



19-0245

**TITLE:** Consider/Discuss/Act on a Resolution Authorizing the City Manager to Enter into an Agreement with the Regional Transportation Council for Award of Transportation Development Credits for Improvements to East Louisiana Street from State Highway 5 to Throckmorton Street

**COUNCIL GOAL:** Direction for Strategic & Economic Growth  
(1A: Establish regional and infrastructure incentives to increase economic growth)

**MEETING DATE:** March 19, 2019

**DEPARTMENT:** Development Services / Engineering

**CONTACT:** Nick Ataie, P.E., Engineering CIP Manager  
Gary Graham, P.E., Director of Engineering

**RECOMMENDED CITY COUNCIL ACTION:**

- Approval of the Resolution.

**ITEM SUMMARY:**

- This Resolution authorizes the City Manager to enter into an Agreement with the Regional Transportation Council (RTC) for Award of Transportation Development Credits for Improvements to East Louisiana Street from State Highway 5 to Throckmorton Street.

**BACKGROUND INFORMATION:**

- The Regional Transportation Council (RTC) is the regional transportation policy body associated with the North Central Texas Council of Governments (NCTCOG), our regional Metropolitan Planning Organization, and is comprised primarily of local elected officials.
- The City of McKinney has previously been awarded Transportation Development Credits (TDC's) by NCTCOG for adopting policies, programs, and projects that reflect regional priorities and support Mobility 2045 goals.
- A TDC is a financial accounting tool approved by the Federal Highway Administration that allows states to use federal funding on projects without the

typical requirement of a cash match. In other words, cities can leverage awarded TDC's, if approved, to offset their obligated local match for a project.

- In an effort to leverage prior TDC's that were awarded to the City of McKinney, several potential projects were submitted by the City to NCTCOG in late 2018 for consideration, including proposed improvements to East Louisiana Street from State Highway 5 to Throckmorton Street.
- The proposed improvements to East Louisiana Street were previously partially designed under Capital Improvement Project CO1208, also known as the Flour Mill Phase I Project, and included a complete reconstruction of East Louisiana Street including street, drainage, utility, and pedestrian enhancements. The project also includes construction of a roundabout at the intersection of East Louisiana Street and Greenville Road.
- The intent of this project is to provide sustainable infrastructure improvements to further promote economic growth and development east of Downtown McKinney.
- In January 2019, the City of McKinney was notified that the RTC approved the East Louisiana Street Improvements Project under the Metropolitan Transportation Plan (MTP) Policy Bundle TDC Program and the project was included in the 2019-2022 Transportation Improvement Program (TIP).
- An agreement has been prepared by the NCTCOG for execution by the City which generally outlines the following related to award of TDC's for the East Louisiana Street Improvements ("Project"):
  - Award and use of 736,000 in TDC's as a match to certain federal grant funds for the Project;
  - Separate funding agreements will be required at a later date for use of federal grant funds for the Project;
- The Project has an estimated cost of \$3,780,000 including design, utility relocation, and construction whereas \$3,680,000 are eligible to be funded through federal grant funds.
- The Project funding schedule has been established under the TIP with the engineering phase planned to begin in late 2021 and construction planned to begin in late 2023.
- Upon approval of this agreement, the Project will be included in the FY2020-2024 Capital Improvements Plan reflecting the associated costs and schedule.

#### **FINANCIAL SUMMARY:**

- The agreement will allow the City to leverage TDC's in lieu of an estimated \$736,000 local match for federal grant funding for the project.
- The project will be included in the FY2020-2024 Capital Improvements Plan reflecting \$3,680,000 in federal grant funding and an estimated \$100,000 in local funding for non-eligible project costs.

**BOARD OR COMMISSION RECOMMENDATION:**

- N/A

**SUPPORTING MATERIALS:**

[Resolution](#)

[McKinney TDC Agreement](#)