

MCKINNEY COMMUNITY DEVELOPMENT CORPORATION

SEPTEMBER 25, 2014

The McKinney Community Development Corporation met in regular session in the Dowdy Board Room, 5900 S. Lake Forest Drive, McKinney, Texas, on September 25, 2014 at 8:00 a.m.

Board members Present: Chairman George Fuller, Vice Chairman Scott Elliott, Secretary/Treasurer Colleen Smith, Michael Puhl, David Myers, and Kurt Kuehn.

Absent: David Clarke

Staff Present: President Cindy Schneible; Marketing Director Cayti Stein; Administrative Assistant Deb Hass; President/CEO MEDC Jim Wehmeier; Interim City Manager Tom Muehlenbeck; Assistant to the City Manager Darrek Ferrell; McKinney National Airport Executive Director Ken Wiegard; Assistant Director of Parks Ryan Mullins; MCVB Sales Representative Vanessa Baggett; and McKinney Magazine Publisher Peggy Smolen, representing the Chamber.

There were 13 guests present.

- 14-947** Minutes of the City Council and McKinney Community Development Corporation Joint Meeting of August 18, 2014. Board members unanimously approved the motion by Board member Puhl, seconded by Board member Elliott, to approve the Minutes of the City Council and McKinney Community Development Corporation Joint Meeting of August 18, 2014.
- 14-948** Minutes of the McKinney Community Development Corporation Meeting of August 21, 2014. Board members unanimously approved the motion by Board member Kuehn, seconded by Board member Puhl, to approve the Minutes of the McKinney Community Development Corporation Meeting of August 21, 2014.
- 14-949** Minutes of the McKinney Community Development Corporation Finance Committee Meeting of June 10, 2014. Board members unanimously approved the motion by Board member Elliott, seconded by Board member Kuehn, to approve the Minutes of the McKinney Community

Development Corporation Finance Committee Meeting of June 10, 2014

14-950 Minutes of the McKinney Community Development Corporation Finance Committee Meeting of July 17, 2014. Board members unanimously approved the motion by Board member Puhl, seconded by Board member Elliott, to approve the Minutes of the McKinney Community Development Corporation Finance Committee Meeting of July 17, 2014.

14-951 Minutes of the McKinney Community Development Corporation Promotional and Community Event Grant Committee Meeting of August 11, 2014. Board members unanimously approved the motion by Board member Kuehn, seconded by Board member Myers, to approve the Minutes of the McKinney Community Development Corporation Promotional and Community Event Grant Committee Meeting of August 11, 2014.

14-952 Financial Report. MCDC President Cindy Schneible gave the financial report. Ms. Schneible reported the end of August was the 92% completion date for the 2014 fiscal year. MCDC is slightly ahead on revenue for the year. Ms. Schneible reported that everything is in order in terms of expenditures for administration, operations, and projects. Ms. Schneible reported that 2014 August sales tax receipts totaled over \$980,000, 3% higher than 2013 August sales tax receipts. Yearly totals are running 1.8% higher than fiscal year 2013. Ms. Schneible reported that finance expects to receive the first reimbursement request from PSA. The loan amount approved for the PSA facility was 3.2 million, but at this time PSA is anticipating the loan amount requested will be lower at approximately 2.7 million.

14-953 Board and Liaison Updates

Board Chair – Chairman Fuller thanked the Board and Ms. Schneible for all the support and their service to the community. Chairman Fuller introduced Maylee Thomas, McKinney citizen of the year and his wife,

and past Board Chairman Tracy Rath.

Chamber of Commerce – McKinney Magazine Publisher Peggy Smolen reported the Chamber has hired Lisa Hermes as President. Ms. Smolen reminded the Board the Chamber will be moving to downtown McKinney in November. The McKinney Magazine will be honoring veterans in their “Best Of” issue, and will spotlight Veteran Jason Morgan. Mr. Morgan is a McKinney resident, and is the national spokesman for Canines for Companions. Ms. Smolen also reported in the same issue the magazine will have an update on the Gateway project. The fall session of McKinney Experience was cancelled, so the next McKinney Experience will be Spring of 2015. Ms. Smolen reported that December 4, 2014 will be the Chamber Open House at the new location in downtown McKinney, and November 6, 2014 will be the State of the City at Christ Fellowship Church.

