

ORDINANCE NO. 2016-01-_____

AN ORDINANCE AMENDING ORDINANCE NO. 2010-05-014, ORDAINING 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 (ACT), PROVIDING ADDITIONAL POTENTIAL BUSINESS AND TAX INCENTIVES, DESIGNATING A LIAISON FOR COMMUNICATION WITH THE INTERESTED PARTIES, AND NOMINATING RAYTHEON COMPANY TO THE OFFICE OF THE GOVERNOR, ECONOMIC DEVELOPMENT AND TOURISM (OOGEDT) THROUGH THE ECONOMIC DEVELOPMENT BANK (BANK) AS A TEXAS ENTERPRISE PROJECT (PROJECT)

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 Project is not located in an area designated as an enterprise zone; and

WHEREAS, pursuant to Chapter 2303, Subchapter F of the Act, **RAYTHEON COMPANY** has applied to the City for designation as a Texas Enterprise Project; and

WHEREAS, the City finds that **RAYTHEON COMPANY** 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, a public hearing to consider this ordinance was held by the City Council on January 19, 2016.

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

- Section 1. The City nominates **RAYTHEON COMPANY** for Enterprise Project status.
- Section 2. The local incentives identified and summarized briefly in the attached **Exhibit A**, at the election of the governing body, are or will be made available to the nominated Project or activity of the qualified business site.
- Section 3. The enterprise zone areas within the City are reinvestment zones in accordance with the Texas Tax Code, Chapter 312.
- Section 4. The McKinney City Council directs and designates the City Manager or his designee as the City's liaison to communicate and negotiate with the OOGEDT through the Bank and enterprise project(s) and to oversee enterprise zone activities and communications with qualified businesses and other entities in an enterprise zone or affected by an enterprise project.
- Section 5. The City finds that **RAYTHEON COMPANY** meets the criteria for designation as an enterprise project under Chapter 2303, Subchapter F of the Act on the following grounds:
 - (a.) **RAYTHEON 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, or veterans, or economically disadvantaged individuals; 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 **RAYTHEON COMPANY** as a Texas Enterprise Project will contribute significantly to the achievement of the plans of the City for development and revitalization of the area.

Section 6. The Enterprise Project shall take effect on the date of designation of the enterprise project by the OOGEDT and terminate after five (5) years after such date.

Section 7: This ordinance shall take effect from and after its passage.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS ON THE 19th DAY OF JANUARY, 2016.

CITY OF MCKINNEY, TEXAS

BRIAN LOUGHMILLER
Mayor

CORRECTLY ENROLLED:

SANDY HART, TRMC, MMC
City Secretary
DENISE VICE, TRMC
Assistant City Secretary

DATE: _____

APPROVED AS TO FORM:

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 Exemptions	The City may exempt 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 Improved 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's 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 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

Name of Incentive		Description of Incentive	Availability
18	Customized Job Training	Offered by local community colleges, technical schools and the McKinney Workforce Development Center	Citywide
19	One-Stop Permitting, Problem Resolution Center	City may offer one-stop permitting	Citywide
20	Type 4A/Type 4B 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