



April 12 2019

Ms. Ceason Clemens, PE
Deputy District Engineer
Texas Department of Transportation – Dallas District
477 East Highway 80
Mesquite, TX 75150

Dear Ms. Clemens:

Thank you for taking the time to meet with McKinney staff on April 7th to discuss the technical findings of the ongoing Texas Department of Transportation (TxDOT) Collin County U.S. Highway 380 (US 380) Feasibility Study (the Study). Since the launch of the Study in 2017, McKinney staff and leaders have been tirelessly engaged with your project team; providing as much technical information and feedback as possible to ensure that all alignment options considered were evaluated objectively and in the best interest of our residents and businesses. Throughout the Study process, City staff and leaders have attended numerous meetings with TxDOT, the project's consultant team, the North Central Texas Council of Governments, Collin County, the Town of Prosper, and the City of Princeton in support of this regional initiative.

Over the course of the Study, TxDOT staff, including yourself, have continuously requested that cities not take any formal position or action until the Study is complete and a full set of decision making criteria and technical information can be presented. In the spirit of partnership and trust in the TxDOT Study process, the City of McKinney has honored that request. However, we have taken the opportunity to provide feedback and requests to TxDOT numerous times which includes, but is not limited to, formal correspondence in July 2018 and February 2019, as attached to this letter. In both of these letters, the City of McKinney outlined a clear position on several key consideration points for US 380. As the feasibility study comes to a close and the technical findings of your evaluation are finalized, I would like to make it abundantly clear where the City of McKinney stands regarding several key decision points for the options being studied.

TxDOT staff and the project team have internally and publicly stated that your decision for a **regional solution** for US 380 will be based on a set of technical evaluation criteria. As stated by you, this generally includes regional mobility, travel demand, environmental/watershed/parkland impacts, residential disruptions and displacements, commercial disruptions and displacements, future development impacts, and project cost. The project team has also stated throughout the entirety of this process that significant efforts will be made to minimize any impacts to existing property owners; in particular, residential properties.

City of McKinney

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In our formal correspondence to you in July 2018, the City of McKinney commented on our concerns regarding the physical, economic and socioeconomic impact that a widened-in-place option (Green alignment) would have on businesses and residents in McKinney. In response to these concerns, we appreciate the diligence and effort that TxDOT has taken to fully understand and minimize these impacts. However, recent information provided by Raytheon (one of the City's largest employers), indicates that a widen-in-place option could have a potential impact of over 1 billion dollars on their current operations. It could also put their ultimate investment in their McKinney operation in jeopardy. Additionally, the master developer of all four corners of US 380 and Hardin Boulevard has also presented information indicating the significant and recent financial investment made in that location and the impact that a widen-in-place option would have on their development's future.

However, the most notable impact that a widen-in-place option has on the City of McKinney is on our sales tax revenues. A study conducted by the TxDOT team estimates that only 1 percent of the City's overall revenues are generated along US 380 (this includes both ad valorem and sales tax revenues). However, a more refined look shows that affected properties generally between Community Avenue and State Highway 5 provide for roughly 10 percent of the City's sales tax base, in today's dollars. This is the equivalent of approximately \$5.5 million in City revenues. These revenues not only help to fund basic city services, but they also serve as the primary funding source for the City's Economic Development Corporation (EDC) and Community Development Corporation (CDC). Affected properties not only include those who will be directly displaced as the result of widening in place, but also those that may have an induced displacement or property impact.

The City of McKinney has recent experience in the loss of sales tax revenues during construction projects and, as such, has concerns over the displacement and impacts that widening in place could cause. During the 4-year reconstruction of U.S. 75, there were many businesses that were not directly impacted or displaced by the physical construction, but because of the disruption that construction caused, they saw significant decreases in sales. Some businesses did not survive the duration of construction. With these things in mind, the fiscal impacts that could result from a widen-in-place option have the potential to be extremely damaging to the City of McKinney. In our meeting earlier this month, we understood that the economic factors, in conjunction with the level of displacement, disruption, and project cost have started to make the widen-in-place option increasingly more difficult to pursue from a technical perspective. Nonetheless, the City of McKinney continues to maintain our position that any widen-in-place option should seek to minimize as many negative impacts as possible.

