



Hugs Cafe Inc
224 E Virginia Street
McKinney, TX 75069
Lauren Smith, Executive Director
lauren@hugscafe.org | 940-367-7016

August 25, 2025

To Whom It May Concern,

On behalf of Hugs Cafe Inc., I am writing to provide an overview of our proposed development located at 221 Andrews Street, McKinney, Texas 75069. Hugs Cafe Inc. is a 501(c)(3) nonprofit organization dedicated to providing meaningful employment and vocational training for adults with intellectual and developmental disabilities (IDD).

The new facility will serve as the Hugs Headquarters, a centralized employment and training center that will expand our capacity to deliver job-readiness instruction, culinary arts training, and supported employment opportunities for adults with IDD. This purpose-built development will include commercial kitchen space, training classrooms, administrative offices, and inclusive gathering areas for community engagement.

Business/Development Name: Hugs Cafe Inc

Type of Business: Nonprofit employment and training facility for adults with intellectual and developmental disabilities.

Development Address: 221 Andrews Street, McKinney, TX 75069

Anticipated Economic and Community Impact:

- Jobs Created: up to 72 additional jobs annually for individuals with IDD, program instructors, and support staff.
- Annual Revenue: Estimated \$750,000 in cafe sales and \$200,000 in program tuition.
- Estimated Benefit to City: Approximately \$61,875 in ad valorem and sales tax revenue annually.
- Total Project Cost: \$10,000,000

Reimbursement Eligibility and Request:

This development qualifies under the TIRZ Project Plan as a Catalyst Employment Project and New Build due to its direct creation of jobs, enhancement of local workforce training infrastructure, and alignment with community economic development goals. We are respectfully requesting a reimbursement of \$147,781.85 to offset eligible costs associated with the project, including fire safety improvements and utility infrastructure enhancements.

About Hugs Headquarters:

The Hugs Headquarters will become the central hub for all of Hugs Cafe Inc.'s employment and training programs. The facility will:

- Train adults with IDD in life skills, job readiness, and culinary techniques.
- Serve as the main production site for Hugs Café food and catering operations.
- Offer community workshops, support programs, and volunteer engagement.
- Provide long-term workforce development pipelines that promote inclusive employment throughout the region.

We are grateful for the City of McKinney's consideration and support of this transformative project and are confident in the long-lasting positive impact it will have on our community.

A handwritten signature in black ink, appearing to read "Lauren Smith". The signature is fluid and cursive, with the first name "Lauren" being more prominent than the last name "Smith".

Sincerely,
Lauren Smith
Executive Director
Hugs Cafe Inc.
Lauren@hugscafe.org
940-367-7016