

CITY COUNCIL REGULAR MEETING

DECEMBER 5, 2017

The City Council of the City of McKinney, Texas met in regular session in the Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on December 5, 2017 at 6:00 p.m.

Council Present: Mayor George C. Fuller, Mayor Pro Tem Rainey Rogers, Council members: Chuck Branch, Scott Elliott, Charlie Philips, Tracy Rath, and La'Shadion Shemwell.

Staff Present: City Manager Paul Grimes; Deputy City Manager Jose Madrigal; Assistant City Manager Barry Shelton; Assistant City Manager Steve Tilton; Assistant City Attorney Alan Lathrom; City Secretary Sandy Hart; Assistant to the City Manager Trevor Minyard; Executive Director of Development Services Michael Quint; Planning Director Brian Lockley; Director of Public Works David Brown; Assistant Director of Public Works Paul Sparkman; Planning Manager Matt Robinson; Planning Manager Jennifer Arnold; Planning Manager Samantha Pickett; Director of Parks and Recreation Michael Kowski; Assistant Director of Parks and Recreation Ryan Mullins; Chief of Police Greg Conley; Director of Engineering Gary Graham; Facilities Construction Manager Patricia Jackson; Desktop Support Technicians - Nasir Syed and Asif Ali; Engineering - Nicholas Ataie and Paul Tucker; Assistant Chief of Police Joe Ellenburg, Housing and Community Services Manager Janay Tieken; Community Services Administrator Shirletta Best; Chief Financial Officer Mark Holloway; Assistant Director of Engineering Michael Hebert; Human Resources Ike Obi and Denise Sykes; Airport Director Ken Wiegend; Chief Plans Examiner Jeff Harris; Police -.Dustin Hoya, Jason Ogburn, Dustin Kincaid, John Vassilakos, Erik Johnson, Eric Grogan, Lt. Mark Moyle, Sgt. David Shanley, and Cary Herrin.

There were approximately 40 guests present.

Mayor Fuller called the meeting to order at 6:04 p.m. after determining a quorum was present. Invocation was given by Dr. Bill Rosnett, Pastor, Northwest Christian Church. Boy Scout Pack 910 led the Pledge of Allegiance.

17-1172 Recognizing McKinney SWAT Team. Chief Conley presented the award winning SWAT team.

- 17-1173** Presentation of "Certificate of Achievement for Planning Excellence".
Mayor Fuller presented the Certificate of Achievement for Planning Excellence.

Mayor Fuller called for Citizen Comments.

The following individuals spoke against the location of the Costco Development Wall:

Ms. Lezlee Sydlowski, 3621 Truman Street, McKinney

Ms. Sandra Rios, 3601 Truman Street, McKinney

Ms. Antoinette Burks, 3409 Truman Street, McKinney

Mr. Ray Foster, 3613 Truman Street, McKinney

Mr. Steven Spainhouer, 4690 E. Eldorado Pkwy, McKinney spoke about downtown parking.

Mr. Barney Flores, 1510 Sandy Ridge, McKinney invited everyone to attend the boxing tournament held at Barney and Me.

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

- 17-1174** Minutes of the City Council Work Session of November 6, 2017
- 17-1175** Minutes of the City Council Regular Meeting of November 7, 2017
- 17-1177** Minutes of the City Council Special Meeting of November 29, 2017
- 17-1129** Minutes of the Animal Services Facility Advisory Committee Meeting of May 24, 2017
- 17-1059** Minutes of the Board of Adjustment Meeting of September 27, 2017
- 17-1093** Minutes of the Community Grants Advisory Commission Meeting of October 11, 2017
- 17-1136** Minutes of the Community Grants Advisory Commission Meeting of November 8, 2017
- 17-1137** Minutes of the Community Grants Advisory Commission Meeting of November 9, 2017
- 17-1077** Minutes of the Historic Preservation Advisory Board Meeting of October 5, 2017

- 17-1132** Minutes of the Library Advisory Board Meeting of October 19, 2017
- 17-1096** Minutes of the McKinney Armed Services Memorial Board Meeting of October 11, 2017
- 17-1148** Minutes of the McKinney Convention & Visitors Bureau Finance Committee Meeting of October 23, 2017
- 17-1147** Minutes of the McKinney Convention & Visitors Bureau Board Meeting of October 24, 2017
- 17-610** Minutes of the McKinney Economic Development Corporation Meeting of May 16, 2017
- 17-1140** Minutes of the McKinney Economic Development Corporation Meeting of September 19, 2017
- 17-1142** Minutes of the McKinney Economic Development Corporation Meeting of October 17, 2017
- 17-1141** Minutes of the McKinney Economic Development Corporation Special Meeting of October 17, 2017
- 17-1178** Minutes of the McKinney Housing Authority Meeting of October 24, 2017
- 17-989** Minutes of the Main Street Board Meeting of September 14, 2017
- 17-1087** Minutes of the Main Street Board Meeting of October 12, 2017
- 17-1008** Minutes of the Parks, Recreation and Open Space Advisory Board Meeting of September 14, 2017
- 17-1119** Minutes of the Parks, Recreation and Open Space Advisory Board Meeting of October 12, 2017
- 17-1069** Minutes of the Planning and Zoning Commission Regular Meeting of October 10, 2017
- 17-1135** Minutes of the Planning and Zoning Commission Regular Meeting of October 24, 2017
- 17-1146** Minutes of the Planning and Zoning Commission Regular Meeting of November 14, 2017
- 17-1179** Consider/Discuss/Act on an Ordinance Amending the Fiscal Year 2017-

2018 Annual Budget and Amending the 2018-2022 Capital Improvements Program, to Provide Funds for Park Improvements. Caption reads as follows:

ORDINANCE NO. 2017-12-102

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS AMENDING THE FISCAL YEAR 2017-2018 ANNUAL BUDGET AND 2018 – 2022 CAPITAL IMPROVEMENT PROGRAM TO PROVIDE FUNDS FOR PARK IMPROVEMENTS

- 17-1180** Consider/Discuss/Act on a Resolution Amending the Fiscal Year 2018 - 2022 Capital Improvements Program to Provide Funds for the Transportation Alternatives Program School Pedestrian Safety Enhancements Project (TR1603). Caption reads as follows:

RESOLUTION NO. 2017-12-203 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS AMENDING THE FISCAL YEAR 2018 - 2022 CAPITAL IMPROVEMENT PROGRAM TO TRANSFER FUNDS TO TRANSPORTATION ALTERNATIVES PROGRAM SAFETY ACCESS TO SCHOOLS PROJECT (TR1603)

- 17-1181** Consider/Discuss/Act on a Resolution Authorizing the City Manager to Execute a Contract and All Necessary Change Orders with Cam-Crete Contracting, Inc. for the Construction of the Transportation Alternatives Program School Pedestrian Safety Enhancements (TR1603). Caption reads as follows:

