

CITY COUNCIL REGULAR MEETING

AUGUST 4, 2014

The City Council of the City of McKinney, Texas met in regular session in the Council Chambers of the Municipal Building on August 4, 2014 at 6:00 p.m.

Council Present: Mayor Brian Loughmiller, Mayor Pro Tem Travis Ussery, Council members: Geralyn Kever, Don Day, Ray Ricchi, Roger Harris, and Randy P. Pogue.

Staff Present: Interim City Manager Tom Muehlenbeck; Deputy City Manager Jose Madrigal; Interim Assistant City Manager Barry Shelton; City Attorney Mark Houser; City Secretary Sandy Hart; Chief Financial Officer Rodney Rhoades; Director of Planning Michael Quint; Director of Engineering Mark Hines; Interim Parks, Recreation, and Open Space Director Ryan Mullins; EMS Chief Don McKinney; Assistant to the City Manager Darrek Ferrell; Director of Water Utilities and Infrastructure Chris Browning; Assistant Director of Water Utilities and Infrastructure Paul Sparkman; McKinney Community Development Corporation President Cindy Schneible; Airport Executive Director Ken Wiegand; CIP and Traffic Engineer Gary Graham; Facilities Construction Manager Patricia Jackson; Chief Information Officer Chris Chiancone; Parks Superintendent Tony Nielsen; Interim Chief of Police Joe Ellenburg, Assistant Chief of Police Randy Roland; Community Services Administrator Shirletta Best; Airport - Mark Jaraczewski and Eric Pratt; Communications and Media Specialist Denise Lessard; Planning Manager Brandon Opiela; Planning Manager Matt Robinson; Planners - Jason Aprill and Steven Doss; Police Officer Jason Ogburn; McKinney Economic Development Corporation Business Retention, Expansion & Emerging Technology John Valencia; Interim Human Resources Director Kathryn Usrey; Human Resources Manager Roxie Held; Civil Engineer II Robyn Root; and Parks Planner Jenny Baker.

There were approximately 85 guests present.

Mayor Loughmiller called the meeting to order at 6:00 p.m. after determining a quorum was present.

Invocation was given by Pastor Derrick Golden, The New Covenant Fellowship Church. Mayor Loughmiller led the Pledge of Allegiance.

14-733 National Night Out Proclamation – Mayor Loughmiller presented the 2014

National Night Out Proclamation to Interim Chief of Police Joe Ellenburg.

- 14-734** The John A. Sasso Award, National Community Development Association (NCDA). Community Services Administrator Shirletta Best presented the John A. Sasso Award to the Mayor and Council.

Mayor Loughmiller called for Citizen Comments

The following individuals spoke about the spoke about the water restrictions and the effect on the ponds in Wellington Point:

Mr. Jim Smith, 1501 Silverlake Road, McKinney

Ms. Andrea Evans, 7005 Oxford Court, McKinney

Mr. T.J. Lane, 503 N. Kentucky Street, McKinney, spoke about agenda item 14-751 and the lease rates at the McKinney National Airport.

The following individuals spoke against the proposed Walmart to be built at the northeast corner of Virginia and Hardin:

Ms. Larel Bender, 820 Studebaker Drive, McKinney

Mr. Michael Mills, 2805 Mount Creek Drive, McKinney

The following individuals spoke in favor of agenda item 14-749 regarding the McKinney Housing Authority Newsome Homes Project:

Ms. Charlotte Hines, 205 Amcott Parkway, McKinney

Mr. Micheal Braclat, 2645 Dunbar Drive, McKinney

Ms. Michelle James, 227 Amcott Street, McKinney

Mr. Nicky Sisk, 1200 N. Tennessee Street, McKinney

Ms. Sherry Lyn, 1200 N. Tennessee Street, McKinney

Ms. Emily Stoddard, 1200 N. Tennessee Street, McKinney

Ms. Wilma Thomas, 300 McMakin Parkway, McKinney

Mr. Gary Boyd, 705 Throckmorton #104, McKinney

Ms. Sandy Escamilla, 305 McMakin Parkway, McKinney

Ms. Patsy Alexander, 214 Amcott Street, McKinney

Ms. Sharon Wise, 1200 N. Tennessee Street, McKinney

Ms. Detrise Lefall, 209 Amcott Parkway, McKinney

Krista Walker, McKinney

Ms. Sarah Cramer, 224 Amcott Street, McKinney

The following individuals did not wish to speak but wanted their support of agenda item 14-749 regarding the McKinney Housing Authority Newsome Homes Project entered into the record:

Mr. and Mrs. Errol Florida, 310 McMakin Street, McKinney

Ms. Detrise Lefall, 209 Amcott Parkway, McKinney

Mr. Rick Johnston, 110 Amcott Parkway, McKinney

Ms. Darlene Brown, 222 Amcott, McKinney

Ms. Niciea Brewster, 1200 N. Tennessee, McKinney

Ms. Patricia Williams, 304 McMakin Street, McKinney

Ms. Margaret Coverson, 1200 N. Tennessee Street, McKinney

Ms. Vanessa Sotelo, 600 Center Street, McKinney

Ms. Shirley Githiaka, 705 Throckmorton Place, McKinney

Ms. Kathryn Green, 213 McMakin Street, McKinney

Mr. Dylan Johnson, 213 McMakin Street, McKinney

Ms. Mariah Hart, 600 Center Street, McKinney

Mr. Lionell Hart, 600 Center Street, McKinney

Ms. Ashley Hart, 600 Center Street, McKinney

Mr. Lewis Sotelo, 600 Center Street, McKinney

Ms. Kymbrelye Griffin, 204 Amcott Street, McKinney

Council unanimously approved the motion by Mayor Pro Tem Ussery, seconded by Council member Kever, to approve the following consent items:

- 14-735** Minutes of the City Council Work Session of July 14, 2014
- 14-736** Minutes of the City Council Regular Meeting of July 15, 2014
- 14-737** Minutes of the City Council Work Session of July 28, 2014
- 14-468** Minutes of the Library Advisory Board Meeting of March 20, 2014
- 14-334** Minutes of the Main Street Board Meeting of March 13, 2014
- 14-645** Minutes of the Main Street Board Meeting of May 8, 2014
- 14-637** Minutes of the Main Street Board Meeting of June 17, 2014
- 14-597** Minutes of the McKinney Armed Services Memorial Board Meeting of

May 14, 2014

- 14-698** Minutes of the McKinney Arts Commission Meeting of March 25, 2014
- 14-699** Minutes of the McKinney Arts Commission of April 9, 2014
- 14-700** Minutes of the McKinney Arts Commission Meeting of July 9, 2014
- 14-701** Minutes of the McKinney Community Development Corporation Board Meeting of June 19, 2014
- 14-720** Minutes of the McKinney Convention and Visitor's Bureau Board Meeting of June 24, 2014
- 14-723** Minutes of the McKinney Convention & Visitors Bureau Finance Committee Meeting of June 19, 2014
- 14-721** Minutes of the McKinney Convention & Visitors Bureau Marketing Committee Meeting of June 19, 2014
- 14-722** Minutes of the McKinney Convention & Visitors Bureau Development Committee Meeting of July 9, 2014
- 14-646** Minutes of the McKinney Economic Development Corporation Meeting of June 17, 2014
- 14-551** Minutes of the Parks, Recreation and Open Space Advisory Board Special Called Meeting of April 26, 2014
- 14-628** Minutes of the Planning and Zoning Commission Regular Meeting of June 24, 2014
- 14-738** Consider/Discuss/Act on an Ordinance Renaming Aerobics Way to Grand Ranch Parkway. Caption reads as follows:

ORDINANCE NO. 2014-08-050

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS RENAMING AEROBICS WAY BETWEEN DR. KENNETH COOPER DRIVE AND VAN TUYL PARKWAY TO GRAND RANCH PARKWAY IN MCKINNEY; AMENDING THE CODE OF ORDINANCES, CITY OF MCKINNEY, TEXAS; PROVIDING FOR PUBLICATION OF THE CAPTION OF THE ORDINANCE, EFFECTIVE DATE HEREOF AND A PENALTY CLAUSE

- 14-739** Consider/Discuss/Act on an Ordinance Renaming Meyers Way to Meyer Way. Caption reads as follows:

ORDINANCE NO. 2014-08-051

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS RENAMING MEYERS WAY BETWEEN ALMA ROAD AND COLLIN MCKINNEY PARKWAY TO MEYER WAY IN MCKINNEY; AMENDING THE CODE OF ORDINANCES, CITY OF MCKINNEY, TEXAS; PROVIDING FOR PUBLICATION OF THE CAPTION OF THE ORDINANCE, EFFECTIVE DATE HEREOF AND A PENALTY CLAUSE

- 14-740** Consider/Discuss/Act on an Ordinance Amending the Fiscal Year 2013-2014 Annual Budget and Amending the 2014 - 2018 Capital Improvements Program, to Provide Funds for the Gabe Nesbitt Park Infrastructure Improvements. Caption reads as follows:

ORDINANCE NO. 2014-08-052

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING A CERTAIN BUDGET AMENDMENT PERTAINING TO THE FISCAL YEAR 2013-2014 BUDGET AND THE 2014 – 2018 CAPITAL IMPROVEMENTS PROGRAM; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

