

CITY COUNCIL SPECIAL MEETING

JUNE 19, 2017

The City Council of the City of McKinney, Texas met in special session in the Council Chambers of the Municipal Building on June 19, 2017 at 5:30 p.m.

Council Present: Mayor George C. Fuller, Mayor Pro Tem Travis Ussery, Council members: Chuck Branch, Don Day, Tracy Rath, Rainey Rogers, Council member Elect La'Shadion Shemwell, Council member Elect Scott Elliott, and Council member Elect Charlie Philips. Absent - Council member Randy P. Pogue.

Staff Present: City Manager Paul Grimes; Deputy City Manager Jose Madrigal; Assistant City Manager Barry Shelton; Assistant City Manager Steve Tilton; City Secretary Sandy Hart; Planning Director Brian Lockley; Executive Director of Development Services Michael Quint; Assistant to the City Manager Trevor Minyard; Interim Director of Parks and Recreation Ryan Mullins; Fire Chief Danny Kistner; Chief of Police Greg Conley; Planning Manager Jennifer Arnold; McKinney Community Development Corporation President Cindy Schneible; Airport Executive Director Ken Wiegand; Director of Airport FBO Mark Jaraczewski; Interim Director of Engineering Gary Graham; Chief Information Officer Sid Hudson; Engineering - Paul Tucker, Nicholas Ataie, Joshua Cotton, and Danny Still; Community Services Administrator Shirletta Best; MPAC/Main Street Director Amy Rosenthal; Chief Financial Officer Mark Holloway; Communications and Marketing - CoCo Good and Laura Smetak; Development Manager Brandon Opiela; Fire Marshal Mike Smith; Fire Inspector Morrell Blissett; Assistant Fire Chief Chris Lowry; Facilities Construction Manager Trish Jackson; and City Manager's Office - Blanca Garcia and Joe Mazzola.

There were approximately 120 guests present.

Mayor Fuller called the meeting to order at 5:32 p.m. after determining a quorum present.

17-617 Mayor Fuller called for Consideration/Discussion/Action on an Ordinance of the City Council of the City of McKinney, Texas, Certifying the Election Results for the June 10, 2017 Run Off Election. City Secretary Sandy Hart presented the official election results for the June 10, 2017 Runoff Election. For District 1, La'Shadion Shemwell, 662 votes, Dustin

Pearson, 494 votes; for District 3, Margaret Harsch, 831 votes, Scott Elliott, 1,053 votes; for McKinney Council At-large, Derek Baker, 1,700 votes, Charlie Philips, 3,177 votes. Ms. Hart stated that La'Shadion Shemwell was elected as Council member District 1, Scott Elliott was elected as Council member District 3, and Charlie Philips was elected as Council member At-large. Council unanimously approved the motion by Council member Branch, seconded by Council member Rogers, to approve an Ordinance of the City Council of the City of McKinney, Texas, Certifying the Election results for the June 10, 2017 Run Off Election. Caption reads as follows:

ORDINANCE NO. 2017-06-070

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, CERTIFYING THE ELECTION RESULTS FOR THE JUNE 10, 2017 RUN-OFF ELECTION; DECLARING THE RESULTS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE

17-618

Mayor Fuller called for Comments from Outgoing City Council Members. Council member Day stated that when he came on Council eight years ago, I had a list of things I thought needed to be addressed. At that time, on that list was an unfinished hotel at Gateway, an abandoned Courthouse on 9 acres in downtown, a stalled aquatic center, no coherent economic development plan to bring more businesses to McKinney, no plan to address downtown parking needs, there were issues with the development services department, and there were issues with the then City Manager. MPAC was floundering and under poor management. Over the past eight years, Council has worked on all of these issues. At this time, the Sheraton Hotel is operating successfully, the aquatic center is up and enjoying good success, the 9 acres is under construction with a \$50 million mixed-use project, MPAC is better managed, and we are on our fourth City Manager. We have partially addressed the downtown parking problem with two new surface lots under construction and a new garage being developed. We have put in