RESOLUTION NO. 2017-12-204 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT IN THE AMOUNT OF \$410,968.00 WITH CAM-CRETE CONTRACTING, INC. FOR THE CONSTRUCTION OF THE TRANSPORTATION ALTERNATIVES PROGRAM SCHOOL PEDESTRIAN SAFETY ENHANCEMENTS PROJECT AND AUTHORIZING ALL NECESSARY CHANGE ORDERS UNDER SAID CONTRACT UP TO AN AGGREGATE CONTRACT AMOUNT, INCLUSIVE OF ANY CHANGE ORDERS, NOT TO EXCEED \$450,000

- 17-1182** Consider/Discuss/Act on a Resolution Approving Qualified Firms to Provide Owner's Representative Program Management Services, and Authorizing the City Manager to Execute Contracts for Professional Services. Caption reads as follows:

RESOLUTION NO. 2017-12-205 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, APPROVING QUALIFIED FIRMS TO PROVIDE OWNER'S REPRESENTATIVE PROGRAM MANAGEMENT SERVICES AND AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACTS FOR PROFESSIONAL SERVICES

- 17-1183** Consider/Discuss/Act on a Resolution Authorizing the City Manager to Execute a Professional Services Contract with Schrickel, Rollins and Associates, Inc. of Arlington, Texas for Landscape Architectural and Engineering Services Related to the Master Planning of a 212 Acre Community Park Located South of US380 and on Both sides of Gray Branch Road. Caption reads as follows:

RESOLUTION NO. 2017-12-206 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES CONTRACT WITH SCHRICKEL ROLLINS & ASSOCIATES, INC. OF ARLINGTON, TEXAS FOR LANDSCAPE ARCHITECTURAL AND ENGINEERING SERVICES RELATED TO THE MASTER PLANNING OF GRAY BRANCH PARK, LOCATED SOUTH OF US380 AND ON BOTH SIDES OF GRAY BRANCH ROAD

- 17-1184** Consider/Discuss/Act on a Resolution Authorizing the City Manager to Enter into Contracts/Agreements with Cigna Health and Life Insurance Company (Cigna) for Individual Stop Loss and Aggregate Stop Loss Reinsurance Coverage. Caption reads as follows:

RESOLUTION NO. 2017-12-207 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO ENTER INTO CONTRACTS/AGREEMENTS WITH CIGNA HEALTH AND LIFE INSURANCE COMPANY (CIGNA) FOR INDIVIDUAL STOP LOSS AND AGGREGATE STOP LOSS REINSURANCE COVERAGE

- 17-1185** Consider/Discuss/Act on a Resolution Authorizing the City Manager to Execute a Client Specific Network Administration Agreement to Amend the Administrative Services Only Agreement With Connecticut General Life Insurance Company and/or Cigna Health and Life Insurance Company (Cigna), Authorizing Cigna to Administer the City's Professional

Services Agreement With Occumed Plus. Caption reads as follows:

RESOLUTION NO. 2017-12-208 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A CLIENT SPECIFIC NETWORK ADMINISTRATION AGREEMENT TO AMEND THE ADMINISTRATIVE SERVICES ONLY AGREEMENT WITH CONNECTICUT GENERAL LIFE INSURANCE COMPANY AND/OR CIGNA HEALTH AND LIFE INSURANCE COMPANY (CIGNA), AUTHORIZING CIGNA TO ADMINISTER THE CITY'S PROFESSIONAL SERVICES AGREEMENT WITH OCCUMED PLUS

- 17-1186** Consider/Discuss/Act on a Resolution Authorizing the City Manager to Execute the Third Amended Agreement For State Legislative Consulting Services from Red Media Group of Austin, Texas. Caption reads as follows:

RESOLUTION NO. 2017-12-209 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A THIRD AMENDMENT TO AN AGREEMENT FOR LEGISLATIVE CONSULTANT SERVICES WITH RED MEDIA GROUP; AND PROVIDING AN EFFECTIVE DATE

- 17-1187** Consider/Discuss/Act on a Resolution Awarding a Contract to Alderink Enterprises, Inc. dba C.I. Pavement of Irving, Texas and Jim Bowman Construction Co., L.P. of Plano, Texas for Concrete Street and Sidewalk Construction Repairs and Striping Services

RESOLUTION NO. 2017-12-210 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE AWARD OF A CONTRACT TO ALDERINK ENTERPRISES, INC. DBA C.I. PAVEMENT OF IRVING, TEXAS AND JIM BOWMAN CONSTRUCTION CO., L.P. OF PLANO, TEXAS FOR CONCRETE STREET AND SIDEWALK CONSTRUCTION REPAIRS AND STRIPING SERVICES

END OF CONSENT

- 17-1188** Mayor Fuller called for Consideration/Discussion/Action on an Ordinance Amending Section 134-7, Entitled "Business and Agricultural Zoning Districts" of the City of McKinney Sign Ordinance to Allow Monument

Signs a Maximum Height of 8 Feet and to Allow Electronic Message Signs a Maximum Size of 60 Square Feet. Chief Plans Examiner Jeff Harris stated this is an amendment to the City's sign Ordinance raising the monument sign height to 8 feet on major roadways and also increasing the LED element from 20 square feet to 60 square feet. The amendment is built specific to signage proportionate to the size of the roadway it is on. The larger signs along U.S. 75 for the outlet malls are a coordinated sign package unique to that development. Mr. Harris stated that a 60 square foot LED sign is basically 6 feet by 10 feet. Our previous ordinance only allowed 20 square feet. Council unanimously approved the motion by Mayor Pro Tem Rogers, seconded by Mayor Fuller, to approve an Ordinance amending Section 134-7, Entitled "Business and Agricultural Zoning Districts" of the City of McKinney Sign Ordinance to allow monument signs a maximum height of 8.5 feet and to allow electronic message signs a maximum size of 60 square feet. Caption reads as follows:

ORDINANCE NO. 2017-12-103

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE CITY OF MCKINNEY, TEXAS BY AMENDING CHAPTER 134, "SIGNS" BY REVISING SECTION 134-7 BUSINESS AND AGRICULTURAL ZONING DISTRICTS; PROVIDING FOR THE REPEAL OF CONFLICTING ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE

Mayor Fuller stepped down from the dais for the following agenda item.

- 17-1189** Mayor Pro-Tem Rogers called for Consideration/Discussion/Action on a Resolution Approving Funding Recommendations Under the FY 2018 Community Support Grant. Community Services Administrator Shirletta Best stated the Community Grants Advisory Commission conducted two public hearings to receive input from non-profit organizations requesting assistance to provide activity, services and programs to benefit residents citywide who are eligible. Minimum award recommendations on behalf of

the Commission was \$3,000. Council approved the motion made by Council member Elliott, seconded by Councilwoman Rath, to approve a Resolution approving funding recommendations under the FY 2018 Community Support Grant with a vote of 6-0-1, Mayor Fuller abstaining. Caption reads as follows:

RESOLUTION NO. 2017-12-211 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, APPROVING THE 2017-2018 COMMUNITY SUPPORT GRANT FUNDING ALLOCATIONS, AND PROVIDING AN EFFECTIVE DATE

Mayor Fuller returned to the dais.

