

MCKINNEY COMMUNITY DEVELOPMENT CORPORATION

SEPTEMBER 23, 2021

The McKinney Community Development Corporation met in regular session in the City Hall Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on Thursday, September 23, 2021 at 9:30 a.m.

Board members Present: Chairman Jackie Brewer, Vice Chairman Rick Glew, Secretary Mary Barnes-Tilley, Treasurer Angela Richardson-Woods, and Board members Kathryn McGill, David Kelly and John Mott.

Board Alternate Present: Deborah Bradford.

Council Members Present: Mayor George Fuller and Councilwoman Gere Feltus.

Staff Present: President Cindy Schneible, City Manager Paul Grimes, Financial Compliance Manager Chance Miller, Assistant Director of Parks and Recreation Ryan Mullins, Visit McKinney Director Dee-dee Guerra, MPAC/Main Street Director Amy Rosenthal and MCDCA Administrative and Marketing Coordinator Linda Jones.

Chairman Brewer called the meeting to order at 9:33 a.m. after determining a quorum of the Board was present. She announced that today is National Pot Pie Day, but more importantly, today is North Texas Giving Day. The word for the day is giving. Chairman Brewer asked everyone to consider the importance of giving and encouraged everyone to consider selecting a nonprofit and donating today, especially to those organizations where today's donations are multiplied by matching gifts. Board alternate Bradford led the invocation, which was followed by the Pledge of Allegiance.

Chairman Brewer called for public comments on items not related to public hearings, and there were none.

Chairman Brewer called for a motion on the consent items. Board members unanimously approved a motion by Board member Mott, seconded by Treasurer Richardson-Woods, to approve the following consent items:

21-0833 Minutes of the McKinney Community Development Corporation Meeting of August 26, 2021.

21-0834 Minutes of the McKinney Community Development Corporation TUPPS

Project Subcommittee Meeting of August 17, 2021.

21-0835 Minutes of the McKinney Community Development Corporation TUPPS Project Subcommittee Meeting of September 7, 2021.

21-0836 Minutes of the McKinney Community Development Corporation Marketing Subcommittee Meeting of August 23, 2021.

21-0837 Chairman Brewer called for the President's Report. President Cindy Schneible directed the Board to the monthly reports attached to the agenda. She highlighted the SBG Final Report for the summer Sip and Stroll series, sharing they sold almost 3,700 tickets for the summer events and were able to donate just over \$4,300 to nonprofit organizations. She encouraged Board members to mark their calendars for upcoming events supported by Promotional and Community Event Grants including Crape Myrtle Trails Run and Festival, Art Meets Floral and Oktoberfest this weekend. The weekend of October 16 is Legacy Keeper's Día De Los Muertos and SBG's Wine and Music Festival. Additionally, the McKinney Philharmonic Orchestra will perform at the Trick or Treat Trails on October 23. Ms. Schneible shared that she attended an event at New Jerusalem Baptist Church on Sunday that celebrated Ms. Opal Lee, who dedicated her life to seeking national holiday recognition for Juneteenth. New Jerusalem is Pastor Myron and Pastor Deborah Bradford's church, and the morning was a great celebration that came with the privilege and honor of meeting and listening to Ms. Lee. Ms. Schneible encouraged the Board to support North Texas Giving Day.

21-0838 Chairman Brewer called for Board and Liaison Reports.

Board Chair. Chairman Brewer thanked John Mott for his service to the Board.

City of McKinney. City Manager Paul Grimes thanked John Mott for his

service to the City and MCDC. He shared that the City Hall design is under way and that construction should begin late August or early September 2022. City Hall will be a catalyst project for east of Highway 5 in the Flour Mill area. Mr. Grimes stated that the budget for FY22 was adopted by Council. The Finance team has begun the audit for FY21 which should be presented in first quarter of 2022. Mr. Grimes announced that with the help of a grant from MEDC's Innovation Fund, Robin AutoPilot is relocating to McKinney. They will be testing their robotic lawn mowers at two McKinney softball fields. Treasurer Richardson-Woods commented that the technology is amazing, and her neighbor has one.

Visit McKinney. Director Dee-dee Guerra announced that Visit McKinney was the recipient of two recent People's Choice awards: first place for the new branding with Simpleview and third place for a co-op project with CW Designs for 360 virtual videos. Free historic walking tours continue to be popular. Visit McKinney will have a booth at Oktoberfest this weekend to promote the McKinney to Munich Sweepstakes. She thanked MCDC staff and Board members who have signed up to help at the booth. The application deadline for Visit McKinney promotional grants is October 4. Ms. Guerra directed the Board to their organization report attached to the agenda.

McKinney Economic Development Corporation. Kurt Kuehn thanked the Board for their continued partnership and directed the Board to the report attached to the agenda. He suggested Board members watch social media for MEDC announcements.

