

McKINNEY ECONOMIC DEVELOPMENT CORPORATION

REGULAR BOARD MEETING

December 7, 2010

The McKinney Economic Development Corporation met on Tuesday, December 7, 2010 in the Dowdy Boardroom of the Corporation office. The meeting was called to order at 10:03 a.m. by Chairman Keith Clifton. Board members present were Chairman Keith Clifton, Vice-Chairman Scott Lewis, Secretary-Treasurer Marta Gore, Director Carrie Alfieri, Director Scott Lewis, Director Roger Harris, Director Doug Parker and ex-officio member David Brooks.

Staff present was President & CEO David Pitstick, Director of Business Development Jim Young, BREP Director Greg Sims, International Development Director Abby Liu, Administrative Assistant Durinda Fisher and Corporation Attorney Mark Houser.

The Board reviewed the minutes from the Strategic Planning Retreat held on November 9, 2010. On a motion by Marta Gore, seconded by Doug Parker, the minutes were approved. The Board next reviewed the minutes of the MEDC Regular Board meeting held on November 9, 2010. On a motion by Marta Gore, seconded by Doug Parker, the minutes were approved. Both motions carried.

The Board next reviewed the Consent Items. The December 2010 check requests were reviewed by Ms. Fisher. There were several expenses for the Consul General's reception, airport marketing, marketing ads and for promotional items. The Finance Department did not have report due to the year-end audit. The Consent Items were approved by on a motion by Roger Harris, seconded by Scott Lewis. Motion carried.

Marketing Director Sherie Ellington was out of town attending a Site Selector's Forum. Jim Young reviewed the Marketing Report. The Airport Marketing Plan has been completed and will be presented to the airport board at their January 2011 meeting. A detailed marketing plan for recruiting California businesses was included in the packet and Mr. Young urged the Board to review the proposed plan.

Greg Sims next gave his BREP report. Mr. Sims thanked the Emerging Technology Committee and the Chamber's assistance in successfully helping Project Power to establish their new offices in McKinney. Mr. Sims gave an update on several of his projects which included the recent purchase of NewToy by the California based company, Zenga. Mr. Sims met with the new owners and the owners plan to stay in McKinney at the Cotton Mill location. As the company grows, more square footage and build-out will be added to their offices.

International Director Abby Liu next gave her report. Ms. Liu nominated McKinney to be one of several Texas cities to be interviewed by a leading Taiwan business magazine. A visit by the Taiwanese Director-General to come to McKinney is being planned sometime in the spring. Ms. Liu is currently working with Project Pineapple which is headquartered in Taiwan to bring a manufacturing company to McKinney. President Pitstick added that the Mayor's International Committee will be meeting every other month with other McKinney companies to discuss international business. A MEDC board member will be appointed to serve on that committee with Ms. Liu.

David Pitstick gave his President's Report. Mr. Pitstick congratulated Mayor Loughmiller, Councilman Brooks and Chairman Clifton for their expertise in negotiating the settlement of the Gateway project. Mr. Pitstick agrees that the land is even more of an asset now that the access to the property has been improved. David Kochalka with Kimley-Horn will be giving the Board an update on FM 546. Mr. Pitstick said that the Gateway project and the FM 546 improvements will change the entrance to McKinney. The MEDC staff has been working closely with Miles Prestemon and Bill Guthrey on the corporate centre development of Craig Ranch. Legislation is starting to gear up for the new year and there may be much attention regarding the FM 546 project. Staff will be working diligently to get the road expedited. Prospect activity has been especially good internationally and staff is waiting to hear back on several projects.

The Board next heard the Liaison Reports.

City Councilman David Brooks reported that the Council's work session will be held tonight. The Council has been working with the city's planning department. The Council will be getting their first report from the city manager's search firm. Interviews for the position will be in January and February with plans for the position to be filled in the first quarter of the year.

CCRA Director Ken Wiegand reported that that Phase 1 on the new runway is 50% completed and will finish \$3M less than originally budgeted. Occupancy of the new tower will be completed in February but not in time for the Super Bowl event.

MCDC Executive Director Cindy Schneible reported that the Board finished their Strategic Plan and has completely revamped their incentive application process. Staff has an item on tonight's Council agenda regarding a parks project.

