

MCKINNEY COMMUNITY DEVELOPMENT CORPORATION

NOVEMBER 17, 2022

The McKinney Community Development Corporation met in regular session in the City Hall Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on Thursday, November 17, 2022 at 8:00 a.m.

Board Members Present: Chair Angela Richardson-Woods, Vice Chair Davie Kelly, Secretary Deborah Bradford, Treasurer Kathryn McGill, Board Members David Riche and Joy Booth. Board Alternate Jon Dell'Antonia.

Absent: Board Member Mary Barnes-Tilley. Board Alternate Jon Dell'Antonia was seated at the dais, in Ms. Barnes-Tilley's seat.

City Council Present: Mayor George Fuller and Councilman Patrick Cloutier.

Staff Present: President Cindy Schneible, City Manager Paul Grimes, Assistant City Manager Barry Shelton, MEDC Senior Vice President Michael Talley, Airport Director Ken Carley, Director of Parks and Recreation Michael Kowski, Visit McKinney Executive Director Aaron Werner, Cultural District Director Andrew Jones, Creative Services Manager Michelle Feldker, and MCDC Administrative and Marketing Coordinator Linda Jones.

There were several guests present.

Chair Richardson-Woods called the meeting to order at 8:00 a.m. after determining a quorum was present. She commented about this season of gratitude even in the recent events of tragic loss. Pastor Steve Rost of Revival City Church McKinney offered the invocation which was followed by the Pledge of Allegiance.

Chair Richardson-Woods called for public comments on non-public hearing agenda items, and there were none.

22-1058 Chair Richardson-Woods called for a motion on the minutes of the McKinney Community Development Corporation Meeting of October 27, 2022. Board members unanimously approved a motion by Board Member Dell'Antonia, seconded by Secretary Bradford, to approve the minutes as amended.

22-1059 Chair Richardson-Woods called for Board and Liaison Reports.

Board Chair. Chair Richardson-Woods shared several events that Board and staff have participated in the last few weeks including the Chamber's State of the City lunch, LoveLife Foundation Gala, Main Street Merchants meeting, Veteran's Day Services and McKinney Education Foundation Gala. She thanked everyone who participated in the Bonnie Wenk Park clean-up. Ms. Woods also wished a happy birthday to Mayor Fuller. Board members shared positive comments on their participation in the many events, and several acknowledged the amazing job the Parks Department is doing keeping our parks clean.

City of McKinney. City Manager Paul Grimes announced Andrew Jones is the new Cultural District Director and congratulated him on his success in producing large city events during his interim leadership. City Council met in joint session with the Planning and Zoning Commission where they adopted the City's new development code. This was a three-year project involving staff and other professionals. Mr. Grimes specifically acknowledged Long Range Planning Manager Aaron Bloxham, Executive Director of Development Services Michael Quint and Director of Planning Jennifer Arnold for their work in establishing a code that is developer-friendly and protects our community. He stated that the Airport Bond Committee has completed three planning meetings, and Assistant City Manager Barry Shelton will be presenting an update to the Board later in this meeting.

Visit McKinney. Executive Director Aaron Werner offered his congratulations to Andrew Jones on his new position. He announced that the NCAA Division II Football Championship game will be held December 17 at noon, and the Fan Fest pep rally will be at TUPPS Brewery on December 16. Mr. Werner shared that Visit McKinney offices are being remodeled, and staff is temporarily working from MPAC. The new office design will create a McKinney Experience Center that will

introduce visitors to McKinney through hands-on and visual exhibits and a McKinney-branded store. Mr. Werner announced that Alisha Holmberg will be joining their staff team. Visit McKinney and the Parks Department will be meeting with the Dallas Sports Commission. They will be touring our sports facilities and visiting specifically about McKinney potentially participating in the 2026 World Cup. Mr. Werner shared that they are working on an Incentive Package for large events included in group business that may include room discounts and a GAP program. This package will be a step towards making McKinney more competitive in responding to RFPs. Additionally, they have been meeting with local corporate partners alongside MEDC and MCDC staff.

