



CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 18-529, **Version:** 1

Consider/Discuss/Act on a Resolution Authorizing the City Manager to Enter Into an Agreement with Columbia Medical Center of McKinney

COUNCIL GOAL: Direction for Strategic and Economic Growth
(1A: Establish Regional and Infrastructure Incentives to Increase Economic Growth)

MEETING DATE: June 19, 2018

DEPARTMENT: City Manager's Office

CONTACT: Barry Shelton, Assistant City Manager

RECOMMENDED CITY COUNCIL ACTION:

- Approval of the Resolution

ITEM SUMMARY:

- The attached agreement provides for incentives in the form of reimbursement of 50% of the increase in City of McKinney ad valorem taxes on business personal property and real property improvements for a five-year period, beginning in tax year 2021.

BACKGROUND INFORMATION:

- Columbia Medical Center of McKinney's first phase of expansion consists of an 80,000 square foot expansion to their facility located on the southwest corner of Medical Center Drive and Spur 399. This expansion is planned to be a new behavior health and rehabilitation pavilion.
- Medical Center of McKinney is also proposing a second phase of expansion consisting of an expansion to the progressive care unit (PCU) and emergency room (ER).
- The expansion will increase the taxable value of property in the City and will enhance the economic development of the City through the creation and retention of jobs and payment of ad valorem taxes to the City.

FINANCIAL SUMMARY:

- The proposed incentives will be capped at 5 years and a total of \$675,000.
- The tax reimbursements are paid after the City receives ad valorem taxes from the property owner.

BOARD OR COMMISSION RECOMMENDATION: None