



CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 25-2377, **Version:** 1

Conduct a Public Hearing and Consider/Discuss/Act on a Project Grant Application Submitted by The City of McKinney (4B 25-06) in the Amount of Thirty Million and NO/100 Dollars (\$30,000,000.00) for the Construction of Eastside Airport Infrastructure and Passenger Terminal Elements Including Taxiways, Aprons, and other Airport Facilities, at McKinney National Airport, 1508 Industrial Blvd, McKinney, TX 75069.

COUNCIL GOAL: 3: Maximize the Development of the McKinney National Airport
3A: Implement initiatives and strategies, including public-private partnerships, to attract and expand corporate and commercial aviation including the viability of passenger service.

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 the City of McKinney for the construction of Eastside Airport infrastructure and passenger terminal elements.
- Project elements include taxiways, aprons, and other airport facilities necessary for continued growth of the airport.

BACKGROUND INFORMATION:

- McKinney National Airport opened with a 4,000-foot runway in 1979 as McKinney Municipal Airport.
- Development of airport facilities, including the Air Traffic Control Tower, FBO terminal, hangars, and office space has taken place on the west side of the runway.
- In 2013, the City of McKinney purchased the Fixed Base Operation, which included several vertical assets (hangars and office space) as well as the assumption of fuel sales, aeronautical services, leases, and agreements at the airport.
- Since 2013, the airport has continued to grow with the construction of a new FBO terminal and additional ramp space and hangars.
- In 2018, the City of McKinney purchased a 190-acre tract of land on the east side of the runway. This purchase accomplished two important goals. First, the additional land provides room for growth and expansion of the airport. Second, the additional land prevents the

encroachment of non-aeronautical uses on the airport.

FINANCIAL SUMMARY:

- This request is for \$30 million and is proposed to be funded by a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan.
 - TIFIA is a program of the US Department of Transportation that provides credit assistance for qualified projects of regional and national significance.
 - TIFIA loans can provide up to 49 percent of eligible project costs and have a fixed rate equal to one half of the U.S. Treasury rate at the time of closing.
 - The MCDC would provide interim funding using sales tax revenue bonds that would allow commencement of construction while the TIFIA loan process is completed.
 - Upon completion of the TIFIA loan process, the sales tax revenue bonds would be retired and the MCDC would then fund the annual TIFIA loan payments.
- The preliminary estimate for the total project cost is \$72 million, which will include the following improvements:
 - Parallel Taxiway C (Phase 1)
 - Terminal apron pavement
 - FM 546 connection and loop roadway
 - Passenger vehicle parking
 - Underground infrastructure
 - A 45,000 square foot terminal building
- The request is eligible for MCDC consideration under Sections 501.101 and 501.103 of the Texas Local Government

SUPPORTING MATERIALS:

- Application Packet
- Presentation