McKinney Main Street/MPAC. Director Amy Rosenthal encouraged everyone to join in the fun at Oktoberfest this weekend with dog races, stein holding competitions and the TUPPS keg tapping Friday at 6:00 p.m. She thanked the Board for their support of the Light Up Louisiana Block Party and advertising for businesses that were impacted by the

construction. She showed a copy of the ad promoting the end of construction on Louisiana. She announced that the Lone Star Circus will be in Downtown October 14-17, adding that the last time a circus was in Downtown McKinney was 1908. Other upcoming events include Día de los Muertos on October 16 and the SBG Beer Walk on October 30. Board member McGill encouraged other Board members to volunteer at Oktoberfest.

McKinney Parks and Recreation. Assistant Director Ryan Mullins shared that the Parks team will be busy at Oktoberfest with set up, daily clean up, driving the trolley shuttle and stages. The Crape Myrtle Trails Run kicks off at Boyd High School on Saturday and runners go through Bonnie Wenk, Al Ruschhaupt and Towne Lake parks. Other upcoming events include McKinney Half Marathon on October 9, McKinney Wine & Music Festival at Towne Lake Park on October 16 and 17, Legacy Keeper's Día De Los Muertos at Mitchell Park on October 16. The Parks and Rec Trick or Treat Trails event will take place at Towne Lake Park on October 23 with costume contests and a performance by the McKinney Philharmonic Orchestra. Additionally, upcoming Movies in the Park include Cruella at Dr. Mack Hill Park on October 15, Hocus Pocus at Old Settler's Park on October 29 and Scoob! at Prestwyck Park on November 5. Finch Park Phase V will begin soon and will include new signage, more trails, splashpad updates, new playground, new pavilion and additional pickleball courts. New restrooms at Al Ruschhaupt Park should be complete by end of this year. Mr. Mullins indicated that the 2021 summer season is over and it was a difficult one, as Parks and Rec impacted by the nationwide labor shortage. He asked for questions, and there were none.

TUPPS Brewery Destination Subcommittee. Vice Chairman Glew stated that subcommittee meetings continue. The project is still coming in over-budget, so they are continuing to work on that aspect of the project. Mr.

Glew shared that the subcommittee is agreeable to an extension for GMP deadline to November 30, which the Board will vote on later this meeting.

One Heart McKinney Task Force. Board Member McGill shared that the task force is meeting weekly. After the successful public input meeting with nearly 60 participants, they are continuing to reach out to additional nonprofits for more input as a way to evaluate the need for collaborative services and what format that may take.

Vice Chairman Glew shared comments of appreciation for Scott Elliott and John Mott and congratulated John on his new position.

21-0839 Chairman Brewer called for the Financial Report. Financial Compliance Manager Chance Miller shared the July and August financials. Revenue for July was \$1.5 million, and expenses were \$3.8 million, which included \$3 million for a land purchase and \$537,000 for Parks projects. This resulted in a net decrease for the month of \$2.2 million. Sales tax for July is for May sales and showed a 17% increase, bringing the year-to-date increase to about 12.4%. During the same time Allen saw an increase of 37.4%. Frisco and Plano saw increases of 39.8% and 26.1% respectively. Mr. Miller reminded the Board that both of those cities saw more significant decreases during COVID which is reflected by the larger increase now. Revenue for August was nearly \$1.8 million, and expenses were \$2.1 million, which included annual debt service payments of \$1.4 million and Parks Construction Fund of about \$700,000. This resulted in a net decrease for the month of \$400,000. Sales tax for August is for June sales and showed an increase of 17.4%, resulting in a year-to-date increase of 12.9%, which is significantly more than the budgeted 5%. During the same period Allen saw an increase of 15.9%, Frisco saw an increase of 22.7% and Plano saw an increase of 9.5%. Mr. Miller shared that fiscal year 2021 ends in seven days, and preliminary year-end data should be available for review at the October meeting. True final numbers

will be presented in November or December. He added that auditors are already on site working to close FY 2021. He asked for questions. David Kelly asked why the sales tax projections seem to be capped at about 5%. Mr. Miller replied that Finance is conservative in their projections, this is the number that the CFO is comfortable with, and one supported by Council. Chairman Brewer asked for questions on the Checks Issued reports for July and August, and there were none.

21-0840 Chairman Brewer called for consideration/discussion/action on Retail Development infrastructure Grant application (RI 21-03) submitted by CPJK, LLC (dba Gather) in the amount of nine thousand and no/100 dollars (\$9,000.00) for infrastructure work needed for the replacement of a grease trap including excavation, installation of new piping, rerouting of a vent, installation of a new outlet with two-way clean-outs, and water testing on piping and interceptor at the property located at 207 East Virginia Street, McKinney. Vice Chairman Glew shared that the Retail Development Infrastructure Grant subcommittee (Vice Chairman Glew, Board members McGill and Mott) met to review the applications in detail. On behalf of the subcommittee, Vice Chairman Glew recommended funding eligible expenses in an amount of up to \$9,000. Board members unanimously approved a motion by Board member McGill, seconded by Board member Mott, to approve this item up to \$9,000 as recommended by the subcommittee.

