

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

JULY 21, 2020

The McKinney Economic Development Corporation met in regular session in the Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on July 21, 2020 at 8:00 am.

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

Absent: Joe Minissale

Staff Present: President Peter Tokar, Executive Vice President Abby Liu, Senior Vice President Danny Chavez, Technology and Infrastructure Specialist Michael DePaola, MEDC Office Supervisor Deana Smithee, MEDC Administrative Assistant Joanne Isom, Mayor George C. Fuller, Mayor Pro Tem Rainey Rogers, Councilman Scott Elliott, City Manager Paul Grimes, MEDC Attorney Mark Houser, Financial Compliance Manager Chance Miller, and Visit McKinney Executive Director DeeDee Guerra.

Absent: Business Intelligence Director Holly Immler and Project Manager Madison Clark

There was 1 guest present.

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

Chairman Sipiora called for Public Comments for items on the agenda and there were none. Chairman Sipiora noted Alternate Board member Krueger will step in as a Board member to replace former Board member Tracy Rath.

20-0579 Chairman Sipiora called for the Minutes of the McKinney Economic Development Corporation of June 16, 2020. Board members unanimously approved the motion by Board member Cloutier, seconded by Board member Feltus, to approve the minutes.

20-0580 Chairman Sipiora called for Board and Liaison Updates. Chairman Sipiora thanked the board members for the work they have accomplished during these times.

City of McKinney – City Manager Grimes reported tonight the City Council will vote to increase the Tri-City Business Grant from \$5 million to \$5.6 million to assist McKinney businesses. City Manager Grimes noted the S&P has rated McKinney an AAA Community based on the City's obligation bonds and an AA plus for water utilities. The obligation bonds consist of \$40 million in General Obligation Bonds, \$18 million in Refunding Bonds, and \$8.2 million in Certificates of Obligation. The City is expecting Moody to make the rating official this week.

Visit McKinney – Executive Director Guerra shared advertising Visit McKinney has worked on in order to keep McKinney as a destination location. McKinney was featured on Discover America's website and in Discover America's newsletter. YOLO Texas filmed in McKinney June 17th through June 19th and the episode aired last Sunday. Executive Director Guerra thanked Local Yocal BBQ, John Christopher Davis, Arcade 92, Layered, Goodies Texas, Cocktail Creamery and Mayor Fuller for participating in the episode. Executive Director Guerra noted influencers "Our Sweet Adventures" recently visited McKinney which resulted in numerous social media posts and advertising.

20-0581 Chairman Sipiora called for the consideration/discussion of the MEDC Monthly Organizational Report. President Tokar thanked the City of Allen and the City of Frisco for their collaboration to create the Tri-City Business Grant. The three cities worked together in under four weeks to create the unified program to assist businesses in need. President Tokar noted there were 231 applicants and will request to increase the amount to \$5.6 million to potentially assist 100% of the qualifying applicants. President Tokar noted the most each applicant can receive is \$25,000, however the amount awarded could be lower based on the

parameters of the application.

20-0582 Chairman Sipiora called for the consideration/discussion of the MEDC Monthly Metrics Dashboard Report. President Tokar noted the Key Performance Indicators reflected on the dashboard will change as the new Key Performance Indicators are introduced. President Tokar noted the MEDC is doing very well in maintaining a strong project pipeline.

20-0583 Chairman Sipiora called for the consideration/discussion on the Technology and Infrastructure Update. Technology and Infrastructure Specialist DePaola shared HR Green has completed part one of phase one of the wireless consultant work. The Small Wireless Facilities Design Manual will be presented tonight at the City Council meeting. The Health report will be shared at the Work Session. Technology and Infrastructure Specialist DePaola reported the next step to finish out phase one is the fiber conduit design. Technology and Infrastructure Specialist DePaola explained during this phase HR Green will assist in identifying the types of utilities in the ground and ensure they are properly labeled. This information will be beneficial once the MEDC begins to develop property. Technology and Infrastructure Specialist DePaola shared they will also start creating a fiber arterial map to identify existing fiber in the city. Capacity is being determined now to allow for a more accurate presentation of a parcel to a developer and assist when fiber begins to expand in homes.

