

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

JULY 15, 2014

The McKinney Economic Development Corporation met in regular session in the Dowdy Board Room, 5900 S. Lake Forest Drive, McKinney, Texas, on July 15, 2014 at 8:00 a.m.

Board members present: Chairman Ernest Lynch III, Vice Chair Darrell Tate, Secretary/Treasurer Lance Lindsay, Julie Fort, Robbie Clark, Chuck Branch, and Pablo Ruiz.

Staff present: President/CEO Jim Wehmeier, Executive Vice President Abby Liu, Business Retention and Expansion & Emerging Technology Director John Valencia, Marketing Director Cayti Stein, Director of Business Development Chad Walker, and Corporation Attorney Mark Houser.

Guests present: Mayor Pro Tem Travis Ussery, Council member Geralyn Kever, Interim City Manager Tom Muehlenbeck, City Secretary Sandy Hart, Assistant to the City Manager Derreck Farrell, McKinney Community Development Corporation President Cindy Schneible, MCVB Executive Director Dee-Dee Guerra, and Chief Finance Officer Rodney Rhoades.

Chairman Lynch called the meeting to order at 8:00 a.m. after determining a quorum present.

14-646 Minutes of the McKinney Economic Development Corporation Meeting of June 17, 2014. Board members unanimously approved the motion by Board member Tate, seconded by Board member Ruiz, to approve the Minutes of the McKinney Economic Development Corporation Meeting of June 17, 2014.

14-647 Financial Report. Chief Finance Officer Rodney Rhoades presented the June financial report. Mr. Rhoades stated that the sales tax collection for the year is running strong and operating expenses are currently well under budget due to project-related expenses that have not yet come in. Sales tax collections are up in comparison to FY 2013. Finance is working on a number of sales tax-related reports that will give the MEDC

some industry comparisons. Board members unanimously approved the motion by Board member Ruiz, seconded by Board member Lindsay, to approve the June Financial Report. The June check register will be distributed to the Board by email.

14-648 Board and Liaison Updates

City of McKinney – Interim City Manager Tom Muehlenbeck stated that the City Council will consider action on a modification to the Stage 3 water restrictions at tonight's meeting. In order to conform with neighboring communities, we want to allow our citizens to water sod by handheld hose for up to two hours per day. The original watering restrictions did not allow for that. Council will also consider the Newsome homes redevelopment project. The City is being asked for \$985,000 in cash and about \$700,000 in fee waivers. City Council has instructed staff to meet with the McKinney Housing Authority and the developer to see if we can decrease that amount. The Council unanimously supports the project but wants to see if there can be a reduction in our proportionate share. Mr. Muehlenbeck stated that we are in the middle of the budget process. The City has had one meeting with Council and presented an overview. We will meet with Council in the near future at a budget retreat to continue work on the FY 2014-15 budget. Mr. Muehlenbeck stated that National Night Out is scheduled for August 5th. This is a chance for our Police Department to get out into the community and visit with a number of the neighborhood associations.

McKinney Community Development Corporation (MCDC) – President Cindy Schneible reported that at last month's meeting, the Board approved two projects: the Samaritan Inn site development at their new facility and an additional grant to the McKinney Housing Authority to address the funding gap on the Newsome homes project. Plano Sports Authority is moving along very quickly with their new facility and expects to occupy the building by mid-November. The McKinney

Aquatics and Fitness Center steering committee continues to work with the engineering and design team to reconcile the design components within budget. They will be meeting again on July 16. The Gateway Hotel and Convention Center project continues. We held a project meeting last week and conducted a walk-through on the hotel. There are two model rooms that are complete, painted, decorated and furnished. Sheraton will be in next week to sign off on the rooms. Progress continues on the external brick and stonework. The MCDC has received seven community event grant requests that the Board will consider at their meeting next week.

McKinney National Airport – Interim City Manager Tom Muehlenbeck stated that the City Council will consider the modified airport development plan at tonight's meeting. There continues to be a lot of activity at the airport with all the T-hangars occupied and full. Council will also be considering issuing about \$1.5 million debt for a new transient hangar. Council will also be considering ways to protect the property around the airport.

McKinney Convention & Visitor's Bureau (MCVB) –Executive Director Dee-Dee Guerra presented the MCVB report. She noted that in June, *Texas Meetings and Events* magazine featured The Sanctuary in its publication. Visitor traffic increased 45% over 2013. Last month, MCVB had 269 walk-ins, 135 out of state visitors, 17 out of country visitors, 68 were Texas residents, and 49 were McKinney residents. The top five cities requesting information are Houston, San Antonio, Philadelphia, Austin and Dallas. The top states requesting information are Texas, Pennsylvania, Florida, New York and California. Staff received 11 requests for proposals and filled 355 welcome bags and assisted with 429 hotel room nights for a total of \$42,773.

Chamber of Commerce – Marketing Director Cayti Stein stated that the Chamber's quarterly luncheon will be held today at Eldorado Country

Club. The McKinney Young Professionals Christmas in July event is ending today so bring a new, unwrapped toy or a gift card to the event.

14-649 Director of Business Development Report. Chad Walker, Director of Business Development presented the report that included a few smaller projects that have come through during the last month. Inquiries have been received from some smaller, home-owned businesses from out of state that included one from California, one from New York and one from out of the country.