City of McKinney - Interim City Manager Tom Muehlenbeck thanked Chairman Fuller and board member Puhl for their service to the City. Mr. Muehlenbeck reported City Council has adopted the City budget for the 2015 fiscal year. Mr. Muehlenbeck also mentioned the Money Magazine’s announcement on the City’s number one ranking in their magazine as the best place to live in the United States.

Main Street & MPAC – Ms. Schneible reported for Main Street & MPAC. Ms. Schneible reported Oktoberfest would start on Friday, September 25, 2015, and end on Sunday, September 28, 2015.

McKinney Convention & Visitors Bureau (MCVB) – Tourism Services and Sales Representative Vanessa Baggett reported MCVB was preparing for many visitors at Oktoberfest. Munzee Marketplace in downtown McKinney is bringing in the “Great Race” during Oktoberfest. Ms. Baggett reported MCVB has placed ads in *Money Magazine*, *Dallas Child*, Texas Event Center, and Meeting Planners Guide during the month of August. MCVB saw over 208 visitors, 99 from out of state, and

26 were from out of the country. Top cities requesting information are Houston, San Antonio, Austin, Dallas, and Chicago. Top states requesting information are Texas, Louisiana, Illinois, California, and Florida. Ms. Baggett reported Cricket Killingsworth, Susan Brusa, Jennifer Estes, Wayne Hill, and alternate Bonnie Tinsley have been appointed to the MCVB Board.

McKinney Economic Development Corporation (MEDC) –President/CEO Jim Wehmeier reported MCDC and MEDC have a great partnership. One of those partnerships has been the success of acquiring Barclay's at the Craig Ranch Corporate Center. Mr. Wehmeier reported a new ownership group has bought the building known as the old Blockbuster building. The building has been rebranded as Texas Crossing. Emmitt Smith Realty is the broker of record and Mr. Smith was in attendance at the group's open house. UPS will be the anchor tenant of the building.

McKinney Airport – Executive Director Ken Wiegand reported the Airport will hold the transient hanger ground breaking ceremony on October 13, 2014 at 2:30 p.m. Mr. Wiegand also reported the BB Cope Airfield dedication ceremony will be held November 10, 2014 at 11:30 a.m.

Parks, Recreation & Open Spaces – Assistant Director Ryan Mullins reported Bonnie Wink Phase II is still in the consulting phase. Mr. Mullins reported sidewalks were poured at the Scott Elementary Frisco Park. Due to a new Director joining PROS the Craig Ranch Community Park has been put on hold. Mr. Mullins reported the City has hired Rhoda Savage as the new PROS Director. Trail marker signage has been ordered and should be installed in the next 30-40 days.

14-954 Marketing Director's Report – Marketing Director Cayti Stein reported that CDC would like to incorporate photos of business and community leaders and their families enjoying the different facilities and improvements in quality of life projects that have been funded by MCDC into print ads. Ms. Stein displayed the new MCDC tri-fold brochure. The brochure will

be the first piece of “My McKinney.” MCDC Project Rack cards are being ordered with eleven projects being showcased on the cards. Ms. Stein reported on several upcoming events, Oktoberfest, Crape Myrtle Trails on September 27th, Especially Needed on October 4th, Gala at the Gait on October 4th, and Halloween at the Heard on October 18th, and the State of the Community is on November 6th at 11:30. Ms. Stein reported there have been several MCDC press releases since the last board meeting. Ms. Stein reminded the Board of the Toyota visits and of the schedule.

14-955 Executive Director's Report – MCDC President Ms. Schneible thanked Chairman Fuller and Board member Puhl for their dedication to the Board. Ms. Schneible also thanked the Board members for their energy, engagement and investment of time in MCDC business in support of the City. Ms. Schneible introduced new Board members Hamilton Doak and Michelle Gamble who will be joining the board in October along with alternate Rick Glew. Ms. Schneible reported on the status of the funds for this year. Ms. Schneible reported there was a balance in the promotional fund allocation, approximately \$30,500 in the discretionary allocation, \$600,000 in economic development, and \$417,000 in contingency. Ms. Schneible reminded the Board if funding for projects is approved from allocations other than discretionary the award will require City Council ratification in addition to board approval.

