

ORDINANCE NO. 2024-08-\_\_\_\_\_

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, REAFFIRMING THE CITY OF MCKINNEY'S CONTINUED PARTICIPATION IN THE TEXAS ENTERPRISE ZONE PROGRAM PURSUANT TO THE TEXAS ENTERPRISE ZONE ACT, CHAPTER 2303, TEXAS GOVERNMENT CODE; IDENTIFYING AND SUMMARIZING POTENTIAL BUSINESS AND TAX INCENTIVES THAT MAY BE MADE AVAILABLE TO PARTICIPANTS IN SUCH PROGRAM; DESIGNATING A LIAISON TO COMMUNICATE WITH INTERESTED PARTIES AND NOMINATING GLOBE LIFE AND ACCIDENT INSURANCE COMPANY TO THE OFFICE OF THE GOVERNOR ECONOMIC DEVELOPMENT AND TOURISM THROUGH THE ECONOMIC DEVELOPMENT BANK AS AN ENTERPRISE PROJECT; AND PROVIDING FOR AN EFFECTIVE DATE**

**WHEREAS**, the City Council of the City of McKinney, Texas (the "City") desires to create the proper economic and social environment to induce the investment of private resources in productive business enterprises located in distressed areas of the City and to provide employment to residents of such areas; and

**WHEREAS**, the City Council on May 18, 2010, passed Ordinance No. 2010-05-014 electing to participate in the Texas Enterprise Zone Program as authorized by the Texas Enterprise Zone Act; and

**WHEREAS**, the City Council subsequently passed Ordinance No. 2016-01-006 amending the business and tax incentives that may be available to participants through the Texas Enterprise Zone Program on January 19, 2016; and

**WHEREAS**, the City Council subsequently passed Ordinance No. 2017-11-101 amending the business and tax incentives that may be available to participants through the Texas Enterprise Zone Program on November 29, 2017; and

**WHEREAS**, the City Council hereby reaffirms its continued participation in the Texas Enterprise Zone Program ("Program") pursuant to the Texas Enterprise Zone Act, Chapter 2303, Texas Government Code, ("Act"); and

**WHEREAS**, the City provided written notice of a public hearing regarding the enterprise zone and the City's continued participation in the Program as authorized by the Act, which public hearing to consider this ordinance was held by the City Council on August 20, 2024; and

**WHEREAS**, the Texas Administrative Code §176.2(2)(A) requires the City to state via ordinance that the governing body is in full compliance with Chapter 2303, of the Texas Government Code prior to the nomination of an eligible business; and

**WHEREAS**, pursuant to Chapter 2303, Subchapter F of the Act, Globe Life and Accident Insurance Company has applied to the City for designation as an enterprise project; and

**WHEREAS**, the City Council finds that Globe Life and Accident Insurance Company (the "Enterprise Project") meets the criteria for tax relief and other incentives adopted by the City on the grounds that it will be located at the qualified business site, will create a higher level of employment, economic activity and stability; and

**WHEREAS**, the Project is not located in an area designated as an enterprise zone.

**NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, THAT:**

**Section 1. FINDINGS**

The findings set forth above are found to be true and correct and are hereby incorporated into the body of this Ordinance for all purposes as if fully set forth herein.

**Section 2. INCENTIVES AVAILABLE**

The local business and tax incentives identified and summarized in the attached Exhibit A, at the election of the governing body, are or will be made available to any nominated "Project" or "Activity," as those terms are defined by the Act, of a qualified business site.

**Section 3. ENTERPRISE ZONE AREAS CONSIST OF REINVESTMENT ZONES**

The enterprise zone areas within the City are reinvestment zones in accordance with Chapter 312 of the Texas Tax Code.

**Section 4. CITY MANAGER OR HIS DESIGNEE TO ACT AS LIAISON**

The McKinney City Council directs and designates the City Manager, or his designee, to serve as the City's liaison to communicate and negotiate with the Office of the Governor, Economic Development and Tourism, enterprise project(s) and other entities affected by the enterprise zone program; and, to otherwise oversee enterprise zone activities and communicate with qualified businesses and other entities situated within and about an enterprise zone.

**Section 5. CITY CONFIRMATION**

The City confirms via this Ordinance that it is in full compliance with Chapter 2303 of the Texas Government Code prior to the nomination of the eligible business. Further, the City is in full compliance with participation Rule §176.2 of the Texas Administrative Code through this Ordinance and all required submissions to the Bank under Rule §176.2.

**Section 6. CITY NOMINATION**

The City hereby nominates Globe Life and Accident Insurance Company for enterprise project status.

