

McKinney Community Development Corporation
Regular Board Meeting
April 26, 2012

The McKinney Community Development Corporation (MCDC) met in regular session in the Dowdy boardroom located at 5900 South Lake Forest Drive, Suite 110, McKinney, Texas at 8:00 A.M. on April 26, 2012.

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

There were several guests present.

Tracy Rath called the meeting to order at 8:00 A.M. The first order of business was the approval of the minutes from the March 22, 2012 board meeting. Dan Hall made a motion to approve the minutes. The motion was seconded by Michael Puhl. The motion passed unanimously (6-0).

Jason Cooley, strategic planning and budget director with the City of McKinney presented the financial report. The fiscal year is 50% completed, with all budget expenditures on track. Sales tax for the month of March was \$582,592. This is up 5.7% from March, 2011. Mr. Cooley reported the finance department is continuing to make changes to the budget format. They are working to make sure everything is properly allocated. The board discussed the importance of including the Gateway and Flour Mill projects as capital assets on the balance sheet.

Tracy Rath provided the board chair report. There will be a joint City Council and M.I.S.D. meeting on April 30th. Parks, Recreation & Open Space will take a tour of the aquatic centers in Plano and North Richland Hills on Saturday, April 28th. MCDC board is invited to attend.

City manager Jason Gray reported that the MEDC board approved funding for two Emerging Technology prospects during the April 17th board meeting.

The Chamber report was given by Jodi Ann LaFreniere. The Chamber recently launched their new website (mckinneychamber.com). McKinney magazine will launch an online version soon. Inserts promoting the McKinney First! Buy Local campaign will be inserted in the May water bills.

Diann Bayes, MCVB executive director announced she has accepted a position as senior vice president of membership at the Texas Travel Industry Association (TTIA) in Austin. May 5-13 is Texas Tourism Week. McKinney will participate with a "Tourism Opens Doors" promotion on May 5th. Everyone is encouraged to wear red in support of

Texas travel on National Travel Rally Day, May 8th. An American Idol watch party was held at Jack's Pub on April 25th to support local talent Hollie Cavanaugh. Fox 4 was reporting onsite.

Ty Lake, Director of McKinney Performing Arts Center and Main Street reported that 405 tickets were sold to the Collin Raye concert April 20th. Musician Gary Morris is planning a return visit and music class in June.

"Bike the Bricks" is scheduled for May 25th. Main Street has made several changes to the event which will include sound throughout the venue. A program explaining the crit race format, and showing the payouts will be available to spectators. A Dallas Morning News front page note will be utilized to advertise a few days before the event. More than 500 cyclists and 10,000 spectators are expected.

Collin County Regional Airport Development Board Chair, John Wroten, reported that the CCRA Master Plan has been approved by City Council, and has been filed with the FAA. The city manager, CCRA board and staff have developed an airport incentive plan to be available to regional cities as they pursue corporate clients. The incentive program will be presented during a breakfast for area mayors and economic development directors May 17th.

Chair Rath asked for public comments. Jeremiah Hammer addressed the board and stated his opposition to the proposed LED marquee sign at MPAC, for which MCDC funding was requested. Mr. Hammer indicated he did not believe the sign would generate increased attendance at MPAC events. John Rattan addressed the board and spoke in favor of the sign. Mr. Rattan stated that while he understood it would change the look of the MPAC grounds, it would be helpful in raising awareness about MPAC activities and generating attendance at events.

Beth Bentley, executive director of McKinney Housing Authority and her board chair Alonzo Tutson provided an update on MHA plans. MHA provides subsidized housing to low-income people earning 30-80% median income. There are currently 200 apartments in the MHA portfolio of public housing, and a waiting list of 582 families. The Section 8 voucher program has 345 vouchers, and 75 portable vouchers. There is a waiting list of 376 families at this time. MHA is striving to meet the needs for affordable housing in two ways: redevelopment of the current portfolio, and development of new communities. A new venture is being developed on the west side of McKinney – The Millennium McKinney. Kevin Griffin asked how much, or what type funding may be requested from MCDC? Ms Bentley stated if an application is submitted it could be for as much as \$800,000 to redevelop one multi-family property.

The Cities of Service Initiative was presented by Celeste Cox, executive director of North Collin County Habitat for Humanity. Together We Serve – McKinney, seeks to create a partnership between residents and volunteers that will result in revitalization of neighborhoods on McKinney's east side. This program will replace the City H.E.A.R.T.H. program. This initiative will connect volunteer organizations with

opportunities to improve neighborhoods. Saturday, April 28th is the Home Builders Blitz Kick-Off for construction of seven new homes, and one rehab. Celeste reported the Habitat ReStore is very successful. Last month, ReStore revenue covered the cost of NCC Habitat for Humanity administrative expense.