As was also stated in our letter to you in July 2018, the City of McKinney was clear that any alternative alignment (bypass) of US 380 should include a connection from its existing alignment "*further west than any of the options [then] being proposed by TxDOT.*" Based on this feedback, the TxDOT team identified and evaluated two additional connections for a bypass near the intersection of US 380 and Custer Road (Red B and Red E alignments). As presented during the Meeting of Affected Property Owners (MAPO) held on March 28, 2019, the evaluation of these new alignments proved that at least one connection point further west (Red B alignment) is, in fact, *significantly* less impactful, *significantly* less costly, and *extremely* similar to the level of positive mobility outcomes as your originally proposed alignment, Red A. For ease, I have attached your evaluation criteria and alignment comparisons to this letter.

Based on your own set of evaluation criteria and your strong desire to avoid as many existing residential property owners as possible, the Red B alignment is clearly the most desirable of the options proposed to date. In fact, the only evaluation criterion for which the Red B alignment did not perform better than the original Red A alignment was in its anticipated impact on future development. However, as you know, the future impacts evaluation criterion only assumes a negative impact to large tracts of land based on zoning. The true impact to future development is largely unquantifiable and based purely on subjective assumptions.

Nonetheless, the City of McKinney recognizes that consideration of these impacts is necessary. This is why, as far back as 2017, McKinney Staff provided TxDOT with at least one alignment option that would minimize the potential impact on future development in McKinney. However, we have not seen any attempt by your project team to evaluate this option. We recommend that TxDOT consider a strategy that allows for the connection point from the bypass to be further studied during the Environmental Process. This option will allow more time for the travel demand model to be refined to show the true benefit of a potential bypass and to highlight that a connection point further west might perform significantly better than the Red A alignment. **Given all this, please know that staff will be advising the McKinney City Council to weigh carefully their support for any potential alternative alignment (bypass) that does not occur further west, is not based on the findings of the technical evaluation criteria, and for which an unjustified and unnecessary negative impact to the City of McKinney would occur.**

If a regional solution is still of the utmost importance to the TxDOT project team, then regional alignment options must be considered. This not only includes the western connection point of a bypass facility, but also includes its eastern continuation and ultimate connection back to the existing US 380. Based on the alignments currently being considered, it is obvious that regional mobility solutions were not made a priority through this study process. At present, your proposed bypass options include sharp turns into north-south segments in order to bring the bypass back to the existing US 380. These drastic turns will undoubtedly break up the east-west movement of traffic to such a degree that we question how the route could actually function as a desirable alternative to the existing US 380, despite the results of the travel demand models.

During the original outreach activities in Spring 2018, alignment options that provided for more natural movements from the existing US 380 were presented, but ultimately eliminated by the TxDOT project team. In particular, the original Yellow alignment option continued the proposed bypass facility north of the Town of New Hope and the City of Princeton. My understanding is that this option was eliminated due to early travel demand modeling results and concerns over impacts to a large property owner north of the Town of New Hope. However, a true evaluation of this alignment option was never conducted or publicly presented. My understanding is that a letter sent on behalf of the North Texas Municipal Water District (NTMWD), as attached here, is what spurred the concern about potential future impacts. While the letter did cite objection to the Yellow alignment, the letter went on to say that a realignment of US 380 in the area "could be feasible..." but that the location was of paramount importance to the NTMWD and its public works project. Furthermore, your consultant cited modeling data that showed lower utilization of the Yellow alignment; yet your staff and everyone in the region have been concerned about growth occurring in Collin County at a rate faster than estimated. The City of McKinney requests that this alignment continue to be evaluated.

