

MCKINNEY COMMUNITY DEVELOPMENT CORPORATION

JANUARY 28, 2021

The McKinney Community Development Corporation met in regular session in the City Hall Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on Thursday, January 28 at 8:00 a.m.

Board members Present: Chairman Jackie Brewer, Vice Chairman Rick Glew, Secretary Mary Barnes-Tilley and Board Members Kathryn McGill, David Kelly, John Mott and Deborah Bradford.

Board Alternate Present: Angela Richardson-Woods.

Council Members Present: Councilman Scott Elliott.

Staff Present: President Cindy Schneible, City Manager Paul Grimes, Assistant City Manager Kim Flom, Financial Compliance Manager Chance Miller, Director of Parks and Recreation Michael Kowski, Assistant Director of Parks and Recreation Ryan Mullins, Apex Centre Manager Teresa Thomason, MEDC President Peter Tokar, Visit McKinney Communications Manager Beth Shumate, Main Street/MPAC Director Amy Rosenthal, Main Street/MPAC Special Events Coordinator Andrew Jones and MCDC Administrative and Marketing Coordinator Linda Jones.

There were several guests present.

Chairman Brewer called the meeting to order at 8:01 a.m. after determining a quorum was present. Ms. Brewer announced that it was National Have Fun at Work Day and Data Privacy Day. She invited everyone to spend a moment reflecting on grit and what that means in terms of strength of character and perseverance. She acknowledged the death of past McKinney Mayor John Gay, adding that he was a great leader for McKinney who exemplified grit. She asked everyone to consider his family during this time of reflection. Chairman Brewer announced that Deborah Bradford will serve as a member of the board during the time the Angela Richardson-Woods serves as interim Councilwoman representing District 1. Board member Bradford provided an invocation, which was followed by the Pledge of Allegiance.

Chairman Brewer called for public comments. Comments were shared by Kaleena Cooperwood, with a business located at 1203 N. Kentucky Street, regarding support for small businesses.

Chairman Brewer called for a motion on Consent Items. Board members unanimously approved a motion by Secretary Barnes-Tilley, seconded by Board member McGill, to approve the following items:

21-0063 Minutes of the McKinney Community Development Corporation Meeting of December 17, 2020.

21-0064 Minutes of the McKinney Community Development Corporation Project Grants Subcommittee Meeting of December 14, 2020.

21-0065 Chairman Brewer called for the Financial Report. Financial Compliance Manager Chance Miller shared December financials. December revenues were just over \$1.3 million with expenses just under \$1.3 million, including about \$1 million in parks construction fund and \$100,000 in community grants. This resulted in a net increase for December of about \$67,000. He reported that December tax collections, which represent October sales, increased 6.6% over 2019. Year-to-date numbers indicate an increase of \$1.4 million over last year, which is a 9.2% increase. In the same period, our sister cities reported as follows: Allen saw an increase of 1% year-to-date, Frisco saw an increase of 2.4% and Plano saw an increase of .5%. Mr. Miller asked for questions, and there were none. Chairman Brewer called for questions on the Checks Issued report, and there were none.

21-0066 Chairman Brewer called for Board and Liaison Reports. City of McKinney. City Manager Paul Grimes commented that grit is a word that describes many of the city employees and volunteers currently working to deliver COVID-19 vaccinations at MISD stadium. He complimented Chief Kistner and the Fire Department for coordinating the

community-wide effort to manage the vaccine efforts. Mr. Grimes stated that there are four centers in Collin County pulling from a centralized list to administer vaccines from the limited supply available. Mr. Grimes shared that every two years, the City completes a scientific survey of randomly selected residents through the National Research Center of Colorado. Data is being collected on numerous topics, and it will be interesting to see this year's results during a COVID environment. Once the results from the survey are compiled in April or May, the City will make the survey results available to all residents for additional input. Mr. Grimes asked for questions. Board member McGill complimented the efficiency of the vaccination program.

Visit McKinney. Communications Manager Beth Shumate stated that they are working with the Parks Department and The Courts to promote a qualifier tournament for the USA Pickleball Tournament, April 22-25, which will bring over 1,000 participants to the City. Visit McKinney is working on room blocks, dining options and event needs for the attendees. She added that Visit McKinney continues to work with various influencers to promote McKinney as a destination. They are considering working with some data companies to track the dollar value associated with publicity from such influencers. Ms. Shumate added that they are also working with Team Texas for a booth at the American Bus Association Tour which will be held this June in Baltimore. She added that this conference will be in Grapevine in 2022, and they are working to have McKinney tours during that conference. Ms. Shumate added that *The Daytripper* continues to promote McKinney and named The Yard as the top burger for 2020. Additionally, YOLO Texas will be highlighting The Celt on a segment this coming weekend. Ms. Shumate thanked City Communications for helping to create a 30-second video for a co-op promotion with Team Texas. The video will be on the Team Texas website with a link to Visit McKinney. She added that two hotels are

