TAX INCREMENT REINVESTMENT ZONE NUMBER ONE OCTOBER 21, 2025

The Reinvestment Zone Number One of the City of McKinney, Texas met in regular session in the Council Chambers, located at 401 E. Virginia Street, McKinney, Texas on Tuesday, October 21, 2025 at 4:30 p.m.

TIRZ1 Board members present: Chairman Rick Franklin, and members Patrick Cloutier, Michael Jones, Darrell Hale, Steve Lebo, Geré Feltus, Justin Beller, Bill Cox, and Ernest Lynch.

City of McKinney staff present: City Manager Paul Grimes, Assistant City Manager Jennifer Arnold, Assistant City Manager Steve Tilton, Assistant City Manager Trevor Minyard, Assistant City Manager Barry Shelton, City Attorney Mark Houser, First Assistant City Attorney Benjamin Samples, City Secretary Empress Drane, Deputy City Secretary Tenitrus Parchman, City Secretary Accreditation & Reporting Specialist Edith Ruiz, City Secretary Administrative Assistant Sheridan Burns, City Secretary Permit Technician Katelyn Hardaway, Audio / Video Technician Joshua Arias, Police Officer Kendall Sam, Executive Director of Development Services Michael Quint, Director of Planning Lucas Raley, and Planning Manager Cassie Bumgarner.

There were approximately twenty (20) members of the public in the audience, including these appointed officials of the city: McKinney Main Street Board members Lauren Smith and Jim Schwalls, and McKinney Main Street Board Street Board Alternate Ken Holladay.

Chairman Rick Franklin designated Board member Bill Cox to lead the meeting.

Board member Bill Cox called the meeting to order at 4:54 p.m. upon determining all members were present.

Board member Bill Cox called for Public Comments on agenda items.

Jim Schwalls, 905 W. Hunt Street, spoke regarding agenda item #25-3282 (Fire Suppression Projects).

Board member Bill Cox called for the agenda items, as follows:

25-3281 Minutes of the Tax Increment Reinvestment Zone Number One Board Meeting of September 2, 2025

Board members unanimously approved the motion by Board member Steve Lebo, seconded by Board member Rick Franklin, to approve the minutes.

25-3282 Update on Downtown McKinney Fire Suppression Projects

No action was taken on the item. The presentation not included with the posted agenda for this meeting is included in these minutes as *Appendix A: 25-3282 Presentation*- Fire Suppression

25-3283 Consider/Discuss/Act on a Resolution Approving a Chapter 380

Economic Development Agreement and Project Plan Implementation

Agreement with The Parks Church for the Critical Maintenance and

Historic Façade Restoration Improvements Project Located at 110 E

Davis Street

Paul Redel (Applicant), 409 Rice Street, McKinney TX 75069, spoke in support of the agreement and plan.

Board members unanimously approved the motion by Board member Justin

Beller, seconded by Board member Geré Feltus, to approve a Resolution for a Chapter

380 Economic Development Agreement and Project Plan Implementation Agreement

with The Parks Church for the Critical Maintenance and Historic Façade Restoration

Improvements Project Located at 110 E Davis Street, resolution caption reading as

follows:

RESOLUTION NO. 2025-10-002 (TIRZ1)

A RESOLUTION OF THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER ONE, CITY OF MCKINNEY, TEXAS, APPROVING A CHAPTER 380 ECONOMIC DEVELOPMENT AND PROJECT PLAN IMPLEMENTATION AGREEMENT FOR THE 110 E. DAVIS CRITICAL MAINTENANCE AND FAÇADE IMPROVEMENT PROJECT

25-3284 Consider/Discuss/Act on a Resolution Approving a Chapter 380

Economic Development Agreement and Project Plan Implementation

Agreement with Hugs Café Inc. for the Fire Suppression Project at 221

Andrews Street

Board member Michael Jones recused himself from discussion and action pertaining to this item.

