

REINVESTMENT ZONE NUMBER ONE

FEBRUARY 21, 2023

The Reinvestment Zone Number One (TIRZ1) Board of the City of McKinney, Texas met in regular session in the Council Chambers, 222 N. Tennessee Street, McKinney, Texas on Tuesday, February 21, 2023 at 5:00 p.m.

The meeting was broadcast live on cable television Spectrum Channel 16 and AT&T U-Verse Channel 99; and online at <https://mckinneytx.new.swagit.com/views/130>. The video recording is available to members of the public through the City of McKinney meeting archive.

Board Chair Charlie Philips (City Council At-Large #1) called the meeting to order at 5:00 p.m. upon determining a quorum of the board consisting of himself and the following members were present:

- Mayor George Fuller
- Mayor Pro Tem Rainey Rogers, City Council District 2
- Justin Beller, City Council District 1
- Geré Feltus, City Council District 3
- Board Vice Chair Rick Franklin, City Council District 4
- Patrick Cloutier, City Council At-Large #2
- Bry Taylor, Planning & Zoning Commission
- Darrell Hale, Collin County Commissioners Court Precinct 3

These City of McKinney City staff were present: City Manager Paul Grimes, City Attorney Mark Houser, City Secretary Empress Drane, Executive Director of Development Services Michael Quint, Director Planning Jennifer Arnold, Downtown Development & Historic Preservation Planning Manager Paula Nasta, Accounting Manager Chance Miller, Director of McKinney National Airport Kenneth Carley, and Chief Building Official Suzanne Arnold.

There were approximately fifteen (15) members of the public present in the audience including Capital Improvement Advisory Committee Member Steve Wilson.

Chairman Philips called for Public Comments at which time there were no requests to speak to the Board.

Chairman Philips called for the Regular Agenda and Public Hearing items:

23-0105 Election of Vice Chair

Board members unanimously approved the motion by Chairman Charlie Philips, seconded by Board member Patrick Cloutier, to elect Rick Franklin as Vice Chairman for the remainder of the calendar year.

23-0106 Minutes of the Tax Increment Reinvestment Zone Number One (TIRZ1)
Board Meeting of September 27, 2022

Board members unanimously approved the motion by Board member Rick Franklin, seconded by Board member George Fuller, to Approved 23-0106 Minutes of the Tax Increment Reinvestment Zone Number One (TIRZ1) Board Meeting of September 27, 2022.

23-0107 Conduct a Public Hearing to Consider/Discuss/Act on a Resolution Approving a Chapter 380 Economic Development Agreement and Project Plan Implementation Agreement with Water Boy RE, LLC, for Rehabilitation Project at 215 N Kentucky Street Consisting of Façade Improvements, Environmental Remediation, and Critical Maintenance Upgrades

Planning Manager Paula Nasta stated approval of the applicant's request would exhaust the TIRZ1 budget and the ability to fund other projects. She provided funding options for the Board to consider.

Mayor Fuller stated for the record that he terminated all financial interest and involvement he had in the project in order to be a part of the meeting discussion. Mayor Fuller stated that he would not pursue future involvement with the project.

The following individuals spoke regarding the item:

- Rick Wells (applicant of this agenda item) spoke in support of the request.
- David Becket (co-applicant for agenda items 23-0108 and 23-0109) requested the TIRZ1 Board not utilize all available funding for this request at the expense of funding other projects, namely his.

The Board reached consensus on approving the applicant's full request with the stipulation that all reimbursable expenditures must meet all qualifying criteria as prescribed in the TIRZ1 policy, and with the stipulation of amending the TIRZ1 budget to ensure funding for other projects.

Board members unanimously approved the motion by Board member Rainey Rogers, seconded by Board member Geré Feltus, to close the public hearing and approve a Chapter 380 Economic Development Agreement and Project Plan Implementation Agreement with Water Boy RE, LLC, for Rehabilitation Project at 215 N Kentucky Street Consisting of Façade Improvements, Environmental Remediation, and Critical Maintenance Upgrades. Resolution caption reads as follows:

RESOLUTION NO. 2023-02-001 (TIRZ1)

A RESOLUTION OF THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER ONE, CITY OF MCKINNEY, TEXAS APPROVING A CHAPTER 380 ECONOMIC DEVELOPMENT AND PROJECT PLAN IMPLEMENTATION AGREEMENT FOR THE 215 N. KENTUCKY STREET – HISTORIC MASONIC LODGE RESTORATION PROJECT

The corrected resolution document is included in these minutes as *APPENDIX A: Resolution No. 2023-02-001 (TIRZ1)*

- 23-0108** Conduct a Public Hearing to Consider/Discuss/Act on a Resolution Approving a Chapter 380 Economic Development Agreement and Project Plan Implementation Agreement with B2 Property Leasing, LLC, for the Façade Rehabilitation at 212 E Louisiana Street.

The following individual spoke regarding the request:

- Brendon Bush (co-applicant) spoke in support of the request.

