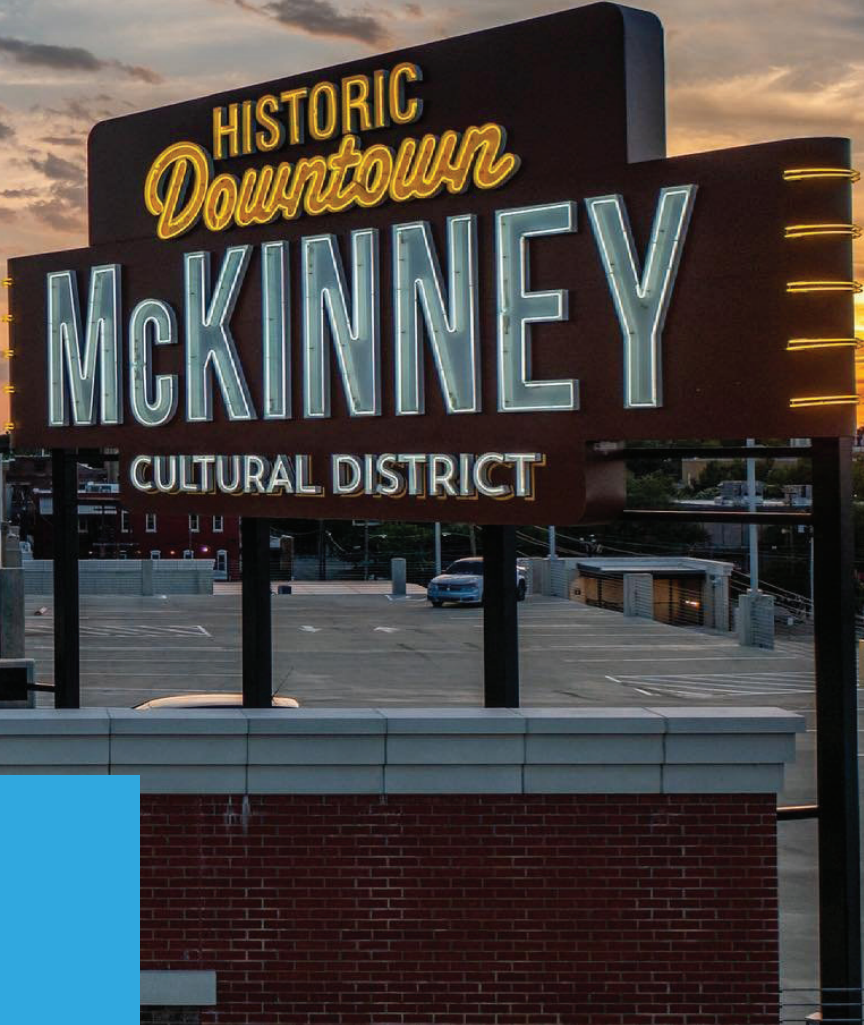


KPI ANNUAL REPORT



2021

2021 WAS A YEAR FILLED WITH
SURPRISES AROUND **EVERY CORNER**





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OUR VISION AND VALUES

OUR HISTORY:

The McKinney Economic Development Corporation was created in 1993 to support the development, expansion, and relocation of new and existing companies to McKinney, Texas.

OUR MISSION:

To create an environment in which community-oriented businesses can thrive.

OUR VISION:

To make the City of McKinney the most desirable location in North Texas for business by encouraging growth through strategic investments in corporate culture, talent development, and capital assets.

STRATEGIC OBJECTIVES:

The MEDC has identified strategic objectives that guide our day to day activity. These pillars of our strategic objectives define “How” we go about selecting projects and companies to invest in to improve the quality of life and business opportunities in the City of McKinney. Each pillar has established guidelines and parameters that determine whether or not a project merits assistance from the MEDC. It is our top priority to make strategic investments in those projects that will generate the best return to our community.



**BUSINESS
ATTRACTION**



**BUSINESS
RETENTION &
EXPANSION**



**FOREIGN
DIRECT
INVESTMENT**



**INNOVATION &
ENTREPRENEURSHIP**



RESPECT
INTEGRITY
SERVICE
EXCELLENCE



WORD FROM PRESIDENT

The success of the MEDC can only be attributed to the leadership provided by our Board of Directors and the hard and dedicated work of our staff.