17-125SUP Mayor Fuller called for a Public Hearing to Consider/Discuss/Act on a Specific Use Permit and Site Plan for a Pump Station (Redbud Pump Station), Located Approximately 980 Feet South of Bloomdale Road and on the West Side of Redbud Boulevard, and Accompanying Ordinance. Planning Manager Samantha Pickett stated this item seeks approval of a specific use permit and site plan to allow for a utility substation and four water storage tanks known as the Redbud Pump Station. Given that the area is industrial in nature, it is staff's opinion that the utility substation and water storage tanks are compatible with surrounding uses. In addition to the specific use permit request, the engineering department is requesting a variance for screening device to screen the bay door on the public right-of-way. The alternate screening consists of an 8 foot tall chain link security fence, Cedar Elm trees, shrubs and existing trees on the northwest corner of the property and will remain until future phases are constructed. Traditional screening material could interfere with the ability to construct that wall in terms of interfering with infrastructure. During a future phase, an 8 foot tall wrought iron fence with masonry columns and shrubs will be constructed. Given that there is satisfactory screening of the bay door now, staff recommends approval of the SUP and site plan variance. Mayor Fuller called for public comments and

there were none. Council unanimously approved the motion by Council member Elliott, seconded by Council member Branch, to close the public hearing and approve an Ordinance approving a Specific Use Permit and Site Plan for a Pump Station (Redbud Pump Station), located approximately 980 feet south of Bloomdale Road and on the west side of Redbud Boulevard. Caption reads as follows:

ORDINANCE NO. 2017-12-104

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING THE ZONING MAP OF THE CITY OF MCKINNEY, TEXAS; PROVIDING FOR A SPECIFIC USE PERMIT FOR A UTILITY SUBSTATION AND WATER STORAGE TANKS (REDBUD PUMP STATION), LOCATED APPROXIMATELY 980 FEET SOUTH OF BLOOMDALE ROAD AND ON THE WEST SIDE OF REDBUD BOULEVARD; PROVIDING REGULATIONS; 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

17-085Z Mayor Fuller called for a Public Hearing to Consider/Discuss/Act on a Request to Rezone the Subject Property from "AG" - Agricultural District to "SF5" - Single Family Residential District, Located at the Southeast Corner of Greenville Road and Enloe Road, and Accompanying Ordinance. Planning Manager Samantha Pickett stated the applicant is requesting to rezone the property from agriculture district to SF5 single family residential in order to construct a single family home. The future land use plan designates the property for residential uses. The property on all sides are either used or zoned for residential uses. Given the compatibility, staff recommends approval. Applicant Mr. Mike Ripperger, Sunflower Homes, 6951 Virginia Parkway, McKinney stated that they are requesting to rezone this property to be compatible with the surrounding properties that are already zoned residential. Mayor Fuller called for public comment and there were none. Council unanimously approved the motion by Council member Shemwell, seconded by Council member Elliott, to close the public hearing and approve an Ordinance rezoning the

subject property from "AG" - Agricultural District to "SF5" - Single Family Residential District, located at the southeast corner of Greenville Road and Enloe Road. Caption reads as follows:

ORDINANCE NO. 2017-12-105

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 0.38 ACRE PROPERTY, LOCATED ON THE SOUTHEAST CORNER OF GREENVILLE ROAD AND ENLOE ROAD, IS REZONED FROM "AG" - AGRICULTURAL DISTRICT TO "SF5" - SINGLE FAMILY RESIDENTIAL DISTRICT; 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

- 17-256Z** Mayor Fuller called for a Public Hearing to Consider/Discuss/Act on a Request to Rezone the Subject Property from "RS 60" - Single Family Residence District to "PD" - Planned Development District, Generally to Allow Single Family Attached Residential Uses, Located Approximately 440 Feet South of Standifer Street and on the East Side of Bumpas Street, and Accompanying Ordinance. Planning Manager Samantha Pickett stated the applicant is requesting to rezone to a PD to allow for town home uses. The development will consist of approximately 35 for sale town home units and an amenity center and will be designed from shipping containers. The PD is established with setback space limits and design compatible with this type of home and allows for the native metal to be used as a finishing material on the side and rear facades of the homes. The residential use is keeping with the surrounding area and as such staff recommends approval for the rezoning request. Applicant, Ms. Celeste Cox, North Collin County Habitat for Humanity and Mr. J. D. Lee, Managing Partner of the JD Lee Group stated that the location is a brown field site so the City of McKinney and Habitat for Humanity is working with the EPA to remediate the lead based paint and asbestos from the property. The plan calls for 35, roughly 1,280 square foot town homes

that will be attached. These units are made out of corrugated steel, some of the most indestructible materials known in the building industry yet cost effective, sustainable and eco-friendly and will not take away from the value that exists. The brown field will be encapsulated and demolished by a company that is familiar with that process. The EPA and City staff will be present to monitor the process. Habitat is the mortgage company and finances all the homes at zero percent interest and fluctuate the terms so it is affordable to the families. We partner with Texas Department of Housing and Community Affairs and, in rural areas, with USDA so we have partnerships along with local banks who also partner helping to fund some of the loans and interim construction loans as well. Mayor Fuller called for public comments. The following individuals did not wish to speak but wanted their support of the item read into the record:

Ms. Lisa Pietenpol, 904 Autumn Ridge Drive, McKinney

Mr. Larry Pietenpol, 904 Autumn Ridge Drive, McKinney

Mr. "Lee B. "Doc" Compton", 2619 Clublake Trail, McKinney

Ms. Olive Swearingin, 5920 Mockingbird, McKinney

Ms. Kimberly Kimmons, 1500 Preston Rd #1505, Plano

Mr. Bill Whitfield, 2723 Brookside Lane, McKinney

Mr. JR Russell, 2603 Sunny Meadow, McKinney

Council unanimously approved the motion by Councilwoman Rath, seconded by Council member Elliott, to close the public hearing and approve an Ordinance rezoning the Subject Property from "RS 60" - Single Family Residence District to "PD" - Planned Development District, Generally to allow single family attached residential uses, located approximately 440 feet south of Standifer Street and on the east side of Bumpas Street. Caption reads as follows:

ORDINANCE NO. 2017-12-106

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

2.74 ACRE PROPERTY, LOCATED APPROXIMATELY 440 FEET SOUTH OF STANDIFER STREET AND ON THE EAST SIDE OF BUMPUS STREET IS REZONED FROM "RS 60" – SINGLE FAMILY RESIDENTIAL DISTRICT TO "PD" – PLANNED DEVELOPMENT DISTRICT, GENERALLY TO ALLOW SINGLE FAMILY ATTACHED RESIDENTIAL USES; 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