Board members unanimously approved the motion by Board member George Fuller, seconded by Board member Geré Feltus, to close the public hearing and approve a Chapter 380 Economic Development Agreement and Project Plan Implementation Agreement with B2 Property Leasing, LLC, for the Facade Rehabilitation at 212 E Louisiana Street. Resolution caption reads as follows:

RESOLUTION NO. 2023-02-002 (TIRZ1)

A RESOLUTION OF THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER ONE, CITY OF MCKINNEY, TEXAS APPROVING A CHAPTER 380 ECONOMIC DEVELOPMENT AND PROJECT PLAN IMPLEMENTATION AGREEMENT FOR THE 212 E. LOUISIANA STREET FAÇADE IMPROVEMENT PROJECT

- 23-0109** Conduct a Public Hearing to Consider/Discuss/Act on a Resolution Approving a Chapter 380 Economic Development Agreement and

Project Plan Implementation Agreement with B2 Property Leasing, LLC,
for Fire Suppression improvements at 212 E Louisiana Street

- Brendon Bush (co-applicant) spoke in support of the request.

Board members unanimously approved the motion by Board member Geré Feltus, seconded by Board member Rick Franklin, to close the public hearing and approve a Chapter 380 Economic Development Agreement and Project Plan Implementation Agreement with B2 Property Leasing, LLC, for Fire Suppression improvements at 212 E Louisiana Street. Resolution caption reads as follows:

RESOLUTION NO. 2023-02-003 (TIRZ1)

A RESOLUTION OF THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER ONE, CITY OF MCKINNEY, TEXAS APPROVING A CHAPTER 380 ECONOMIC DEVELOPMENT AND PROJECT PLAN IMPLEMENTATION AGREEMENT FOR THE 212 E. LOUISIANA STREET FIRE SUPPRESSION SYSTEM IMPROVEMENT PROJECT EXECUTIVE SESSION

Board members unanimously approved the motion by Board member Patrick Cloutier, seconded by Board member Geré Feltus, to adjourn the meeting at 5:53 p.m.

These minutes approved by the TIRZ1 Board on March 7, 2023 and forwarded to the City Council Regular Meeting of March 21, 2023 for final approval.

CHARLIE PHILIPS, Board Chair

ATTEST:

EMPRESS DRANE, City Secretary

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APPENDIX A: Resolution No. 2023-02-001 (TIRZ1)

RESOLUTION NO. 2023-02-001 (TIRZ1)

A RESOLUTION OF THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER ONE, CITY OF MCKINNEY, TEXAS APPROVING A CHAPTER 380 ECONOMIC DEVELOPMENT AND PROJECT PLAN IMPLEMENTATION AGREEMENT FOR THE 215 N. KENTUCKY STREET – HISTORIC MASONIC LODGE RESTORATION PROJECT

WHEREAS, on September 21, 2010, the City Council of McKinney, Texas ("City"), approved Ordinance Number 2010-09-034 creating the Reinvestment Zone Number 1, City of McKinney (the "Zone") and establishing a Board of Directors for the Zone; and

WHEREAS, Ordinance Number 2010-09-034, as amended which created the Zone, also created and established a board of directors for the Zone; and

WHEREAS, the Zone is a duly constituted reinvestment zone under Chapter 311 of the Texas Tax Code, as amended, acting by and through its duly appointed Board of Directors; and

WHEREAS, pursuant to Section 311.011(a) of the Tax Increment Financing Act, as amended, the board of directors of a reinvestment zone shall prepare, or cause to be prepared, and adopt a project plan and financing plan for the zone and submit the plans to the governing body of the municipality that created the zone for its approval; and

WHEREAS, on October 19, 2010 the Board of Directors of Reinvestment Zone Number One (“Board”) adopted the Project Plan and Financing Plan for the Zone by Resolution Number 2010-10-010 (TR1R); and

WHEREAS, on November 16, 2010 the City Council of the City of McKinney, Texas approved the adopted Project Plan and Financing Plan for the Zone by Resolution Number 2010-11-141(R); and

WHEREAS, on September 2, 2014 the Board approved Resolution Number 2014-09002 (TR1R) providing for the allocation and awarding of TIRZ No. 1 funds for “Catalyst Projects” as defined by the approved Project Plan and Finance Plan for vacant/underutilized sites/buildings; and

WHEREAS, on the 21st day of January, 2020, the City Council of the City of McKinney, Texas approved tax increment financing Reinvestment Zone Number One, City of McKinney (the “Zone”), pursuant to the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, Water Boy RE, LLC (hereinafter “Applicant”) is undertaking the installation of certain fire suppression improvement at an underutilized building located at 215 N. Kentucky Street, McKinney, Texas, wholly within Reinvestment Zone Number One in the City of McKinney, Texas (the “Project”); and

WHEREAS, the Board has established the Project as an eligible project under the Project Plan for the Zone as required by law and determines that a conditional grant to Applicant of its funds will serve the public purpose of promoting local economic development and enhancing business and commercial activity in the Zone and the City of McKinney, Texas; and

WHEREAS, the Board has concluded and hereby finds that this Agreement clearly promotes economic development in the Zone and, as such, meets the requisites under Section 311.101(h) and Chapter 380 of the Texas Local Government Code and further, is in the best interests of the Zone and Applicant.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER ONE, MCKINNEY, TEXAS, THAT:

Section 1. The Board of Directors of Reinvestment Zone Number One, City of McKinney, Texas hereby approves the Chapter 380 Economic Development and Project Plan Implementation Agreement with Water Boy Re, LLC for the 215 N. Kentucky Street – Historic Masonic Lodge Restoration Project.

Section 2. This Resolution shall take effect immediately from and after the date of passage and is so resolved.

DULY PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER ONE, MCKINNEY, TEXAS ON THE 21ST DAY OF FEBRUARY, 2023.

End of APPENDIX A: Resolution No. 2023-02-001 (TIRZ1)