2021 proved to be another year filled with challenges, setbacks, and uncertainty. Despite these hurdles, the dedicated work of the MEDC staff led our organization to its most successful year of investment and development in the history of the organization.

The McKinney Economic Development Corporation has been in the midst of a metamorphosis over the last three years. We have updated our branding and repositioned ourselves within the National market to be a next generation city focused on technology and innovation. Our leadership has adopted an aggressive new strategic plan to focus on large scale development and technology as our target market. And the results? I think they speak for themselves.

The MEDC has seen an over 40% increase year over year for three years straight in new capital investment in economic development generated projects. We have continually set new records for job creation every year. In a time when the COVID-19 pandemic has plagued not only our physical health, but our economic health, McKinney continues to rise above and show our strength in the face of adversity.

How did we succeed when others could not? Innovation.

Every employee of the MEDC is tasked first with being an innovator. We research and find new solutions facing our issues that have not been done before. We serve as the leaders of the pack and not the followers. Being innovators is our x-factor.

I am honored to be able to lead a dynamic group of individuals that are making a real impact on our community. I look forward to shattering more records as we pioneer new programs, new initiatives, and new thoughts on how we as economic developers continue to change the game.

2021 was a great year, thank you for your hard work. Let's make 2022 even better.

Peter Tokar III
MEDC
President & CEO



**“IF EVERYONE MOVES TOGETHER, THEN
SUCCESS TAKES CARE OF ITSELF.”**

-HENRY FORD

2021 KEY PERFORMANCE INDICATORS

1.

**BUSINESS
ATTRACTION**

2.

**MARKETING
SOCIAL MEDIA**

3.

**BUSINESS
INTELLIGENCE**

4.

**LEAD GENERATION
& OUTREACH**

5.

**INFRASTRUCTURE
DEVELOPMENT**

6.

**INCREASE
TAX BASE**

7.

**BUSINESS
RETENTION &
EXPANSION**

THE RESULTS

ARE IN...

The Board of Directors and staff of the McKinney Economic Development Corporation established 7 core Key Performance Indicators to measure the organizations measurable performance. So how did we do?

As a whole, we met nearly all of our targets. As we continue to refine our strategic initiatives and objectives, we learn more about what success really is. KPI's are never a measure of success, rather they are meant to scientifically prove or disprove measurable outcomes of an initiative. Not meeting a desired outcome does not translate into failure, rather it means we need to look at what a realistic unit of measure for that objective is, or if the objective is measurable at all.

Conversely, meeting 100% of our KPI's may indicate we did not set a high enough threshold or the achieved KPI may not translate into a meaningful outcome for the organization, even though the desired outcome was met. KPI's are simply a unit of measurable outcome to gauge how we performed throughout the year.



1. BUSINESS ATTRACTION

[Seek out qualified businesses in identified targeted industries to relocate to the City of McKinney.]

	KPI MET?
KPI 1: Maintain and Active project pipeline of 20 projects, no more than 40% being Innovation Fund Projects.	YES
KPI 2: Host at least 2 Familiarization Tours Annually.	YES
KPI 3: Participate in a minimum of 5 industry trade shows and missions.	YES

ACTIVE PROJECT PIPELINE: The project pipeline fluctuated throughout 2021 ranging from 36 projects to 20 as projects were won, lost or closed. Innovation fund projects averaged around 35% of the total project pipeline throughout the year.

2. MARKETING/ SOCIAL MEDIA / WEB

[Refine and update uniform marketing campaigns, social media channels, and website for the MEDC to clearly showcase the City of McKinney as a business and lifestyle destination and promote development opportunities.]

	KPI MET?
KPI 1: Launch a minimum of 5 targeted marketing campaigns.	YES
KPI 2: Maintain a 40% open rate for all marketing automation campaigns.	NO - Avr. 38.24%
KPI 3: Launch at least 5 targeted industry newsletters.	NO
KPI 4: Increase consumer organic engagement on marketing platforms by 5% over the national industry average.	UNKNOWN



2021 FAM TOURS:



+ 2 Confidential Project Site Visits
TOTAL: 4 FAM Tours

2021 INDUSTRY TRADE SHOWS & MISSIONS:

CONSULTANTS EVENTS

Site Selectors Guild - Annual Conference & Fall Forum
Consultants Connect - Phoenix, Chicago, Chicago
Consultants Forum - Virginia, Tampa
ECONOMIX (Site Selector Conference) - Scottsdale

CONFERENCE & TRADE SHOWS

Smart Cities Conference - Virtual, Barcelona
MDM West Conference
CRE TECH Conference, CRE Converge Conference
Connect X
DCI Marketing Summit
IEDC - Annual Meeting, Economic Futures Forum
TEAM Texas Summit, TEDC Annual Conference

MEDC INDUSTRY NEWSLETTERS



We have been in transition in 2021 from moving from agency marketing services to in-house marketing services. During our transition, we missed sending out the 3rd quarter newsletter which caused us to miss our Annual KPI for Marketing Lead Generation and BRE.

