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November 14, 2011

Hon. Keith Self, County Judge
Collin County Commissioners Court
Collin County Administration Building
2300 Bloomdale Road, Suite 4192
McKinney, Texas 75071

Re: Request for Waiver of Penalties/Interest on Gateway Hotel parcel
(US 75 and SRT in McKinney, Texas)

Dear Judge Self:

Please accept this letter on behalf of the McKinney Community Development Corporation (the "MCDC") as the current owner of the parcel described above. As you know I am the Board Chair of MCDC, and as such, this letter represents the request of our entire board. After our board was successful in acquiring the Gateway parcel in December 2010 from a bankrupt California developer, we have been working diligently on moving the project forward. Our goal is to assist the City Council in fulfillment of its vision for Gateway—to build a first class hotel and conference facility on this property.

Unfortunately, the prior owner did not pay its taxes on this property for the years 2008, 2009 and 2010, and consequently the MCDC inherited a large tax bill. This tax liability creates a real hardship for our board in restarting the project. Notwithstanding the foregoing, the MCDC stands ready to pay the base ad valorem tax to Collin County and the Collin County Community College District for 2008, 2009 and 2010 in the amount of \$69,096.51.

Our request concerns the penalties and interest that are imposed by statute on the base tax referenced above. The law allows taxing entities to recover additional amounts from taxpayers due to the passage of time. In our case, the MCDC board was powerless to pay the taxes during the period in which the private developer owned the property; hence our respectful request that such amounts be waived by the Commissioners Court. If the Collin College board of trustees requires separate action, please let me know, and I will contact Dr. Israel directly. The amounts in question are as follows:

McKINNEY COMMUNITY DEVELOPMENT CORPORATION


321 N. Central Expressway, Suite 240 • McKinney, TX 75070
Tel. 214.544.0296 • Fax 972.542.0926

	Penalties & Interest
2008 Collin County	\$ 5.06
2008 CCCCDC	14.20
2009 Collin County	3,001.95
2009 CCCCDC	8,435.38
2010 Collin County	1,910.33
2010 CCCCDC	<u>5,312.63</u>
Total	\$18,679.55

We would appreciate you presenting this request to the entire Commissioners Court at an upcoming meeting. I am happy to attend to answer any questions. Our legal counsel can work with the County's staff on any necessary documentation if such is required.

It is our hope to put this property back into private hands as a taxable asset and a catalyst project that will serve the citizens of McKinney and Collin County. We appreciate your consideration.

Sincerely yours,



Tracy Rath
Board Chair
McKinney Community Development Corporation

MSH:pep

cc: J. Gray
C. Schneible