under construction in McKinney including The Tru near the Holiday Inn and Suites on Craig Drive, which will include 92 rooms, and The Fairfield at Hardin and 380 which will be 110 rooms and 960 square feet of meeting space opening this summer. Ms. Shumate stated that the Visit McKinney Board recently approved updates to organizational KPIs and strategic plan. She added that they are also working with an agency on rebranding to include a new website that allows the establishment of an extranet, which will allow local businesses/partners to update information directly. Ms. Shumate asked for questions, and there were none.

McKinney Economic Development Corporation. President Peter Tokar shared that they had a record year for 2020 with capital investment of \$290 million in projects in McKinney and just under 1,000 jobs created that pay at least \$55,000. He added that due to COVID they did not reach their BRE visits goal but will be looking for ways to reach out differently in 2021. Mr. Tokar announced that construction is underway for Independent Financial's second building. He directed the Board to the report attached to the agenda and asked for questions. There were none.

McKinney Main Street/MPAC. Director Amy Rosenthal invited the Board to the Crossroads Art Series presented by Flourish Community Initiatives featuring art inspired by current experiences with themes of justice and equity. After viewing the art in the gallery, there will be a time for discussion in the Ruschhaupt Reception Hall. The event is from 7:00 – 9:00 p.m. tonight at MPAC. Additionally, Ovation Academy will be performing *Carrie, The Musical* at MPAC this weekend, as well as *Frozen Jr* in February. The Krewe of Barkus will be a virtual event this year. The theme is "All You Need is Love." There were no questions directed to Ms. Rosenthal.

McKinney Parks and Recreation. Director Michael Kowski announced that the expansion of The Courts allows them to bid for bigger tournaments. The first of these is the April Pickleball Tournament, that

will draw 1,000 players from four states to McKinney for four days. Mr. Kowski announced that the National Fitness Campaign has recognized the Outdoor Fitness Court at Bonnie Wenk that was funded with an MCDC grant. McKinney is one of only five cities across the nation that was recognized and the only city in Texas. Mr. Kowski asked for questions, and there were none.

21-0067 Chairman Brewer called for the President's Report. President Cindy Schneible directed the Board to the promotional grant final reports from McKinney Community Band and Chestnut Square. Both demonstrated outreach to promote their events and the impact of grant funds awarded. Ms. Schneible called attention to the HUB 121 progress photos, stating that they did not achieve the January 15th certificate of occupancy goal, but may still achieve the May 1 deadline for restaurant openings. There are several progressing toward opening. The Family Health Center at Virginia (FQHC) will be opening for patients soon. Ms. Schneible encouraged Board members to tour the facility if they have not had a chance to do so. She reminded the Board that the facility will provide pediatrics, family medicine, behavioral health, obstetrics and gynecology, and dental services. Ms. Schneible reminded the Board that Quality of Life Award nominations will be accepted through February 28. The Retail Development Infrastructure Grant application deadline was extended to February 5 due to the holiday season. Ms. Schneible reminded the Board of the special meeting scheduled for February 1 for an update on the TUPPS expansion and creation of a destination entertainment venue on the former McKinney Grain site in east McKinney. She asked for questions, and there were none.

21-0068 Chairman Brewer called for consideration/discussion/action on Promotional and Community Event Grant application submitted by Kiwanis Club of McKinney (PC 21-01) in the amount of \$2,500 for the

advertising, marketing and promotion of the 2021 McKinney Kiwanis Triathlon. On behalf of the grant subcommittee, Board member Mott reminded Board members that these grants must showcase McKinney for the purpose of business development and encouraging tourism. He added that the subcommittee (himself along with Secretary Barnes-Tilley and Board member Kelly) considered several factors when evaluating applications including event attendance, ability to attract non-residents, overall marketing plans, number of events supported by the grant and grant funds awarded by other city entities. On the current agenda item, Board member Mott stated that the subcommittee recommends full funding in the amount of \$2,500. Board members unanimously approved a motion by Board member McGill, seconded by Vice Chairman Glew, to approve funding in the amount of \$2,500 for the 2021 McKinney Kiwanis Triathlon as recommended by the subcommittee.