MEDC TARGETED MARKETING CAMPAIGNS

Digital Ad Campaign - HACK DFW
Digital Ad Campaign - Connect (X)
Digital Ad Campaign - Site Selectors Guild Annual
Digital Ad Campaign - Smart Cities Expo World
Digital Ad Campaign - Economix
Digital Ad Campaign - Consultants Forum, Tampa

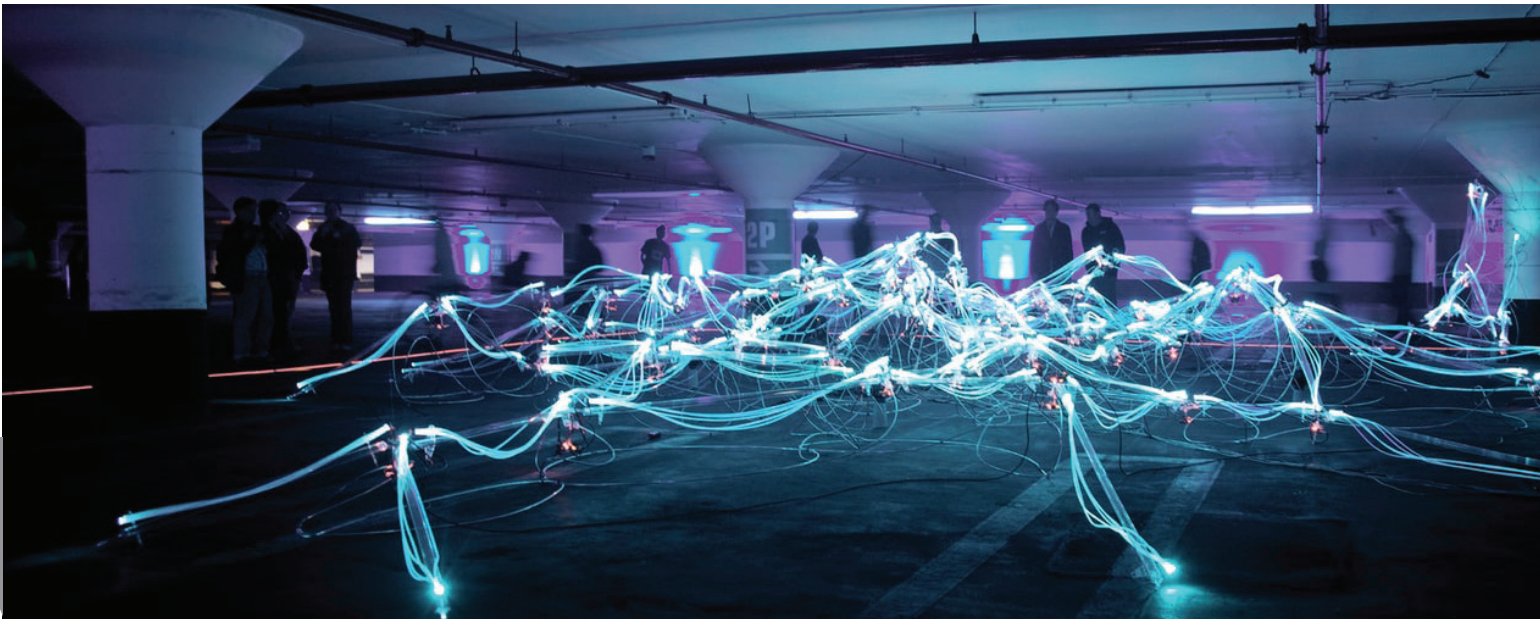
TOTAL: 6 Campaigns

MEDC TARGETED OPEN RATE: 38.25%

We missed our targeted open rate across all of our marketing automation campaigns by a narrow 1.75%.

