

City-Owned Property Redevelopment



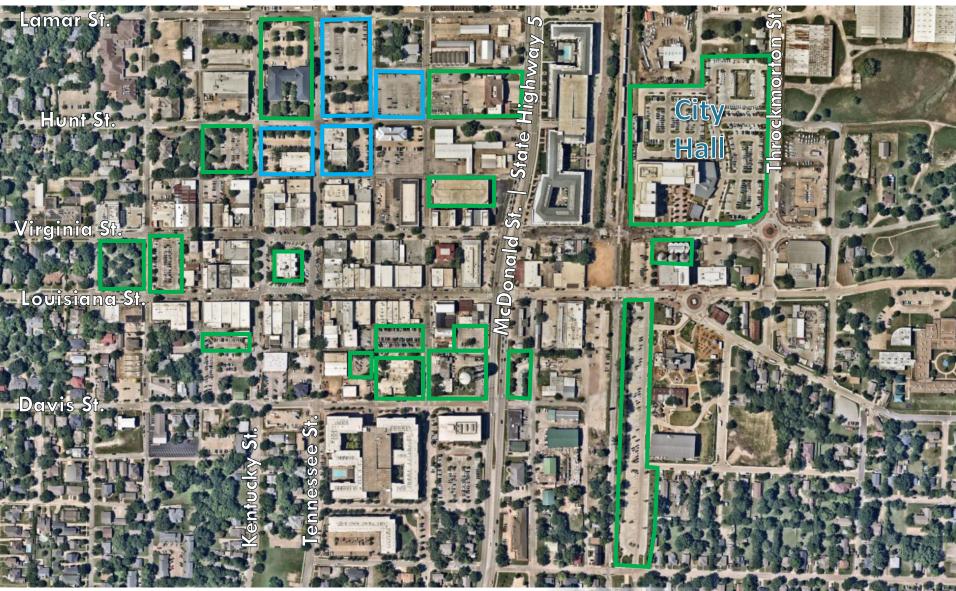
Michael Quint, Executive Director of Development Services

Overview

- About the Properties
- Where we have been
- What we have learned
- Where we are now



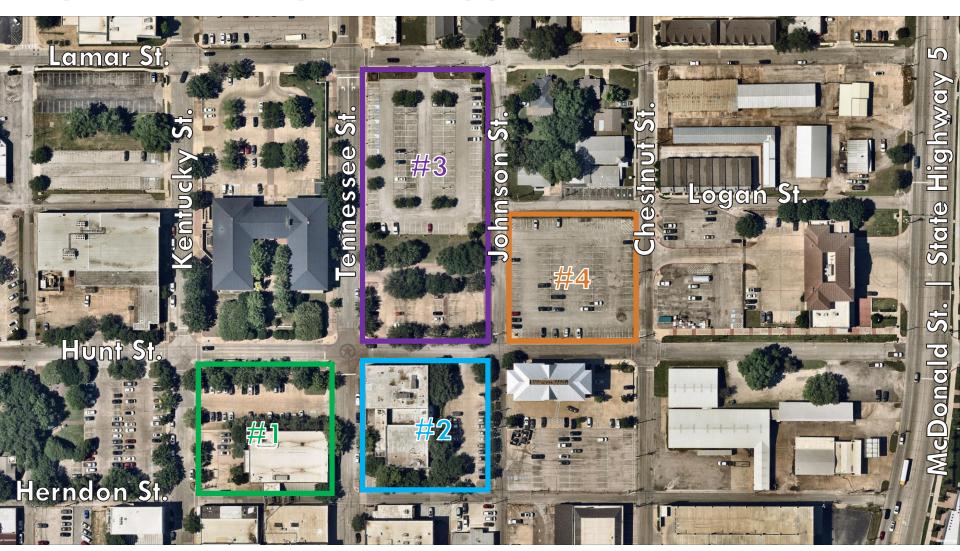
City-Owned* Properties in Downtown



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City-Owned Properties: Approx. 4.75 Acres Total



About Property No. 1: Former Development Svcs. Building



Dev. Svcs. Bldg.: 221 N. Tennessee St.