21-0069

Chairman Brewer called for consideration/discussion/action on Promotional and Community Event Grant application submitted by SBG Hospitality (PC 21-02) in the amount of \$15,000 for the advertising, marketing and promotion of the 2021 Sip and Stroll Series. Board member Mott stated that the subcommittee recommends funding in the amount of \$12,500. Board members approved a motion by Vice Chairman Glew, seconded by Board member McGill, to approve funding in the amount of \$12,500 as recommended by the subcommittee with a vote of 6 - 1 - 0.

21-0070

Chairman Brewer called for consideration/discussion/action on Promotional and Community Event Grant application submitted by The Heritage Guild of Collin County (PC 21-03) in the amount of \$12,500 for the advertising, marketing and promotion of 2021 events including Farmers Market, Educational Programming, Murder Mystery, Farm Fresh Market Dinner and Annual Killis Melton Ice Cream Crank-off.

Board member Mott stated that the subcommittee recommends funding in the amount of \$12,500. Board members unanimously approved a motion by Vice Chairman Glew, seconded by Secretary Barnes-Tilley, to approve full funding in the amount of \$12,500 as recommended by the subcommittee.

21-0071 Chairman Brewer called for consideration/discussion/action on Promotional and Community Event Grant application submitted by Collin County History Museum (PC 21-04) in the amount of \$12,500 for the advertising, marketing and promotion of the 2021 McKinney Then and Now Exhibit. Board member Mott recused himself from discussion and vote on this item. Board member Kelly stated that the subcommittee recommends funding in the amount of \$6,500. Board members unanimously approved a motion by Board member McGill, seconded by Board member Kelly, to approve funding in the amount of \$6,500 as recommended by the subcommittee. Board member Mott returned to the dais following the vote on the agenda item.

21-0072 Chairman Brewer called for consideration/discussion/action on Promotional and Community Event Grant application submitted by Colorful Collaborations (PC #21-05) in the amount of \$2,000 for the advertising, marketing and promotion of the 2021 Legacy Keepers Events. Board member Mott stated that the subcommittee recommends funding in the amount of \$2,000. Board members unanimously approved a motion by Board member Kelly, seconded by Board member Mott, to approve full funding in the amount of \$2,000 as recommended by the subcommittee.

21-0073 Chairman Brewer called for consideration/discussion/action on Promotional and Community Event Grant application submitted by McKinney Garden Club (PC 21-06) in the amount of \$7,700 for the

advertising, marketing and promotion of the 2021 Art Meets Floral Event.

Board member Mott stated that the subcommittee recommends funding in the amount of \$5,000. Board members unanimously approved a motion by Vice Chairman Glew, seconded by Board member Kathryn McGill, to approve funding in the amount of \$5,000 as recommended by the subcommittee.

21-0074 Chairman Brewer called for consideration/discussion/action on Promotional and Community Event Grant application submitted by Ovation Academy of Performing Arts (PC 21-07) in the amount of \$11,500 for the advertising, marketing and promotion of 2021 Spring/Summer productions. Board member Mott stated that the subcommittee recommends funding in the amount of \$5,000. Board members unanimously approved a motion by Board member Mott, seconded by Board member Bradford, to approve funding in the amount of \$5,000 as recommended by the subcommittee.

21-0075 Chairman Brewer called for consideration/discussion/action on Promotional and Community Event Grant application submitted by St. Peter's Episcopal Church (PC 21-08) in the amount of \$7,500 for the advertising, marketing and promotion of the 2021 Empty Bowls Event. Board member Mott stated that the subcommittee recommends funding in the amount of \$7,500. Board members unanimously approved a motion by Board member Mott, seconded by Secretary Barnes-Tilley, to approve full funding in the amount of \$7,500 as recommended by the subcommittee.

21-0076 Chairman Brewer called for consideration/discussion/action on Promotional and Community Event Grant application submitted by McKinney Main Street (PC #21-09) in the amount of \$7,500 for the advertising, marketing and promotion of the 2021 Arts in Bloom Event. Board member Mott stated that the subcommittee recommends funding

in the amount of \$7,500. Board members unanimously approved a motion by Vice Chairman Glew, seconded by Board member Mott, to approve funding in the amount of \$7,500 as recommended by the subcommittee.

21-0077 Chairman Brewer called for consideration/discussion/action on Promotional and Community Event Grant application submitted by Septrio for Virtual Town Tours (PC 21-10) in the amount of \$15,000 for the advertising, marketing and promotion of a Virtual Experience for McKinney Visitors. Board member Mott stated that the subcommittee does not recommend funding this application. Board members unanimously approved a motion by Board member Kelly, seconded by Board member McGill, to deny funding for this request.

Chairman Brewer thanked the Promotional and Community Events Grant subcommittee for their work and reminded everyone that the next cycle opens May 1.