McKinney Economic Development Corporation. Senior Vice President Michael Talley shared that President Peter Tokar is in Barcelona attending the Smart Cities World Expo. He announced that MEDC and MCDC offices have moved, the Chamber is moving today, and the three entities are working together to plan a grand opening event in January. Mr. Talley reminded the Board of the recent opening of Independent Financials' second building and shared appreciation for David Brooks and Independent's continued investment in the community. MEDC's pipeline has 26 projects valued at \$2.7 billion. He also announced a new venture with Collin College and Raytheon which is an apprenticeship program that provides training and experience to high school students who will earn \$20 per hour in the program. The internships could lead to jobs paying at least \$70,000 annually. He acknowledged Raytheon's ongoing investment in our community and students. MEDC has several event opportunities through a new partnership with Venture Dallas. Additionally, Mr. Talley announced that MEDC is hiring a Project Manager and an Events and Special Projects Manager. Treasurer McGill asked about the requirements for the internships, and Mr. Talley shared that there is no specific age requirement, but they hope to extend the

program to high school students starting their freshman year. Ms. McGill encouraged them to consider internships in the health care industry, and Mr. Talley acknowledged that this is just the first step in what they hope will be a broader program. He shared that Madison Clark is leading these workforce initiatives.

McKinney Main Street/MPAC. Cultural District Director Andrew Jones thanked MCDC, Parks Department, Public Works, Streets Maintenance, and Main Street/MPAC staff for all the work they put into making the Downtown area come alive during the holidays. Home for the Holidays is November 25-27 with the tree lighting on Friday the 25th at 6:00 p.m. The carousel and snow hill will be back, and an added feature this year will be ice carving. McKinney Repertory Theatre will have several performances of *A Christmas Carol* throughout the weekend. Additionally, Saturday the 26th is Small Business Saturday. Throughout December, the “Christmas on Kentucky” pop-up will host Santa on the Square, the carousel and activities for kids. Other events include WFAA Santa’s Helpers collecting toys in Downtown on December 8, the Parade of Lights on December 10 and the Menorah lighting on December 20. Mr. Jones shared that they have recently retooled the Downtown Dollars program to digital gift cards currently accepted at over 60 businesses - and that number is growing. This program will be easier for the customer and for the merchants. Chair Richardson-Woods asked where to find the list of businesses participating in the Downtown Dollars, and Mr. Jones shared that the list and an interactive map are on their website.

McKinney Parks and Recreation. Director Michael Kowski welcomed Andrew Jones to the leadership team. He shared that construction and renovations have begun on Craig Ranch Soccer Complex. Work should be complete in time to help support the World Cup efforts in 2026. Finch Park is complete, and pickleball courts are already very popular. The Parks Master Plan, which received input from MCDC Board members, is

currently being reviewed by Parks & Recreation Advisory Board and will then be reviewed by City Council. Board Member Riche asked about the status of Robinson Ridge Park, and Mr. Kowski stated that the contractor will be working on that park in first quarter of 2023.

TUPPS Subcommittee. Secretary Bradford shared that the vision of the TUPPS team is amazing, and the site will be something the community can be proud of. The subcommittee toured the site this week and saw construction progress including tap room, barrel aging building and new brewing equipment installed in the brewery building. The subcommittee has had input into the types of shade structures that will be onsite, and there are some fun and innovative designs. The kids play area will be huge with fun things to do including a giant music wall, and the site will include fun activities for adults as well. Some of the Build Your Own Business silos have been delivered and all will be assembled by the end of December. The six selected small businesses will be able to start preparing their silo in January. There were 72 applications, so narrowing down to six was a difficult decision, but those selected are a great fit for the site and the goals of the program. The TUPPS team and subcommittee continue to pay attention to every detail to keep the project within budget. The City owned parking lot adjacent to TUPPS is a public lot that will be open to the public at all times. The grand opening for the full site is targeted for March or April 2023. Chair Richardson-Woods thanked the subcommittee and staff for their time commitment to this project. She added that the view from the second floor of the brewery building will be amazing once their site and City Hall are complete. Treasurer McGill added that the scope of this project and dedication of the subcommittee is extraordinary and very much appreciated.

22-1060 Chair Richardson-Woods called for the President's Report. Chair Richardson-Woods encouraged Board members to read the final reports

from projects and events and to consider the information provided in future grant decisions. President Cindy Schneible reminded everyone that eligibility for promotional grants includes the ability to promote McKinney for tourism and business development, and the reports attached (Juneteenth, Arts in Bloom and SBG Wine & Music Festival) indicate that those objectives are clearly being met with these events. She called attention to data in the marketing report that shows our top Facebook posts are tied to MCDC funded events and projects. Ms. Schneible reminded Board members that the Promotional Grant cycle is open, and applications will be accepted through November 30. The Board will hear promotional grant presentations at the December meeting. Applications for the next Project Grant cycle will be accepted December 1-30, with presentations to the Board in January. Ms. Schneible directed Board members to the TUPPS status report attached provided by Spinelli Construction Services, MCDC's owner's rep on the TUPPS project and attached to the agenda.

