

**McKinney Community Development Corporation
Regular Board Meeting
July 28, 2011**

The McKinney Community Development Corporation (MCDC) met in regular session in the Dowdy conference room located at 321 North Central Expressway, Suite 200, McKinney, Texas at 8:00 A.M. on July 28, 2011.

Board members present included board chair Tracy Rath, board vice-chair George Fuller, Jason Burress, Kevin Griffin, Michael Puhl, and Eric Davis. Staff members present were executive director Cindy Schneible and administrative assistant Connie Gibson. Board member Dan Hall was absent.

There were several guests present.

Tracy Rath called the meeting to order at 8:02 A.M. She called for a motion to approve the board minutes for June 23, 2011. Michael Puhl made a motion to approve the minutes. George Fuller seconded the motion. The motion passed unanimously (6-0).

A motion was called to approve the finance committee meeting minutes for July 11, 2011. The motion was made by Michael Puhl and seconded by Eric Davis. The motion passed unanimously (6-0).

The Board Chair announced the agenda order would be changed. The Promotional and Community grant presentations would be heard by the board first.

Russell Krasnesky, team captain for the McKinney Combat Challenge, described the two-day Firefighters Combat Challenge event. The Challenge is in its 20th year, and has 20-25 events held across the nation. The hope is to secure a spring, 2012 event in McKinney. The amount requested was \$15,000.

Sy Shahid with Heard Natural Science Museum addressed the board. He requested funds to promote the Dinosaurs Live exhibit in the fall, and Holiday Trail of Lights in December. The requested amount was \$5,000.

Crape Myrtle Trails executive director Susan Owens shared details about the planned Run the Trails 10K, 5K, 1-mile and "Pre-K" fun run. The event has been expanded to include a car show and petting zoo. The amount requested was \$7,500.

Heather Astuto, founder of Especially Needed, an organization created to support families with children with special needs addressed the board and outlined plans for the organization's 2nd Annual Fall Carnival. The amount requested was \$9,750.

Community Lifeline Center executive director Christine Hockin-Boyd introduced Kathy Moore, CLC board member. CLC is planning a "Words with Friends" fundraising tournament and gala, with a goal to become established as a yearly event. The requested amount was \$10,000.

McKinney Education Foundation executive director Melanie Perkins and MEF board members Windy Gallagher and Patty Turner shared plans for a fundraiser celebrating MEF's 20th Anniversary with a Gala and launch of a fundraising campaign for a new program –"Our Children/Our Future". The goal of the program is to provide scholarships to all qualified McKinney high school graduates. President George W. Bush has been secured to speak at the gala. MEF requested \$15,000 to support the event.

Chris Siebenhausen with McKinney Rotary Club addressed the board and shared details for the 12th Annual Parade of Lights to be held on December 3rd. The theme this year is "a patriotic Christmas". The requested amount of \$3,500 would be used for marketing, promotion, advertising and prizes.

The finance report was provided by Adrienna Rapp, financial analyst with the City of McKinney. The sales tax receipts for the month of June were \$607,652. This amount is down 6.5% from June, 2010. The overall trend for the year is showing a 2.8% increase over 2010.

There was no discussion about the list of check requests.

Hal Cranor, executive director of public works, and David Taylor, Administrator at MPAC, addressed the board and gave an update on the request for \$299,958 for building improvements to the McKinney Performing Arts Center (MPAC). The bids for door replacement were reviewed. Jason Burress inquired about the preferred door material. Public works representatives indicated fiberglass or aluminum would be preferred over wood. Discussion took place regarding the signage for the building. Lemuel Randolph, PROS director, suggested removing the request for funding signage from consideration, as this would allow time for more research to be done on the feasibility and cost of a marquee sign. Jason Gray, city manager, reported to the board that with the current city budget constraints it is doubtful that increased maintenance costs for MPAC would be included in the city budget. Michael Puhl made a motion to fund MPAC building improvements up to \$260,000, with funding for signage removed. Eric Davis seconded the motion. The motion was voted on and passed unanimously (6-0).