21-0078 Chairman Brewer called for consideration/discussion/action on a Project Grant application submitted by Hub Partners, LLC (#21-01) in the amount of two million six hundred thousand and no/100 dollars (\$2,600,000.00) for the development and construction of The Hub, a minimum four-acre privately-owned and maintained, publicly accessible, open space and landscaped area, including but not limited to a stage with LED screen, outdoor seating, tables, umbrellas, children's play area, sound system, seating that will include a minimum of 21,000 sf of retail/restaurant space, a minimum of 10 restaurants, and a 35,000 sf community center and public parking. Board members unanimously approved a motion by Secretary Barnes-Tilley, seconded by Board member Kelly, to approve project funding in the amount of \$2,600,000. President Schneible reminded Board members that MCDC bylaws require City Council approval for economic development projects. A

request for approval of this project and funding will be included on the agenda for City Council meeting scheduled for February 16th.

21-0079 Chairman Brewer called for a Public Hearing and consideration/discussion/action on a Project Grant application (#21-03), submitted by Heritage Guild of Collin County in the amount of thirty-two thousand seven hundred fifty and no/100 dollars (\$32,750.00), for repairs and updates to Dulaney Cottage, Dulaney House and Chestnut Square Chapel, located at 315 South Chestnut Street, McKinney Texas. Amount requested represents 71% of total project cost. Executive Director Jaymie Pedigo reminded the Board that Heritage Guild owns and operates Chestnut Square. Its mission is to celebrate community, preserve history and inspire the future. She invited all Board members to take a tour of Chestnut Square if they have never done so. Chestnut Square is home to the oldest house in McKinney, a general store, the former Foote Baptist Church (now The Chapel at Chestnut Square), the Two Bit Taylor Inn, the Dulaney House and a reproduction of the Wilmeth one-room schoolhouse. This project grant request is for various needed upgrades on several buildings. Work on the Dulaney House would include porch repair, siding, ramp improvements, gutter improvements, exterior paint and potential structural repairs. Dulaney Cottage work would include porch, window and ramp repairs, as well as gutter improvements and structural work. The Chapel bell tower is in need of siding, windows, porch and ramp work, exterior paint and potential structural work. Ms. Pedigo shared that the 1873 Victorian Dulaney Cottage was built in three sections, with the two additions never being tied in at the foundation level. Substantial work was completed on the south side of the house in 2016, and work is needed in other areas at this time. The larger prairie-style house was home to Dulaney family members until as recently as the 1960s. At one point, the two houses

were slated for demolition, but funds were raised to purchase them, which was the start of the Heritage Guild of Collin County and Chestnut Square. Interior upgrades to the Dulaney House for \$175,000 were funded by MCDC in 2017, and exterior upgrades are now necessary. Ms. Pedigo showed photos of the house and cottage indicating work that is needed. Ms. Pedigo shared that the Foote Baptist Church was moved to Chestnut Square in 1983 to become The Chapel at Chestnut Square. She showed photos of the bell tower and other areas of the building in need of repair. Once the upgrades are complete, the Board plans to expand wedding facilities. Chestnut Square Board member Emil Dahl shared that weddings are a major source of income for Chestnut Square and announced plans to expand the wedding guest capacity of the Bevel House reception area. The planned expansion would likely increase annual revenues by \$30,000 to \$50,000. Mr. Dahl indicated that Chestnut Square plans to present a grant request to MCDC in the next project grant cycle also. Board member Kelly clarified that this request is unrelated to the auto accident that caused damage. Ms. Pedigo responded that the insurance settlement covered those expenses. Mr. Kelly asked how long these projects have been in the plans. Ms. Pedigo shared that the painting of Dulaney House was originally scheduled for 2017, but other needs arose. She added that the Chapel was painted about six years ago, but there is now a need to replace some rotting wood as well. She added that most of the labor will be provided, on a volunteer basis, by the Hands and Hammers group.

Vice Chairman Glew excused himself from the meeting due to a scheduling conflict, and Board alternate Richardson-Woods assumed his seat on the dais for the remainder of the meeting.