place economic development plans that included purchasing the airport which is growing and thriving. We have formed two TIFs. We have a plan to develop the Gateway site. We have in place a plan to develop retail at the Laud Howell Parkway. We have approved a new resort hotel at Craig Ranch. And we initiated a redevelopment plan for McKinney Housing Authority's aging affordable housing with three new affordable housing projects completed. One of these projects is the redevelopment of Newsome Homes at Highway 5. The upgraded Newsome Homes not only improves the lives of those that occupy it but it brings up the entire area in development. I encourage the new Council to follow through on the plan to do the same improvements at Merritt Homes. We are passing on to the new Council a balanced budget with a AAA bond rating which I believe we are one of only 19 cities in the state of Texas. We've made progress but there are problems that still exist. I believe the primary problem facing McKinney as it moves forward is a lack of enough commercial development. Only 19% of McKinney taxes are paid by businesses and because we have too few businesses, our property tax rate is 25% higher than the city of Frisco, 18% higher than Plano, and 10% higher than Allen. High property taxes is a direct cause of too few businesses and McKinney property taxes will not decrease to any degree until McKinney has more businesses. McKinney has a continuing downtown parking problem. Council's recent actions have helped but the next spaces added are only approximately 100 spaces, which is not enough. I will remind the new Council that when we formed TIRZ 1, the primary purpose for that TIRZ was to pay for downtown parking so funding for future parking is available. Because downtown is one of the primary reasons McKinney continues to be selected as one of the best places to live in America, and is the largest commercial district in McKinney, I encourage you to continue to support and find a solution for downtown parking problems. A new City Hall is needed. McKinney has

departments scattered all over the City which does not allow for efficient operations and I encourage the new Council to solve that problem sooner rather than later. Development services still has issues, the planning department is a revolving door with employees which slows down commercial development. The engineering department continues to have issues. One example of that problem is the fact that last week I filed a lawsuit against the City of McKinney over a dispute over how tree issues are being enforced. The heart of that dispute is one basic question, do City employees have a duty to enforce policies and ordinances issued and passed by Council or can they modify them as they choose. I believe they do and they disagree. In summary, today McKinney is a better place than it was eight years ago and I'm proud of that fact but certain issues remain and those problems are now the problems of the new Council. If you think it's all fun and easy, you are in for a big surprise. I want to wish all of the new Council members great success, good fortune as you take over command of the City. I thank you for your service.

Mayor Pro Tem Ussery stated that former Mayor Loughmiller and Council member Day have touched on what has transpired over the last eight years. I guess I will take a different approach. When I was fortunate enough to have an English teacher a long time ago they instructed me if you make every word count you can say in a sentence what others take a paragraph to say. I have tried to carry this with me in practice and I will attempt to practice it one more time. Former Mayor Loughmiller took the time to recognize individuals with whom he served with while on Council. I thought I might do the same for my time and going back to 1993 was a longer task than I realized. Rather than risk omitting someone as they are all significant to me, I will just say many thanks to each person I had the honor of serving with on this public service journey to date. To each member of City staff across the entire spectrum of departments, I say one more time to each of you, thank you for your efforts in executing the

vision laid out by this policymaking body. Whatever triumphs from the dais, it's your diligence that makes individual things possible. The recognition McKinney has received for being such a wonderful place is in large part to your good work. To Mr. Grimes, I appreciate you and the job you have done and continue to do. Your willingness to engage the public on matters large and small, pleasant and unpleasant speaks well for the future of McKinney including a much discussed economic development frontier. I feel success will be yours in the City as a whole as long as the City Charter is respected in every way. If not, the stumbles will not be yours alone but include those not so respecting of the government documents. Mr. Grimes, both of us being basketball aficionados, I think you owe me a game of horse at some point in the future. And Mr. Mayor, you are welcome to referee. To each incoming Council member, I appreciate and applaud your willingness to serve and enhance the vision of McKinney moving forward. Elected office does not make you smarter or wiser than the people you serve. The elected position does offer some level of power to shape the direction or action. But I would suggest to you the power of the elected position can be a most alluring, seductive and addictive drug. Please exercise the voter-granted power with care knowing that there are always unintended consequences. I'm certainly willing to support you in any positive way possible. McKinney has seen a number of changes during my life from the opening of Highway 75, and I mean the opening, not reconstruction, to the evolution of downtown McKinney, to a regional airport from a tiny landing field, to being discovered as one of the best places to live. The list could go on. The opportunities for growth are real and great and I hope the governing positions will respect the investment of the private sector without compromising the quality the public expects. The only change we all deal with individually is change and McKinney, fortunately or unfortunately, will be no different. I will close with what a wonderful honor it has been to

serve the City for 24 years, the City I have always called home. I am blessed to have been one of the small group of father and sons to serve in elected office and smaller group blessed with the title of Mayor Pro Tem. I offer thanks and appreciation to those who shaped me during my life journey as I would not be here without you. I specifically include two of the most wonderful people anyone could ever know that I've had the blessing of calling my mother and father, Hazel and Leon Ussery. Whatever success I've had is not mine alone, but ours. Ours being those I served with, all those on City staff, all those that volunteer on Boards and Commissions and each individual that took time to make me a better person. Success at any level has to be about we, not about me. Mayor Fuller, I welcome the opportunity to close with the title of Mayor Pro Tem and I wish you and the incoming Council all the success in the world.