Lemuel Randolph reviewed the Parks, Recreation and Open Spaces FY 2011-12 funding request. The amount requested (\$2,628,473) represents 35% of the MCDC FY 2011-2012 grant budget. The application outlined a request for funding five projects: Wilson Creek corridor land acquisition, three additional baseball fields at Gabe Nesbitt Community Park, construction of Bonnie Wenk Park Phase 1, abandonment of a

sanitary sewer lift station at the Gabe Nesbitt Softball complex, and support for MPAC operations.

Kevin Griffin reviewed the proposed MCDC budget for FY 2011-2012. The budget figures are based on overall revenues of \$8,000,000. Administrative costs for 2011-2012 are expected to increase by approximately \$16,000. The finance committee proposed changing current "bucket" allocations as follows: 35% to Parks, Recreation and Open Spaces – including MPAC operations; 50% for Projects (including economic development and capital infrastructure), 10% for Discretionary (including promotional and community events), and 5% in Contingency funds. Additionally, the finance committee recommends removing the \$19 million aquatic center grant funds from MCDC's financial statement, as a result of changes in proposed partnership structure for the project and uncertainty regarding project size, scope and cost. This would be done with the understanding a revised request will be presented to the board by the City when plans are finalized. The city manager expressed the need to keep the public aware that MCDC supports construction of an aquatic center, and still anticipates providing funds for the project. Michael Puhl made the motion to accept the budget as presented, with the 35% allocation for Parks, Recreation and Open Spaces. George Fuller seconded the motion. The motion was voted on and passed unanimously (6-0).

Tracy Rath asked for any citizen comments. Dennis Williams with Kiwanis Club spoke in favor of Heather Astuto and the Especially Needed program. Kiwanis Club has helped put up the funds for her 501 c (3) status. Mr. Williams also applauded MCDC's commitment to conducting meetings and deliberations in a transparent and open manner.

The meeting was called into Executive Session at 9:50 A.M.

The meeting was called into Open Session at 10:07 A.M.

Tracy Rath made the motion "Unless otherwise reduced prior thereto, I move that the board authorize its attorneys to file any appropriate legal proceeding necessary to reduce the erroneously assessed valuation of the Hotel Unit at Gateway for tax years 2008, 2009, or 2010, or any combination thereof, to an appropriate valuation as determined jointly by the Board Chair and the Executive Director, with input from the Finance Committee, City Manager and legal counsel". The motion was seconded by Jason Burress. The motion was voted on and passed unanimously (6-0).

George Fuller gave the Chamber of Commerce liaison report. The Chamber will host a fundraiser for its Political Action Committee on September 13th. The event will be held at Gather in Downtown McKinney. A new foldout map of McKinney is scheduled for release in late August. A teacher welcome breakfast will be held on August 11th. The Chamber will have a presence at the Oktoberfest and Dickens of a Christmas events.

Diann Bayes, executive director with McKinney Convention and Visitors Bureau updated the board on the past month's activities. The smart phone app has been successful, with over 160 downloads a week. Work continues on creating a community tourism inventory for the area. A recent report showed that the tourism industry in Texas has created 9,700 new jobs over the last five years, while other states have lost jobs related to the tourism industry.

The board chair reported that MCDC sponsorship dollars had been used to sponsor Community Lifeline Center's "Beat the Heat" program to provide box fans for needy families. Beat the Heat program sponsors included McKinney Ladies Association (formerly Stonebridge Ranch Ladies Association), the McKinney Fire Department, McKinney Lions Club and TXU Energy. MCDC funds purchased approximately 100 fans.

Cindy Schneible, executive director, reported that the closing on the land purchase for the Flour Mill parking lot took place on July 27th. Plans for the lot are being prepared by City engineering and bids for construction are scheduled to be secured in late August or early September.

With no further business to discuss, Tracy Rath called for a motion to adjourn. George Fuller made the motion, seconded by Michael Puhl. The motion passed unanimously (6-0).

The meeting was adjourned at 10:19 A.M.

TRACY RATH – Board Chair