- 14-741** Consider/Discuss/Act on a Resolution Approving Qualified Firms to Provide Professional Engineering Services for Traffic Engineering. Caption reads as follows:

RESOLUTION NO. 2014-08-082 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, APPROVING QUALIFIED FIRMS TO PROVIDE PROFESSIONAL ENGINEERING SERVICES FOR TRAFFIC ENGINEERING

- 14-742** Consider/Discuss/Act on a Resolution Authorizing the Interim City Manager to Execute a Contract and All Necessary Change Orders with Roadway Solutions, Inc., for the Construction of Four New Traffic Signals at Various Locations. Caption reads as follows:

RESOLUTION NO. 2014-08-083 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE A CONTRACT IN THE AMOUNT OF \$687,170 WITH ROADWAY SOLUTIONS, INC., FOR THE CONSTRUCTION OF FOUR NEW TRAFFIC SIGNALS AT VARIOUS LOCATIONS AND AUTHORIZING ALL NECESSARY CHANGE ORDERS UNDER SAID CONTRACT UP TO AN AGGREGATE CONTRACT AMOUNT, INCLUSIVE OF ANY CHANGE ORDERS, NOT TO EXCEED \$760,000

- 14-743** Consider/Discuss/Act on a Resolution Authorizing the Interim City

Manager to Execute an Interlocal Participation Agreement with Public Employee Benefits Alliance (PEBA). Caption reads as follows:

RESOLUTION NO. 2014-08-084 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE AN INTERLOCAL PARTICIPATION AGREEMENT WITH PUBLIC EMPLOYEE BENEFITS ALLIANCE (PEBA)

- 14-745** Consider/Discuss/Act on a Facilities Agreement with McKinney Medical Center, L.P. for Acceptance of Parkland Dedication for Future Regional Parkland in Parkland Zone 1 for a Residential Development in Parkland Zone 4 (McKinney Urban Village) and Reimbursement into Parkland Zone 4.

END OF CONSENT

- 14-744** Mayor Loughmiller called for Consideration/Discussion/Action on a Revised Resolution Approving the Payment of Additional Funds to Gateway Hotel One, Ltd. as Reimbursement for Additional Architectural Services and Authorizing the City Manager to Make Said Payment for those Architectural Services Related to Potential Exterior Enhancements on the Sheraton Gateway and Events Center Project. Interim Assistant City Manager Barry Shelton stated that this item was previously approved by Council on April 14, 2014. The Resolution tonight is a correction increasing the not to exceed amount from \$50,000 to \$53,000. The wrong Resolution was attached to the agenda item in April. This item corrects that error and is not an additional \$53,000.00 but merely a correction. Council unanimously approved the motion by Council member Geralyn Kever, seconded by Council member Randy P. Pogue, to Approved Resolution approving the payment of additional funds to Gateway Hotel One, Ltd. as reimbursement for additional architectural services and authorizing the City Manager to make said payment for

those architectural services related to potential exterior enhancements on the Sheraton Gateway and Events Center Project. Caption reads as follows:

RESOLUTION NO. 2014-08-085 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING RESOLUTION NO. 2014-04-035 (R) TO CORRECT AN ERROR IN THE AMOUNT OF ADDITIONAL FUNDS WHICH WERE INTENDED TO BE AUTHORIZED FOR PAYMENT TO GATEWAY HOTEL ONE, LTD. AS REIMBURSEMENT FOR ARCHITECTURAL SERVICES AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE DEVELOPMENT AGREEMENT FOR THESE ARCHITECTURAL SERVICES; AND PROVIDING AN EFFECTIVE DATE

14-749 Mayor Loughmiller called for Consideration/Discussion/Action on a Resolution Approving the McKinney Housing Authority (MHA) Request for City Funding for Newsome Homes Redevelopment and Authorization for the Interim City Manager to Enter into a Chapter 393 Loan Agreement Between the City of McKinney and the McKinney Housing Authority. Community Services Administrator Shirletta Best stated that on July 14, 2014, a request was presented to the City Council for a portion of the cost for the Newsome Homes redevelopment project. The McKinney Housing Authority (MHA) is requesting city funding and fee credits for the redevelopment of Newsome Homes. Council directed the developer to find cost-savings within the budget. The developer has presented a new request that reflects \$174,575 reduction from the original request. Staff was asked to present the city financing structure that would minimize impact to the general fund and which would be a Chapter 393 of the Local Government Code that would allow the city to provide a low-interest revolving loan for a portion of the request and include terms that would be repaid over a 20-year period. This will allow for repayment of the loan to be reserved for future MHA housing redevelopment projects. Interim City Manager Tom Muehlenbeck stated that a Chapter 393 differs from a Chapter 380 agreement in the type of projects that can be covered. Mr. Muehlenbeck noted that there is an item in the 2015

budget for an estimated \$300,000 for infrastructure. At this time, Staff has been unable to get an exact cost of the infrastructure from the MHA. Council unanimously approved the motion by Council member Roger Harris, seconded by Council member Randy P. Pogue, to approve a Resolution Approving the McKinney Housing Authority (MHA) Request for City Funding for Newsome Homes Redevelopment and Authorization for the Interim City Manager to Enter into a Chapter 393 Loan Agreement Between the City of McKinney and the McKinney Housing Authority. Caption reads as follows:

RESOLUTION NO. 2014-08-090 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE AN AGREEMENT WITH THE MCKINNEY HOUSING AUTHORITY ("MHA") UNDER TEXAS LOCAL GOVERNMENT CODE CHAPTER 393; PROVIDING FOR A LOW-INTEREST REVOLVING LOAN FOR THE NEWSOME HOMES PROJECT; PROVIDING FOR CERTAIN FEE WAIVERS FOR THE PROJECT; PROVIDING FOR A WAIVER OF THE PAYMENT-IN-LIEU FROM MHA; AND PROVIDING FOR AN EFFECTIVE DATE

14-752 Mayor Loughmiller called for Discussion on the Investigation/Feasibility/Development Plan Establishment for the Proposed Collide Village (Innovation Village) a +/- 9.2 acre Tract of Land with Respect to a Potential Development Agreement. Interim Assistant City Manager Barry Shelton stated that the presentation tonight by Jason Adams and the Palladium is the conclusion of the 120 day exclusive negotiation period that was granted by the City Council. Mr. Adams and his Palladium team (Palladium and Studio 2547) presented their development proposal and plan. Mr. Adams has contracted with Catalyst Commercial (Catalyst) for market analysis, economic impact and return on investment (ROI) estimates related to the proposed development program and a finalized development agreement. Mr. Jason Adams, Mr. Tom Huth, and Mr. Mathew Peterson presented the implementation of the project. Mr. Huth stated that the development team will be the owner and the project is estimated to cost between \$75-\$80 million. Mr. Huth

stated that included in the estimated \$75-\$80 million, the City would put the roads through the development to have access with an estimated allocation of \$2-\$4 million as part of the cost along with providing utilities. There is also an allocation of \$1-\$1.5 million for the park which includes an amphitheater and water feature. The structured parking will cost approximately \$6,000-\$8,000 per space. Mr. Shelton stated that the City and McKinney Economic Development Corporation have contracted with Catalyst Commercial to do a market analysis to understand the absorption rates and the feasibility of building this development and if it will be successful. We do have preliminary numbers back on the return on investment but Staff needs additional time to evaluate the assumptions and build in return based on the completion of the phases. We will then be able to plug in abatements, fee waivers, and other incentives to understand if it is a 5-year or 10-year return on investment. If Council gives us direction to move forward, we will bring back a program for offering incentives for this development. Mayor Loughmiller stated that he would like to move forward with more details in what the partnership or incentives look like as it pertains to return on investment.

14-755 Mayor Loughmiller called for Consideration/Discussion/Action on a Resolution Authorizing a Contract with Law Enforcement Leadership and Management Consulting, LLC for Services as the Interim Police Chief. Deputy City Manager Jose Madrigal stated that the contract before Council outlines the roles and duties of the Interim Police Chief, Mr. David James. Staff will conduct a national search for a new Police Chief and anticipates it will take 6 to 9 months to complete. In the meantime, an Interim Police Chief will serve in the capacity while we conduct the search. Mr. James comes to the city with over 37 years of law enforcement experience, 22 years as a Captain at the Dallas Police Department, and the last 15 years as the Police Chief for the City of Carrollton. Council unanimously approved the motion by Council

member Harris, seconded by Council member to approve a Resolution Authorizing a Contract with Law Enforcement Leadership and Management Consulting, LLC for Services as the Interim Police Chief. Caption reads as follows:

RESOLUTION NO. 2014-08-086 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING A CONTRACT WITH LAW ENFORCEMENT LEADERSHIP AND MANAGEMENT CONSULTING, LLC. FOR SERVICES AS THE INTERIM POLICE CHIEF

14-746 Mayor Loughmiller called for Consideration/Discussion/Action on a Resolution Authorizing the Execution of Documents for the Acquisition of Easements and the Consideration of the Use of Eminent Domain to Condemn Property for the Construction of Utility Lines from Approximately 500 Feet Northwest of University Drive (US 380) Continuing North to the Intersection of Wilmeth Road and CR 161 (Future Ridge Road). Director of Engineering Mark Hines stated that there is a proposed development going in at the corner of Wilmeth and future Ridge Road. As part of that development, they need to extend sewer service to that tract. If they are not able to come to an agreement with property owners, the city will proceed with condemnation. Staff is hopeful that does not happen but are asking Council for permission to do so if it becomes necessary. Mr. Hines notes that staff will do everything to come to an equitable agreement. Council unanimously approved the motion by Council member Keever, seconded by Council member Pogue, to approve a Resolution authorizing the use of the power of eminent domain to acquire all necessary easements from property owners, generally indicated on the attached property locator map, for the construction of utility lines generally known as Stover Creek Sanitary Sewer for the construction of utility lines from approximately 500 feet northwest of University Drive (US 380) continuing north to the intersection of Wilmeth Road and CR 161 (Future Ridge Road). Caption

reads as following.