21-0080 Chairman Brewer called for a Public Hearing and consideration/discussion/action on a Project Grant application (#21-04), submitted by Collin County History Museum in the amount of seventy-three thousand six hundred and no/100 dollars (\$73,600.00), for a statue of Private Jeff Morgan Tucker to be installed at Collin County History Museum, 300 East Virginia Street, McKinney Texas. Amount requested represents 79% of total project cost. Board member Mott recused himself from discussion on this item. Executive Director Kristin Spalding shared a video summarizing the project request and history about the life of Private Jeff Morgan Tucker. Morgan was born in 1894 and was the first in his family able to read and write. In July of 1918, at the age of 22, Morgan was called up and enlisted to serve in WWI as a member of the infantry. Private Tucker shipped out to France with Company I of the 816th Pioneer Infantry. Of the 1,800 total passengers of that voyage, just under 1,000 were African American Pioneer Infantry companies. The Pioneer Infantry was the first entering an area to prepare the way for battalions, clearing safe passage, and constructing roads and bridges. Following the Armistice, there remained a tremendous amount of work to be done to exit the war. Private Morgan's duties included making sure that all fallen soldiers received an honorable burial. Private Jeff Morgan Tucker died of flu related pneumonia in France on December 19, 1918. He was buried in St. Mihiel American Cemetery in France. At the request of his family, Private Tucker's body was returned to McKinney in July of 1921 where he was reinterred at Ross Cemetery. Almost a century after his death, Private Tucker received a military headstone, one week before Veterans Day 2017. There are no known photographs of Private Tucker. However, the WWI Museum in Kansas City has a series of photographs of his company, and it is very likely that one of the men is Private Tucker. During the Collin County History Museum's commemoration of WWI in 2018, local artist Rachel Reitan sculpted a likeness of Private Tucker

from a composite of these photographs and a live model. Ms. Spalding shared that the National WWI monument in Washington DC is nearing completion, so the timing of honoring McKinney's Private Tucker is perfect. She concluded that public art can invoke powerful emotions, and Private Tucker's story is a part of McKinney's history that should be honored and told. Chairman Brewer asked if they had exhausted their search for an actual photograph of Tucker. Ms. Spalding assured that they have and that the statue is intended to be a symbol for all those who fought. Board member Kelly inquired about how many McKinney residents served and died WWI, and Ms. Spalding shared that those numbers are not readily available, but they have researched and found that about 60 with connections to Collin County died serving, only one African-American. Board member Kelly asked if there were plans to recognize all of those men, and Ms. Spalding replied that the plaque for the statue can recognize them as a group or by name. She added that the placement of the statue would be between Downtown and the new City Hall, so it should have good visibility. Board member Kelly asked about permissions for the statue since the location is owned by Collin County, and Ms. Spalding stated that she does not anticipate getting permission to be an issue. Mr. Kelly asked if they have asked other cities in the county for funding, and Ms. Spalding stated that they have not reached out to others because the project will be in the Downtown McKinney Historic District. Ms. Spalding added that the artist is giving them a tremendous discount. They plan to be conservative with expenditures to perhaps come in below budget. Board member Mott rejoined the dais following the presentation and discussion on this agenda item.

21-0081 Chairman Brewer called for a Public Hearing and consideration/discussion/action on a Project Grant application (#21-05), submitted by

McKinney Roots in the amount of fifteen thousand and no/100 dollars (\$15,000.00), for the construction of a hydroponic greenhouse located at 5595 FM 1461, McKinney Texas. Amount requested represents 91% of total project cost. Executive Director Vicki Deerman shared that this hydroponic greenhouse will serve McKinney residents by providing high quality, nutritious food for those who are in need. McKinney Roots is a donation farm located in northwest McKinney on five acres of land. The organization was started four years ago by a few young moms who saw a need to provide healthy, fresh, organic food for those in need. They began by growing in their own backyards until the current acreage was donated. The move increased the need for more volunteers and organizational support. In 2020, McKinney Roots became part of The Seed Project Foundation. Ms. Deerman shared that they are in a position to greatly increase food production, adding that they just added 180 chickens to the farm, so they will now provide 75 dozen eggs per week to those in need. McKinney Roots provides produce to Samaritan Inn, Community Lifeline Center, McKinney Little Free Pantry, The First McKinney Baptist Church and St. Michael's Church. They have established a strong volunteer base that includes Young Men's Service League, Scouts, local churches and local businesses. Ms. Deerman shared McKinney Roots' goal of being able to provide food year-round. A hydroponic greenhouse will facilitate production of produce year-round, uses 93% less water and produces healthy leafy greens and herbs. McKinney Roots has strong relationships with local farmers, including Profound Microfarms in Lucas who are experts in hydroponic growing. Their owner, Jeff Bednar, will be a mentor for McKinney Roots. Ms. Deerman shared that Mr. Bednar provided the budget for McKinney Root's hydroponic proposal. She added that some of the framework for their greenhouse is already in place, so the materials they need to move forward are exterior materials, flooring, fans and the hydroponic growing