17-619

Mayor Fuller called for City Council and City Manager Comments.

Council member Rogers stated to Don Day, I have always appreciated you. I did not know Don until I started working with him on the Council and La'Shadion, you have some big shoes to fill. Don is a great advocate of your district and McKinney and I've always appreciated his insight. Travis, I've always appreciated your willingness to serve and the heritage you brought to the Council and your willingness to step in. You were at a lot of functions with our church and I always appreciated that. Thank you, well done.

Councilwoman Rath thanked Council member Day and Mayor Pro Tem Ussery for their service to the citizens of McKinney.

Council member Branch stated that it was a pleasure sitting next to Don Day and I hope to continue on with understanding more from you and getting to know some more ideas from you in regards to downtown. You have served your district well. A lot of people think you are about money and you are very business-oriented but you care for the people all around so I really appreciate that. Mayor Pro Tem Ussery, I appreciate you

being here. It's an honor to serve with you. Getting to know about you has been fascinating. I learned about basketball and baseball from your love for the games and how you carry that forward to serving the citizens and your love for them and the love for the City. You always show your gratitude and we appreciate it.

Mayor Fuller expressed to Don Day how well he has represented District 1 and the transformation we have seen of downtown. I believe that has assisted dramatically in McKinney being recognized as the best place to live in America. The way it has embraced the community and created an environment for the citizens to gather is a legacy that will live on forever. You have been a blessing to me, to be able to talk to you about construction and development in McKinney. You have always been there to listen to my questions and offer me advice and I will forever be grateful for that. It's been an honor to know you. Mayor Pro Tem Ussery, you said when you were talking that you offered to help anybody in a positive way and I felt you accentuate the word positive, so that embodies you and that's the way you have been with me from the day I met you. Through this campaign process that recently ended and even before that, you've always been tremendously positive, constructively positive, even as recently as two weeks ago when I had my first meeting. After that meeting, Travis met with me and he took the time to type out a long list of ideas and recommendations and things I should consider and he said, I want to give you my 23 years of experience, and walked out of the room. I sat there and reflected that this is the guy I have known since the day I met you and to the last day you served, you showed true form again. Thank you for being such a servant to the City and such an encouraging friend.

17-620

Mayor Fuller called for Presentation to Council member Day and Mayor Pro Tem Ussery. City Manager Paul Grimes presented outgoing gifts to Council member Day and Mayor Pro Tem Ussery. Mr. Grimes stated to

Council member Day and Mayor Pro Tem Ussery, these are unique individuals in that they have served as statesmen of the City Council. Their wisdom and perspectives have been very helpful for me and I know they been helpful to the Council members. Council member Day, when I first met him, I marveled at his experience and knowledge and business acumen. He knew the things here in McKinney that count. For example, he knows the importance of business development in the community and building a tax base because the residents can't shoulder it alone and that is something we are working toward. He also recognizes the value of downtown McKinney. He's been the statesman for downtown McKinney in many respects. He recognizes that it is the square that really sets the tone for the entire community. He is an advocate of the arts and he will continue to do that. We are grateful and blessed that Council member Day will continue to stay engaged in helping us develop in the area of arts. I want to thank you on behalf of staff, we've enjoyed working with you. I want to present you with a gift that I hope is a token for you to remember us with. It is a clock presented to Don Day with sincere appreciation for service to the citizens of McKinney District 1. Mayor Pro Tem Ussery, this is a special one. He talks about basketball but I can tell you, this guy can play. First of all, he said more tonight than in the 10 months I've been here. He truly is a man who listens more than he speaks and there is value in that. His ability to listen and synthesize and process information and share his wisdom, when he speaks people listen, and I appreciate that. In the time on Council, you have been a true advocate of McKinney for all of these years, almost 24 years, and I appreciate that. I very much appreciate your welcoming me and giving me your perspective and you always offer your time. On behalf of staff, we present this clock and thank you with sincere appreciation for your service to the citizens of McKinney for District 3 and as Mayor Pro Tem.

17-621

Mayor Fuller called for presentation of the Certificates of Election and

Oath of Office for Council member District 1, Council member District 3, and Council member At Large. Mayor Fuller presented the Certificates of Election and City Secretary Sandy Hart administered the Oaths of Office to La'Shadion Shemwell - District 1, Scott Elliott - District 3, and Charlie Philips - Council member At-large.

