



CITY OF MCKINNEY, TEXAS

Legislation Details (With Text)

File #: 17-1116 **Name:** MDA KDC Real Estate
Type: Agenda Item **Status:** Approved
In control: City Council Regular Meeting
On agenda: 11/7/2017 **Final action:** 11/7/2017
Title: Consider/Discuss/Act on the Southgate McKinney Master Development Agreement
Indexes:
Attachments: 1. Master Development Agreement

Date	Ver.	Action By	Action	Result
11/7/2017	1	City Council Regular Meeting	Approved	Pass

Consider/Discuss/Act on the Southgate McKinney Master Development Agreement

COUNCIL GOAL: Direction for Strategic & Economic Growth

MEETING DATE: November 7, 2017

DEPARTMENT: McKinney Economic Development Corporation

CONTACT: Darrell W. Auterson, President-CEO

RECOMMENDED CITY COUNCIL ACTION:

- Approval of the Master Development Agreement

ITEM SUMMARY:

- This item authorizes the City Manager (along with the President - CEO of the McKinney Economic Development Corporation - "MEDC" and the President of the McKinney Community Development Corporation - "MCDC") to execute a Master Development Agreement (MDA) with the Southgate McKinney development team comprised of KDC Real Estate Development & Investments LLC ("KDC"), a Texas limited liability company; Columbus Realty Partners, Ltd., a Texas limited partnership; and M & R Investors, LLC, a Texas limited liability company, (d/b/a ATR Corinth Partners) to facilitate development of the Southgate McKinney Project.

BACKGROUND INFORMATION:

- The MDA extends terms and conditions contained in the previously executed MOU and further outlines provisions for: 1) Land JV Phase to terminate on December 31, 2018 or sooner; and 2) Subsequent Development Phase to be determined at the conclusion of the Land JV Phase.
- On or before December 31, 2017, developer shall furnish a complete marketing package for the project. During the Land JV Phase commencing on January 15, 2018, developer shall furnish bi-monthly prospect activity reports.

- During the Land JV Phase an incentive compensation will be provided for verified capitalized expenditures incurred in the construction of improvements for which certificate(s) of occupancy are issued within 18 months after the end of the Land JV Phase.
- The “MEDC” shall reimburse developer for fifty percent (50%) of the cost of developing the alternative land use plans and marketing program up to a maximum expenditure by the “MEDC” in the amount of \$100,000.00.

FINANCIAL SUMMARY:

- Maximum financial impact to the “MEDC” is \$100,000.00 unless otherwise approved in writing by the “MEDC” Board of Directors.

BOARD RECOMMENDATION:

- MEDC Board approved the MDA at their October 17th, 2017 Board meeting.
- MCDC Board will be considering the MDA at their Meeting on November 16, 2017.