14-956 Chairman Fuller called for a Public Hearing to Consider/Discuss/Act on Project #14-15 as submitted by Heard Natural Science Museum and Wildlife Sanctuary Requesting \$17,108 for Construction of a Retaining Wall, Installation of Railing and Installation of Lighting. Chairman Fuller opened the public hearing. Ms. Schneible informed the Board this agenda item was on last month's agenda but information about the

meeting was not properly forwarded to the Heard Museum resulting in their absence. Ms. Schneible extended an apology on behalf of MCDC. Sy Shahid, Executive Director of the Heard Natural Science Museum and Wildlife Sanctuary presented for the Museum. Mr. Shahid began his presentation with background of the project. Mr. Shahid reported in 2008 the Museum secured a grant from the Hillcrest Foundation for \$100,000 for a stage and amphitheater that seat approximately eight hundred. The building of the stage and amphitheater has caused a safety and liability issue because of the way it is constructed. The construction has caused an eight to ten feet drop-off at the side. Visitors, especially children see the stage and amphitheater and run to it and fall at the drop-off site. A donation of \$7,000 was given for the purchase of large boulders to be placed around the site. The boulders will be used to support the site, and a wrought iron fence will be constructed around the area. The scope of the project is to place the boulders, create drainage for the water, and install railing and lights. Board member Kuehn questioned Mr. Shahid about the money allocated in their Financials of \$109,000 for land restoration. Mr Shahid explained the money for land restoration is restricted, by court action, and is for repair of damage resulting from the water district installing a sewer line through the Sanctuary property. The Museum won a law suit against the North Texas Municipal Water District and the award granted from the suit must only be used for the restoration of the meadows that were destroyed during the installation of the sewer lines. The project is a five year restoration project. Chairman Fuller asked for public comment on the project. No comments were offered. Board members unanimously approved the motion by Chairman Fuller, seconded by Board member Elliott, to approve Project #14-15 as submitted by Heard Natural Science Museum and Wildlife Sanctuary Requesting \$17,108 for Construction of a Retaining Wall, Installation of Railing and Installation of Lighting.

14-957 Consider/Discuss/Act on Project #14-12 as Submitted by Texoma Area Paratransit System, Inc. (TAPS) Requesting \$303,500 to Improve Public Transportation in the City of McKinney with Site Improvements at Davis Street and State Highway 5 to Establish a Multi-Modal Transit Center; Installation of Bus Shelters, Bus Stop Seating, Signage, and Bike Racks. Texoma Area Paratransit Systems Director of Grants and Planning, Corey Young, updated the Board on the project. Mr. Young reported TAPS has recently met with representatives from the City Manager's Office and the Planning Department and discussed the bus routes and bus stop locations. Ms. Schneible reported she had a conversation with Tim Patton, the COO of TAPS following the meeting with City staff and Mr. Patton indicated he would like to remove the component of the application requesting \$75,000 in funding for the downtown multi-modal transit center from consideration at this time. Ms. Schneible informed the Board the revised TAPS grant request totals is \$228,500. Ms. Schneible provided the board with demographics of TAPS ridership. The study showed 42% of riders use TAPS for transportation to their place of work. Also, the study showed 8% use TAPS for transportation to school for education purposes. This study demonstrates the impact the services have on economic development, and workforce development in this area. Board member Kuehn asked if not having the downtown multi-modal center would impact the routes or the availability to get around the City. Mr. Young responded the route system would not be impacted. Mr. Young also replied TAPS is in discussions with City representatives to identify an alternative site for the center. Ms. Schneible shared that meetings with TAPS and the City will continue and City Council is planning a Council work session to discuss and provide direction on a downtown site. Board member Kuhn rose a question regarding the \$30,000 to be used for signage at the center, and if that amount was still

