

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

AUGUST 18, 2020

The McKinney Economic Development Corporation met in regular session in the Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on August 18, 2020 at 8:00 am.

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

Absent: None

Staff Present: Executive Vice President Abby Liu, Senior Vice President Danny Chavez, 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, Visit McKinney Executive Director DeeDee Guerra.

Absent: President Peter Tokar, Business Intelligence Director Holly Immler, Project Manager Madison Clark, and Technology and Infrastructure Specialist Michael DePaola

There were 2 guests present.

Chairman Sipiora called the meeting to order at 8:04 am after determining a quorum present.

Chairman Sipiora called for Public Comments for items on the agenda and there were none.

20-0687 Chairman Sipiora called for the Minutes of the McKinney Economic Development Corporation of July 21, 2020. Board Members unanimously approved a motion by Board member Minissale and seconded by Vice Chairman Jones to approve the minutes.

20-0688 Chairman Sipiora called for Board and Liaison Updates. Chairman Sipiora noted Executive Vice President Liu will be sitting in for President Tokar.

City of McKinney - City Manager Grimes reported the City presented the fiscal year 2021 budget last Friday in Council Chambers. The proposed total budget is \$641 million. The budget includes \$159 million in the general fund budget to cover services offered by the city, salaries and wages, and typical day-to-day operations. The City is proposing a No New Revenue Rate for the budget for fiscal year 2021. City Manager Grimes noted this will lower the city's property tax rate from .5156 to .5086 and will allow \$1.7 million to remain with the taxpayers. City Manager Grimes noted some of the civilian employees will not receive a 3% step increase, instead the City will offer a 1.5% increase in this budget. City Manager Grimes noted public hearings are set for September 1st at 6:00 pm and September 15th at 6:00 pm in Council Chambers. City Manager Grimes noted McKinney is collaborating with Frisco and Allen on the Tri-City Small Business Grant program. McKinney has a consultant working to administer the funds to the businesses on behalf of McKinney. City Manager Grimes noted the City Council allocated \$5.6 million out of the \$10.1 million in Cares Act funding for this program. City Manager Grimes reported 231 applications received, 192 confirmed, and 39 are not eligible. Collin County is currently reviewing funding for businesses in unincorporated areas. City Manager Grimes noted the hot topic Q&A is on the City of McKinney's website under the Communications and Marketing section. City Manager Grimes noted this Q&A provides helpful information about hot topics and the City will provide answers to anticipated questions. Board member Cloutier inquired on the difference between raises in civilian vs non civilian employees. City Manager Grimes clarified non civilian employees are defined as Police Officers and the Fire Department. Non civilians are under contract and will progress through pay increases as stated in their contract.

Chamber of Commerce - President Hermes reported on the McKinney Strong Program. This program was a partnership with the Community Development Corporation, Main Street McKinney, Visit McKinney, and the Chamber of Commerce. The McKinney Strong Program raised \$26,000 from the sale of the McKinney Strong t-shirts. President Hermes noted half of the funds raised went to One Heart McKinney to distribute to non-profits in McKinney. President Hermes noted the other half of the funds were used to support the Lucky 13 Campaign. The campaign encouraged businesses to share best practices on what they have done to increase revenue during this time. President Hermes noted there were twenty-one finalist and they were able to narrow down to 13 winners during a live show McKinney Main Street hosted with judges from each respected board represented. President Hermes noted the McKinney Back to Business website has received 200,000 hits on the page. This website shares best practice updates and resources for businesses. President Hermes noted the City purchased masks for businesses and received a FEMA grant for contactless thermometers. The Chamber is assisting the City and is serving as the distribution point for businesses to pick up those items. President Hermes noted the Chamber formed the McKinney Restaurant Council to assist restaurants during this time. The McKinney Restaurant Council attended a call with Emily Knight, the President of the Texas Restaurant Association. President Hermes noted the Chamber and the business community supports the City and the Governor's mandate to wear masks in public facilities. President Hermes reported the Chamber has five open positions on the Chamber of Commerce board and they are currently accepting nominations. President Hermes noted the Women's Business Conference coming up will be virtual. The Annual Golf Tournament is August 31st. The silent auction and raffle tickets will be sold online. The State of the City is

scheduled for November 5. The presenters will be in one location and the event will be streamed online to the community. There will be opportunities to sponsor the event and buy tickets for an extended Q&A time with the panelists.