RESOLUTION NO. 2014-08-087 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE EXECUTION OF DOCUMENTS FOR THE ACQUISITION OF PROPERTY RIGHTS NECESSARY FOR THE CONSTRUCTION OF UTILITY LINES FROM APPROXIMATELY 500 FEET NORTHWEST OF UNIVERSITY DRIVE (US 380) CONTINUING NORTH TO THE INTERSECTION OF WILMETH ROAD AND CR 161 (FUTURE RIDGE ROAD); AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE DOCUMENTS FOR THE ACQUISITION OF EASEMENTS; APPOINTING AN APPRAISER AND NEGOTIATOR AS NECESSARY; AUTHORIZING THE INTERIM CITY MANAGER OF THE CITY OF MCKINNEY, TEXAS, TO ESTABLISH JUST COMPENSATION FOR THE PROPERTY RIGHTS TO BE ACQUIRED; AND AUTHORIZING THE INTERIM CITY MANAGER THE USE OF EMINENT DOMAIN TO CONDEMN PROPERTY AND TAKE ALL STEPS NECESSARY TO ACQUIRE THE NEEDED PROPERTY RIGHTS IN COMPLIANCE WITH ALL APPLICABLE LAWS AND RESOLUTIONS

Mayor Pro Tem Ussery and Council member Ricchi stepped down on the following item.

- 14-747** Mayor Loughmiller called for a Public Hearing to Consider/Discuss/Act on a Resolution Approving the 2014-2015 Community Development Block Grant Annual Action Plan. Community Services Administrator Shirletta Best stated that the Community Grants Advisory Commission held two public hearings as well as review of CDBG city-funded programs and meetings with interested organizations who made application for funding resources. At this time we have received one public comment from Julie Smith who supported the redevelopment of Newsome Homes. The Annual Action Plan will be submitted to the U.S. Department of Housing and Urban Development for approval. The funds will be available beginning October 1, 2014 through September 30, 2015. The proposed funding includes: CASA of Collin County, Collin County Committee on Aging, Communities in Schools -Caldwell Elementary, Community Dental Care, Community Lifeline Center, Health Services of North Texas, Maurice Barnett Wellness Center, McKinney Housing Authority, North Collin County Habitat for Humanity, The Salvation Army, McKinney Corps

The Samaritan Inn, Housing Rehabilitation Program, Non-Public Services/ Economic Development, and Grant Administration. The majority of CDBG funds are used in the census tracts that have low to moderate income areas. The City monitors the funds through compliance and the agencies must have a contract agreement with the City. Along with the requirements under the U.S. Department of Housing and Urban Development as well as other requirements which include Davis Bacon, environmental requirements, and fair housing requirements. Every five years the City is required to have a Housing and Consolidated Plan that includes input from the citizens. Mayor Loughmiller requested that the Council be notified if the Housing and Community Development Department receives any mandates from Washington regarding requirements related to eligibility of the CDBG plan. Mayor Loughmiller called for public comment and there were none. Council approved the motion made by Council member Keever, seconded by Council member Harris, to close the public hearing and approve a Resolution approving the 2014-2015 Community Development Block Grant Annual Action Plan with a vote of 5-0-2, Mayor Pro Tem Ussery and Council member Ricchi abstaining. Caption reads as follows:

RESOLUTION NO. 2014-08-088 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE 2014-2015 ANNUAL ACTION PLAN, AND PROVIDING AN EFFECTIVE DATE

Mayor Pro Tem Ussery and Council member Ricchi returned to the dais.