NATIONAL INDUSTRY AVERAGES FOR ENGAGEMENT:

This has been a struggle to even calculate. With social media changing all the time, we have yet to find any established national averages for customer engagement. We will be eliminating this as a KPI as it is really not track-able.



3. BUSINESS INTELLIGENCE

[The MEDC will utilize business intelligence to provide meaningful data and information that enhances the appeal of McKinney through data visualization and data driven reporting.]

KPI MET?

KPI 1: Complete a full business inventory for the City of McKinney.	YES
KPI 2: Complete 2 comparative analysis studies within targeted markets	YES
KPI 3: Complete 2 competitive market studies.	YES
KPI 4: Upload refined “Fast Facts” sheets on website by end of first	YES



BUSINESS INVENTORY:

Inventory was generated from multiple sources including McKinney Chamber of Commerce, MEDC internal documentation and research, and North Texas Council of Governments. In total the MEDC identified more than 1,400 businesses in McKinney, with approximately 95 of them being targeted industries according to NAICS codes.



COMPARATIVE ANALYSIS:

Comparative markets chosen were Tacoma, Washington, and Orlando, Florida. Comparative analysis was performed on cost of living, home prices, work force and labor location differences, and wage quotients. Overall, McKinney falls into the middle of both jurisdictions in both terms of cost of living and housing with utilities and food/groceries costs being approximately 3-5% above our peers.



COMPETITIVE ANALYSIS:

Ten competitive market studies were completed which includes cost of living, housing, healthcare, home prices, labor, and wage analysis. Of the list below, McKinney tracks as the 7th (of ten) highest cost of living location, while having the 5th most expensive housing market. Housing afford-ability will continue to impact the ability of the MEDC to recruit lower wage businesses, as employees making less than \$65,000 annually will struggle to afford the average rent of \$1,300 for a 1 BR apartment.



4. LEAD GENERATION

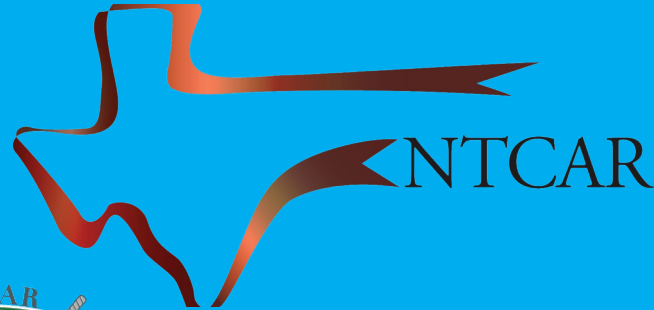
[The MEDC will participate in trade missions, direct marketing trips, industry conferences, and localized events to recruit national business prospects to promote McKinney as the destination city in North Texas for corporate and regional investment.]

	KPI MET?
KPI 1: Generate at least 10 national and international project leads.	YES
KPI 2: Send out 4 quarterly newsletters to brokers and site selectors.	NO
KPI 3: Participate in a minimum of 5 local brokers or site selector events.	YES

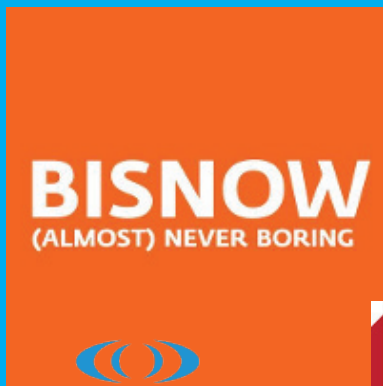
2021 LOCAL BROKER & SITE SELECTOR EVENTS:

SITE SELECTOR EVENTS: 17

LOCAL BROKER EVENTS: 53



NTCAR



- Aurora, CO
- Henderson, NV
- Chandler, AZ
- Durham, NC
- Orlando, FL
- Richmond, VA
- Overland Park, KS
- Greensboro, SC
- Tacoma, WA



LEAD GENERATION

79

NATIONAL & INTERNATIONAL

5. INFRASTRUCTURE DEVELOPMENT

[Utilizing infrastructure-led economic development principles, the MEDC will seek to engage technology infrastructure providers to invest in tech infrastructure that will serve as a catalyst for business attraction and community lifestyle improvement.]