system, which is basically a pool of water with floating mats where vegetables root in the mineral-infused water. Ms. Deerman asked for questions. Secretary Barnes-Tilley asked about the expected increase in production. Ms. Deerman shared that they are currently able to donate food for five months from June through October. With the hydroponic system, they will be able to produce and donate food year-round. Board member Woods asked if there was a shortage in produce for the area. Ms. Deerman said she believes there is a greater need, adding that in 2020, they only partnered with Community Lifeline Center during the months that they had produce. This will allow them to partner with more organizations and donate year-round. Ms. Woods asked if they would consider setting up at Farmers Market, if they ever had an excess, to generate funds, to invest back into production. Ms. Deerman stated that they don't currently have excess and haven't considered that. They have considered a program where people in need could come pick their own produce and have an opportunity to get more involved. Board member Kelly asked if The Seed Project Foundation was associated with Rick Wells' endeavors, and Ms. Deerman answered that it is. Mr. Kelly asked for clarification of the relationship between McKinney Roots and The Seed Foundation. Ms. Deerman explained that the Board of Directors of The Seed Foundation now serves as the Board for McKinney Roots along with Carissa Bleeker who was a founding member. She added that the two organizations are independent 501(c)(3) organizations. Board member McGill commented that it's good to see the collaboration between the two organizations, and suggested they consider leveraging some revenue with some local restaurants especially with their herb production. Ms. Deerman thanked the Board for their consideration. Chairman Brewer asked for public comments. Kim Sanchez, owner of McKinney Little Free Pantry, shared that they have had a hard time

getting produce especially during COVID. She added that there is a huge need for fresh produce.

21-0082 Chairman Brewer called for a Public Hearing and consideration/discussion/action on a Project Grant application (#21-06), submitted by Sanchez Charities, LLC, in the amount of three hundred forty-three thousand nine hundred Seventeen and No/100 Dollars (\$343,917.00), for construction of horizontal infrastructure for The Mustard Seed Center for nonprofits to be located on White Street approximately 500 feet east of Redbud Drive in McKinney Texas. Amount requested represents 18% of total project cost. Martin Sanchez stated that this proposal is the culmination of many years of collaboration with many philanthropies in McKinney. The goal is to create a place where organizations can collaborate, develop synergy, reduce gaps and eliminate overlaps. He stated that Kim Sanchez founded Sanchez Charities, which is a 501(c)(3) organization which strives to leverage business relationships and concentrate resources to improve the lives of Texans. Organizations supported by Sanchez Charities include McKinney Little Free Pantry, AEYL, Holy Family School, Hugs Café and Greenhouse, Picasso Cemetery Project, Butterflies of McKinney, Art Wall on Chestnut Parking Garage, Community Lifeline Center, Community Garden Kitchen and Hunger Free Coalition. McKinney Little Free Pantry now has twelve sites in McKinney and Melissa and distributes 20,000 pounds of food per month. Additional projects where Sanchez has leant expertise include Chestnut Commons Parking Garage, Newsome Homes, Merritt Homes and the US Census Bureau Regional Office. Kim Sanchez shared that the organizations in McKinney are eager to work together, but it is difficult for an individual to access available resources when the scope of his/her needs aren't fully understood, and could include utilities assistance, medical or mental health care, transportation and others. She added that

it is dehumanizing for someone to have to go from place to place to place for help, sharing their story over and over, then to discover that they don't have the documentation needed to request or qualify for assistance. The goal of The Mustard Seed would be to have a central resource center staffed by those who can guide and direct individuals in a caring and loving environment. Additionally, finding office space for philanthropies is difficult. Most office space available in McKinney is 1,500 square feet and most non-profits only need about 500 square feet. Mr. Sanchez stated that the campus is intended to be a first step towards a center for nonprofit management, to bring organizations together at an affordable rate. He added that he is taking the financial risk. The total project cost is about \$1.9 million. They are requesting \$343,917 from MCDC for site infrastructure costs to include civil engineering costs of \$35,917 and site development costs of \$308,000. Mr. Sanchez asked for questions. Board member McGill asked if the proposed location is in a designated or qualified opportunity zone. Mr. Sanchez stated that it is not and explained that they chose this location because he was able to get this property at an incredibly reasonable price. Ms. McGill asked if they are working with like models already up and running, and Mr. Sanchez stated that they are modeling The Mustard Seed after Serve Denton, which is a clearinghouse for organizations that provide a variety of different services. Board member Richardson-Woods asked if they would charge a monthly rental. Mr. Sanchez stated that the idea is to provide 500 square foot suites for about \$900, including all utilities. In McKinney, the average rent is about \$3,500 for 1,500 square feet. They have already secured some partnerships, including Community Lifeline Center who will manage the intake center and Community Health Clinic will likely have a satellite health clinic there. Board member Kelly asked if Sanchez Charities, LLC will be owner and operator of The Mustard Seed, and Mr. Sanchez answered yes and they will also be the developer, likely working