Insofar as an extension of Spur 399 is concerned, the City of McKinney continues to be strongly opposed to any limited access facility running west of the McKinney National Airport. Not only would a limited access facility in this location dissect the McKinney National Airport from the City of McKinney, it would also have significant impacts to the approved future land use plans for the area. As well, it would result in direct and adverse impacts to one of the City's largest employers, Encore Wire, who has long-term plans to expand their operations. A limited access facility located west of the McKinney National Airport would also sit adjacent to some of the City's oldest and most economically disadvantaged neighborhoods, which poses an environmental justice concern. It would also disrupt a designated McKinney park, which meets the Section 4(f) designation requirements under the Department of Transportation Act of 1966. In addition to citing these concerns in our letter to the TxDOT team in July 2018, we have also made them clear to TxDOT numerous times over the course of this project. It is my understanding that the McKinney National Airport and Encore Wire have also provided formal, written comments in opposition to this alignment option. As mentioned, Encore Wire is one of the largest employers and taxpayers in McKinney and owns land on both sides of existing Airport Road, and a limited access facility located west of McKinney National Airport could negatively impact their growth plans.

Please don't misunderstand our opposition to the Spur 399 "west" alignment as a lack of understanding of the technical findings of your evaluation. However, based on our meeting earlier this month, we don't believe TxDOT has been consistent in your application of technical findings versus subjective assumptions of future impacts to development. When considering the western connection point of a bypass (near the intersection of U.S. 380 and Custer Road), it appears as though tremendous deference has been shown to value potential impacts on future (undeveloped) properties over the technical evaluation criteria. However, for the Spur 399 extension, little-to-no value has been placed on the impacts that an extension west of the Airport would have on existing AND future development - even despite relatively similar technical findings. The City of McKinney believes this is largely due to TxDOT's desire to avoid areas with federal classifications such as Section 4(f) properties under the Department of Transportation Act of 1966 and properties within a Federal Aviation Administration (FAA) Runway Protection Zone (RPZ). As a result, the exploration of real solutions in this area has been stifled. Throughout the course of the Study, the City of McKinney has consistently asked for a more detailed evaluation of these potential properties and considerations for avoiding them. In partnership with the airport, the concept of a tunnel was presented to alleviate concerns involving the RPZ. McKinney Staff has also shared that the Spur 399 extension should consider an alignment that extends and connects back to existing US 380 at a point east of what's currently shown (thus avoiding these potential federally classified properties). However, we have not seen any meaningful evaluation of these concepts.

As it relates to Section 4(f) properties, federal procedures appear to state that feasible and prudent avoidance of 4(f) properties should not cause other severe problems of a magnitude that substantially outweigh the importance of protecting a Section 4(f) property. Furthermore, avoidance alternatives may not be prudent if, after reasonable mitigation, they still cause severe social, economic or environmental impacts, severe disruption to established communities, and/or severe disproportionate impacts to minority or low income populations. In fact, when assessing the importance of protecting a 4(f) property, federal procedures seem to state that it is appropriate to consider the relative value of a 4(f) resource to the preservation purpose of the Transportation Act of 1966. The City of McKinney does not feel as though the TxDOT team has given proper consideration for any of these factors. **Therefore,**

please know that staff will be recommending that the McKinney City Council NOT support any potential limited access facility that is west of the McKinney National Airport.

The City of McKinney is committed to developing transportation solutions that assure adequate future mobility for Collin County and we welcome the regional partnerships and collaboration afforded as part of the US 380 Feasibility Study. However, as the municipality that stands to be impacted the most by TxDOT's decision, it is critically important that we have trust in your process, evaluation, and ultimate decision. To that end, we are requesting that the Texas Department of Transportation (TxDOT) team re-evaluate the potential impacts and implications of each alternative being considered as part of the US 380 Feasibility Study objectively, without political bias or influence, and with the needs and goals of the region in mind.

Respectfully,

A handwritten signature in black ink, appearing to read 'P. Grimes', with a long horizontal line extending to the right.

Paul G. Grimes
City Manager

- C: McKinney City Council
- Mo Burr, PE – District Engineer, TxDOT - Dallas District
- Lacey Rodgers, PE – Dir. of Transportation Planning and Development, TxDOT – Dallas District
- Stephen Endres, PE – Project Manager, US 380 Feasibility Study, TxDOT
- Tony Kimmey, PE – Project Manager, US 380 Feasibility Study, Burns and McDonnell