



24-1772

**TITLE:** Conduct a Public Hearing and Consider/Discuss/Act on an Ordinance Authorizing the Sale of Approximately 2.815 Acres of Land Owned by the City of McKinney that is Designated as Parkland, Which Parkland is Generally Located on the North Side of CR 164 at Its Intersection with Taylor -Burk Drive, to the State of Texas for the Construction of Its Highway 380 Bypass Project; and Authorizing the City Manager to Execute Deeds and Documents Regarding the Sale of Said City-Owned Parkland Property to the State of Texas ("TxDOT")

**COUNCIL GOAL:** Operational Excellence  
(2B: Balance available resources to accommodate the growth and maintenance needs of the City)

**MEETING DATE:** July 16, 2024

**DEPARTMENT:** Development Services/Engineering

**CONTACT:** Gary Graham, PE, PTOE, Director of Engineering  
Todd Wright, Real Estate Acquisitions Administrator

**RECOMMENDED CITY COUNCIL ACTION:**

- Approval of the attached ordinance and find that there is no feasible and prudent alternative to TxDOT's use of such City-owned parkland for its Highway 380 Bypass Project.
- Find that the TxDOT project includes all reasonable planning to minimize harm to the land, as a park, resulting from such use or taking.

**ITEM SUMMARY:**

- State law as defined in Chapter 26, *Protection of Public Parks and Recreational Lands*, of the Texas Parks and Wildlife Code requires that:
  - *a municipality of this state may not approve any program or project that requires the use or taking of any public land designated and used prior to the arrangement of the program or project as a park unless the municipality, acting through its duly authorized governing body or officer, determines that:*

- 1) *there is no feasible and prudent alternative to the use or taking of such land; and*
  - 2) *the program or project includes all reasonable planning to minimize harm to the land, as a park, resulting from the use or taking.*
- *A finding may be made only after notice and a hearing as required by this chapter.*
- Should Council approve the attached ordinance, TxDOT will compensate the City of McKinney the fair market value of the land, as determined by an independent appraisal.
- This item authorizes the sale, at fair market value, of 2.815 Acres to the State of Texas for use as Right-of-Way (ROW) in the construction of a portion of the Highway 380 Bypass from Bloomdale Road West to FM 1461 (the "Project"), and further authorizes the City Manager to execute all necessary deeds and documents for the sale of said property.

#### **BACKGROUND INFORMATION:**

- TxDOT is currently planning for the construction of the Project and acquiring ROW necessary for the Project. Construction is tentatively scheduled to begin in 2026.
- TxDOT finds it necessary to acquire the parcel of City-owned land for use as ROW which is identified in the Ordinance as Exhibit A.
- TxDOT submitted an appraisal and extended an offer on behalf of the State of Texas in excess of the full amount of the appraised fair market value to purchase from the City, in the amount of \$195,522.00.
- The City had a review appraisal completed by a certified appraiser for the appraisal submitted by TxDOT. The review appraisal confirmed that the offer extended by TxDOT constituted the fair market value for the subject parcel.
- The total purchase price for the parcel is \$195,522.00.
- In addition to the offer to purchase, TxDOT has requested a Possession and Use Agreement ("PUA"). TxDOT is offering an additional \$16,645.40 for the signed PUA.
- The Possession and Use Agreement will allow TxDOT to enter onto the parcel, for work related to the Project, prior to closing on the purchase.
- The total amount received from the sale (\$195,522.00) and the PUA (\$16,645.40) is \$212,167.40.
- This agenda item authorizes the sale of the parcel of land to the State for the fair market value identified above, and further authorizes the City Manager to execute all documents necessary to the sale of said City-owned land to the State of Texas associated with the construction of the Highway 380 Bypass Project.

**SPECIAL CONSIDERATIONS:**

- This process is in accordance with the requirements of the Texas Parks and Wildlife Code, Sections 26.001, *et seq.*, which requires newspaper advertising three consecutive times prior to the hearing as well as written notification to the City.

**FINANCIAL SUMMARY:**

- In accordance with Texas Local Government Code Section 272.001(b)(5), the sale is exempt from competitive bidding requirements.
- Funding from the sale will be placed in the respective Capital Project Fund from which the land was originally acquired.

**BOARD OR COMMISSION RECOMMENDATION:**

- N/A

**SUPPORTING MATERIALS:**

[Ordinance](#)  
[Location Map](#)  
[Presentation](#)