with Wade Construction. Mr. Sanchez clarified that Sanchez Charities, LLC is currently under contract for purchasing the property. He added that Sanchez Charities has been raising funds for this project for several years, and Mr. Sanchez has personally funded zoning and site planning costs to date. Board member Kelly requested additional documentation regarding the separation between Sanchez Charities, LLC and Kim and Martin Sanchez business interests. He also asked if there were any firm commitments to join the center, and Mr. Sanchez shared that they have pre-leases and deposits including Community Lifeline Center and Community Health Clinic. Mr. Kelly asked them to provide a full list of pre-commitments. Mr. Martin added that Sanchez Charities was established to centralize and manage donations made by the Sanchez Group and personally by Kim and Martin Sanchez. Board member Richardson-Woods asked if the project will continue even without a grant from MCDC. Mr. Sanchez stated that they would still purchase the property and continue to work with partners to move the project forward. Chairman Brewer asked if the amount requested from MCDC is 100% of the infrastructure costs, and Mr. Sanchez verified that it was. Chairman Brewer asked for public comments, and there were none.

21-0083 Chairman Brewer called for a Public Hearing and consideration/discussion/action on a Project Grant application (#21-08), submitted by McKinney Parks and Recreation Department, in the amount of three million six hundred thirty-seven thousand forty and no/100 dollars (\$3,637,040.00) for Apex Centre Expansion Project to Include: project design (\$2,500,000.00); materials and installation of landscape improvements (\$100,000.00); installation of obstacle course for existing indoor pool (\$330,000.00); enhancements to existing outdoor slides to include sound system, lights and a dragster timing system with score board (\$126,019.00); design and installation of a sauna room in the

aquatics area (\$100,000.00); adding building and monument signage at Alma entrance (\$200,000.00); and installation of outdoor fitness area (\$256,000.00). Amount represents 100% of costs. Director Michael Kowski stated that this request allows for the continuation of the success of Apex Centre. Today's request is two-fold: first is seed money for a later expansion and second is near-term improvements to the complex. Mr. Kowski reminded the Board that expansion was always in the plan, and now is the right time to move forward. Their goal is to further explore the expansion options and complete construction documents over the next eighteen months. Discussions for expansion have centered around visual changes, adding square footage and positioning the building to accommodate more members. Mr. Kowski acknowledged that membership has declined during COVID but is slowly increasing. He added that before COVID, Apex Centre could not accommodate the demand. They are asking for \$2.5 million to fund the design phase through preparation of construction documents. He acknowledged that there is no funding in place for the actual construction but having complete drawings and true costs for the expansion, allows them to apply for and win more grants. Mr. Kowski shared that Apex Centre was \$1 million in the black before COVID hit, which was intended to be used for micro-improvements, but that money had to be used to cover the shortfall due to COVID. Apex Centre Manager Teresa Thomason shared that Apex had 5,400 members at the end of 2019 and net revenue of \$550,000. Current membership is just under 3,100, but January 2021 sales were almost double over January 2020. Keeping in mind the capacity restraints, the goal is to reach 4,000 in total memberships, and they are currently focusing on frozen accounts, upcoming renewals and following up with guests who come with members. They have also initiated a membership engagement plan to focus on prospects as well as members not utilizing the facilities and whose memberships are

expiring. The software program utilized by Apex automatically reaches out to people in these categories and sends out surveys, so staff can see feedback from members and prospects. Additionally, they offered a free personal training session with new or renewed membership. Included in this grant request is \$100,000 for a sauna. Ms. Thomason shared that one of the most requested features is a sauna, and this request would deliver a sauna in the aquatics area by January 2022. They are also requesting \$330,000 for a Ninja Cross Course to be built over the existing indoor pool by July 2021. It would be the first indoor obstacle course in Texas. The course would be an additional offering for birthday parties and could be used for youth and adult team building events. It can be raised when not being used. The request also includes \$256,000 for an outdoor fitness court, to be located near the outdoor pool, to be built by October 2021. An additional request of \$126,019 is for outdoor slide enhancements to include LED lighting, sound system, waterslide audio system, digital sound player and a dragster timing system. The goal would be for the slide enhancements to be complete by June 2021. A request of \$200,000 is for building signage and monument signage at the Alma entrance by the end of 2021. A request of \$100,000 for new, native landscaping is also included in this application. Ms. Thomason asked for questions, and there were none. Chairman Brewer asked for public comments, and there were none.