- 16-289Z4** Mayor Fuller called for a Public Hearing to Consider/Discuss/Act on a Request to Rezone the Subject Property from "ML" - Light Manufacturing and "RG-18" - General Residence District to "PD" - Planned Development District to Allow for Multi-Family, Live/Work and Retail Mixed Uses, Generally Located on the Southwest Corner of U.S. Highway 380 (University Drive) and Throckmorton Street, and Accompanying Ordinance. Planning Manager Matt Robinson stated the applicant is proposing to rezone approximately 12.7 acres and indicated intent to develop the subject property with a mixture of multi-family, live work developments, and retail uses. The property is broken up into two different tracts. Tract 1 being the section located along U.S. Highway 380 which includes mixed use, retail and live work dwellings. Tract 1 is proposed to have at least one building with approximately 12,000 square feet of ground floor retail commercial space and one building with ground floor live work units for multi-family use on the upper floors. The applicant has proposed special ordinance provisions which includes maximum height being increased from two to three stories, no requirement for enclosed parking spaces, increased architectural standards related to masonry and an internal trail system. The Planning and Zoning Commission did recommend approval of this item, 5-2 at their November 14th meeting. Staff proposed denial because Tract 1 is not in conformance with the Future Land Use Plan which designates light industrial and not multi-family uses and is not in conformance with the City's multi-family policy which states that if the property is designated for

commercial or non-residential uses, a request for multi-family uses would be denied unless it meets special provisions which include an urban style development that includes structured parking, wider sidewalks, and ground floor access at the street level. Applicant Mr. Bob Roeder, 1700 Redbud, Suite 300, McKinney, stated that Tract 2 is zoned RG18 and multi-family is permitted on that tract. Tract 1 has frontage on U.S. 380 but no frontage on Throckmorton Creek. McKinney has a requirement for two points of access for any development and in this case the only point of access is off U.S. 380. That makes development of Tract 1 on a stand-alone basis as a commercial tract very problematic. The second issue is the elevation difference between the road surface and property prohibits this from being a sustainable commercial project. The third issue is access to the property for westbound traffic from U.S. 380 onto this property. We created a crossing underneath the second story of the building on Tract 1 to allow a fire truck to go under it to access the multi-family to the rear which gives a second point of access to Tract 2. That same second point of access coming from Throckmorton allows the fire department to get to Tract 1. The second project is what we call a live-work project. This is a building that will have four live/work units and will allow people to live and work in the same space at an affordable rate. The multi-family portion on Tract 2 will meet all the requirements of the City's multi-family architectural standards. We are asking for reduced parking being 1.7 spaces per unit. The commercial portion will be neighborhood services and that amount of retail could be viable. The live/work was something that we put in there in an attempt to create more of a commercial atmosphere. Mr. Roeder stated the McKinney Housing Finance Corporation is going to be a partner in the sense of a financial partner but not in the sense of an operating partner. This will be operated by the management company. Councilwoman Rath stated she would like to see verbiage in the agreement that states any proposed site plan

including live/work, vertically integrated mixed use buildings or multi-family units include sufficient playgrounds and open space amenities to serve the residents subject to discretionary approval by City Council. Mr. Jay Oji, Sphinx Development, 3030 LBJ Freeway, Suite 1350, Dallas, stated the partnership owns the entire development which includes the 12,000 square feet of retail, the 216 apartment units, and four live/work units. Council unanimously approved the motion by Mayor Pro Tem Rogers, seconded by Council member Elliott, to close the public hearing. Council member Shemwell expressed his frustrations with the process and questions of the developer and the development and the policy in place when it comes to multi-family housing and staff's option when it comes to commercial and multi-family. Mayor Fuller stated he would have asked the questions regardless of the project. We are talking about a zoning request change and variance. Staff is directed to carry out our direction. We set the policy, we set an overlay and we set a master plan. They are only to recommend or not recommend based on that plan that Council has given direction on. Council member Branch stated he does not prefer to change the zoning from light industrial because of the concerns he has for the retail and commercial component not being developed. Mayor Pro Tem Rogers stated he loves the fact that Councilwoman Rath has taken this under her wing and scrutinized it in a way that made it a better product. This is a positive thing and I want to see it be successful. Council member Elliott stated he is concerned about the 1.7 parking spaces per unit being enough. Mr. Oji stated that actually 1.5 is adequate for these developments so the 1.7 is plenty. Mr. Oji stated that the basketball courts will be lighted. He will talk with the architects to see if we can fit in an additional court. Mr. Oji stated for the record, it will be better than Mesquite because it is McKinney, so I promise you guys this will be a great product. Mayor Fuller stated this is the first time ever in history that we are talking about a project where we

are engaged in a public/private partnership. Council approved the motion by Mayor Fuller, seconded by Council member Shemwell, to approve an Ordinance rezoning the subject property from "ML" - Light Manufacturing and "RG-18" - General Residence District to "PD" - Planned Development District to allow for multi-family, live/work and retail mixed uses, generally located on the southwest corner of U.S. Highway 380 (University Drive) and Throckmorton Street, with an amendment that any proposed site plan for all or a portion of the subject property shall include at least one half-court basketball court, located outside of any parking areas, and sufficient separate playgrounds and open space amenities to serve the residents of the property. The satisfaction of such requirements will be subject to review and discretionary approval by City Staff with appeal rights to the City Council, with a vote of 5-2-0, Councilwoman Rath and Council member Branch voting against. Caption reads as follows:

ORDINANCE NO. 2017-12-107

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 12.753 ACRE PROPERTY, GENERALLY LOCATED ON THE SOUTHWEST CORNER OF U.S. HIGHWAY 380 (UNIVERSITY DRIVE) AND THROCKMORTON STREET, IS REZONED FROM "ML" – LIGHT MANUFACTURING DISTRICT AND "RG-18" – GENERAL RESIDENCE DISTRICT TO "PD" – PLANNED DEVELOPMENT DISTRICT, TO ALLOW FOR MULTI-FAMILY, LIVE/WORK AND RETAIL MIXED USES AND 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

17-273Z Mayor Fuller called for a Public Hearing to Consider/Discuss/Act on a Request to Rezone the Subject Property from "C" - Planned Center District and "CC" - Corridor Commercial Overlay District to "LI" - Light Industrial District and "CC" - Corridor Commercial Overlay District, Located Approximately 400 Feet South of Bloomdale Road and on the