Chamber President Jodie LaFreniere reported that the Chamber's annual

meeting will be held on January 13th with Bill Lively, President & CEO of the North TX Super Bowl XLV Host Committee, as the featured speaker. The annual community awards event will be held on Friday, February 18th. The Chamber has reduced their board members from 17 to 15. A new Board of Advisors will start meeting quarterly about issues that affect the entire community.

Main Street Board Director Ty Lake reported that the Christmas tree lighting ceremony had the largest attendance to date. Occupancy of the downtown buildings is currently at 95%. Main Street currently has six events per year but more may be added. The "Bike the Bricks" event will now be held Memorial Day weekend. During the month of December some stores will be open until 8:00 p.m. and there are free carriage rides on weekends.

McKinney Convention & Visitor's Bureau Director Diann Bayes reported that McKinney was featured in the Texas Highways November issue. A McKinney ad was also featured in a Sunday Super Bowl edition. Ms. Bayes introduced Trae Gardner as the new MCVB Board Vice-Chairman and MCVB Director George Lodge. The MCVB staff has been working with National Geographic's about bringing a Titanic display to McKinney.

The Board next reviewed Project #09-03. Jim Young explained to the Board that the MEDC gave support for this project for infrastructure. The general contractor for the project went into bankruptcy and the project did not meet their criteria for the incentive. Mr. Young suggested that the Board give the company a one year extension for their incentive. On a motion by Marta Gore, seconded by Carrie Alfieri, the Board approved the request to extend the incentive by one year. Motion carried.

President Pitstick next discussed the proposed 2010-2011 Strategic Plan and is seeking the Board's approval of the plan. It is important to the staff to know what the Board expects from them and is asking the Board for suggestions and input. Director Gore asked if the plan was for short-term goals. Mr. Pitstick answered that it is for the coming year. Ms. Gore said the plan showed more of a longer outlook regarding land acquisition. Mr. Pitstick said that since he has been at the MEDC half of the MEDC's money has gone to airport projects and the Gateway project. Now that the Gateway project legalities have been finalized, the Board can move forward with possibly another larger project. With the airport road project underway, it may now be a good opportunity to obtain a piece of property near the new road or more land at the airport or development at Craig Ranch. It was suggested that once the McKinney Economic Development Alliance Board's plan is completed that the Board would ask Interim City Manager Rick Chaffin to give the MEDC Board a full report. Director Harris agreed that the report would give the Board more guidelines for future strategic direction.

Vice-Chairman Lewis said that the plan is more of a performance plan for the staff and what they will be judged upon. Director Harris added that the airport has a seven year plan which is more of an operational plan for the staff. He would like to see a more detailed plan, for example, a five year or longer plan. The Board agreed that what they are wanting is more measurability. Director Harris added that there needs to be planning and that the MEDC staff should be the ones pointing out to the City Council what products are needed. Chairman Clifton said that there have been some milestones set. The Board wants the plan to come back with more quantified activity goals before it is approved. The approval of the plan was tabled and will be put back on the agenda at the January Board meeting.

Chairman Clifton next reviewed the previous Emphasis Team assignments. The new 2010-2011 Emphasis Team list was passed out to the Board (see attached).

Ex-officio Board member, David Brooks, excused himself from the meeting at 11:05 a.m.

The Board was next introduced to David Kochalka with Kimley-Horn & Associates. Mr. Kochalka passed out to the Board a Project Status Report of FM 546. The report included updates on the current funding, environmental assessment, schematic preparation, right-of-way acquisition, utility relocation, final engineering and construction. The right-of-way acquisition will be a lengthy process. The project is extremely important to the city as well as improving the access to the airport. The land is also being prepared to accommodate the six-way divided road and the rail system for future mass transit. The flood plain cannot be used for development.

Ms. Fisher reviewed the upcoming dates which included the Broker's Holiday Reception to be held on Wednesday, December 8th, at the TPC @ Craig Ranch. The bond meeting is tentatively scheduled for Tuesday, January 18th, along with the regular board meeting on the same day.

Director Alfieri thanked the Board and staff for their support in providing dinner to her family during her recuperation.

There being no further business, Chairman Keith Clifton declared the meeting adjourned at 11:16 a.m.

MARTA GORE, MEDC Secretary/Treasurer