needed. Mr. Young replied the signage would still be used at the Gateway site and synchronizing with the commuter shuttle that goes to Parker Road in Plano. Chairman Fuller stated the \$30,000 amount was to be used for the Gateway site and the multi-modal center and questioned if that amount should be reduced. Mr. Young replied TAPS would use the money now for the two sites with the hope of the third site being approved by the City in the near future. Chairman Fuller suggested a third of the \$30,000 should be set aside with the \$75,000 not being used at this time. Mr. Young agreed. Board members unanimously approved the motion by Board member Puhl, seconded by Board member Kuehn, to approve \$218,500 to Texoma Area Paratransit System, Inc. (TAPS) to improve public transportation in the City of McKinney from MCDC's FY 14 economic development allocation.

14-958 Consider/Discuss/Act on Project #14-13 as Submitted by North Collin County Habitat for Humanity Requesting \$188,870 for Neighborhood Revitalization Initiative Projects, Land Acquisition and Lot Preparation for Construction of Affordable Housing and Evaluation Program. Andrea Tabor represented NCC Habitat for Humanity. Board member Kuehn questioned the money used for land acquisition on the east side of McKinney. Mr. Kuehn mentioned private developers are buying land on the east side of McKinney so NCC Habitat for Humanity needs the money for land acquisition quickly. Mr. Kuehn asked if the title of the home built by Habitat actually transfers from Habitat to the new owner of the home and is the owner responsible for property taxes. Ms. Tabor responded the title is transferred and the owner is responsible for property taxes. Ms. Tabor also stated as land becomes unavailable on the east side of McKinney, the goal of Habitat is to begin buying land on the northwest side of McKinney. Ms. Tabor stated the cost of land acquisition in that area is more expensive than the east side. Board

members unanimously approved the motion by Vice Chairman Elliott, seconded by Board member Puhl, to approve Project #14-13 as Submitted by North Collin County Habitat for Humanity Requesting \$188,870 for Neighborhood Revitalization Initiative Projects, Land Acquisition and Lot Preparation for Construction of Affordable Housing and Evaluation Program from MCDC's FY 14 contingency allocation.

14-959 Consider/Discuss/Act on Project #14-14 as Submitted by Heritage Guild of Collin County Requesting an Amount Not to Exceed \$48,511 for Improvements to the Dulaney House for Conversion to a Bed and Breakfast that Include: Asbestos Abatement; Installation of a Sprinkler System; Electrical Upgrade; ADA Compliance; Architectural Drawings. Cindy Johnson from the Heritage Guild reported to the Board, the Heritage Guild is withdrawing their application due to the City offering to cover \$42,000 of the expense of the asbestos abatement, and installation of the sprinkler system. Ms. Johnson stated some funds might be needed for electrical improvements. Ms. Johnson stated the Heritage Guild has been successful in raising \$83,000 in funds needed for the electrical improvements. Ms. Johnson informed the Board a spring opening is planned for the Dulaney House. Chairman Fuller questioned Ms. Johnson about the ability to raise funds for electrical improvements. Ms. Johnson stated \$15,000 was donated by a local company, but \$23,000 is still needed for electrical improvements of which the Guild has raised \$10,000. Board members unanimously approved the motion by Chairman Fuller, seconded by Board member Puhl, to approve \$12,000 to the Heritage Guild of Collin County for electrical improvements to the Dulaney House for Conversion to a Bed and Breakfast.

Chairman Fuller recessed the meeting into executive session at 8:45 a.m. per Texas Government Code Section 551.071 (2) Consultation with Attorney on Work Session, Special or Regular Session agenda item requiring confidential, attorney/client advice necessitated by the deliberation or discussion of said items (as needed), Section

551.072 Discuss Real Property, and Section 551.087 Discuss Economic Development Matter as listed on the posted agenda. Chairman Fuller reconvened the board into open session at 9:13 a.m.

Board members unanimously approved the motion by Board member Smith, seconded by Board member Kuehn, to adjourn. Chairman Fuller adjourned the meeting at 9:18 a.m.

GEORGE FULLER
Chairman

Colleen Smith
Secretary-Treasurer