West Side of McLarry Drive, and Accompanying Ordinance. Planning Manager Matt Robinson stated the applicant is requesting to rezone approximately 3.4 acres of land to light industrial and commercial overlay district. The requested rezone is consistent with other properties in the area while maintaining commercial along U.S. 75. In staff's opinion, the request serves as a transition to the existing and planned industrial uses to the east and as such staff recommends approval. Applicant, Mr. Allen Ross, 14902 Preston Road in Dallas, stated that they are purchasing the entire tract including the tract to the west, which is zoned C. We are proposing a new building facility for Freedom Power Sports on the westerly tract. Mayor Fuller called for public comments and there were none. Council unanimously approved the motion by Council member Elliott, seconded by Councilwoman Rath, to close the public hearing and approve an Ordinance rezoning the subject property from "C" - Planned Center District and "CC" - Corridor Commercial Overlay District to "LI" - Light Industrial District and "CC" - Corridor Commercial Overlay District, located approximately 400 feet south of Bloomdale Road and on the west side of McLarry Drive. Caption reads as follows:

ORDINANCE NO. 2017-12-108

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 3.42 ACRE PROPERTY, LOCATED APPROXIMATELY 400 FEET SOUTH OF BLOOMDALE ROAD AND ON THE WEST SIDE OF MCLARRY DRIVE, IS REZONED FROM "C" - PLANNED CENTER DISTRICT AND "CC" - CORRIDOR COMMERCIAL OVERLAY DISTRICT TO "LI" - LIGHT INDUSTRIAL DISTRICT AND "CC" - CORRIDOR COMMERCIAL OVERLAY DISTRICT; 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

- 17-262Z** Mayor Fuller called for a Public Hearing to Consider/Discuss/Act on a Request to Rezone the Subject Property from "PD" - Planned Development District to "PD" - Planned Development District, Generally

to Modify the Development Standards, Located at the Southeast Corner of Spur 399 and Medical Center Drive, and Accompanying Ordinance. Planning Manager Matt Robinson stated the applicant is requesting to rezone approximately 39 acres of land in order to modify the development standards in order to incorporate modifications that allow future phases to take on the character and design of previously approved phases. These include amendments to the parking, spaces on private streets, interior parking within courtyards, number of parking spaces for multi-family uses and architectural percentage uses. I would like to point out the rezoning request is not approving additional multi-family units beyond what is allowed under the PD. The rezoning request is compatible with the existing and planned uses in the area and staff is recommending approval. Applicant, Mr. Paris Rutherford, Catalyst Urban Development, 201 McKinney Village Parkway, McKinney, stated this is a mixed use integrated master plan that connects residential, senior, office, hotel, retail uses together with existing medical office and hospital south of 399, east of Medical Center Drive. When we came before you some time ago, our initial phase was for 245 residential apartment units as well as a convenience store on Medical Center Drive that is now built. Tonight we are here to update the PD to reflect the current meritorious exceptions granted previously and discuss lessons learned related to zoning. Parking is contained within private courts, on the street, and also in garages. We are proposing to build 255 units in our next phase and proposing to do the same level if not better quality than what we did in the initial phase. Mr. Rutherford stated they are proposing a second amenity and can certainly incorporate a children's play area as part of the amenity. The development would be limited to three stories. Mayor Fuller called for public comments and there were none. Council member Philips stated we are missing the opportunity in McKinney in commercial development and selling out to multi-family and it bothers me. I make

that as a general comment to the Council and citizens of McKinney because when I ran for this office my goal was to see more commercial development in McKinney to ease the tax base. Mr. Rutherford stated that by urbanizing this development with streets that connect through it allows a better chance for the property on the frontage to evolve to employment use because it lives and feels and operates like an urban mixed use district. Mr. Jim Williams, 5850 Granite Parkway, Plano, with Land Plan Development, stated this type of development is what we have that the market will accept today. Council member Shemwell stated that he is in agreement with Council member Philips and would like to see a rezone of that corridor on an upcoming agenda. Council unanimously approved the motion by Mayor Pro Tem Rogers, seconded by Council member Elliott, to close the public hearing. Council approved the motion by Council member Shemwell, seconded by Mayor Pro Tem Rogers, to approve an Ordinance rezoning the subject property from "PD" - Planned Development District to "PD" - Planned Development District, generally to modify the development standards, located at the southeast corner of Spur 399 and Medical Center Drive, with the inclusion of an amendment to incorporate amenities for children on the subject property, with a vote of 5-2-0, Council members Philips and Branch voting against. Caption reads as follows:

ORDINANCE NO. 2017-12-109

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 39.4 ACRE PROPERTY, LOCATED ON THE SOUTHEAST CORNER OF SPUR 399 AND MEDICAL CENTER DRIVE, 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 THEREOF

17-281Z Mayor Fuller called for a Public Hearing to Consider/Discuss/Act on a

Request to Rezone the Subject Property from "BN" - Neighborhood Business District to "DR" - Duplex Residential District, Located at the Northwest Corner of White Street and Tennessee Street, and Accompanying Ordinance. Planning Manager Matt Robinson stated the applicant is requesting to rezone less than an acre of land from neighborhood business to duplex residential for residential uses. The applicant is desiring to extend the front porch for the development and the front setbacks within the existing zoning district prohibits that. The request will reduce the setback by five feet allowing for the extended front porches. The request is compatible to the development to the east and west and staff recommends approval. The neighborhood business zoning district as it stands now does allow for residential uses. If Council chooses not to pass the rezoning request they will not be able to construct the extended front porches. Applicant Mr. Ron Lustig, 733 Creek Valley Court, Allen stated they are asking for the rezoning in order to construct covered porches on the structures. Mayor Fuller called for public comments and there were none. Council approved the motion by Mayor Pro Tem Rogers, seconded by Council member Elliott, to close the public hearing and approve an Ordinance rezoning the subject property from "BN" - Neighborhood Business District to "DR" - Duplex Residential District, located at the northwest corner of White Street and Tennessee Street, with a vote of 6-1-0, Council member Philips voting against. Caption reads as follows:

ORDINANCE NO. 2017-12-110

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 .976 ACRE PROPERTY, LOCATED ON THE NORTHWEST CORNER OF WHITE STREET AND TENNESSEE STREET, IS REZONED FROM "BN" - NEIGHBORHOOD BUSINESS DISTRICT TO "DR" - DUPLEX RESIDENTIAL DISTRICT, GENERALLY TO DEVELOP SINGLE FAMILY ATTACHED RESIDENTIAL USES; 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

Mayor Pro Tem Rogers stepped down from the dais for the following agenda item.