Lauren Smith (Applicant), 221 Andrews Street, McKinney TX 75069 spoke in support of the agreement and plan.

The motion by Board member Darrell Hale to approve an amended funding amount failed for lack of a second.

The motion by Board member Geré Feltus, seconded by Board member Rick Franklin, to approve the full requested amount, failed with a vote of 4 – 4, Board members Patrick Cloutier, Darrell Hale, Steve Lebo, and Justin Beller voting no. Board member Michael Jones was not present and abstained from voting.

Board members approved the motion made by Board member Darrell Hale, seconded by Board member Patrick Cloutier, to a Resolution for a Chapter 380 Economic Development Agreement and Project Plan Implementation Agreement with Hugs Café Inc. for the Fire Suppression Project at 221 Andrews Street, per staff recommendations, with a vote of 5 - 3, Board members Rick Franklin, Geré Feltus, and Ernest Lynch voting no, and Michael Jones abstaining; resolution caption reads as follows:

RESOLUTION NO. 2025-10-003 (TIRZ1)

A RESOLUTION OF THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER ONE, CITY OF MCKINNEY, TEXAS, APPROVING A CHAPTER 380 ECONOMIC DEVELOPMENT AND PROJECT PLAN IMPLEMENTATION AGREEMENT FOR THE 221 ANDREWS STREET FIRE SUPPRESSION PROJECT

25-3285 Consider/Discuss/Act on a Resolution Approving a Chapter 380

Economic Development Agreement and Project Implementation

Agreement with the City of McKinney for a Catalyst Project (Sunset Amphitheatre) Located at 2000 Gateway Boulevard

Board members approved the motion by Board member Patrick Cloutier, seconded by Board member Rick Franklin, to approve a Chapter 380 Economic Development Agreement and Project Implementation Agreement with the City of McKinney for a Catalyst Project (Sunset Amphitheatre) Located at 2000 Gateway Boulevard with a vote of 8 - 1, Board member Justin Beller voting no; resolution caption reads as follows:

RESOLUTION NO. 2025-10-004 (TIRZ1)

A RESOLUTION OF THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER ONE, CITY OF MCKINNEY, TEXAS, APPROVING A CHAPTER 380 ECONOMIC DEVELOPMENT AND PROJECT PLAN IMPLEMENTATION AGREEMENT WITH THE CITY OF MCKINNEY, TEXAS FOR THE SUNSET AMPHITHEATRE PROJECT

25-3286 Consider/Discuss/Act on a Resolution Approving a Chapter 380 Economic Development Agreement and Project Plan Implementation REINVESTMENT ZONE NUMBER ONE OCTOBER 21, 2025

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Agreement with UB33 McKinney LLC for a Fire Suppression,

Environmental Remediation, and Critical Maintenance Project Located

at 308 W Virginia Street

Preston Lancaster (Applicant), 2591 Dallas Pkwy Ste 300, Frisco TX 75034, spoke

in support of the agreement and plan.

Board members approved the motion by Board member Darrell Hale, seconded

by Board member Rick Franklin, to approve a Chapter 380 Economic Development

Agreement and Project Plan Implementation Agreement with UB33 McKinney LLC for a

Fire Suppression, Environmental Remediation, and Critical Maintenance Project Located

at 308 W Virginia Street, per staff recommendation plus five hundred thousand dollars

(\$500,000), with a vote of 6 - 3, with Board members Patrick Cloutier, Steve Lebo, and

Geré Feltus voting no; resolution caption reading as follows:

RESOLUTION NO. 2025-10-005 (TIRZ1)

A RESOLUTION OF THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER ONE, CITY OF MCKINNEY, TEXAS, APPROVING A CHAPTER 380 ECONOMIC DEVELOPMENT AND PROJECT PLAN IMPLEMENTATION AGREEMENT FOR THE 308 W. VIRGINIA STREET CRITICAL MAINTENANCE, ENVIRONMENTAL REMEDIATION, AND FIRE SUPPRESSION PROJECT

The TIRZ1 Board did not meet in Executive Session.

