



CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 16-052DA2, **Version:** 1

Consider/Discuss/Act on a Resolution Approving Chapter 380 Economic Development Agreement Between the City of McKinney, Texas, and McKinney SH I, LTD, for the Construction of a Portion of Bois D'Arc Road, Generally Between U.S. Highway 380 and Crowe Lane

COUNCIL GOAL: Direction for Strategic and Economic Growth

MEETING DATE: September 19, 2017

DEPARTMENT: City Manager

CONTACT: Barry Shelton, Assistant City Manager
Michael Quint, Executive Director of Development Services
Gary Graham, PE, Director of Engineering
Brandon Opiela, Development Manager

RECOMMENDED CITY COUNCIL ACTION:

- Approval of the Resolution

ITEM SUMMARY:

- This Resolution authorizes the City Manager to execute the 380 Economic Development Agreement with McKinney SH I, LTD for the development of a commercial center on the southwest corner of US 380 and Hardin Boulevard.
- In association with the Costco development under construction on the northeast corner of Hardin Boulevard and US 380, McKinney SH I, LTD is proposing to develop a commercial center which encompasses approximately 150,000 square feet of retail, restaurant, fitness, entertainment, and medical/dental uses, including a 55,000 square foot twelve (12) screen movie theater with lounge seating and food/drink delivery, a 37,000 square foot fitness center, two (2) Class A retail buildings totaling approximately 20,250 square feet and seven (7) additional pad sites.
- The proposed agreement stipulates that upon the completion of construction of Bois D'Arc Road (as shown on the attached Overall Pavement Plan exhibit) and the issuance of Certificates of Occupancy for a 55,000 square foot twelve (12) screen movie theater with lounge seating and food/drink delivery, and two (2) Class A retail buildings containing a total of approximately 20,250 square feet, a grant in an amount up to and not to exceed \$1.35 million will be given to McKinney SH I.

- This item was tabled at the August 15, 2017 City Council meeting, per the applicant's request, to allow for additional time to further discuss the terms of the agreement with Staff.

BACKGROUND INFORMATION:

- The City has the authority under Chapter 380 of the Texas Local Government Code to make loans or grants of City funds for the purposes of promoting local economic development and stimulating business and commercial activity within the City.

FINANCIAL SUMMARY:

- Under the proposed agreement, the City will grant McKinney SH I an amount up to and not to exceed \$1.35 million, equal to the verified, actual construction costs of Bois D'Arc Road, subsequent to the issuance of a Certificate of Occupancy for a 12-screen, approximately 55,000 square foot movie theater and two retail buildings totaling approximately 20,250 square feet.

BOARD OR COMMISSION RECOMMENDATION:

- N/A