- 17-292Z** Mayor Fuller called for a Public Hearing to Consider/Discuss/Act on a Request to Rezone the Subject Property from "AG" - Agricultural District to "PD" - Planned Development District, Generally for Commercial and Multi-Family Residential Uses, Located Approximately 1,960 Feet North of Laud Howell Parkway and on the West Side of Trinity Falls Parkway, and Accompanying Ordinance. Planning Manager Samantha Pickett stated the City is proposing to rezone approximately 44 acres from AG to PD for a variety of uses. The proposed regulations allow the subject property the flexibility to develop in either a suburban or urban manner and provide a transition from the intensity of US Highway 75 into the Northwest Sector. Allowed uses include retail and commercial and multi-family development which are in line with the Northwest Sector Study as well as the upcoming 2040 Comprehensive Plan. The rezoning request aligns with rezoned properties in the area and city long-range plan and as such staff recommends approval. Ms. Pickett stated that this is the Arch Resort property and we are moving it from a trailer park or RV park to an ad valorem tax producing piece of property. For the multi-family component, urban uses have setbacks between 0 and 15 feet from the property, whereas suburban is set back 30 feet or further. No more than 30 acres of the 44 acres can be multi-family if the multi-family is urban. If the multi-family developed in a suburban manner, no more than 20 acres of the 44 acres can be multi-family. Mayor Fuller called for public comments and there were none. Council member Philips stated he would like to recognize the Mayor for negotiating this agreement and providing an excellent solution for the problem we inherited. Council approved the motion made by Council member Elliott, seconded by Council member Shemwell, to close the public hearing and approve an

Ordinance rezoning the subject property from "AG" - Agricultural District to "PD" - Planned Development District, generally for commercial and multi-family residential uses, located approximately 1,960 feet north of Laud Howell Parkway and on the west side of Trinity Falls Parkway, with a vote of 6-0-1, Mayor Pro Tem Rogers abstaining. Caption reads as follows:

ORDINANCE NO. 2017-12-111

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 44.42 ACRE PROPERTY, LOCATED APPROXIMATELY 1,960 FEET NORTH OF LAUD HOWELL PARKWAY AND ON THE WEST SIDE OF TRINITY FALLS PARKWAY, IS REZONED FROM "AG" – AGRICULTURAL DISTRICT TO "PD" – PLANNED DEVELOPMENT DISTRICT, GENERALLY FOR COMMERCIAL AND MULTI-FAMILY RESIDENTIAL USES; 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

Mayor Pro Tem Rogers returned to the dais.

- 17-1190** Mayor Fuller called for Consideration/Discussion/Action on an Ordinance Amending the Fiscal Year 2017-2018 Annual Budget to Provide Funding for the Settlement Agreement with Arch Resorts. Chief Financial Officer Mark Holloway stated this is a companion item to the previously approved zoning item. This is the settlement of funds for the City of McKinney and Arch Resort settlement. The settlement was not a budgeted item and in order to pay the settlement we must appropriate the funds. We have chosen the general fund to appropriate the funds from. The funds are from our fund balance and will not be taken from any of the current operations. The settlement is about \$1.85 million and the two easements being \$40,000 and \$10,000, totaling \$1.97 million. The settlement is based on costs born up to date but also to purchase a negative covenant which turned a property with no ad valorem value and no sales tax dollar value and make it a sales tax and ad valorem tax

producing property that, by our estimates, we calculated that to be as much as \$800,000 a year. Council unanimously approved the motion by Mayor Pro Tem Rogers, seconded by Councilwoman Rath, to approve an Ordinance amending the Fiscal Year 2017-2018 Annual Budget to provide funding for the Settlement Agreement with Arch Resorts. Caption reads as follows:

ORDINANCE NO. 2017-12-112

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING A CERTAIN BUDGET AMENDMENT PERTAINING TO THE FISCAL YEAR 2017-2018 BUDGET TO PROVIDE FUNDING FOR SETTLEMENT AGREEMENT WITH ARCH RESORTS; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

17-1191 Mayor Fuller called for Consideration/Discussion/Action on a Resolution Authorizing the City Manager to Enter into an Escrow and Utility Impact Fee Credit Agreement with HRC WCD Partners, L.P. for the Construction of the Stover Creek Interceptor Sewer. Assistant Director of Engineering Michael Hebert stated we have an opportunity to partner with a developer for the construction of City infrastructure which serves a significant portion of the Stover Creek basin. This interceptor line will be located north of U.S. 380 between Custer Road and Lake Forest Drive. The City's participation is capped at \$1.24 million. The developer will be paying for the design which is approximately \$220,000 and for all easement acquisition costs. Approximately \$930,000 of the construction will be paid by the developer as well as all construction management activities and, most importantly, any cost overruns. The developer will receive sewer impact fee credits worth approximately \$450,000. Council unanimously approved the motion by Council member Elliott, seconded by Council member Philips, to approve a Resolution authorizing the City Manager to enter into an Escrow and Utility Impact Fee Credit Agreement with HRC WCD Partners, L.P. for the Construction of the Stover Creek Interceptor Sewer. Caption reads as follows:

RESOLUTION NO. 2017-12-212 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE AN ESCROW AND UTILITY IMPACT FEE CREDIT AGREEMENT WITH HRC WCD PARTNERS, L.P. FOR THE CONSTRUCTION OF THE STOVER CREEK INTERCEPTOR SEWER

- 17-1192** Mayor Fuller called for Consideration/Discussion/Action on an Ordinance Amending the Fiscal Year 2017 - 2018 Annual Budget and Amending the 2018 - 2022 Capital Improvements Program to Transfer Funds to the WA1630 - Custer Road Utility Relocations Project. CIP Manager Nick Ataie stated this is a budgetary item for the Custer Road utility relocation project. TxDOT will widen Custer Road from US 380 to FM 1461 to a four-lane, ultimately six-lane, divided roadway. As part of our obligation, we will relocate an eight inch water line out of conflict with that project so this item is providing funding for design of that relocation as well as monetary funds for easement acquisition as the water line will be located outside of the TxDOT facility. We have funding available in the utility construction fund balance that we will be pulling to expedite design and get the project moving. Council unanimously approved the motion by Council member Shemwell, seconded by Mayor Pro Tem Rogers, to approve an Ordinance amending the Fiscal Year 2017 - 2018 Annual Budget and Amending the 2018 - 2022 Capital Improvements Program to Transfer Funds to the WA1630 - Custer Road Utility Relocations Project. Caption reads as follows:

ORDINANCE NO. 2017-12-113

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING THE FISCAL YEAR 2017-2018 ANNUAL BUDGET AND THE 2018 - 2022 CAPITAL IMPROVEMENT PROGRAM FOR CUSTER ROAD UTILITY RELOCATIONS PROJECT; 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

- 17-1193** Mayor Fuller called for Consideration/Discussion/Action on a Resolution Authorizing the City Manager to Execute a Contract and Any