Board members unanimously approved the motion by Board member Geré Feltus, seconded by Board member Patrick Cloutier, to adjourn the meeting at 6:13 p.m.

These minutes were approved by the TIRZ1 Board on November 18, 2025.

ZONE NUMBER ONE BOARD

RICK FRANKLIN
Chair

TAX INCREMENT REINVESTMENT

ATTEST:

EMPRESS DRANE

City of McKinney Collin county, Texas

City Secretary

(next page) Appendix A: 25-3282 Presentation - Fire Suppression

Downtown Fire Protection

TIRZ #1 Board Meeting 10/21/2025





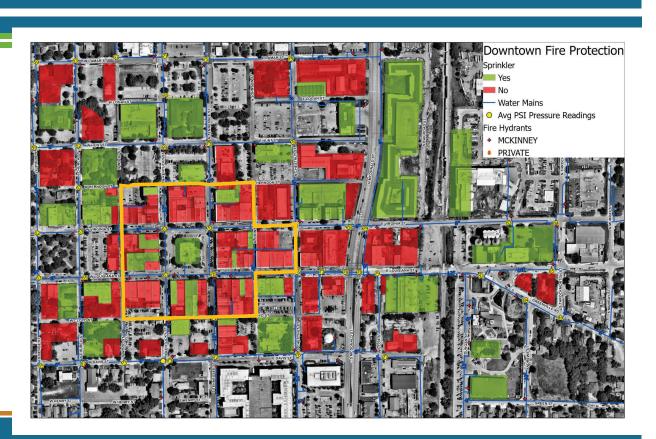




Desired Outcome

- 100% coverage with fire alarms and fire sprinklers
- Stakeholder buy in
- Preservation of historic buildings
- Preservation of economic impact and cultural/tourism

Existing Conditions



Existing Conditions

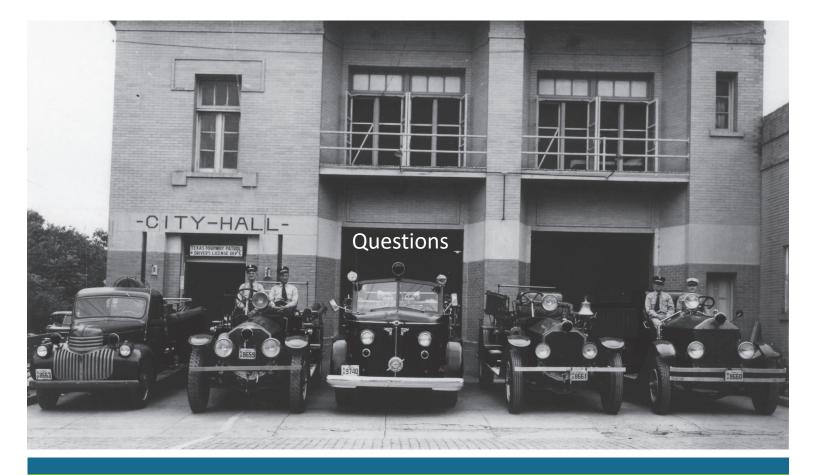
- Narrative of existing conditions
 - Water lines
 - 12" in areas where streets have been reconstructed
 - 6"-8" elsewhere
 - Water pressure adequate for city standards
 - Fire Flow –Key metric on functionality of fire suppression capabilities
 - Hydrants distributed appropriately throughout downtown
 - Fire response times
 - Fire Station #1 is close
 - Streets, traffic and special events can hinder response
 - Relatively few buildings are protected

City Council Direction

- Design Phase The City of McKinney will utilize TIRZ #1 dollars to fund a professional services contract for the planning, design and construction administration for the McKinney Downtown Fire Protect Project. This will include:
 - Review existing historic buildings to determine the basis of sprinkler design.
 - Review possible internal and external fire riser locations.
 - Review viable pipe route options for each building or multiple connected buildings.
 - Provide 30% fire protection scope documents, details, and budgetary cost estimates.
- Construction Phase Following preparation of 30% plans for the nine-block study area, the City of McKinney will utilize TIRZ #1 dollars to fund construction of connections to underground water supply, fire protection risers, main pipes, and associated control valves.