Property Details:

39,999 sq. ft. (approx. 0.92 acres) Approx. 200 feet by 200 feet 42 Parking Spaces

3/23 Appraised Value: \$1.1M (land)

Located within TIRZ #1

Zoning:

MTC – McKinney Town Center (Downtown Core Character District)

Uses Permitted:

Residential, Hotel, Office, Restaurant, Personal Service, etc.

Height Allowed: 5 stories

Town Center Study Master Plan (Oct. 2008):

Lofts/Office over Retail

2023 Market Study Recommended Use:

Office (+/- 35,000 sq. ft.)
Retail/Restaurant (+/- 8,000 sq. ft.)

About Property No. 2: Former City Hall

City Hall: 222 N. Tennessee St.

Property Details:

40,001 sq. ft. (approx. 0.92 acres) Approx. 200 feet by 200 feet 31 Parking Spaces

3/23 Appraised Value: \$1.1M (land)

Located within TIRZ #1

Zoning:

MTC – McKinney Town Center (Downtown Core Character District)

Uses Permitted:

Residential, Hotel, Office, Restaurant, Personal Service, etc.

Height Allowed: 5 stories

Town Center Study Master Plan (10/2008):

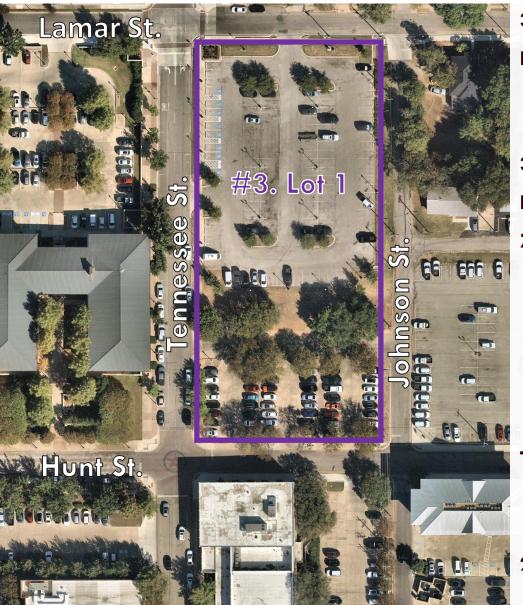
Lofts/Office over Retail

2023 Market Study Recommended Use:

Hotel (+/- 40,000 sq. ft.) 50 rooms



About Property No. 3: Public Parking Lot



308 N. Tennessee St./303 N. Johnson St.

Property Details:

82,005 sq. ft. (approx. 1.88 acres) Approx. 420 feet by 195 feet 172 Parking Spaces

3/23 Appraised Value: \$2.6M

Located within TIRZ #1

Zoning:

MTC – McKinney Town Center (Downtown Core Character District)

Uses Permitted:

Residential, Hotel, Office, Restaurant, Personal Service, etc.

Height Allowed: 5 stories

Town Center Study Master Plan (10/2008):

Parking Garage Townhome and Live/Work Infill Lofts/Office over Retail

2023 Market Study Recommended Use:

Multi-Family Res. (+/- 195 units)
Retail/Restaurant (+/- 10.000 sa. ft.)

About Property No. 4: Public Parking Lot

301 N. Chestnut St.

Property Details:

38,986 sq. ft. (approx. 0.89 acres) Approx. 200 feet by 192 feet 106 parking spaces

3/23 Appraised Value: \$1.15M

Located within TIRZ #1

Zoning:

MTC – McKinney Town Center (Downtown Core Character District)

Uses Permitted:

Residential, Hotel, Office, Restaurant, Personal Service, etc.

Height Allowed: 5 stories

Town Center Study Master Plan (10/2008):

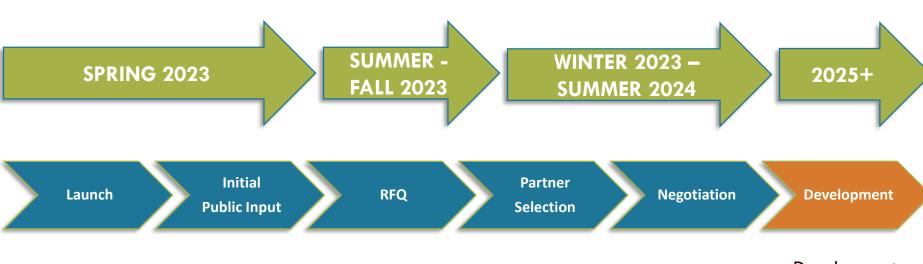
Parking Garage
Townhome and Live/Work Infill
Lofts/Office over Retail

2023 Market Study Recommended Use:

Parking Garage (+/- 400 spaces)



Previous Redevelopment Process: What was the original plan?



