

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

AUGUST 20, 2019

The McKinney Economic Development Corporation met in regular session in the Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on August 20th, at 8:00am.

Board members Present: Chairman Kenneth Sipiora, Vice Chairman Michael Jones, Secretary/Treasurer Brian Loughmiller, Patrick Cloutier, Dr. Gere' Feltus, Joe Minissale and Tracy Rath.

Staff Present: President Peter Tokar, Executive Vice President Abby Liu, Director of Business Retention & Expansion and Emerging Technology John Valencia, Project Manager Madison Clark, Technology and Infrastructure Specialist Michael DePaola, MEDC Office Supervisor Deana Smithee, MEDC Administrative Assistant Joanne Isom, Social Media Specialist Kristen Ridout, Mayor George C. Fuller, Mayor Pro Tem Rainey Rogers, City Manager Paul Grimes, Visit McKinney Sales Manager Vanesa Rhodes, MEDC Attorney Mark Houser, and Financial Compliance Manager Chance Miller.

Absent: Senior Vice President Danny Chavez

There were 2 guests present.

Chairman Sipiora called the meeting to order at 8:02 am after determining a quorum present.

19-0687 Chairman Sipiora called for the Minutes of the McKinney Economic Development Corporation Meeting of July 16, 2019. Board members unanimously approved the motion by Board member Minissale, seconded by Board member Rath, to approve the minutes.

19-0688 Chairman Sipiora called for Board and Liaison Updates.

City of McKinney - City Manager Grimes reported on the budget process. The City proposed \$158 million general fund budget for fiscal year 2020 beginning October 1. Total budget is \$534 million which constitutes the overall revenues are up. The effective tax rate is up 1.25% but the tax

rate per \$100 evaluation is down 1 penny to .516. City Manager Grimes noted the tax rate hearing will be tonight, the budget hearing is scheduled for September 3, and will be adopted on September 17th. City Manager Grimes announced the sale of Revenue Bonds for water utility at the rate of 2.5% and we received just over 2% on our general obligation tax exempt financing. City Manager Grimes reported the debt sale went very well and is anticipating more in the coming years with the \$350 million bond supporting a number of capital improvement projects.

Chamber of Commerce – President Hermes noted a few important dates coming up with the Chamber. The legislative wrap-up breakfast will be on August 27th at 7:30 am to 9:00 am at Eldorado Country Club. Legislative Consultant, Angela Hill, Chris Wallace from the North Texas Commission, and Mayor Fuller will go over legislation that was passed in the last session. The next development update will be on September 5th at 7:30 am at TPC Craig Ranch. The update will focus on the 121 corridor and the speakers will include Shane Jordan from Jordan Realty Partners, David Brooks with Independent Financial, and James Craig with Craig International. The State of the City will be held on November 7th. President Hermes gave an update on the Chamber's partnership with the MEDC and MCVB in conducting business retention and expansion tours of our business community. They will be regrouping to ensure the right structure is in place and they are maximizing the time with businesses. President Hermes reported on the third quarter meeting of the Business Development Committee. The business community heard from Clarion. They are the organization helping the city with rewriting and simplifying ordinances for developers. President Hermes announced she has been selected to be part of a nationwide Education and Talent Development Fellowship. In this program she will learn about education and talent development initiatives and programs happening in other communities. President Hermes reported the Leadership McKinney

class is starting their ten month journey with a retreat in Alba, Texas. President Hermes noted the September 11th Memorial Day of Remembrance Ceremony will take place on 9/11 at the Collin College Conference Center at 9:00 am.

Visit McKinney – Sales Manager Rhodes reported they are in the process of changing their name from the Convention and Visitors Bureau to Visit McKinney. Sales Manager Rhodes reported some of the advertising they have completed this month includes a 500 word article with photos for consideration for *Meetings Today* magazine. Sales Manager Rhodes noted they are continuing to promote the Munich to McKinney contest. They have had over 7,000 entries and will continue accept through Oktoberfest. The contest is for a round-trip airfare for two and hotel accommodations in Munich. Sales Manager Rhodes reported in sales the Southwest College Football officials visit last month. They also hosted the Texas Agrilife group in for a conference. They were able to secure a contract for the Texas Association for General Dentistry. They will be here in April 2020.

19-0689 Chairman Sipiora called for the Consideration/Discussion of the MEDC Monthly Organizational Report. President Tokar reported he will be leaving on Friday to go to the University of Virginia LEAD course as part of the high-performance organization training.

19-0690 Chairman Sipiora called for the Consideration/Discussion/Action on

19-0691 June and July Financials. Financial Compliance Manager Miller reported the increase in the June Financials was \$569,000 and the sales tax was 16% higher than last year. Financial Compliance Manager Miller reported with audits coming through the number is highly inflated and he anticipates the next several months to be much lower to level out 4.5% increase we see year-over-year. Financial Compliance Manager Miller reported in July we had \$1.6 million in the

sale of land that brought the increase to \$2 million. The year to date increase to \$4.9 million. Financial Compliance Manager Miller reported we had a 4.8 % decrease over last year's July collections. He noted when averaging June and July, it gives us a 5% increase. We budget a 4.7% increase. Year to date we are 4.7% higher than last year's collection.

Board members unanimously approved the motion by Board member Feltus, seconded by Vice Chairman Jones, to approve the June 2019 and July 2019 financials.

19-0692

Chairman Sipiora called for the Consideration/Discussion of the Wireless Communication Plan. Technology and Infrastructure Specialist Michael DePaola presented a plan to help identify how we will communicate with the citizens and business owners about our efforts in the 5G infrastructure. The five goals of the plan are 1. Support the 5G guiding principles set by the McKinney City Council. 2. Enhance presence in the community and provide consistent and transparent communication with all stake holders about technology and infrastructure improvements. 3. Gather valuable community feedback on infrastructure technology deployments. 4. Establish an online portal for infrastructure technology information to serve as the central point for information for citizens, staff, City Council and Board Members. 5. Work with the development community on planning advanced technology infrastructure into existing and future deployment. Technology and Infrastructure Specialist Michael DePaola noted he will be working very closely on a joint committee consisting of the City Manager's office, Planning and Development, Development Services, and Information Technology to ensure the five goals are met. The City will be hiring a wireless consultant to work with the committee, as well as, work closely with Technology and Infrastructure Specialist Michael DePaola to

ensure the citizens and employees are receiving accurate information.

Chairman Sipiora called for Citizen Comments and there were none.

Chairman Sipiora called for Board Comments and there were none.

Chairman Sipiora recessed the meeting into Executive Session at 8:39 am.

Chairman Sipiora reconvened the meeting to open session at 11:18 am.

Board members unanimously approved the motion by Secretary/Treasurer Loughmiller, seconded by Board member Rath, to approve the proposal for Project Lone Star as discussed in Executive Session.

Board members unanimously approved the motion by Board member Rath, seconded by Board member Cloutier, to approve the incentives on Project Roadrunner as discussed in Executive Session.

Board members unanimously approved the motion by Board member Cloutier, seconded by Board member Feltus, to approve the amendment to the McKinney Industrial Center as discussed in Executive Session.

Board members unanimously approved the motion by Board member Rath, seconded by Vice Chairman Jones, to approve to adjourn the meeting.

Chairman Sipiora adjourned the meeting at 11:21 am.

Kenneth T. Sipiora
Chairman