Phil Wheat, board chair for Crape Myrtle Trails, provided a report on the 2011 "Run the Trails" event. The theme for the event was "For the Love of McKinney" and focused on families. The event had greater sponsorship levels with the change from several tiers of sponsorship levels, to one level of sponsorship. \$2,205 cash was awarded to MISD schools' physical education departments, and CMT retained profits of \$4,454.67. The CMT organization will present all MISD 5th graders with a small crape myrtle the Friday before Mother's Day this year.

An update on the MCDC website redesign was given next. Rob Wernersbach with Sullivan Perkins reviewed the direction and design approved by the marketing committee of the board. The re-designed website will allow staff to manage content and applicants to complete applications for funding online, through an application portal. Final design, copy creation and functionality are scheduled to be completed mid-June.

Discussion and possible action on Project #12-08 was the next item on the agenda. The application was made by McKinney Performing Arts Center requesting up to \$20,000 for one LED marquee sign to be placed on the corner of Louisiana and Kentucky streets. Ty Lake, director of MPAC stated she had been directed by City Council to move forward with the request. The design for the marquee sign does not have to have approval from Texas Historical Commission, but their design recommendations have been sought. Council directed the design team to make the sign more ornate, and have ability to control brightness. Dan Hall asked who would control the signage and messaging. Ms. Lake replied she would control the sign. MPAC will not sell ad space on the sign. The sign will be on a timer, and go dark at night. George Fuller made a motion to approve the request with the provision that the performance agreement executed for the project will not permit advertising space to be sold or appear on the sign. The motion was seconded by Dan Hall. The motion was voted on and passed unanimously (6-0).

The MCDC funding category reallocation for Project #12-03 - \$99,000 for restoration and repair of structures at Chestnut Square Historical Village was addressed by city manager Jason Gray. He stated he was working to get direction from city council regarding the appropriate allocation category for the project. This item may be placed on the May agenda for discussion and possible action.

Elizabeth Denton and Michael Barksdale with Baylor Health Care System Foundation addressed the board. A letter of inquiry from Baylor Foundation had been submitted to the MCDC office to secure board input on a potential request for funding a walking trail at the Baylor McKinney location. Cindy Schneible stated the proposed project has not been vetted for scope and pricing. Parks, Recreation and Open Space will be asked to assist in analyzing the proposal if the board is interested in pursuing the

inquiry. Eric Davis asked if the park would be a public park. The response – the park would be on Baylor's property but with public access. The park would create community involvement, and could be used by Baylor patients and the community at large. Tracy Rath stated more conversations need to take place before the request is brought before the board. The board would need to hear input from PROS before taking action. Michael Puhl agreed. Discussion will continue.

Jason Gray gave the city manager's report. He shared the recommendations he made to city council regarding development of Gateway. Mr. Gray recommended that the scope of the project be changed to include a "Sheraton-quality" hotel with approximately 186 rooms, which represents a reduction from the 220 rooms included in the original plan. The size of the conference center would be reduced from 59,000 to 20,000 square feet and would include a ballroom of 8,000 square feet to accommodate approximately 1,000 people at a sit-down dinner. The existing foundation and structure would be utilized. Mr. Gray expects there to be public involvement in the project, with MCDC contributing \$6.5 million, \$6 million from hotel occupancy tax, and the remaining \$5.5 from sources to be determined. It is possible that all or part of the \$5.5 million could be funded by the City. MCDC or MEDC may be asked to participate in funding all or part of the remaining balance of the total \$18 million public portion project. The hotel would be owned by the developer, MCDC owns the land. The conference center would be owned by City or MCDC.

Dan Hall left the meeting at 9:30 A.M.

The infrastructure in place and design of the hotel and conference center would allow for expansion at a later date. Mr. Gray stated the next step would be to submit a letter of intent to MCDC, with the ownership structure explained. A letter of intent should be submitted within 30 days.

George Fuller left the meeting at 10:03 A.M.

Mr. Gray reported there is some development activity going on around the city, particularly around the new Baylor Medical Center location. McKinney's retail development continues to lag. The next possible retail location would be Highway 75 around FM 543.

Cindy Schneible gave her update to the board. The executive director reported that MISD withdrew its application for funding replacement of turf on the athletic fields at McKinney North and McKinney High Schools; the City Council was presented with the consultant's report on an On-street Bike Master Plan at April 23rd work session and MCDC may be asked to participate in funding. The 2012 Relay for Life is April 27th. MCDC sponsorship includes creating a park-like area for survivors, caregivers and others to take pictures or just take a break from scheduled activities. Haynes Landscaping designed and created the space, using flowers and plants that will be sold to benefit Relay.

Michael Puhl made a motion to adjourn the meeting. The motion was seconded by Eric Davis. The motion passed unanimously (4-0).

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

TRACY RATH – Board Chair