- Redevelop or Not?
- Council direction needed.
- What do the public and other stakeholders want to see built on the properties?
- Provide an update to the Council.

- Draft a
 Request For
 Qualifications
 (RFQ).
- Conduct a property appraisal.
- Conduct a market analysis.
- Advertise the RFQ.

- Interview RFQ respondents.
- Staff identifies top partner(s).
- Top partners present to the Council.
- Council selects preferred partner.
- Confidential negotiations occur.
- Development agreement executed.
- Development plans submitted, reviewed, and approved.
- Construction begins.

Previous Redevelopment Process: What has gotten us here?

JAN - MAY '23

JUN – AUG '23

AUG '23 - JAN '24

JAN '24 – MAY '25

Initiative V

Phase 1: Initial Public Input

Phase 2: **⊗**RFQ

Phase 3: Partner Selection

Phase 4: Partnership Negotiations

We Ended Here

- Council provided direction to pursue RFQ process at 1/24/23 work session.
- Appraisals and market study for the properties were conducted.
- Several presentations made to boards and public groups between 3/27/23 and 5/9/23.
- Online public input survey hosted.
- Town Hall meeting on 4/26/23.
- Public feedback shared with City Council at 5/23/23 work session.
- City Council chose to leave the RFQ open to all development types.

- A final version of the RFQ was routed to City Council for review 6/2/23.
- RFQ was issued on 6/18/23.

- 15 submissions were received when the RFQ submittal window closed on 8/17/23
- Staff independently scored the submissions based on the published evaluation criteria.
- The top 5 scoring respondents were notified of upcoming interviews.
- 3 Council members appointed to interview panel on 9/19/23.
- Interviews held on 9/28/23 and 9/29/23.
- Top 3 scoring respondents chosen to move forward.
- Public presentations and "Meet & Greet" from top 3 teams on 11/28/23.
- Additional questions Dec.
 '23
- Select M2G Ventures –
 1/2/24

- City Council small group meetings on 2/14/24.
- Guiding Principles adopted on 3/5/24.
- M2G Public Update Presentation on 4/9/24.
- City Council small group meetings on 4/22/24.
- Negotiation period extended to 12/31/24 on 6/4/24.
- M2G Work Session Presentation on 7/23/24.
- M2G Public Feedback Presentation on 7/29/24.
- City Council small group meetings on 11/5/24.
- Negotiation period extended to 6/30/25 on 12/27/24.
- Negotiations halted in May 2025.

What have we learned?

Redevelopment on the properties should be:





 Provide a best-in-class example of how development should occur within historic downtown McKinney.



The project should:

- Expand historic downtown McKinney and be developed on a foundation of market viability that is elevated using a public private partnership.
- Should represent the best development solution for these properties given the context of the surrounding area and should not be expected to solve all desires of historic downtown McKinney as a whole. However, those desires should continue to be explored in areas and contexts that are appropriate.



The project should:

- Enhance the quality of life in, and around, the development.
- Incorporate architectural character on buildings and outdoor spaces that respectfully integrate with the surrounding buildings' and land uses' character while complementing historic downtown McKinney.
- Include a scale and massing that is appropriate for the properties' location.
- Create a place where the 'local brand' atmosphere, unique to historic downtown McKinney, could expand.

Redevelopment on the properties should include (at a minimum):

- Boutique hotel with conference / meeting space
- Office uses

Where do we stand now?

- Former City Hall and Development Services Building are vacant and planned for demolition in early 2026.
- Capital Improvement Plan (CIP) project to replace utilities in the area under design now. Construction to begin early 2026.
- Research regarding the process to relocate historic marker on former City Hall property are underway.
- As part of future development plans, the City will plan to build a parking structure at the SWC of Hunt St. and Kentucky St. and relocate/reconstruct Central Park.
- City Council direction provided on August 5, 2025.



Thank you!

