

McKinney Community Development Corporation Retail Development Infrastructure Grants (RDIG) Program (Fiscal Year 2026 – October 1 – September 30, 2026)

The Retail Development Infrastructure Grant Program (RDIG) was created to provide funding support for infrastructure improvements for redevelopment of retail properties within the City of McKinney.

<u>Retail</u> – Retail is defined as sales tax generating businesses including storefronts, shops, restaurants, specialty food venues, event venues, salons (with a retail sales component), grocery stores, drug stores.

Eligibility:

Purpose and Scope –

- Grant requests must be eligible for funding under Chapters 501-505 of the Texas Local Government Code.
- This grant is intended for redevelopment of aging property.
- New construction will not be considered.
- Applicant must demonstrate that the proposed infrastructure improvements are necessary to promote
 or develop new or expanded business.
- Consideration will only be given to projects that facilitate generation of city sales tax revenue.
- Board priorities include exterior infrastructure improvements directly linked to health, life/safety issues that will better protect people visiting a retail establishment.
- Board may consider applications for projects that are complete or already underway, if the project start date is within six months prior application cycle.

<u>Project Location Consideration</u> – Eligible locations for this grant program were discussed as properties located within $\frac{1}{2}$ mile of the boundaries listed below, due to development patterns in the city.

- Locations along major City thoroughfares including 380 (North), Custer Road (West), Eldorado (South),
 Highway 5 (East)
- Locations in Downtown McKinney
- Locations throughout the McKinney Historic Cultural District

Eligible Improvements

The Retail Development Infrastructure Grants will fund infrastructure improvements, for retail establishments or buildings housing a retail enterprise, that are <u>exterior to a property</u>, <u>necessary to promote or develop</u> <u>new or expanded business enterprises</u>, and include:

- Sewer
- Water
- Electric Utilities
- Gas Utilities
- Drainage
- Site Improvements
 - Lighting (for security enhancements only)
 - Fencing (for security enhancements only)

- Landscape only considered if replacement required due to infrastructure improvements)
- Walkways concrete or other materials
- Parking
- Fire suppression systems however, requests from businesses in the downtown historical district, for funding support for fire suppression, should be addressed to the City of McKinney Planning Department – TIRZ Grant program.

Funding

For the current fiscal year, MCDC has allocated \$300,000 to the Retail Development Infrastructure Grants Program.

The maximum award for any single grant will be **75% of total cost** of the proposed eligible infrastructure improvements, **up to a maximum of \$50,000**. The 25% match can be funded by the property owner or tenant. Funds secured from other City of McKinney sources (TIRZ, Community Grants, etc.) may not be used for the owner/tenant match.

The funds may be used for materials, construction, and licensed contractor fees.

A minimum of two bids to complete the work must be submitted with the application to demonstrate project costs.

Process:

- A completed application form will be submitted to MCDC in accordance with an established schedule
- Bids secured for the proposed work must be included with the application*
- A public hearing will be conducted on applications eligible for consideration, during a regularly scheduled MCDC board meeting. Board action will be scheduled for the board meeting in the following month
- Grant requests will be reviewed by legal counsel and a subcommittee of the MCDC board to confirm eliqibility for funding under Chapters 501-505 of the Texas Local Government Code.
- The subcommittee will present its recommendation for funding to the full MCDC board.
- If a grant is approved, a performance agreement will be prepared and executed between MCDC and grant recipient.
- **Preference may be given** to Applicants who have **not** received funding from MCDC within the previous 12-month period.
- *A certified estimate may be accepted with the application if the timeframe for the bid expires earlier than the timeframe for the application, presentation and decision on the funding request.

Grant Funds Disbursement:

- Funds will be available following execution of a Retail Development Infrastructure Grant Performance Agreement outlining the scope of the work to be performed and a timeline for implementation.
- Funds will be distributed on a reimbursement basis, once paid receipts and invoices for eligible expenses are received.
- The project must be completed within one-year.
- Property owners will be responsible for maintaining any infrastructure improvements made with RDIG funding for ten (10) years.
- Project must be completed and inspected for Code compliance.
- A signed Contractor's Sworn Statement and Waiver of Lien to Date form must be completed and notarized.