



TITLE: Consider/Discuss/Act on a Chapter 380 Economic Development Agreement with Jeff and Gayle Haynes, Reinvestment Zone Number One and the City of McKinney for the Sidestreet Redevelopment Project Located on the Southwest Corner of Virginia Street and Johnson Street

MEETING DATE: July 16, 2013

DEPARTMENT: Development Services

CONTACT: Barry Shelton, Executive Director of Development Services
Mark Houser, City Attorney

RECOMMENDED ACTION:

- Staff recommends approval of the proposed agreement.

ITEM SUMMARY:

- This item was presented to the Board of Directors for Reinvestment Zone Number One on June 18, 2013. The Board voted unanimously for approval of the requested Chapter 380 Economic Development Agreement.
- The proposed agreement with Jeff and Gayle Haynes and the City of McKinney is intended for the primary purpose of constructing, renovating and operating a restaurant located wholly within Reinvestment Zone Number One in the Town Center area of McKinney.
- The redevelopment project, located at 216 East Virginia Street, is a TIRZ-eligible project in the approved Project Plan of TIRZ No. 1. The project falls under the category of Vacant/Underutilized Sites/Buildings as defined in the TIRZ Project Plan.
- The applicant is requesting an economic development grant from Reinvestment Zone Number One to assist with the expense associated with making the following improvements to the existing building:
 - Making a 6-inch tap of the existing water main and extending fifteen feet of 6-inch PVC fire main into the building, with required saw cutting, removal and replacement of the existing paving in the alley east of the restaurant.
- The applicant shall submit a grant submittal package to staff including all cost and payment documentation. Staff shall verify that the expenditures were made

in such amounts prior to any Grant disbursement.

BACKGROUND:

- This proposal was discussed by the Board of Directors for Reinvestment Zone Number One on March 19, 2013. At that meeting, the Board directed staff to proceed with the agreement and to prepare an amendment to the Project Plan limit annual expenditures on Vacant/Underutilized Sites/Buildings.
- This project has been established as an eligible project under the TIRZ Project Plan under the category of Vacant/Underutilized Sites/Buildings, which is defined as “Relatively smaller projects (under \$5.0 million) for the incremental redevelopment of vacant/underutilized Town Center sites or buildings.” Such sites are limited to the area shown as Vacant/Underutilized Building Improvement Area shown on Figure 3 of the TIRZ Project Plan.