22-1061 Chair Richardson-Woods called for a presentation on McKinney National Airport and potential for addition of commercial service. Assistant City Manager Barry Shelton shared that the Bond Committee consists of 35-40 members who have met three times. Subcommittees include:

- Infrastructure – what needs to be built and what is the necessary infrastructure;
- Finance – debt capacity of City, funding options, operational budget, and overall financial outlook for the project;
- Community – impact on community including such factors as noise, traffic and environmental;
- Business and Industry – benefits to local economy and impact on local businesses; and

- Regional and Elected Officials – overall impact and benefits to surrounding communities.

Bond committee meetings have been positive to date. The goal is to bring a recommendation to City Council in December or January to consider placing a bond package on the May 2023 ballot, which requires a Council decision by mid-February. The Board watched a video showing the potential project vision including lobby with amenities, grill/eatery, retail shops, coffee shops and gathering spaces. Ken Carley, Airport Director, shared that the City and airport have invested about \$4.5 million in design, including launching an environmental assessment. In 2017, the City purchased about 190 acres for \$23 million located on the east side of the airport. Currently, the airport is self-sustaining with an annual operating budget of about \$12 million and generating ad valorem tax revenue to the City of about \$3.5 million annually. This ad valorem tax includes business aircraft based at the airport and ground lease properties. The most recent economic impact study by TXDoT was completed in 2017 and indicated an annual economic impact of \$213 million. Today, the impact is estimated at \$250 million. McKinney is the 82nd busiest airport in the country and the 8th busiest in Texas. This vision for growth has been mostly determined from unsolicited interest from airlines. Mr. Carley shared renderings developed with input from Mayor Fuller, other City Council members and staff working with an independent architect. The vision includes solar-powered canopies, allowing for potential federal funding for sustainable development. The intent is to create a technology-driven boutique-type travel experience. The plan calls for four gates in a 140,000 square foot terminal with capability to expand as needed, 15 acres for aircraft apron, 2,000 parking spaces, and access from FM 546 and ultimately from an expanded Spur 399. Commercial service is anticipated to begin in early 2026. During the first year of the expansion, the expectation is about 12 daily departures.

That is anticipated to grow to 18 by 2040. Surveys indicate that about 75% of area travelers would consider using the McKinney airport over D/FW or Love Field which are currently serving 44 million combined enplanements. Most regions serving this number of travelers have three to five airports, both primary and secondary. McKinney would initially be a secondary airport. Catchment areas are generally defined by drive times where McKinney would be at least 10 minutes closer than another airport. The primary catchment area was about 1.9 million enplanements in 2019. McKinney would expect to capture about 30% of that market. The secondary catchment area was about 1.1 million, and McKinney would expect to capture about 15% of that market. Therefore, estimated annual enplanements for McKinney would be about 500,000. When considering annual growth rates for population, economic and socio-economic factors, McKinney would be defined as a desirable market for airlines, which is likely the reason McKinney has received unsolicited inquiries from airlines. Regarding economic impact for year one, the airport would create 2,780 to 3,200 new jobs, \$207 to \$265 million in new wages paid, \$615-\$850 million in economic output, \$77 to \$115 million in taxes (local, state, and federal combined), with \$17 to \$29 million in local taxes to McKinney. Mr. Carley shared typical funding sources for airports which include bonds (53%), passenger and facility charges (24%), Airport Improvement Program grants (\$15%) capital contributions (6%), and state grants (2%). He added that the bipartisan infrastructure bills have created new funding sources, and McKinney could anticipate receiving \$60 to \$80 million in federal grants. Most of the grants work on a reimbursement basis. An environmental assessment is already underway to study impacts on resources including water, wildlife and habitat, culture, air quality, noise, surface transportation, residences and community populations. Public hearings regarding environmental impact will be held in early 2023, with additional opportunity for public feedback