20-0584 Chairman Sipiora called for the consideration/discussion/action on the May 2020 Financials. Financial Compliance Manager Miller reported on the MEDC May Financials. There were \$1.3 million in revenue and \$1 million in project expenditures to result in a net profit of \$300,000. Financial Compliance Manager Miller reported the May sales tax report is for the month of March. There was a 1.1% decrease from last year. Allen had a 7.3% decrease, Frisco had a 12% decrease, and Plano had a 4% decrease. Financial Compliance Manager Miller noted the June

sales tax report is for the month of April. There was a 12.1% increase over last year. Allen had a decrease of 17%, Frisco had a decrease of 13%, and Plano had a decrease of 13%. Financial Compliance Manager Miller noted the July sales tax report is for the month of May. There was an 18.2% increase over last year. Allen had a 7% decrease, Frisco had a 7% decrease, and Plano had a 17% decrease. Financial Compliance Manager Miller noted the results in sales tax difference may be due to the different rate of expansion McKinney is experiencing. Financial Compliance Manager Miller explained the Sales Tax Bill to allow online sales allocable to where the item is being delivered has also helped McKinney see an increase in sales tax. Financial Compliance Manager Miller noted the Comptroller is looking into the numbers to ensure accuracy and there could be an audit adjustment. Board members unanimously approved the motion by Vice Chairman Jones, seconded by Board member Krueger to approve the May 2020 financials.

20-0585 Chairman Sipiora called for the consideration/discussion/action on a Resolution Establishing Standing Committees and Appointing Former Subcommittee Members. MEDC Attorney Houser noted this is a Resolution to formalize the current subcommittees into Standing Committees. MEDC Attorney Houser noted with this Resolution the Chairman will reappoint three board members currently serving on the subcommittees to the following Standing Committees: Finance Committee, Marketing Committee, Real Estate Committee, and the Innovation Fund Committee. Board members unanimously approved the motion by Secretary/Treasurer Loughmiller, seconded by Board member Krueger, to approve the Resolution.

20-0586 Chairman Sipiora called on the consideration/discussion/action on a Resolution Approving a policy authorizing the MEDC President to Approve and Execute Innovation Fund Grant Applications. MEDC

Attorney Houser noted the Resolution for the Innovation Fund will allow the Chairman to appoint three board members to the Innovation Fund Committee. Any qualified Innovation Fund applications under \$75,000 will be presented to the Innovation Fund Committee for input and review. After the review process with the Innovation Fund Committee, the President will have the authorization to approve the qualified applications without presenting to the full board. Board members unanimously approved the motion by Board member Feltus, seconded by Board member Cloutier, to approve the Resolution.

20-0587 Chairman Sipiora called for the consideration/discussion/action on 2020 MEDC Key Performance Indicators. President Tokar shared the updated 2020 MEDC Key Performance Indicators with the board. President Tokar noted the Key Performance Indicators currently used are from 2019 and minor adjustments needed to be made for 2020. The board will meet on August 7th, 2020 with Devcore Strategic Advisors to create the 2021 Key Performance Indicators. The revised 2020 Key Performance Indicators focus on seven strategic objectives: 1.) Business Attraction, 2.) Marketing/Social Media/Website 3.) Business Intelligence 4.) Lead Generation & Outreach 5.) Infrastructure Development 6.) Increase Commercial Tax Base 7.) Business Retention & Expansion. Board members unanimously approved the motion by Board member Cloutier, seconded by Board member Krueger, to approve the 2020 MEDC Key Performance Indicators.

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 9:17 am.

Chairman Sipiora reconvened the meeting to open session at 11:14 am.

Board members unanimously approved the motion by Board member Cloutier, seconded by Board member Feltus, to approve Project Tahiti as discussed in Executive Session.

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Board members approved the motion by Secretary/Treasurer Loughmiller, seconded by Vice Chairman Jones, to approve Project Electron III as discussed in Executive Session. Motion passes 5-1-0 with Chairman Sipiora voting no.

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

Board members unanimously approved the motion by Board member Feltus, seconded by Board member Krueger, to approve Project Uplink as discussed in Executive Session.

There was no action taken on Project Victoria.

Board members unanimously approved the motion by Secretary/Treasurer Loughmiller, seconded by Board member Cloutier, to approve Project Sherpa as discussed in Executive Session.

Board members unanimously approved the motion by Board member Cloutier, seconded by Board member Krueger, to approved Project Archer as discussed in Executive Session.

Board members unanimously approved the motion by Board member Krueger, seconded by Secretary/Treasurer Loughmiller, to approve Boyd as discussed in Executive Session.

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

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

Chairman Sipiora adjourned the meeting at 10:05 am.

Kenneth T. Sipiora
Chairman