC system replacement, major HVAC repairs, major plumbing repairs, major electrical repairs,

and replacement of major building systems serving the Facility.

City-Paid Costs:

1. Property and casualty insurance for the Facility (estimated at \$10,724). Sublessees, licensees, or program participants will be required to maintain their own renter's insurance, contents coverage, and general liability insurance.
2. Water and wastewater service at no charge to BEDC.
3. Trash service, but only to the extent the Facility uses a shared dumpster with the City's Welcome Center or other City facility.

BEDC-Paid Costs:

1. Internet and data services
2. Electricity and other non-waived utilities serving the Facility
3. Janitorial services and routine cleaning
4. Security systems and monitoring, if any
5. On-site staffing, including program or operational personnel

2. BACKGROUND/HISTORY

On January 15, 2026, City Council held a joint meeting with the BEDC Board of Directors, Historic Preservation Commission, Main Street Advisory Board, and Parks Commission to review concepts and provide feedback on the future of the Downtown Greenbelt and depot relocation. City Council provided direction and approval on the final design at the April 21 City Council meeting. Below is a full history of the item, as provided by the BEDC May 11, 2026 agenda item.

The Depot on Main originated in late 2023 and early 2024 when the Bryant family, owners of a property in New Braunfels where a historic train depot was located, contacted the City of Buda. The family expressed a desire to gift the depot structure to the City if it could be relocated in a timely manner. Buda EDC staff worked with the City's Senior Planner to pursue the opportunity, but the City's procurement process could not meet the timeline required by the owner. As a result, the property received a purchase offer that included the depot, and the opportunity appeared to be lost.

Buda EDC staff maintained communication with the Bryant family over the following year. When subsequent purchase contracts fell through, the owner contacted the EDC in December 2024 and renewed the offer to gift the depot to the City under the same conditions. Given the EDC's more nimble procurement process, the EDC agreed to take the lead on the project.

Because the cost of relocating a historic structure of this size is substantial and the building can only be moved once, the site had to be confirmed and the concept fully developed before the move could be authorized. EDC staff developed an initial concept for the site at 310 North Main Street, working with the Texas Historical Commission to refine it into a presentation-ready concept. Pape Dawson Engineers was then engaged to prepare a high-level site plan confirming that the proposed improvements, including drive aisles, parking, and site amenities, could fit within the constraints of the site. With the site confirmed and the concept validated, the project was brought forward for Board and City Council approval, with the City Council casting the final vote on the selected location.

Logic Builders Group was contracted in October 2025 to manage the relocation and serve as general contractor. The building was successfully relocated from New Braunfels to Buda and set on a new pier and beam foundation. As design and construction progressed, additional scope was identified including roof replacement, structural upgrades, expedited procurement of custom

windows and doors, and full architectural and civil engineering services. Building renovation and site improvements are underway.

3. ANALYSIS

N/A

4. FINANCIAL IMPACT

In brief:

City of Buda contribution, \$400,000 (CIP P05)

BEDC contribution, \$3,100,000

Total project budget, \$3,500,000

In detail:

City Contributions:

- \$400,000 toward design planning services (architecture, engineering, interior/exterior).
- Use of City fencing for construction.
- Waiver of all city utility fees and shared trash services (if dumpster is shared with the welcome center).

BEDC Contributions:

- The BEDC shall fund One Million Eight Hundred Fifty Thousand and No/100 Dollars (\$1,850,000.00) in FY 2026 for expenses related to relocation, renovation, creation of 20+ additional parking spots, and plaza space in addition to staff oversight and management.
- The BEDC shall fund One Million Two Hundred Fifty Thousand and No/100 Dollars (\$1,250,000.00) for expenses related to construction, renovation and site plan development and work subject to formal budget amendment approval by BEDC Board of Directors and City Council.

5. STRATEGIC PLAN/GOALS

HISTORIC AND VIBRANT DOWNTOWN

6. STRATEGIC PLAN OBJECTIVES

Preserve Buda Downtown's historic character and buildings and features

7. PROS AND CONS

N/A

8. ALTERNATIVES

- Request amendments to agreement
- Deny approval of agreement
- Table agreement

9. REQUESTED ACTION / SUGGESTED MOTION / RECOMMENDATION

Staff seeks Council's directive to approve and authorize the City Manager to negotiate an agreement between the City of Buda and the Buda Economic Development Corporation regarding the construction, improvement, operation, and programming of the train depot project on the Downtown Buda Greenbelt. This item was approved by the BEDC Board on May 11, 2026.

Attachments:

[Depot on Main Operating Agreement.docx](#)