17-622

Mayor Fuller called for Comments from Incoming Council members. Council member Philips stated that he always starts by thanking God and there is no exception here. He is the one that got me here and my sister. So if you haven't prayed for the City of McKinney, you will now. Looking forward to serving you and thanking you all for your support. The generous outpouring of pure love in this campaign, I have been humbled by it and overwhelmed by it at times. I thank you all very much.

Council member Elliott stated none of this happens in a vacuum and none of it happens alone and I have so many thank yous to give. I want to give a shout out to Travis Ussery for a lifetime of service, dedication, almost nine years representing District 3. Travis, I'm especially thankful for your friendship and endless patience with my questions. I look forward to accessing your wisdom if you will continue to return my texts and calls. Council member Day, thank you for your generosity with your time and wisdom and I appreciate calling and texting and asking questions and accessing your wisdom as well. We've already said thank you to Brian and Randy for their years of service, for being good friends over the years and being generous with their time. Thank yous would not be complete without a thank you to Roger Harris, Carolyn Corbin, Deb Fitzgerald and Tracy Rath for starting me on this path because without their help and encouragement and assistance, I don't think I would be here tonight. I want to publicly thank Margaret Harsh for a runoff election that I think set a standard for decorum and respect for each other. I can't say enough good things about Margaret. A public thank you to our core teams for their constant support over the last few months. There have

been many friends across McKinney that made this possible. And here is the most important one, I want to thank my wife, Linda. Our 34th wedding anniversary was yesterday. Her constant companionship in this crazy thing we call life, her dedication to her faith, family, her agreement that service above self is what matters and her encouragement and participation in this campaign cannot be measured. I know one thing, the opportunity to serve our City in District 3 would not have happened without her. She was knocking on doors and visiting with citizens on her birthday two weeks ago. I don't know what exemplifies dedication if that's not it. Thank you, sweetheart. This is a time of unprecedented change on City Council and a time of unprecedented opportunity. Five thousand to 10,000 people a year decide to call McKinney home. We have decisions to make regarding budget, taxes, infrastructure, long-term planning, maintaining the character and unique nature of downtown and historic district, and how do we enhance our parks and open spaces in the face of accelerating change. McKinney is not going to thrive solely due to the seven people on this dais. It requires talent, abilities, and time of all of our citizens. We are not going to agree on everything nor should we want to if we want to examine all possible ideas. This is a time to lift each other up, not tear each other down. This is a time to be united in direction if not in all details, a time to be neighbors first and individuals second. Neighbors work out differences by communication, not confrontation. You cannot spell the word community without unity and I pledge to work with fellow Council members, our City staff, and all citizens to make sure unity remains a part of our community.

Council member Shemwell stated he wanted to thank God and his mother for showing him how to work hard and what work ethic can get you. I'd like to thank you, Mayor Fuller, for your support and encouragement and leading by example of what to be and what we have to look forward to. I'd like to thank Don Day. I have big shoes to follow

and we can thank Don for his work not just as a Councilman but as an active businessman and the revitalization he has done to downtown McKinney. I look forward to your advice and mentorship to help thrive and keep McKinney and District 1 going forward. Thank you to my volunteers. I could not name everyone because every row has someone who volunteered on my campaign. I'd like to thank District 1 and the voters for being engaged and involved in the process for so long. I thank you for giving me the opportunity. We broke records with 99.7% of return voters in a runoff vote which has never happened. I would like to thank my children and their mothers for being an inspiration to me. Because of you babies, it's why I work so hard to overcome regardless of whether they have been good or bad, I've been an example of what to do or what not to do to make things better for this community going forward and I look forward to doing that for you all. I thank my mentor program and all the parents that allow their children to spend weekends with me so I can teach them right from wrong. I thank Leadership McKinney, Class of 17, for giving me these avenues. To those that did not vote for me, I thank you and need you more than ever and if you doubt me or have questions, continue to challenge me and be open with me and bring me your concerns so I can work through them to make the community better. Music, I remember going through hard times and being able to sing through them. I'm in tune with music, it is my ministry when God wants to speak to me he speaks through music. And to my mother, there's no way I can pay you back but the plan is to show you that I understand. You are appreciated mama. To Mayor Fuller, you are a rock star. To City staff, and Mr. Grimes, I look forward to working and leaning on your expertise. I will call on you to guide me through. To Sandy Hart, thank you for the work you have done throughout the campaign and before as a City Secretary. Thank you to all the current Council members who are still on and I'm excited for the developments to come. District 1 is home

to 17 of the top 20 employers in the City. I look forward to continuing to build that and we will do some work. Hold me to it, hold me accountable. If I don't do these things I say I'm going to do, don't vote me back but I pray I make you all proud and if you have questions, let me tell you. Mr. Shemwell sang a song - I am a mountain, I am an eagle, I am a lion, down in the jungle. I am a marching band, I am the people, I am a helping hand, I am a hero. If anybody asks you who I am, stand up tall, look 'em in the face and say, I'm that star up in the sky, I'm that mountain peak up high, I made it, I'm the world's greatest. I'm a little bit of hope, when my back is against the ropes, I made it, I'm the world's greatest. I am District 1, thank you.

