



CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 21-0163, **Version:** 1

Consider/Discuss/Act on an Ordinance Authorizing a Budget Amendment Pertaining to Fiscal Year 2020-2021 to Provide Funding for the HUB Project Grant, and Providing for an Effective Date Hereof

COUNCIL GOAL: Enhance Quality of Life in McKinney
Direction for Strategic and Economic Growth

MEETING DATE: February 16, 2021

DEPARTMENT: McKinney Community Development Corporation

CONTACT: Cindy Schneible, President

RECOMMENDED CITY COUNCIL ACTION:

- Approval

ITEM SUMMARY:

- This Ordinance amends the Fiscal Year 2020-2021 Annual Budget to utilize MCDC fund balance to provide funding for The Hub project at Custer and Highway 380 in the amount of \$2,600,000.
- The Hub will be family friendly food and beverage anchored mixed-use entertainment district that will be located on a four-acre parcel within the planned West Grove development at Custer Road and U.S. 380.
- The Hub will include and indoor/outdoor food hall, walk-in movie theater, backyard sports bar, community gathering space, corporate event space, stage, live music and signature events - activated with daily programming.
- The Hub team will operate the facility providing food and beverage service, festival staff, programming of daily activities, development, leasing and management services.
- Amenities will include stage, event lawn and plaza, two-story community space, restaurants and retail operations.

BACKGROUND INFORMATION:

- The Hub Partners, LLC, is an entity created specifically for a potential expansion project in

McKinney, Texas.

- The Hub will be owned and operated by the Hub Partners, LLC, including several of the resident restaurants which provides autonomy to direct the atmosphere and ensure a family friendly environment.
- The Hub team looks for input from the McKinney community to create a “Hub Experience” unique to the city and its residents.
- Timeframe established would anticipate completion of construction in the fourth quarter of 2022.

FINANCIAL SUMMARY:

- Total cost for the development of The Hub is estimated to be \$14,519,232.
- The project grant application submitted to MCDC, and approved by the MCDC board, provides \$2,600,000 for expenses eligible for consideration under Chapters 501-505 of the Texas Local Government Code.
- This Ordinance amends the Fiscal Year 2020-2021 Annual Budget to utilize MCDC fund balance to provide funding for The Hub project at Custer and Highway 380 in the amount of \$2,600,000.

BOARD OR COMMISSION RECOMMENDATION:

- MCDC requests City Council approval on the budget amendment.

<u>AMENDMENT # 210311</u>			
<u>HUB Project Grant</u>			
Account No.	Project Number	Account Description	Budget Increase/ (Decrease)
<u>Expenditures</u>			
060-1247-453.85-59	4B2101	Community Grants / Assistance	\$ 2,600,000
<u>Fund Balance</u>			
Fund 060 - McKinney Community Development Corporation Fund			\$ (2,600,000)
Net Effect on Fund Balance			\$ (2,600,000)