Visit McKinney – Executive Director Guerra thanked Communications Manager Beth Shumate for the work she has done assisting McKinney in receiving \$526,000 in free advertising. Executive Director Guerra noted the next Visit McKinney board meeting will be on August 25th and they will decide on the strategic plan for next year. Executive Director Guerra thanked the Lucky 13 winners, MCDC, the Chamber of Commerce, and Main Street. The Lucky 13 winners were Andera Holmes Art Studio, Cultivate Music Studio, Arcade 92, Liberty Music Academy, The Comedy Arena, EJ Willis Gastro Pub, Chestnut Square, Heritage Guild of Collin County, The Board Bar, Hugs Cafe, Jaspers and Petals, Stitched with Love. Executive Director noted Lucky Transformations gave an additional \$1,000.00 Blue Cottage Cafe and Cycle Bar of McKinney. Executive Director Guerra thanked Deb Fitzgerald with the Chamber for all her support and mentorship.

20-0689 Chairman Sipiora called for the consideration/discussion of the MEDC Monthly Organizational Report. Executive Vice President Liu noted the MEDC is a sponsor of the CoreNet North Texas Golf Experience on September 14th. SRS will hold a grand opening for their new facility on Friday, October 9th from 12:00 pm to 5:00 pm.

20-0690 Chairman Sipiora called for the consideration/discussion of the MEDC Monthly Metrics Dashboard Report. Executive Vice President Liu reported the project pipeline is at 145%. Executive Vice President Liu noted the pipeline consists of six development projects, three expansion projects, eight innovation fund projects, and twelve recruitment projects. Executive Vice President Liu noted the website traffic at 101% which is

a 19.6% traffic increase compared to the prior month. Executive Vice President Liu noted a new marketing newsletter is scheduled to go out in September.

20-0691 Chairman Sipiora called for the consideration/discussion of the MEDC Strategic Planning Session Overview. Chairman Sipiora noted the Board spent August 7th with Consultant/Facilitator Thomas Cole reviewing the KPIs and the strategic plans for the MEDC going forward. Chairman Sipiora noted it was a very productive session and there will be a formal report at the next board meeting.

20-0692 Chairman Sipiora called for the consideration/discussion/action on the June 2020 Financials. Financial Compliance Manager Miller reported for the month of June there was \$1.3 million in revenue and over \$2 million in expenditures resulting in a net loss of \$700,000. Of the expenditures, \$1.5 million were expected project expenditures. Financial Compliance Manager Miller noted June sales tax collections are for the month of April. There was a 12.1% increase over last year. Financial Compliance Manager Miller noted July sales tax collections are for the month of May. There was an 18.2% increase over last year. Financial Compliance Manager Miller noted the numbers are encouraging; however, the City will wait to see if the numbers are sustainable by the end of the year. Chairman Sipiora noted McKinney's sales tax figures have increased while neighboring city's sales tax figures have decreased. Financial Compliance Manager Miller noted McKinney is in the expansion growth stage which has assisted in the increasing numbers. The sales tax numbers are based on year-to-year collections. Financial Compliance Manager noted the sales tax bill for online sales has also attributed to the higher sales tax numbers. Board Members unanimously approved the motion by Secretary/Treasurer Loughmiller and seconded by Board member Feltus to approve the June financials.

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 8:30 am.

Chairman Sipiora reconvened the meeting to open session at 9:35 am.

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

Board members unanimously approved the motion by Vice Chairman Jones seconded by Secretary/Treasurer Loughmiller, to adjourn.

Chairman Sipiora adjourned the meeting at 9:36 am.

Kenneth T. Sipiora
Chairman