Supplemental Agreements with Lochwood, Andrews & Newnam, Inc. for Engineering Services for WA1630 - Custer Road Utility Relocations Project. CIP Manager Nick Ataie stated this is the design contract portion of the budgetary item previously approved. This is the design contract for professional services related to the relocation and upsize of the water line on Custer Road from U.S. 380 to FM 1461. The estimated construction cost of the relocation is about \$6.3 million, so part of the \$3.2 million allocated will cover the design cost. The other portion of that will go toward easement acquisition. Future revenue bonds will cover the construction cost. We are moving the water line approximately 20 feet outside the current location and this is also an upsize of the water line per our Water Master Plan to serve that area of the City. The new line will be a minimum of 18 inches. Council approved the motion by Mayor Pro Tem Rogers, seconded by Councilwoman Rath, to approve a Resolution authorizing the City Manager to execute a contract and any supplemental agreements with Lochwood, Andrews & Newnam, Inc. for Engineering Services for WA1630 - Custer Road Utility Relocations Project with a vote of 6-1-0, Council member Philips voting against. Caption reads as follows:

RESOLUTION NO. 2017-12-213 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT IN THE AMOUNT OF \$703,341 WITH LOCKWOOD, ANDREWS & NEWNAM, INC. FOR ENGINEERING SERVICES TO PERFORM THE CUSTER ROAD UTILITY RELOCATIONS PROJECT AND AUTHORIZING ANY SUPPLEMENTAL AGREEMENT

- 17-1194** Mayor Fuller called for Consideration/Discussion/Action on an Amendment to the 2017 Municipal Annexation Policy, and Accompanying Ordinance. Planning Manager Jennifer Arnold stated that there are two items on the agenda related to the work session discussion last night. This is a request to amend the City's annexation policy to make it consistent with the new changes. Council approved the motion made by

Mayor Pro Tem Rogers, seconded by Council member Elliott, to approve an Ordinance amending the 2017 Municipal Annexation Policy, with a vote of 6-0-1, Council member Shemwell abstaining. Caption reads as follows:

ORDINANCE NO. 2017-12-114

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS AMENDING THE 2017 MUNICIPAL ANNEXATION POLICY; PROVIDING FOR THE PUBLICATION OF THIS ORDINANCE AND PROVIDING FOR AN EFFECTIVE DATE THEREOF

17-1195 Mayor Fuller called for Consideration/Discussion/Action on a Resolution Authorizing the City Manager to Release Development Agreements Previously Executed as Part of the City of McKinney's 2017 Municipal Annexation Plan. Planning Manager Jennifer Arnold stated that this is the second item with the amendment to the municipal annexation policy dissolving the plan component. Staff is recommending the City move forward with release of approximately 15 development agreements executed as part of the plan. Based on the action of Council, we will notify the property owners of the changes and their right to request release of those agreements. Council member Philips congratulated Ms. Arnold for surviving all the annexation issues that we had. You had a big target on your back throughout that and you handled it extremely well so thank you. Council unanimously approved the motion by Mayor Pro Tem Rogers, seconded by Council member Branch, to approve a Resolution authorizing the City Manager to release development agreements previously executed as part of the City of McKinney's 2017 Municipal Annexation Plan. Caption reads as follows:

RESOLUTION NO. 2017-12-214 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO RELEASE DEVELOPMENT AGREEMENTS PREVIOUSLY EXECUTED IN ASSOCIATION WITH THE 2017 MUNICIPAL ANNEXATION POLICY

17-1196 Mayor Fuller called for Consideration/Discussion/Action on a Resolution

Appointing Two City Council Members to Serve on a Subcommittee of the McKinney Housing Finance Corporation (MHFC). Housing and Community Development Manager Janay Tieken stated that at the September 18th City Council meeting, staff was directed to create a competitive process for developers that were wishing to partner with the McKinney Housing Finance Corporation. A five member subcommittee will be created with three members of the Housing Finance Corporation and two City Council members to develop and evaluate affordable housing development needs and request for qualifications or request for proposals. This item is requesting that two City Council members be appointed to this subcommittee. Mayor Fuller submitted Mr. Branch and Mr. Shemwell for those two positions. I plan on being involved. My thought is that Mr. Shemwell has been extremely outspoken for affordable housing so I think that would serve well and Mr. Branch has been outspoken and understands multi-family and curbing some of these projects. I felt that would create a balance and we hear both perspectives. Council member Elliott volunteered to serve in the place of Council member Branch. Council unanimously approved the motion by Mayor Fuller, seconded by Mayor Pro Tem Rogers, to approve a Resolution appointing Council members Shemwell and Elliott to serve on a subcommittee of the McKinney Housing Finance Corporation. Caption reads as follows:

RESOLUTION NO. 2017-12-215 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE APPOINTMENT OF TWO CITY COUNCIL MEMBERS TO SERVE ON A SUBCOMMITTEE OF THE MCKINNEY HOUSING FINANCE CORPORATION (MHFC)

- 17-1197** Mayor Fuller called for Consideration/Discussion/Action on an Ordinance Amending the Fiscal Year 2017-2018 Annual Budget and the 2018 - 2022 Capital Improvement Program to Provide Funding for the Airport FBO Terminal and Hangar Project (A11743). Deputy City Manager Jose

Madrigal provided a presentation that covers the next three agenda items that includes a budget amendment to provide funding for an FBO terminal and hangar, a lease agreement with purchase option, and a ground lease. The ground lease between City of McKinney and Westerntkileasing, Inc. will allow for Westerntkileasing, Inc. to construct on City property a FBO Terminal building and common hangar. The FBO will be a two story building with 17,000 square feet and an addition of 88 parking spots. The common hangar will be 40,000 square feet hangar with 3,000 square feet of office space, eight car garages and will fit up to four Gulfstream jets. The lease purchase agreement between City of McKinney and Westerntkileasing, Inc. allows for the City to lease and have the option to purchase the FBO Terminal and Common Hangar. The budget amendment appropriates \$10M for rent deposit and appropriates \$4M from MEDC, \$4M from MCDL, and \$2M from Airport Construction Fund. Westerntkileasing, Inc. constructs and owns the terminal and hangar. Westerntkileasing, Inc. leases the land from City of McKinney. The City of McKinney leases and operates the terminal and hangar over 20 years with the revenue from the hangar, new FBO terminal and current FBO terminal paying the lease payments. At the conclusion of 20 years, ownership of the terminal and hangar revert to City of McKinney. The City can purchase the terminal and hangar at any time. There is a prepayment penalty before five years at 125% of the remaining principal, after five years there is no prepayment penalty. There is a Cost of Construction with a not to exceed amount of \$16M. If the project comes in under \$16M, lease payments are adjusted downward. The City of McKinney will pay \$10M rent deposit upfront consisting of \$4M from McKinney Economic Development Corporation, \$4M from McKinney Community Development Corporation, and \$2M from the Construction Fund. The remaining \$6M is funded by Westerntkileasing, Inc. and will be amortized over 20 years at 4.7% APR

including ground lease and financing costs. Council member Philips stated that he wanted these three items tabled to the next meeting since the leases were not included in the agenda item presented to Council. The motion by Council member Philips, seconded by Council member Shemwell, to table this item to the next meeting failed with a vote of 3-4-0, Mayor Fuller, Mayor Pro Tem Rogers, Council members Elliott, and Councilwoman Rath voting against. Council approved the motion by Mayor Pro Tem Rogers, seconded by Councilwoman Rath, to approve an Ordinance amending the Fiscal Year 2017-2018 Annual Budget and the 2018 - 2022 Capital Improvement Program to provide funding for the Airport FBO Terminal and Hangar Project (A11743) with a vote of 6-1-0, Council member Philips voting against. Caption reads as follows:

ORDINANCE NO. 2017-12-115

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING A CERTAIN BUDGET AMENDMENT PERTAINING TO THE FISCAL YEAR 2017-2018 BUDGET AND 2018 - 2022 CAPITAL IMPROVEMENT PROGRAM TO PROVIDE FUNDING FOR THE AIRPORT FBO TERMINAL AND HANGAR PROJECT (A11743); AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

- 17-1198** Mayor Fuller called for Consideration/Discussion/Action on a Resolution Authorizing the City Manager to Execute a Lease Agreement With Purchase Option at McKinney National Airport Between the City of McKinney, Texas and Westerntkileasing Inc. Deputy City Manager Jose Madrigal stated that this item is a lease agreement with a purchase option between the City of McKinney and Westerntkileasing Inc. as discussed in the previous item. Council member Philips stated that he wanted his desire to table all three items recorded in the minutes. Council approved the motion by Councilwoman Rath, seconded by Council member Branch, to approve a Resolution authorizing the City Manager to execute a lease agreement with purchase option at McKinney National Airport Between the City of McKinney, Texas and Westerntkileasing Inc. with a vote of 6-1-0, Council member Philips

voting against. Caption reads as follows:

RESOLUTION NO. 2017-12-216 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A LEASE AGREEMENT WITH PURCHASE OPTION AT MCKINNEY NATIONAL AIRPORT BETWEEN THE CITY OF MCKINNEY, TEXAS AND WESTERNTKILEASING INC.

17-1199 Mayor Fuller called for Consideration/Discussion/Action on a Resolution Authorizing the City Manager to Execute a Ground Lease at McKinney National Airport Between the City of McKinney, Texas and Westerntkileasing Inc. Council approved the motion by Council member Elliott, seconded by Mayor Pro Tem Rogers, to approve a Resolution authorizing the City Manager to execute a ground lease at McKinney National Airport Between the City of McKinney, Texas and Westerntkileasing Inc. with a vote of 6-1-0, Council member Philips voting against. Caption reads as follows:

RESOLUTION NO. 2017-12-217 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A GROUND LEASE AT MCKINNEY NATIONAL AIRPORT BETWEEN THE CITY OF MCKINNEY, TEXAS AND WESTERNTKILEASING INC.

17-1118 Mayor Fuller called for Consideration/Discussion/Action on a Resolution Casting 187 Votes to the Board of Directors for the Collin Central Appraisal District. Council member Philips stated that he contacted Ed Standridge who is a candidate for the Board of Directors. I spoke up last night and expressed my opinions last night that if we are going to make a difference in the appraisal district the only change you could make would be to cast all your votes for Ed Standridge. I spoke with Ed and he sent me a copy of his resume. He was in the Air Force and was a Police Officer. He is very involved in the City of Parker community and is on the City Council and was on the Planning and Zoning Commission. Council unanimously approved the motion by Council member Philips, seconded by Councilwoman Rath, to approve a Resolution casting 187 votes for Ed

Standridge for the Board of Directors for the Collin Central Appraisal District. Caption reads as follows:

RESOLUTION NO. 2017-12-218 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, CASTING 187 VOTES FOR ED STANDRIDGE, CANDIDATE FOR THE BOARD OF DIRECTORS FOR THE CENTRAL APPRAISAL DISTRICT OF COLLIN COUNTY, AND PROVIDING FOR AN EFFECTIVE DATE

Mayor Fuller called for Citizen Comments and there were none.

Mayor Fuller called for Council and Manager Comments.

Council member Phillips recognized the McKinney Lions for making it into the playoffs for the first time in seven years. McKinney North went two rounds and had an excellent season. Proud of those guys. McKinney Christian Academy plays Friday at Midway Stadium in Waco for the state championships that are coached by Rod Tate. Proud of McKinney Christian Academy and their program and what they have done with football here in McKinney. Proud to have that organization in McKinney.

Council member Mr. Elliott did not have any comments.

Mayor Pro Tem Rogers did not have any comments.

Council member Shemwell did not have any comments.

Council member Branch did not have any comments.

Councilwoman Rath did not have any comments.

Mayor Fuller made a comment regarding statements that were made regarding frontage along State Highway 121. For anyone wondering why I voted for that item, it is because the developer all the frontage along State Highway 121 is remaining commercial retail frontage. The apartments and multi-family already approved is behind that so the portion of land we are talking about had zero further impact on what was already done. I voted in favor of this development because of the challenges of the site after going out and looking at it. I stand with Mr. Phillips and will not be supporting actual property on the frontage of 121 being changed from commercial to multi-family.

City Manager Grimes reminded everyone that this Thursday, December 7th on Kentucky Street is Santa's Toy Drive from 5 to 8:30 p.m. WFAA will be here hosting the event. McKinney is a cool place to be this Thursday. It is fun to watch everybody come

and drop off the toys. I sent my guys out shopping today for that specific purpose and Cornerstone Ranch will be there to deliver the gifts.

Mayor Fuller recessed the meeting into executive session at 9:35 p.m. per Texas Government Code Section 551.071 (2) Consultation with City Attorney on any Work Session, Special or Regular Session agenda item requiring confidential, attorney/client advice necessitated by the deliberation or discussion of said items (as needed), Section 551.071 (A). Litigation / Anticipated Litigation, Section 551.072 Discuss Real Property, Section 551.074 Discuss Personnel Matters, and Section 551.087 Discuss Economic Development Matters as listed on the posted agenda. Mayor Pro Tem Rogers recessed back into open session at 10:26 p.m.

Mayor Fuller left the meeting at 9:45 p.m.

Mayor Pro Tem Rogers called for Action on Executive Session Items.

Council approved the motion by Council member Philips, seconded by Council member Elliott, to authorize our litigation Counsel Alfredo Herrera to engage in expert witness testimony at the PUC regarding the Plano and Water District case, with a vote of 5-1-0, Council member Branch voting against.

Council unanimously approved the motion by Council member Philips, seconded by Council member Elliott, to adjourn. Mayor Pro Tem Rogers adjourned the meeting at 10:27 p.m.

GEORGE C. FULLER
Mayor

RAINEY ROGERS
Mayor Pro Tem

ATTEST:

SANDY HART, TRMC, MMC
City Secretary