**Section 7. NOMINATED ENTERPRISE PROJECT**

The City finds that Globe Life and Accident Insurance Company meets the criteria for designation as an enterprise project under Chapter 2303, Subchapter F of the Act on the following grounds:

- A. Globe Life and Accident Insurance Company is a "qualified business" under Section 2303.402 of the Act since it will be engaged in the active conduct of a trade or business at a qualified business site within the governing body's jurisdiction, located outside of an enterprise zone and at least thirty-five percent (35%) of the business' new employees will be residents of an enterprise zone, economically disadvantaged individuals, or veterans; and
- B. There has been and will continue to be a high level of cooperation between public, private, and neighborhood entities in the area; and
- C. The designation of Globe Life and Accident Insurance Company as an enterprise project will contribute significantly to the achievement of the plans of the City for development and revitalization of the area.

Section 8. **DESIGNATION PERIOD**

The Enterprise Project shall take effect on the date of designation of the enterprise project by the Office of the Governor Economic Development and Tourism and terminate five (5) years after the date of designation.

Section 9. **EFFECTIVE DATE**

This Ordinance shall become effective immediately from and after its passage as the law and charter in such case provides.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, ON THE 20th DAY OF AUGUST 2024.**

CITY OF MCKINNEY, TEXAS

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GEORGE C. FULLER, Mayor  
GERÉ FELTUS, Mayor Pro Tem

ATTEST:

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EMPRESS DRANE, City Secretary  
TENTIRUS BETHEL, Deputy City Secretary

APPROVED AS TO FORM:

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MARK S. HOUSER, City Attorney

**EXHIBIT A**

	Name of Incentive	Description of Incentive	Availability
1	Tax Abatement	Property tax reductions	Citywide
2	Freeport Exemption	Exempts goods-in-transit from ad valorem taxes	Citywide
3	Zoning Changes/Variances	The City Department may make zoning changes which would have the effect of expediting the development process	Citywide
4	Building Code Variances	City may provide certain building code variances to expedite the development process	Citywide
5	Impact/Inspection Fee Waivers	The City may waive impact/ inspection fees	Citywide
6	Infrastructure Improvements	The City may provide infrastructure improvements for industries	Citywide
7	Streamlined Permitting	City may allow permit applications and supporting materials to be tendered to one department for distribution to the appropriate City departments	Citywide
8	Targeted Fire and Police Services	City may provide targeted safety and fire services for City residents including the Fire Department's McTown Klownz Kids Program and Community Fire Prevention Week	Citywide
9	Community Crime Prevention Programs	City may provide school Crime Stopper programs, the Police Crime Awareness and Education Unit, and the Police-to-Citizen System	Citywide
10	Capital Improvements Plan for Water and Sewer Facilities	City may provide resources for a capital improvement plan for enhanced water and sewer service	Citywide
11	Road Repair	City Street Department is responsible for maintaining and repairing City Streets	Citywide
12	Promotion and Marketing Service	McKinney Economic Development Corporation and City Communications and Marketing Department	Citywide
13	Job Training and Employment Services	Offered by community colleges, technical schools, North Texas Job Corp, and the McKinney Workforce Development Center	Citywide
14	Retraining Program	Offered by local community colleges, technical schools, North Texas Job Corp, and the McKinney Workforce Development Center	Citywide
15	Literacy and Employment Skills Services	Offered by local community colleges, technical schools, North Texas Job Corp, and the McKinney Workforce Development Center	Citywide
16	Creation or Improvement of Parks	Offered to maintain healthy lifestyle for City residents	Citywide
17	Vocational Education	Offered by local community colleges, technical schools and the McKinney Workforce Development Center	Citywide
18	Customized Job Training	Offered by local community colleges, technical schools and the McKinney Workforce Development Center	Citywide

	Name of Incentive	Description of Incentive	Availability
19	One-Stop Permitting, Problem Resolution Center	City may offer one-stop permitting	Citywide
20	Type A/Type B Sales Tax	Sales Tax for Community Development and Economic Development	On Case by Case Basis
21	Tax Increment Financing	TIRZ Zones	Designated Zones in City
22	Other residential financial incentives	City may offer financial incentives through the McKinney Housing Finance Corporation bonds	On Case by Case Basis
23	Special Public Transportation Routes or Reduced Fares	City may contract with transit providers to provide enhanced municipal transportation services to residents and business	Citywide
24	Provision of Publicly Owned Land for Development Purposes	City may offer business and industrial development on public land	Citywide
25	Transfer of Abandoned Housing to Community Groups	City may offer vacant lot acquisitions to build affordable housing to community non-profit groups	Citywide
26	Chapter 380 and Local Sales Tax Refunds	City may offer financial incentives including Chapter 380 agreements, business grants, sales and use tax grants	On Case by Case Basis