to follow. Regarding project timeline, the environmental assessment is underway, potential bond election is May 2023, construction to begin in 2024, and terminal to open in 2026. Mr. Carley emphasized that commercial service would offer convenience and connectivity, as well as have a positive impact on business growth, including leisure and hospitality industries. Board Member Booth asked for clarity on direct versus indirect jobs. Mr. Carley stated that about 1,040 new jobs would be direct at the airport (airline jobs, facility maintenance, rental cars, concessions, etc.), and additional secondary jobs would be created due to growth resulting from airport expansion. Chair Richardson-Woods stated that additional questions by Board members should be forwarded to Ms. Schneible who will then submit to Mr. Carley for response. She then recessed the meeting into Executive Session at 9:08 a.m. in accordance with the Texas Government Code. Deliberation regarding economic development matters include Project 4B 22-02 (McKinney Parks Foundation) Project BlueSky, Project 20-09 (TUPPS Brewery & Entertainment Destination) and Project Terrigen.

Chair Richardson-Woods reconvened the meeting of the McKinney Community Development Corporation back into regular session at 10:04 a.m.

22-1062 Chair Richardson-Woods called for an update on the FY 2023 Marketing Communications Plan. Creative Services Manager Michelle Feldker reminded Board members of the overall marketing goals which included: integrating and cross promoting community partners, businesses and grant recipient programs; promoting and educating residents to spend locally; increasing awareness of the grant programs; and promoting McKinney to visitors to increase retail and business traffic. She shared that in 2019, the Board adopted a rebrand for MCDC and updated the Buy Local campaign, which gained momentum quickly and was used during COVID by the Chamber and other entities to jointly communicate

the importance of shopping locally. One of the last initiatives of the rebranding was to redesign the website. A main goal of the website redesign was to make it more mobile friendly, and data indicates a 20% increase in mobile traffic. Ms. Feldker shared that one tactic for cross promoting the BUY McKINNEY message was a mailer sent to local businesses last fall. The mailer included a window cling and messaging about the grant programs. MCDC advertising focuses on two messages: (1) the benefits of shopping local and (2) promoting events and projects supported through MCDC grants. Grant recipients include the MCDC logo on their promotions, and promotional items with our messaging and website are provided at most funded events. Ms. Feldker showed examples of social media efforts that combine the Unique by Nature and MCDC messaging. The City also promotes the grant cycles via social media and the City's eNewsletter. Additionally, videos and flyers promoting all three grant types have been produced. Ms. Feldker showed examples of how the messaging is shared onsite at events and on project sites. Regarding the Byron Nelson, a collaborative marketing effort with MCDC, the City, Main Street and Visit McKinney has been established. The advertising theme is "McKinney is your 19th Hole" which encourages attendees to stay in McKinney to shop, dine and unwind. The 2022 exhibit booth carried this theme through a vivid design. This year, the team will focus on increasing branding in parking lots and additional pre and post event advertising. Chair Richardson-Woods and Treasurer McGill thanked Ms. Feldker for the partnership and complimented the marketing team on their contributions.

22-1063

Chair Richardson-Woods called for a Public Hearing and consideration/discussion/action on a request submitted by McKinney Parks Foundation to amend the loan agreement for Project #22-02 to use a portion of remaining grant funds in an amount of \$2,096.94 to

purchase four weed eaters, one chainsaw and one backpack blower to support maintenance of McKinney Parks and Trails. Greg Smith was available for questions. Board members unanimously approved a motion by Secretary Bradford, seconded by Board Member Riche, to close the public hearing. Board members unanimously approved a motion by Treasurer McGill, seconded by Board Member Riche, to approve the amendment as requested.

22-1064 Chair Richardson-Woods called for consideration/discussion/action on an Amendment to the First Amended and Restated Lease Agreement, dated effective December 7, 2021, by and between the McKinney Community Development Corporation and TUPPS Brewery, LLC. Board members unanimously approved a motion by Chair Richardson-Woods, seconded by Board Member Dell'Antonia, to approve the amendment as discussed in Executive Session.

Chair Richardson-Woods called for public comments regarding matters not on the agenda, and there were none. She shared birthday greetings for Joy Booth and David Kelly. Ms. Woods wished everyone a happy and safe Thanksgiving and stated that the next Board meeting will be December 15.

Board members unanimously approved a motion by Chair Richardson-Woods, seconded by Board Member Riche, to adjourn. Chair Richardson-Woods adjourned the meeting at 10:17 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: _____

ANGELA RICHARDSON-WOODS
Chairman

DEBORAH BRADFORD
Secretary