

25-2372



TITLE: Conduct a Public Hearing and Consider/Discuss/Act on a Project Grant Application Submitted by Hugs Cafe (4B 25-01) in the Amount of Nine Hundred Seventy Thousand and NO/100 Dollars (\$970,000.00) for Infrastructure Costs Associated with the Construction of a New Hugs Headquarters to be Located at 803 Green Street, McKinney, Texas. Amount Represents 9.7% of Total Project Cost.

COUNCIL GOAL: 1: Direction for Strategic and Economic Growth
1D: Leverage existing partnerships with McKinney Economic Development Corporation and McKinney Community Development Corporation

MEETING DATE: January 23, 2025

DEPARTMENT: McKinney Community Development Corporation

CONTACT: Cindy Schneible, President

ITEM SUMMARY:

- McKinney Community Development Corporation will conduct a public hearing on a project grant application submitted by Hugs Café Inc. in the amount of \$970,000.00 for infrastructure costs associated with the construction of a new Hugs Headquarters to be located in East McKinney at 803 Green Street.
- The new headquarters will include the Training Academy which will increase the number of restaurant employees that can be trained annually and focus on increased awareness of inclusive hiring.
- The facility will also be the home of Hugs' National Headquarters, providing space for administrative and support staff offices.
- Additionally, Hugs Café (currently located at 224 E. Virginia) will be relocated to this new facility and will be designed to maximize employment and accommodation potential.
- The project will support expanding and enhancing development of Hugs Café business enterprise.

BACKGROUND INFORMATION:

- The mission of Hugs Café Inc. is to enhance the lives of adults with special

needs through training and employment.

- The goal for both Hugs Café and Hugs Greenhouse is to provide a place of training and competitively-paid employment for adults with special needs - teaching valuable skills and providing an ability-conscious career pathway.
- Hugs utilizes its training and job readiness model to create meaningful employment opportunities in North Texas and across the country. It is a nationally acclaimed nonprofit with over a decade of experience in fostering opportunities for adults with disabilities.

FINANCIAL SUMMARY:

- Funds allocated for FY25 for discretionary Community, Economic Development and Pipeline Project grants total \$7,459,257.
- The request is eligible for MCDC consideration under Section 501.152 of the Texas Local Government Code - definition of "project."

SUPPORTING MATERIALS:

- Application Packet
- Presentation

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[Application Packet](#)
[Presentation](#)