- 14-748** Mayor Loughmiller called for Consideration/Discussion/Action on a Resolution Confirming No Objection to the McKinney Housing Authority's Application for a Choice Neighborhood Planning Grant through the Department of Housing and Urban Development. Community Services Administrator Shirletta Best stated that this item is to approve a resolution confirming the City of McKinney's support for MHA's application for a

Choice Neighborhood Planning Grant through HUD with modernization of buildings and public improvement included in the surrounding communities as well as schools and neighborhoods east of Tennessee Street and other distressed areas. The surroundings would include a variety of partners as schools, businesses, churches, and residents involved in the process. Ms. Best stated that there is no City funding support that would be a part of this package but the opportunity to be able to leverage and engage resources as it relates to partnership and outreach. The only funding that they could apply for would be CDBG funding where they would have to apply and go through the citizen process to determine if their project met the requirements for CDBG funding. Ms. Best stated that this application process would be funding that would only support HUD assisted homes that are located within the McKinney Housing Authority's district. Council unanimously approved the motion by Council member Harris, seconded by Council member Pogue, to approve a Resolution confirming no objection to the McKinney Housing Authority's application for a Choice Neighborhood Planning Grant through the Department of Housing and Urban Development. Caption reads as follows:

RESOLUTION NO. 2014-08-089 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, CONFIRMING NO OBJECTION OF THE MCKINNEY HOUSING AUTHORITY IN THE APPLICATION OF A HUD 2014 CHOICE NEIGHBORHOOD PLANNING GRANT

- 14-157Z3** Mayor Loughmiller called for a Public Hearing to Consider/Discuss/Act on the Request by Abernathy, Roeder, Boyd & Joplin, on Behalf of George, Gupta, & Joshi, L.L.C., for Approval of a Request to Rezone Fewer than 3 Acres from "PD" - Planned Development District to "PD" - Planned Development District, Generally to Modify the Development Standards, Located Approximately 740 Feet South of Eldorado Parkway and on the West Side of Hudson Crossing and Accompanying Ordinance. City Attorney Mark Houser stated that Exhibit B that was included in the

agenda packet, was the wrong Exhibit. The Exhibit will be replaced if approved by Council. Council member Pogue is eligible to participate on this item. Director of Planning Michael Quint stated that the applicant is requesting to rezone the subject property in order to remove a cap on the number of students that can be at the existing daycare. The applicant is now requesting to remove this limitation for expansion of the facility. The applicant has provided a Traffic Impact Analysis showing that there is no adverse impact on the circulation network in the area. Staff is recommending approval of the item. The applicant, Mr. Randy Hullett, 1700 Redbud, Suite 300, McKinney, stated that they concur with the Staff report and the recommendation. Mayor Loughmiller called for public comment and there was none. Council unanimously approved the motion by Mayor Pro Tem Ussery, seconded by Council member Kever, to approve an Ordinance rezoning fewer than 3 Acres from "PD" - Planned Development District to "PD" - Planned Development District, generally to modify the development standards, located approximately 740 feet south of Eldorado Parkway and on the west side of Hudson Crossing, with the following special ordinance provision: the use and development of the subject property shall develop in accordance with the "PD" - Planned Development District Ordinance No. 98-11-59, except as follows: for a daycare center use, there shall be no maximum number of children that can be served. Caption reads as follows:

ORDINANCE NO. 2014-08-053

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING THE ZONING MAP OF THE CITY OF MCKINNEY, TEXAS; SO THAT AN APPROXIMATELY 2.00 ACRE PROPERTY, LOCATED APPROXIMATELY 740 FEET SOUTH OF ELDORADO PARKWAY AND ON THE WEST SIDE OF HUDSON CROSSING, IS REZONED FROM "PD" – PLANNED DEVELOPMENT DISTRICT TO "PD" – PLANNED DEVELOPMENT DISTRICT, GENERALLY TO MODIFY THE DEVELOPMENT STANDARDS; PROVIDING FOR SEVERABILITY; PROVIDING FOR INJUNCTIVE RELIEF; PROVIDING FOR NO VESTED INTEREST; PROVIDING FOR THE PUBLICATION OF THE CAPTION OF THIS ORDINANCE; PROVIDING FOR A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

Council member Pogue stepped down on the following item.

- 14-118Z4** Mayor Loughmiller called for a Public Hearing to Consider/Discuss/Act on the Request by Spiars Engineering, Inc., on Behalf of Ysis Partners, L.P., for Approval of a Request to Rezone Fewer than 17 Acres from "PD" - Planned Development District to "PD" - Planned Development District, Generally to Modify the Development Standards, Located on the South Side of Bloomdale Road and on the West Side of Lake Forest Drive, and Accompanying Ordinance. Director of Planning Michael Quint stated that the applicant is requesting rezoning of approximately 16 acres of land from commercial uses to residential uses. This is contrary to Council's stated goals of preserving the non-residential tax base. In addition, the applicant is requesting special ordinance provisions that are not in conformance with the Comprehensive Plan regarding the densities. The Comprehensive Plan calls for a density of 3.2 dwelling units per acre. The applicant is proposing close to four units per acre. Staff is recommending denial. Mr. Quint stated that there is an opportunity to consolidate all commercial and retail uses on one corner which makes it more pedestrian-friendly. Mr. Quint stated that it has been to P&Z a number of times and the applicant did not meet the median lot size and could not meet the Comprehensive Plan densities in lot sizes. The Planning and Zoning Commission was supportive of this request and recommended approval. Mr. Quint stated that unless the developer is building houses nearing the \$400,000 value, the estimated taxes on that property will not pay for the City services required. Applicant, Mr. Steve Lenart, 520 Central Parkway East, Suite 104, Plano, stated that the current property owners had no success marketing the property as a commercial use for the past seven to eight years. He felt the proposed development would be successful on the site. Council approved the motion by Mayor Pro Tem Ussery and seconded by Council member Keever to close the public hearing with a vote of 6-0-1, Council member