21-0084 Chairman Brewer called for a Public Hearing and consideration/discussion/action on a request submitted by Habitat for Humanity of Collin County to extend the term on the loan agreement for Project #20-03 to March 31, 2022 and to amend the terms of the grant award for Project #20-03 as follows: funding the construction of shade structure through the reallocation of the remaining funds previously awarded for a concrete surface for playground, in the amount of thirteen thousand five

hundred seventy and no/100 dollars (\$13,570.00), the reallocation of the remaining funds previously awarded for tree trimming, in the amount of one hundred fifty and no/100 dollars, and through an increase in funding in the amount of twenty-six thousand eighty-seven and 58/100 dollars (\$26,087.58) for an aggregate total award of thirty-nine thousand eight hundred seven and 58/100 dollars (\$39,807.58); and funding the construction of a community amenity center through a grant increase in the amount of two hundred fifty thousand and no/100 dollars (\$250,000.00) resulting in an aggregate total grant of five hundred thousand and no/100 dollars (\$500,000.00). Aggregate of all additional funding requests equals two hundred eighty-nine thousand eight hundred seven and 58/100 dollars (\$289,807.58). CEO Celeste Cox introduced Whitt Osborne with Novel Builders and Scott Stone with Calloway Architecture. Ms. Cox shared that Encore started the electrical installation yesterday, and infrastructure will be complete once electrical is done, and they will be ready to build. Ms. Cox shared the status of the spending on this grant to date. Critical home repairs will be completely expended by the end of January. Regarding land acquisition, they are under contract on the land at 611 Bumpass. The amenity center construction budget of \$250,000 was developed assuming use of shipping containers. Architects have determined that is not a practical design, so plans have changed to steel construction with a general contractor rather than using volunteers. As a result, the cost of this component will increase. Foundation engineering refers to the engineering that will be going through all the container townhomes. They saved \$150 from tree trimming and are requesting that amount be allocated to the concrete surface for the playground. Ms. Cox explained that they were able to save about \$18,000 by pouring the playground concrete at the same time as the road infrastructure. However, the shade structure columns had to go in when pouring the concrete which

increased the cost on the playground. With the reallocations from savings from tree trimming and concrete, they are asking for an additional \$26,087.58 for the shade structure. Additionally, they are asking for an additional \$250,000 for the amenity center to be built as a commercial building using a professional architect and general contractor. The aggregate of additional funding being requested is \$289,807.58. Ms. Cox added they have approved the first seven families for residence at the Cotton Groves and are excited to move forward. She asked for questions. Board member Richardson-Woods asked when the amenity center would be built, and Mr. Osborne shared that they are working on the amenity center independently from the residential. Permit drawings needed for submission will be completed this week. Board member Kelly asked how the footprint of the amenity center has changed. Ms. Cox stated that the footprint has essentially stayed the same. Mr. Kelly asked if the shade structure was in the original plan, and Ms. Cox clarified that it was in the plan but that the original plan was to construct the playground after the residential was complete. She explained that the requirement to place the shade structure columns as the concrete was poured caused them to spend money sooner than fund raising for the playground was complete. Chairman Brewer called for public comments, and there were none.

Chairman Brewer called for additional citizen comments, and there were none.

Chairman Brewer called for Board or Commissioner comments. Board member Kelly thanked Chairman Brewer for recognizing John Gay's contribution to the city and reiterated his appreciation for all Mr. Gay did for the community and for him personally. Chairman Brewer shared that Mr. Gay made a big impression on her life as well. Secretary Barnes-Tilley complimented the City for its efficient vaccination hub.

Chairman Brewer recessed the meeting into Executive Session at 10:21 a.m. in accordance with the Texas Government Code. Items for discussion under Section 551.087 regarding economic development matters include Project Bluesky, Project 20-

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09 (TUPPS), Project 21-01 (The Hub), Project 21-03 (Heritage Guild), Project 21-04 (Collin County History Museum), Project 21-05 (McKinney Roots), Project 21-07 (Sanchez Charities), Project 21-08 (Apex Centre) and Project 20-03 (Habitat for Humanity).

Chairman Brewer reconvened the Board meeting back into regular session at 11:31 a.m.

Chairman Brewer called for a motion to adjourn. Board members unanimously approved a motion by Board member Kelly, seconded by Board member Mott, to adjourn. Chairman Brewer adjourned the meeting at 11:33 a.m.

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

These minutes were approved by the MCDC members on: _____

JACKIE BREWER
Chairman

MARY BARNES-TILLEY
Secretary