

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

JUNE 15, 2021

The McKinney Economic Development Corporation met in regular session in the City Hall Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on Tuesday, June 15, 2021, at 8:00 a.m.

Board members Present: Chairman Brian Loughmiller, Vice Chairman Michael Jones, Secretary/Treasurer Joe Minissale, Ken Sipiora, Patrick Cloutier, Thad Helsley, and Kurt Kuehn.

Absent: Alternate Kimberly Ball

Staff Present: President Peter Tokar, Senior Vice President Danny Chavez, MEDC Office Supervisor Deana Smithee, MEDC Administrative Assistant Joanne Isom, Mayor George C. Fuller, Mayor Pro Tem Rainey Rogers, Councilman Rick Franklin, City Manager Paul Grimes, MEDC Attorney Mark Houser, Financial Compliance Manager Chance Miller, Visit McKinney Executive Director DeeDee Guerra, and McKinney Community Development Corporation President Cindy Schneible.

Absent: Executive Vice President Abby Liu, Project Manager Madison Clark, and Technology and Infrastructure Specialist Michael DePaola.

There were 3 guests present.

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

Chairman Loughmiller called for Public Comments for items on the agenda and there were none.

21-0503 Chairman Loughmiller called for the Minutes of the McKinney Economic Development Corporation of April 20, 2021. Board members unanimously approved the motion by Board member Kuehn, seconded by Secretary / Treasurer Minissale, to approve the Minutes.

21-0504 Chairman Loughmiller called for the Minutes of the McKinney Economic Development Corporation of May 18, 2021. Board members unanimously approved the motion by Board member Kuehn, seconded by Secretary / Treasurer Minissale, to approve the Minutes.

21-0505 Chairman Loughmiller called for Board and Liaison Updates.

City of McKinney - City Manager Grimes reported Boards and Commissions are actively soliciting applications and the deadline to apply is Friday, June 18th. The City Council will make the appointments for Boards and Commissions on Tuesday, August 24th and newly appointed members will begin service on October 1st. City Manager Grimes noted the Juneteenth celebration is scheduled for Saturday, June 19th at Finch Park. The event will include activities, food trucks, entertainment, fitness and wellness activities, and over 60 local vendors. City Manager Grimes noted the 2020 Census Bureau redistricting data is expected to be delivered to the state by August 16th and the full redistricting data with tool kits are expected by September 30th. City Manager Grimes noted McKinney will begin the process of redistricting council boundaries once they receive the toolkit. City Manager Grimes stood for questions and Board member Cloutier asked when the demarcation date will be for districts in McKinney. City Manager Grimes referred to MEDC Attorney Houser for clarification. MEDC Attorney Houser noted it will be the date the ordinance is issued and expects it will occur in the fourth quarter. MEDC Attorney Houser noted McKinney has grown over 80,000 since the last redistricting. Vice Chairman Jones asked if it was possible to add an additional district due to the population growth. MEDC Attorney Houser noted it would be a Council decision to add a district, however it would not be an option this year.

Chamber of Commerce – President Hermes noted there will be a Business Development Update on June 29th at 7:30 a.m. - 9:00 a.m. at the Cinemark theater. The topic is “Trends in Manufacturing and

Industrial Sector”. The panel will host Kevin Kieffer with Encore Wire, Josh Wheeler with Stonemont Financial, and JT Samford with ML Partners (update: Ken Wesson with Lee & Associates will speak). President Hermes noted the July Quarterly Luncheon will cover the “State of Education” on July 22nd at the Conference Center at Collin College. The superintendents from McKinney, Frisco, and Prosper will be on the panel of speakers and Missy Bender with Raise your Hand Texas will be the moderator. President Hermes reported the Chamber is working with the MEDC to consolidate data to utilize information better when joint Business, Expansion, and Retention visits resume in August. President Hermes stood for questions. Board member Cloutier commented the CEO Breakfast series with David Craig was executed very well and he appreciated hearing David Craig’s insights on the Byron Nelson coming to McKinney. Board member Kuehn complimented the Chamber for including Prosper ISD superintendent in the July Quarterly luncheon due to the growth in the area.

Community Development Corporation – President Schneible reported the MCDC Board met in May and approved three project grants. Collin County Habitat for Humanity for \$200,000 for the home repair program for low income residents. Chestnut Square for \$137,500 to expand the wedding reception area at the Bevel house. McKinney Parks Foundation for just under \$16,000 to improve and maintain McKinney's trails and trail system. President Schneible noted in May the MCDC opened the application period for the final cycle for promotional grants and received nine grant requests. The presentations will be heard at the MCDC Board meeting on June 24th and voted on in August. President Schneible noted the MCDC made a commitment six years ago to fund parks projects at a level of \$5.5M per year for 10 years. The MCDC meets annually with the park's advisory board to review progress on the park's projects and discuss future projects. Director of Parks and Rec Mike Kowski will

present the request for funding for fiscal year 2022 at the July MCDL Board meeting. President Schneible reported the Parks Department has several projects they have completed or are close to being completed, including the renovations to the Senior Center. Old Settlers Recreation Center will reopen in July and Cottonwood Park recently reopened. President Schneible stood for questions and there were none.