Pogue abstaining. Council members expressed concern over the size of the property being able to accommodate a large-scale commercial development as well as the challenges with sanitary sewer and water service to the property. Council approved the motion by Council member Keever, seconded by Mayor Loughmiller, to deny the rezoning request located on the south side of Bloomdale Road and on the West Side of Lake Forest Drive with a vote of 4-2-1, Mayor Pro Tem Ussery and Council member Day voting against and Council member Pogue abstaining.

Council member Pogue returned to the dais.

14-750 Mayor Loughmiller called for Consideration/Discussion/Action on Fiscal Year 2014-15 Proposed Tax Rate, Take Record Vote and Set Public Hearing and Adoption Dates. Chief Financial Officer Rodney Rhoades stated that the proposed tax rate for fiscal year 2015 is \$0.5830 which is one quarter cent lower than the tax rate that was adopted \$0.5855 tax rate for fiscal year. Because the proposed tax rate exceeds the effective tax rate, we do have to call for a record vote of the proposed tax rate and set two public hearing dates. Those dates would be scheduled for August 19, 2014 at 6:00 p.m. and September 2, 2014 at 6:00 p.m. The adoption date of September 16. Mayor Loughmiller stated that the proposed tax rate is higher than the effective tax rate because the effective tax rate is based on the ad valorem value set on property by the appraisal district. From a tax rate standpoint as it relates to the city we are actually lowering the tax rate by a quarter cent but it will still be higher than the effective tax rate based on those values. Mr. Rhoades stated that the property values increased by approximately \$1.5 billion over 2014 which equates to about a 12.9% increase. The average home value increased from \$217,000 to \$240,000. Interim City Manager Muehlenbeck stated that the tax rate set tonight is the maximum that the tax rate can be. Council unanimously approved the motion by Mayor

Loughmiller, seconded by Council member Harris, that the City of McKinney propose to adopt a total Tax Rate of \$0.58300, which is higher than the Fiscal Year 2015 Effective Tax Rate of \$0.538235, and call for two public hearings; the first public hearing to be held on August 19, 2014 at 6:00 p.m. and the second public hearing to be held on September 2, 2014 at 6:00 p.m. Further, a Record Vote on the tax rate adoption will be held on September 16, 2014 at 6:00 p.m. at the regular City Council Meeting. All meetings will be held in the McKinney City Hall Council Chambers at 222 North Tennessee Street, McKinney, Texas, 75069, with the following recorded vote:

Mayor Loughmiller – For

Mayor Pro Tem Ussery – For

Council member Ricchi – For

Council member Day – For

Council member Kever – For

Council member Pogue – For

Council member Harris – For

14-751 Mayor Loughmiller called for Consideration/Discussion/Action on an Ordinance to Increase Airport Land Lease Rates. Airport Executive Director Ken Wiegand stated that this Ordinance will increase the airport land lease rate from \$0.30 per square foot per year to a variable range from \$0.45 per square foot per year to \$0.65 per square foot per year. The McKinney Airport Development Corporation is recommending a variable rate which allows for negotiation of lease rates. In order to maintain the value of the airport and the fact that the airport has 51 acres of developable land, the Board felt the lease rates should be higher. Council unanimously approved the motion by Council member Harris, seconded by Council member Pogue, to approve an Ordinance to Increase Airport Land Lease Rates. Caption reads as follows:

ORDINANCE NO. 2014-08-054

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
MCKINNEY, TEXAS ESTABLISHING VARIABLE LAND LEASE
RATES AT MCKINNEY NATIONAL AIRPORT