21-0841 Chairman Brewer called for a Public Hearing and consideration/discussion/action on an amended Retail Development Infrastructure Grant application (RI 21-04) submitted by The Neathery Estate Bed and Breakfast requesting an amount of up to twenty-five thousand and no/100 dollars (\$25,000.00) for infrastructure work needed to improve parking, lighting, walkways, security and signage including fencing, gates and electrical at the property located at 215 North Waddill Street, McKinney.

Chairman Brewer called for public comments, and there were none. Board members unanimously approved a motion by Vice Chairman Glew, seconded by Treasurer Richardson-Woods, to close the public hearing. On behalf of the subcommittee, Vice Chairman Glew recommended funding eligible expenses in an amount of up to \$25,000. Board members unanimously approved a motion by Secretary Barnes-Tilley, seconded by Board member Kathryn McGill, to approve this item up to \$25,000 as recommended by the subcommittee.

Vice Chairman Glew shared that the subcommittee also had lengthy discussion on the grant parameters and original intent of the grant. Some next steps they recommend are:

- Explore additional media outlets for promoting this grant;
- Establish a ranked priority list of eligible expenses that can guide the Board more specifically for future applications;
- Review and potentially redefine the grant parameters and guidelines; and
- Specifically define the term “site improvements” as an eligibility factor for this type of grant.

Board member McGill added that the subcommittee has considered the range of eligibilities for this grant and wants to set priorities to be better stewards of the funding while considering the impact of the funding.

President Schneible suggested that the subcommittee meet with staff to set forth a proposal for the Board to consider. Board member Kelly asked about statutes governing this grant type, and Ms. Schneible clarified that the Development Corporation Act does allow funding for infrastructure, but the subcommittee is seeking to clarify what this MCDC grant should include. Mr. Kelly asked if the \$25,000 is legislated amount, and Ms. Schneible clarified that this is the limit the Board has placed on this grant as a matching grant. Mr. Kelly suggested that the subcommittee consider

increasing that maximum grant amount. Vice Chairman Glew added that sometimes decisions are based on precedents, so defining priorities would add structure to our discussions. Chairman Brewer agreed that a more detailed definition would be beneficial to promoting the grant and identifying qualified projects. Mr. Kelly asked if the grant is limited to the historic district. President Schneible clarified that the definition is landmark retail, which includes the historic district and gateways to the City that would be appropriate for redevelopment.

21-0842 Chairman Brewer called for consideration/discussion/action on a request by TUPPS Brewery, LLC to amend the lease agreement executed between McKinney Community Development Corporation (Landlord) and TUPPS Brewery, LLC (Tenant) to extend the date from September 30, 2021 to November 30, 2021 to obtain the required landlord approval of a construction contract and Guaranteed Maximum Price for construction of the project, including all identified and specific project components, to be constructed at 402 East Louisiana Street, McKinney, Texas. Vice Chairman Glew shared that the TUPPS subcommittee recommends approval of the extension. Board members unanimously approved a motion by Board member Kelly, seconded by Secretary Barnes-Tilley, to amend the lease agreement as proposed.

21-0843 Chairman Brewer called for an update on the MCDC website redesign project. City of McKinney Website Specialist Valerie McKito, was joined by Communications Manager Michelle Feldker to present the update. The new design for MCDC's website incorporates new brand identification including icons used in advertising that should already be familiar with the community. Big changes on the home page include eliminating the banner and simplifying the calendar format which no longer uses photos on the home page for several reasons: difficulty to maintain, difficulty in securing quality photos and load time of website

especially for mobile platform users. The Board discussed in detail various aspects of the design including navigation banner and buttons, intuitive design for user, retail development content, key content to include on home page, photos of events, potential photo gallery, format limitations, importance of retail development link and specific content on internal pages. There was lengthy discussion regarding making it clear what MCDC is and what we do when someone visits our website for the first time. The marketing subcommittee will meet with MCDC staff and City Marketing staff to address concerns and ideas discussed and advance towards finalizing the redesign.

Chairman Brewer called for public comments regarding matters not on the agenda, and there were none.

Chairman Brewer called for Board or Commissioner comments. Secretary Barnes-Tilley and Treasurer Richardson-Woods shared comments of appreciation for John Mott's service on the Board.

Chairman Brewer recessed the meeting into Executive Session at 10:58 a.m. in accordance with the Texas Government Code. Items to be discussed regarding economic development matters include Project RI21-03 (Gather), Project RI21-04 (Neathery Estate), Project 20-09 (TUPPS Brewery and Entertainment Destination), Project Bluesky and Project Handle.

Chairman Brewer reconvened the meeting of McKinney Community Development Corporation back into regular session at 11:40 a.m.

Board members unanimously approved a motion by Board member Kelly, seconded by Board member McGill, to adjourn. Chairman Brewer adjourned the meeting at 11:41 a.m.

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

These minutes approved by the MCDC members on: _____

JACKIE BREWER
Chairman

MARY BARNES-TILLEY
Secretary