Status of Design Contract

- A Request for Qualifications (RFQ) for professional services associated with the planning, design, and construction procurement/administration for the McKinney Downtown Fire Sprinkler Project was issued on May 2, 2025.
- The deadline for submittals was May 29, 2025, and Reed Fire Protection Engineering was selected.
- We plan on having a proposal from Reed on or before October 31st. The design phase of the downtown project will last approximately <u>8-10 months</u>.
- The design phase of the project is anticipated to be somewhere between \$250,000 and \$350,000.



Existing Assistance Programs – TIRZ #1 Vacant/Underutilized Buildings

- The Third Amended Tax Increment Reinvestment Zone No. 1 (Town Center) Project Plan authorizes expenditures for "fire suppression improvement costs (including fire sprinkler systems)."
 - These grants could be part of a unified plan for fire suppression for the historic square or used for individual buildings.
 - Items considered 'fire suppression' include, but are not limited to underground lead-in mains, fire sprinkler risers and floor controls, fire sprinkler systems, standpipe hose systems, and fire alarm systems.
- The current TIRZ Administration Policy establishes a per project cap of \$50,000 and offers 50/50 matching grants for fire suppression.
- Per TIRZ Administration Policy, annual cap of \$100,000 per year under the fire suppression category.

Existing Assistance Programs – TIRZ #1 Vacant/Underutilized Buildings

- Utilization
 - 205 W Louisiana Street (DFA, Ltd)
 - Project Details: Installation of fire sprinkler system and fire alarm system
 - TIRZ Funding: \$25,000
 - 110 E. Louisiana Street (Crouch Building)
 - Project Details: Installation of sprinkler tap, new sprinkler system, and fire alarm system
 - TIRZ Funding: \$26,183
 - 212 E. Louisiana Street (Horse's Axe)
 - Project Details: Underground utilities and installation of sprinkler tap, new sprinkler system, and fire alarm system
 - TIRZ Funding: \$50,000

Existing Assistance Programs – MCDC Retail Development Infrastructure Grant

- The McKinney Community Development Corporation offers a Retail Development Infrastructure Grant to provide funding support for infrastructure improvements for landmark retail properties.
- Landmark retail is defined as including buildings within the historic downtown areas with boundaries that coincide with the "Cultural District" designation.
- Eligible improvements include fire suppression.
- The current program establishes a per project cap of \$50,000 and offers 75/25 matching grants for fire suppression.
 - There is an annual allocation of \$300,000 for the overall grant program
 - Other City of McKinney funding sources cannot be used as match

Existing Assistance Programs – MCDC Retail Development Infrastructure Grant

- Utilization
 - FY 23
 - 215 N. Kentucky Street (Harvest at the Masonic) \$50,000 for installation of fire suppression system
 - _ EV 2/
 - 215 N. Kentucky Street (Harvest at the Masonic) \$24,364.20 for fire/alarm system
 - 214 E. Louisiana Street (Hope Hardware Building) \$50,000 for installation of fire suppression for restaurant
 - FY 25 (pending)
 - 307 W. Louisiana Street (Hamm's Meat) \$50,000 for installation of fire suppression and site work

City Comparisons

City	Program	Project Cap*	Project Parameters
Garland	TIRZ	n/a	50/50 match
San Antonio	TIRZ	n/a	n/a
Denton	TIRZ	\$50,000	50/50 match
Dallas	TIRZ	unknown	unknown
Bryan	Grant	\$50,000	50/50 match
Grapevine	unknown / undefined		
Rockwall	unknown / undefined		

^{*}Fire Suppression projects only