14-575 Mayor Loughmiller called for Consideration/Discussion/Action on an Ordinance Naming a Section of F.M. 543 Between U.S. Highway 75 and Trinity Falls Parkway, the Newly Constructed Roadway Section Between U.S. Highway 75 and Former F.M. 543, McKinney National Airport Airfield, Courtroom Theater at the McKinney Performing Arts Center, and the Event Rooms at the Gateway Events Center. Mayor Loughmiller stated that he met with Mayor Pro Tem Ussery and Council member Harris and the Committee are recommending to name Trinity Falls Parkway all the way to the F.M. 543 connection. For the newly constructed roadway section between U.S. Highway 75 and former F.M. 543, the committee is recommending that this section be named Laud Howell Parkway. The recommendation for the airfield at the McKinney National Airport, the committee is recommending the runway be named the BB Cope Field. Mayor Loughmiller suggested that the name Dr. Mack Hill be submitted to the Parks, Recreation, and Open Space Board for consideration for naming the pavilion at Bonnie Wenk Park and George Webb be considered for naming the Aquatics and Fitness Center. The Parks, Recreation and Open Space Board recommendation will be brought back to Council for consideration. Council unanimously approved the motion by Council member Kever, seconded by Council member Harris, to approve an Ordinance renaming former F.M. 543 situated between U.S. Highway 75 and Trinity Falls Parkway is hereby named Trinity Falls Parkway, naming the newly constructed street extending from U.S. Highway 75 to the segment of former F.M. 543 as "Laud Howell Parkway" and its future extension to Custer Road is hereby named "Laud Howell Parkway" naming a newly constructed roadway section situated between U.S. Highway 75 and former F.M. 543, naming McKinney National Airport Airfield "BB Cope Field" and the rooms at the

Gateway Event Center should follow a commercial historical significance theme. Caption reads as follows:

ORDINANCE NO. 2014-08-055

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, RENAMING A SECTION OF F.M. 543 BETWEEN U.S. HIGHWAY 75 AND TRINITY FALLS PARKWAY AND NAMING A NEWLY CONSTRUCTED ROADWAY SECTION SITUATED BETWEEN U.S. HIGHWAY 75 AND FORMER F.M. 543; AND NAMING THE MCKINNEY NATIONAL AIRPORT AIRFIELD; PROVIDING FOR NOTICE AND IMPLEMENTATION; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE

Mayor Loughmiller called for Council and Manager Comments.

Council member Ricchi recognized a Leadership McKinney class member who attended the meeting tonight. Mr. Ricchi recognized EMS Chief Don McKinney who attended his first Council meeting filling in for Fire Chief Danny Kistner. Mr. Ricchi thanked staff again for their hard work and attendance at the meeting.

Council member Kever thanked Gary Graham, Barry Shelton and Mr. Muehlenbeck for their work and assistance on answering questions submitted recently by citizens. Ms. Kever also thanked everyone who showed up tonight supporting the Newsome Homes project.

Council member Pogue thanked staff and recognized the Housing and Community Development Department on the SASO award.

Council member Harris thanked staff who work on economic development and development in general for their dedication, time and hard work.

Mayor Pro Tem Ussery thanked staff from top to bottom.

Mayor Loughmiller announced that the City of McKinney has reached the one year anniversary with TAPS, who provides fixed route service for the citizens of McKinney as well taking residents from McKinney to the Parker Road DART station. Mr. Loughmiller stated that TAPS has had over 107,000 trips in Collin County; averaged over 10,000 trips per month with over half of those trips occurring within the city limits; by the end of 2013-2014 they will have performed over 500,000 trips system-wide with roughly 25-30% of the total ridership for their whole system coming out of Collin County. They have a fleet of 130 vehicles with 45 permanently stationed in McKinney. They

have added service from McKinney to the Parker Road DART station as well as to Love Field and DFW from the Gateway hub. They have also offered additional service at no cost during special events. Mayor Loughmiller echoed the comments regarding staff and thanked his colleagues on Council for their hard work and dedication in reaching out to discuss residents' concerns. Mr. Loughmiller stated that regarding Wellington Point, the amount of water supplemented to the ponds due to evaporation is 820,000 gallons per month which is the equivalent of about 82 homes. He stated that he sympathizes with the issue, we are currently in a drought situation. National Night Out is tomorrow night and this Friday is our budget retreat in which we will begin discussion about the 2014-2014 fiscal year budget.

Interim City Manager Tom Muehlenbeck announced the Notify Me free subscription service on the city's website for Council, P&Z agendas and City activity announcements. The City is proud to honor hometown Olympian Johnny Quinn, a member of the 2014 bobsled team, at a reception and memorabilia exhibit at the McKinney Performing Arts Center. The exhibit is free and open to the public through August 10th. Mr. Quinn will sign autographs at a meet and greet reception from noon to 1:00 p.m. Friday, August 8th at the Gallery at MPAC. This event is also free and open to the public.

Council unanimously approved the motion by Mayor Pro Tem Ussery, seconded by Council member Harris, to adjourn. Mayor Loughmiller adjourned the meeting at 10:32 p.m.

BRIAN LOUGHMILLER
Mayor

ATTEST:

SANDY HART, TRMC, MMC
City Secretary