Mayor Fuller stated that was truly amazing, inspiring and thank you.

Council member Branch stated that he is looking forward to working with La'Shadion. To Scott, I've known you for a while and I appreciate your service and hard work and leadership on the CDC. I'm looking forward to working with you. Charlie, I didn't know you before this campaign. We certainly missed some opportunities to sit down and talk so hopefully we'll have more opportunities but I've heard a lot of great things so I'm glad to know you are of great faith.

Councilwoman Rath welcomed Mr. Shemell, Mr. Elliott, and Mr. Phillips. I look forward to working with you.

Council member Rogers stated don't get used to the clapping because you are now on the dark side. And for some reason, now nobody will trust you anymore because you are on this side. I welcome all three of you. I'm looking forward to working with this Council and I think we will get a lot of things done and thank you for your service and willingness to step up.

Mayor Fuller stated that I got to know Charlie Phillips through the campaign process. When I first saw your sign with the cowboy hat on it, I knew you were a smart guy because that was different and it was

attention-getting. When I saw you at the polls do the hat off bow, I knew you were a genius. I've gotten to know you as a human being and your love for God and family and I'm honored you are here and that we will work together. Scott Elliott, I worked with Scott on MCDC. We did a lot of great things together and I was very excited when Scott decided to run and I encouraged him from the beginning. I know the man he is, his degree of preparedness. His business acumen is unparalleled and you will see great things out of this man. I did not know La'Shadion before this. I've had the extreme privilege of getting to know you. I want to piggyback on something that was said about Scott's campaign and how civil it was and I did not have that experience. La'Shadion, you took a lot of hits and there's a lot of people out there that wanted to completely and thoroughly focus and dwell on your past and mistakes you have made. I have gotten to know you and I knew those mistakes were something that made you tremendously strong and valuable. I'm going to make a request of everyone in this room, there is a small group but they are loud and they are haters out there. Everyone turn a deaf ear to them and stop empowering them. Let's turn a deaf ear and concentrate on working together. It doesn't matter if you voted for us or not we are representing the City and we want you to work with us. La'Shadion, you have the greatest opportunity of any Council member because you are an example to everyone who ever stumbled and fell and thought there was no sense in going any further. You have proven that wrong.

Council member Shemwell thanked Mayor Fuller and stated what better day than today, 152 years on Juneteenth to elect the second African-American in the history of the City.

In the spirit of what Council member Rogers said, let's not get used to this applause. Let's get on to business, but there is no reason we can't do this job in a satisfying and gratifying way.

Mayor Fuller called for Discussion on Regular Meeting Agenda Items.

Mayor Fuller called for discussion on the following work session items with no action taken:

- 17-623** McKinney Citizen Survey Results Presentation by National Citizen Survey.
- 17-624** Presentation by Johnson Development Pursuant to Request for Second Amendment to Consent Agreements Regarding Bond Authority for Two (2) Existing Municipal Utility Districts: Municipal Utility District No. 1 and Municipal Utility District No. 2 - Trinity Falls
- 17-625** Consider and Discuss Amending the Fiscal Year 2016-2017 Budget Mid-Year to Fund Additional Improvements, Projects and Increased Contractual Obligations
- 17-626** Consider and Discuss the Development Fees for the McKinney Independent School District (MISD)
- 17-627** Discuss Board and Commission Interview Committee and Liaison Assignments

Mayor Fuller called for Council Liaison Updates.

Mayor Fuller recessed the meeting into executive session at 8:45 p.m. per Texas Government Code Section 551.087 Discuss Economic Development Matters as listed on the posted agenda. Mayor Fuller recessed back into open session at 9:35 p.m.

Mayor Fuller called for Action on Executive Session items. Council unanimously approved the motion by Councilwoman Rath, seconded by Council member Branch, to authorize the City Manager to execute a non-binding economic development memorandum of understanding between the City of McKinney and Project A176 - MMD.

Council unanimously approved the motion by Councilwoman Rath, seconded by Council member Rogers, to adjourn. Mayor Fuller adjourned the meeting at 9:40 p.m.

GEORGE C. FULLER
Mayor

ATTEST:

SANDY HART, TRMC, MMC
City Secretary