	KPI MET?
KPI 1: Enhance wireless coverage in the City of McKinney.	ONGOING
KPI 2: Complete at least 2 technology pilot projects.	YES
KPI 3: Complete at least 2 wireless infrastructure plans for greenfield development.	YES

WIRELESS
The city is working with Collin County, and telecommunication providers to constantly identify improvements in wireless coverage.

PILOT PROJECT 1

DISTRICT 121

The MEDC is working closely with the developers of District 121, Chickasaw Nation, and ASC to deploy advanced fiber optic networks and small cells to enable the site for next generation tech and connectivity.

PILOT PROJECT 2

CORE 5

The MEDC deployed fiber in the Core 5 industrial park. We continue to work with the developers to enhance the site as new tenants move in.

GREENFIELD 1

DISTRICT 121

Prior to deployment, the plan for the greenfield site was executed with the developers.

GREENFIELD 2
CO
We h
plan in
develop
rema

6. INCREASE COMMERCIAL TAX BASE

[As a primary objective, the MEDC will seek opportunities for increasing the commercial tax base of the City of McKinney.]

	KPI MET?
KPI 1: Have an active capital investment pipeline of \$200M from MEDC Generated projects annually.	YES
KPI 2: Increase Cap-X of at least 20% vs. prior year	YES



ANOTHER RECORD YEAR

For the THIRD year in a row we have set a new record for new capital investment in the City of McKinney from Economic Development generated projects. We ended the 2021 Calendar year with \$445 Million in new capital investment which far surpasses our previous record last year of \$290 Million.

This new record puts us well past the goal of a 20% increase over last years goal. However, this will quickly become a non-sustainable KPI as the amount continues to increase year over year. We are researching additional metrics we can use to measure investment in McKinney in years to come.



OUR PIPELINE STRENGTH

We have the largest project pipeline in MEDC history at roughly \$2.4 Billion in recruitment and land development projects. The MEDC land purchases along 121 are proving to be a fantastic catalyst for some amazing experiential mixed-use development projects we hope to announce in 2022.

McKinney has taken a strong foothold in the DFW market as both a business and lifestyle destination. Our commitment to building an innovation economy has been recognized nationally. Our new strategic direction is being noticed and new projects are coming to the MEDC in record numbers.

GREENFIELD 2
CONFIDENTIAL
have a greenfield
place for a current
development project that
remains confidential.

7. BUSINESS RETENTION & EXPANSION

[Engage local McKinney based businesses to build and maintain relationships as well as seek out any assistance or expansion opportunities.]

	KPI MET?
KPI 1: Visit at least 100 McKinney businesses annually. KPI	Year End - 45 Visits
2: Engage the top 10 Employers at least 3 times per year.	NO
KPI 3: Host 2 Community Forums annually.	NO - Due to COVID
KPI 4: Deploy 4 quarterly community newsletters annually.	NO



TOP TEN EMPLOYERS

1. RAYTHEON INTELLIGENCE & SPACE
2. GLOBE LIFE
3. ENCORE WIRE CORPORATION
4. INDEPENDENT FINANCIAL
5. TIMBER BLIND & SHUTTER
6. PACCAR DYNACRAFT
7. AMAZON
8. SRS DISTRIBUTION
9. WATSON & CHALIN
10. SIMPSON STRONG-TIE

Engagement with the top 10 employers on an annual basis has proven to be challenging. Many of the top ten employers have identified that they do not require more than a single visit per year, and in some cases indicated once per year may not even be necessary.



BUSINESS RETENTION IN 2022

The MEDC Business Retention & Expansion program underwent an overhaul in 2021 with the placement of our new BRE Manager. We conducted research to validate some of the KPI targets that proved to be in need of revision as they were unattainable. The research and data we were able to collect has allowed us the opportunity to completely revamp the BRE program and the corresponding KPI's. We will see a whole new BRE program in the following year.



COMMUNITY FORUMS

Due to COVID-19, we were not able to host any community forums in 2021. We continue to partner with City of McKinney Neighborhood Services to be included in as many in-person community events as we can.



COMMUNITY NEWSLETTERS

We successfully launched 3 of the 4 quarterly community newsletters. During the third quarter and start of our new budget year, we transitioned from our marketing agency which caused us to miss the third quarter.



TARGETED INDUSTRY BUSINESSES

95



TOTAL BRE CORPORATE VISITS

45



UNIQUE MCKINNEY