



CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 17-1197, **Version:** 1

Consider/Discuss/Act 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 (AI1743)

COUNCIL GOAL: Maximize the Development Potential of the McKinney National Airport

MEETING DATE: December 5, 2017

DEPARTMENT: McKinney National Airport

CONTACT: Jose Madrigal, Deputy City Manager

RECOMMENDED CITY COUNCIL ACTION:

- Staff recommends approval of the ordinance.

ITEM SUMMARY:

- This Ordinance amends 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 (AI1743).
- The budget will be amended as follows:
 - \$4,000,000 - McKinney Economic Development Corporation (MEDC)
 - \$4,000,000 - McKinney Community Development Corporation (MCDC)
 - MEDC & MCDC funds will be contributed to the Airport Construction fund and combined with \$2,000,000 Airport Construction Fund balance for a total of \$10,000,000, which will be appropriated in the project.
- There is a companion agenda item for the City of McKinney's McKinney National Airport to enter into a Lease Agreement With Purchase Option at the McKinney National Airport with Westerntkileasing Inc. to develop a New Fixed Base Operator Terminal, Expanded Parking, Upgraded U.S. Customs Facility, and 40,000 Square Foot Common Hangar at the McKinney National Airport.

BACKGROUND INFORMATION:

- Throughout FY 2017 the City of McKinney's McKinney National Airport has worked with the McKinney Economic Development Corporation, McKinney Community Development Corporation, and private developers to create a plan to develop a New Fixed Base Operator Terminal, Expanded Parking, Upgraded U.S. Customs Facility, 40,000 Square Foot Common Hangar at the McKinney National Airport.
- McKinney National Airport staff initially presented to City Council a plan to develop the airport

further on October 3rd, 2016. City Council was supportive of further development at McKinney National Airport, and directed staff to evaluate more options, including the private sector participation.

- During the spring and summer of 2017, the City of McKinney secured project grant funding in the amount of \$4 million from the McKinney Economic Development Corporation and \$4 million from the McKinney Community Development Corporation. These funds were added to a financial commitment from the private sector of \$8 million in construction financing and construction to develop a New Fixed Base Operator Terminal, Expanded Parking, Upgraded U.S. Customs Facility, 40,000 Square Foot Common Hangar at the McKinney National Airport.

FINANCIAL SUMMARY:

- This Ordinance amends 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 (AI1743).
- The budget will be amended as follows:
 - \$4,000,000 - McKinney Economic Development Corporation (MEDC)
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 - MEDC & MCDC funds will be contributed to the Airport Construction fund and combined with \$2,000,000 Airport Construction Fund balance for a total of \$10,000,000, which will be appropriated in the project.

BOARD OR COMMISSION RECOMMENDATION:

- N/A