



CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 23-0435, **Version:** 1

Update on the Downtown City-Owned Property Redevelopment Initiative

COUNCIL GOAL: Direction for Strategic and Economic Growth
(1E: Increase community involvement and participation within local government/community)

MEETING DATE: May 23, 2023

DEPARTMENT: Development Services

CONTACT: Michael Quint, Executive Director of Development Services

RECOMMENDED CITY COUNCIL ACTION:

- Receive staff presentation and provide direction.

ITEM SUMMARY:

- At the January 24, 2023, work session, the City Council directed staff to initiate efforts to redevelop four (4) city-owned properties in McKinney's historic downtown via a request for qualifications (RFQ) process.
- The four properties are located at:
 - 221 N. Tennessee Street
 - 222 N. Tennessee Street
 - 308 N. Tennessee Street/303 N. Johnson Street
 - 301 N. Chestnut Street
- Since January, Staff has been meeting with and soliciting feedback from the public regarding the redevelopment of these properties. All the public feedback received through May 15, 2023, is attached for reference purposes. Staff's presentation will offer a brief overview of the public feedback received as part of the initial public input phase of this initiative. The presentation will also share the results of recent property appraisals and a market feasibility study.
- Staff will be seeking the City Council's direction regarding specific feedback for or expectations of a potential development partner(s). This City Council feedback will be included in the forthcoming request for qualifications.
- For example, the RFQ that the City issued in 2015 for the property located on the southeast corner of Davis Street and Tennessee Street included the following expectations:

- *“The City Council has indicated that primary incentives will come in the form of discounted or no-cost land conveyance, off-site infrastructure improvements, and possibly tax abatements. Development Teams should not rely on up-front cash incentives to ensure their development concepts are feasible.*
- *The selected Development Team will be expected, at a minimum, to develop all of the items outlined below:*
 - *50,000 square feet of office uses;*
 - *20,000 square feet of retail, restaurant, or similar uses;*
 - *300 residential dwelling units;*
 - *Phasing is expected but the first phase shall provide a mixture of land uses; and*
 - *Any structured parking facility(s) constructed on the Site shall accommodate some reasonable amount of public parking space allocation.”*

BACKGROUND INFORMATION:

- A request for qualifications (RFQ) is a process through which the City will inform members of the development community of a partnership opportunity aimed at redeveloping the properties. Interested development groups will be permitted to formally respond to the RFQ expressing their interest in partnering with the city. The responding development groups will be interviewed, and a partner(s) will be selected by the City Council. After that selection, formal partnership negotiations will commence and will conclude with the City Council’s approval of a development agreement which will stipulate the terms of the agreement.

FINANCIAL SUMMARY:

- N/A

BOARD OR COMMISSION RECOMMENDATION:

- N/A