14-650 Director of Marketing and Research Report. Cayti Stein presented her report that included a new web page, www.choosemckinney.com. The page includes available residential properties in McKinney, MEDC properties, as well as information on McKinney ISD and quality of life information. Ms. Stein stated that she has been working with Brian Akin to film aerial footage of McKinney. Ms. Stein stated that the MEDC Staff have been busy working with Toyota. They have scheduled a tour of McKinney on August 13th. Toyota will be touring many of the area cities to learn more about Collin County. Abby Liu can send Board members information on the Toyota events that would be open to the Board to attend. The Board agreed that the Marguilles report will be attached to the agenda electronically and will not need to be printed out each month.

14-651 Director of Business Retention and Expansion Report. John Valencia, stated that the Manner Polymers has a one-acre solar field and about a half megawatt generation that has been installed. They also have 50 feet of natural gas pipeline that has to be installed from the street to the equipment. The Perfectly Green and Manner teams are looking to run the system for 30 days to make sure it is performing like it is designed. There will be a small leadership ground-breaking event in the next six weeks or so. Munzee anticipates moving into their offices at 111 E. Virginia Street on August 1st. Mr. Valencia stated that the Highway 75 Construction shared the City's communication on the status of the

Highway 75 construction. Council member Kever reported that TxDOT anticipates the frontage lanes being completed by Thanksgiving. TxDOT has offered the contractor an incentive to expedite the project.

14-652 Executive Vice President Report. Abby Liu stated that the Toyota visit is the entire week of August 10th – 15th and the MEDC has a certain level of involvement each day. Abby is working with the Asian Chamber of Commerce, Main Street, MPAC, and has invited Mr. Muehlenbeck and Mayor Loughmiller to join her when she meets with the Toyota representatives. Toyota continually emphasizes the need for diversity and inclusion in the community. Interim City Manager Muehlenbeck stated he appreciates Abby Liu's excellent work on the Toyota visit

14-653 President-CEO Report. Jim Wehmeier expressed his appreciation to Abby Liu and Cayti Stein for their exceptional work on the Toyota event. Mr. Wehmeier stated that he and Mrs. Schneible have narrowed down the finalists for both the Administrative Assistant and the Comptrollers positions. Board members will have an opportunity to meet with the final candidates before offers are made. Mr. Wehmeier thanked City Secretary Sandy Hart for assisting the MEDC with administrative support in the interim.

14-654 Chairman Lynch called for Consideration/Discussion/Action on McKinney Economic Development Corporation Policies and Procedures. Mr. Wehmeier stated that City Attorney Mark Houser reviewed the policies to make sure the wording was legal and did not contradict the Bylaws or Articles of Incorporation. City Attorney Mark Houser noted that the Resolution, if approved, corresponds with the language regarding signatures. The Bylaws require the Board to authorize signatures for the types of documents being signed. The language is included in the section titled Signatory and Contract Execution and is consistent with the Bylaws. The other item for your attention is on the financial side. On

page 1, in 1b there is a slight change whereby the President has authority to make budget adjustments within a particular category but not between categories. President Wehmeier noted that he could not take money out of a designated fund category or project without Board approval and on the other side of that he cannot put money into a fund category or project without Board approval. The President also cannot add or subtract salaries without board approval and cannot expand the budget without board approval. Board members unanimously approved the motion by Board member Fort, seconded by Board member Ruiz, to approve a Resolution adopting the MEDC Policies and Procedures as presented. Caption reads as follows:

RESOLUTION NO. 2007-07-001(MEDC)

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
McKINNEY ECONOMIC DEVELOPMENT CORPORATION,
APPROVING THE GENERAL POLICY GUIDELINES FOR THE
McKINNEY ECONOMIC DEVELOPMENT CORPORATION

Chairman Lynch called for a 10 minute break at 8:35 a.m.

Chairman Lynch recessed the meeting into executive session at 8:45 a.m. per Texas Government Code Section 551.071 (2) Consultation with Attorney on any Work Session, Special or Regular Session agenda item requiring confidential, attorney/client advice necessitated by the deliberation or discussion of said items (as needed), Section 551.072 Discuss Real Property, and Section 551.087 Discuss Economic Development Matter as listed on the posted agenda. Chairman Lynch recessed to the open session at 11:00 a.m.

Chairman Lynch called for Action on Executive Session.

Board members unanimously approved the motion by Board member Tate, seconded by Board member Lindsay, to approve Project Fox as presented in Executive Session

Board members unanimously approved the motion by Board member Tate, seconded by Board member Branch, to approve Project Coin as presented in Executive Session.

Board members unanimously approved the motion by Board member Lindsay, seconded by Board member Branch, to approve Project Electron as presented in Executive Session.

Board members unanimously approved the motion by Board member Lindsay, seconded by Board member Branch, to approve funding the Collide Center through December 31, 2014 with the proposed budget as recommended by Staff in Executive Session.

Board members unanimously approved the motion by Board member Tate, seconded by Board member Ruiz, to adjourn. Chairman Lynch adjourned the meeting at 11:05 a.m.

ERNEST LYNCH
Chairman

