CITY OF McKINNEY, TEXAS

Legislation Text

File #: 18-798, **Version:** 1

Conduct a Public Hearing to Consider/Discuss/Act on a Resolution Approving a Chapter 380 Economic Development Agreement and Project Plan Implementation Agreement with Nash Group Real Estate, Inc. for the Façade Improvement Project at 110 N. Tennessee Street

MEETING DATE: September 18, 2018

DEPARTMENT: Planning

CONTACT: Matt Robinson, AICP, Planning Manager
Jennifer Arnold, AICP, Interim Director of Planning

RECOMMENDED ACTION:
- Staff recommends approval of the proposed resolution.

ITEM SUMMARY:
- The proposed agreement with Nash Group Real Estate, Inc. and the City of McKinney is intended for the primary purpose of assisting with façade improvement costs.

- The redevelopment project, located at 110 N. Tennessee 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.

- Under the policy governing allocation and/or awarding of TIRZ No. 1 funds for Vacant/Underutilized Site/Buildings as defined by the approved Project Plan, reimbursement and or grant requests are limited to a maximum of $25,000 per qualifying project, with a maximum of $100,000 awarded for qualifying vacant/underutilized site/buildings during each fiscal year.

- 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:

  - Façade improvements consisting of exterior porch molding restoration, replacement of damaged soffit mortar, window well glazing and sealing, cleaning and tuck pointing masonry to maintain the historic nature of the building.

- The applicant has received approval of a Certificate of Appropriateness from the Historic Preservation Officer for the proposed façade improvements.

- 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:

- TIRZ has the authority under Section 311 and Chapter 380 of the Texas Local Government Code to make loans or grants of TIRZ funds for the purposes of promoting local economic development and stimulating businesses and commercial activity within the TIRZ.

- This project has been established as an eligible project in 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.

- For qualifying Vacant/Underutilized Site/Buildings, reimbursement or grant requests are limited to a maximum of $25,000 per project, with an overall maximum of $100,000 being awarded each fiscal year for Vacant/Underutilized Site/Buildings project types. Reimbursement and/or grant requests are funded on a first-come, first-serve basis until the maximum fiscal year allotment has been reached. To date for FY2018-2019, there have been no reimbursement or grant requests for Vacant/Underutilized Site/Buildings.

- Projects that have received funding from TIRZ No.1 are listed below:

  Vacant/Underutilized Sites/Buildings
    - 205 W. Louisiana Street - $25,000 (FY2017-2018)*
    - 207 E. Virginia Street - $16,825 (FY2017-2018)
    - 101 Louisiana Street - $25,000 (FY2015-2016)
    - 101 Louisiana Street - $25,000 (FY2015-2016)
    - 214 E. Louisiana (Hope Hardware) - $25,000 (FY2015-2016)
    - 214 E. Louisiana (Hope Hardware) - $25,000 (FY2014-2015)
    - Cotton Mill - $500,000 (FY2014)

     *project not completed

FINANCIAL IMPACT:

- The FY2018-2019 annual budget for TIRZ No. 1 includes funding for Vacant/Underutilized Sites/Building incentives up to $100,000 per fiscal year, with a $25,000 maximum per project.