Visit McKinney – Executive Director Guerra reported Steven Powell from Destination Services is assisting Visit McKinney with the tourism strategic plan. He will be in McKinney June 23 - 25 to work on surveys sent to meeting planners, as well as the hotel venues and attractions. Executive Director Guerra noted Visit McKinney is working with the Dallas Film Commission for a potential tv series project. Visit McKinney's new website launched June 10th. Executive Director Guerra reported influencer "The real Kika" is scheduled to visit June 26-27. There was a free article about McKinney published by travel writer Kim Croisant at TravelAwaits.com. Executive Director Guerra noted a report was not attached due to missing updates from the hotels. Executive Director Guerra shared McKinney did pick up 679 rooms nights during the Byron Nelson. Allen picked up 1032 room nights, Frisco picked up 644 room nights, and Plano picked up 1002 room nights. Chairman Loughmiller asked if McKinney hotels were at capacity during the AT&T Byron Nelson. Executive Director Guerra explained she met with Bette and toured all the McKinney hotels available for the tournament. They selected which hotels in McKinney they wanted rates from and would push out to the public. Board member Cloutier asked which McKinney Hotels they advocated. Executive Director Guerra noted the Sheraton, Spring Hills, the Home 2, La Quinta Inn, Towne Place Suites, and the Holiday Inn Express. Most of the rooms went to the Holiday Inn Express due to proximity of the tournament.

21-0506 Chairman Loughmiller called for the consideration / discussion of the MEDC Monthly Organizational Report. President Tokar reported the groundbreaking at District 121 with Kaizen Development partners. This will be the first speculative office building in McKinney and preleasing activity is going very well. Kaizen Development partners are in the final negotiations for a 30,000 square foot user, potentially another user interested, and the MEDC/MCDC/Chamber of Commerce offices. Board member Sipiora congratulated the MEDC on the positive press received in the last months.

21-0507 Chairman Loughmiller called for the consideration / discussion of the MEDC Monthly Metrics Dashboard Report. President Tokar noted Senior Vice President Chavez cleaned up the project pipeline to move inactive projects back into a lead status. President Tokar noted the MEDC was able to capture two familiarization tours during the AT&T Byron Nelson PGA tournament and anticipates more to come throughout the year. President Tokar noted Business Expansion and Retention visits are beginning to pick up as the climate begins to allow for in person visits. Board member Kuehn questioned why the email open rate is not being tracked. President Tokar noted the MEDC will have the data on the open rate once the second quarter newsletters are sent out.

21-0508 Chairman Loughmiller called for the consideration/ discussion/ action on the April 2021 Financials. Financial Compliance Manager Miller reported the April 2021 revenues were at \$1.1M and expenditures were at \$10.7M due to Project Handle. Financial Compliance Manager Miller reported the sales tax for the month of April is applicable to the month of February and there was an 13.6% decrease over last year. Financial Compliance Manager Miller noted the decrease is due to audit collections in the amount of \$900,000. If those are factored out, there would be an increase of 4-5%. Board members unanimously approved the motion by

Board member Cloutier, seconded by Board member Kuehn, to approve the April 2021 Financials.

21-0509 Chairman Loughmiller called for the consideration/ discussion/ action on the May 2021 Financials. Financial Compliance Manager Miller reported May revenues were at \$1.8M and expenditures were at \$1.6M. Financial Compliance Manager Miller reported the sales tax for the month of May is applicable to the month of March and there was an 43% increase over last year. Financial Compliance Manager Miller noted Allen had a 46% increase, Frisco had a 43% increase, and Plano had a 1% decrease. Financial Compliance Manager Miller reported the increase reflects natural growth and likely high due to businesses being closed during May 2020. He noted those numbers will stabilize in the 10%-20% range going forward. Financial Compliance Manager Miller noted year to date the increase is 11.5% over last year. Board members unanimously approved the motion by Board member Cloutier, seconded by Board member Kuehn, to approve the May 2021 Financials.

21-0510 Chairman Loughmiller called for the consideration/ discussion/ action on the MEDC FY22 Budget. President Tokar thanked the MEDC operations team for the work they did to prepare the proposed budget for fiscal year 2022. President Tokar noted the staff prepared a budget to meet all the objectives and goals of the MEDC Organization and presented the budget to the Finance Committee for initial review. Board member Sipiora gave the presentation on behalf of the Finance committee. The presentation and detailed budget report are attached to the agenda. Board members unanimously approved the motion by Secretary / Treasurer Minissale, seconded by Board member Kuehn, to approve the MEDC FY22 Budget.

Chairman Loughmiller called for Citizen Comments and there were none.

MEDC MINUTES

June 15, 2021

PAGE 7

Chairman Loughmiller called for Board Comments. Board member Cloutier noted Jason Bird with McKinney ISD has offered to give the Board members a tour of a refurbished elementary school and to look for an upcoming invitation to join. Board member Cloutier noted a recent tour of the Common Desk located at the old Playful building. Board member Cloutier noted they have signed a few leases, however they have a lot of adaptable space available. They have two floors available and the third floor is being saved for future demand or a single user tenant that would need roughly 20,000 square feet.

Chairman Loughmiller recessed the meeting into Executive Session at 8:40 a.m.

Chairman Loughmiller reconvened the meeting to open session at 9:24 a.m.

Board members unanimously approved the motion by Board member Helsley, seconded by Vice Chairman Jones to approve Project Giraffe as discussed in Executive Session.

Board members unanimously approved the motion by Board member Sipiora, seconded by Board member Helsley, to adjourn.

Chairman Loughmiller adjourned the meeting at 10:05 am.

A video recording of this meeting is available through the City of McKinney meeting archive.

These minutes approved by the MEDC members on July 20, 2021

BRIAN LOUGHMILLER
Chairman

JOE MINISSALE
Secretary / Treasurer