

MCKINNEY COMMUNITY DEVELOPMENT CORPORATION

JANUARY 26, 2023

The McKinney Community Development Corporation met in regular session in the City Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on Thursday, January 26, 2023 at 8:00 a.m.

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

City Council Present: Mayor George Fuller, Councilwoman Geré Feltus and Councilman Patrick Cloutier.

Staff Present: President Cindy Schneible, City Manager Paul Grimes, Accounting Manager Chance Miller, Director of Strategic Services Trevor Minyard, Director of Parks and Recreation Michael Kowski, MEDC President Peter Tokar, Visit McKinney Executive Director Aaron Werner, Director of Cultural District Andrew Jones and MCDC Administrative and Marketing Coordinator Linda Jones.

There were several guests present.

Chair Richardson-Woods called the meeting to order at 8:03 a.m. after determining a quorum was present. Pastor Leroy Armstrong of Proclaiming the Word Ministries offered an 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.

Chair Richardson-Woods called for a motion on the consent items. Board members unanimously approved a motion by Vice Chair Kelly, seconded by Treasurer McGill, to approve the following consent items:

23-0001 Minutes of the McKinney Community Development Corporation Meeting of December 15, 2022.

23-0002 Minutes of the McKinney Community Development Corporation TUPPS Subcommittee Meeting of December 19, 2022.

23-0003 Minutes of the McKinney Community Development Corporation TUPPS Subcommittee Meeting of December 21, 2022.

23-0004 Chair Richardson-Woods called for the Financial Report. Accounting Manager Chance Miller provided a review of the November 2022 and December 2022 financials. Revenues for November were \$2.1 million of which about \$1.9 million was from sales tax. Expenses were \$703,000. Sales tax for November represents September sales and showed a 10.4% increase over 2021, with a year-to-date increase of 12.9%. During the same time period, Allen saw an increase of 10%, Frisco saw an increase of 16.7%, and Plano saw a decrease of 2% due mostly to a large audit adjustment. Revenues for December were \$2.2 million of which about \$1.7 million was from sales tax. Expenses were \$2.5 million and included just under \$250,000 for projects. Sales tax for December represents October sales and showed a 7.5% increase over 2021, with a year-to-date increase of 11.1%. During the same time period, Allen saw an increase of 5.9%, Frisco saw an increase of 22.1%, and Plano saw an increase of 8.3%. Mr. Miller stated that the higher increase in Frisco may be due to an incentive agreement for a new company. He also shared that retail trade in McKinney is leveling off at a growth rate of about 3% to 4%. Board Member Booth asked for clarification about the Frisco sales tax. Mr. Miller explained that EDCs may offer incentives by way of returned sales tax collections to companies, and Frisco has more of those types of agreements than McKinney. There were no questions on the checks issued reports.

23-0005 Chair Richardson-Woods called for Board and Liaison Reports.
Board Chair. Chair Richardson-Woods wished everyone a Happy New Year and shared that community participation opportunities over the last month have been fewer than usual. She reminded everyone that this

Saturday from 9:00 a.m. to 4:00 p.m. is the Cotton Groves Playground Build, which is a chance to volunteer with a project that MCDC is funding. She also shared her excitement about the many Black History Month events in McKinney coming up in February including: Art Show at MPAC on February 3; Soul Train 70s Celebration on February 17 at The Sanctuary; Jack and Jill Black History event on February 11 at Collin College Conference Center; College Megafest at Collin College on February 18; Public Libraries Jubilee on February 25; Lecture series that includes Opal Lee on February 2, Derrick Evers on February 9, Emmitt Smith on February 16 and Ron Kirk on February 23. Details of all events can be found on their website at mckinneybhm.com. Ms. Woods thanked Councilwoman Feltus for her vision and leadership for McKinney's Black History Month celebrations and shared that the entire community is invited to all events.

City of McKinney. City Manager Paul Grimes shared that City Council will hear from the Airport Bond Committee on February 7 and will vote on whether to place a bond issue on the May 2023 ballot. On February 17, Council will hold its annual strategic planning meeting which will set the stage for city staff to begin formulating associated goals followed by specific department budgets. Mr. Grimes shared that Council had a work session on January 24, where they began discussions regarding what should be done with city-owned and occupied properties in Downtown once the new City Hall is built. Council will develop criteria for the redevelopment of these properties which will likely lead to an RFP by early 2024. Mr. Grimes shared social media analytics for combined city departments which show McKinney as a strong leader in this area. For 2023, the combined Total Impressions were 53.3 million while the industry average was 3.2 million. The Total Posts Published was 6,300 while the industry average was 1,300. The Total New Followers was 41,300 while the industry average was 3,200. The Total Engagement

was 17.4 million while the industry average was 191,000. Mr. Grimes indicated social media is quickly becoming the major platform for getting information to our residents which brings the City closer to fulfilling its strategy of full digital self-service. Mr. Grimes also shared that the bi-annual community-wide survey, which is a scientifically valid instrument, will soon be underway and will collect information regarding many quality-of-life issues.

Visit McKinney. Executive Director Aaron Werner shared that Visit McKinney is partnering with MEDC to host a hospitality showcase today at Independent Bank where administrative staff and meeting planners can meet local vendors and learn about venues, caterers and other resources in McKinney. This is the first showcase at a company's location, and the plan is to expand to other companies. He congratulated the Main Street team for a record attendance at the Bridal Show, adding that Visit McKinney walked away with names of more than 50 individuals who need hotel room blocks for weddings. Mr. Werner shared that the Visit McKinney tourism grant is open with an application deadline of February 10. Their team is tracking two new large events for McKinney – Community Leaders of America and the NJCAA National Championship. Mr. Werner shared that they have formalized their Group Incentive Program and will begin meeting with hoteliers to introduce the tool to them. Visit McKinney will have its strategic session on February 28, and they have invited President Schneible and other partners to participate.

McKinney Economic Development Corporation. President Peter Tokar shared that MEDC has received good press about the apprentice program established in partnership with Raytheon, Collin College and Workforce Solutions. He credited Madison Clark, Director of BRE and Workforce Development, for several other new initiatives. As a result of these efforts, MEDC received the Economic Development Partner of the

Year Award from Texas Workforce Solutions. Mr. Tokar shared that MEDC is supporting McKinney's Black History Month events with sponsorship of the Chamber's Development Update featuring Derrick Evers of Kaizen Development Partners on February 9. Also, on February 9 is the Open House for the new shared office space with MEDC, MCDC and Chamber. MEDC held their Board strategic session and will be developing new KPIs at their February meeting. Regarding the AT&T Byron Nelson, MEDC has started planning for its red-carpet tour which will host national and international site selectors, adding that the past two tours have been very successful.

McKinney Main Street/MPAC. Director Andrew Jones reiterated that the Bridal Show was a record-setting year with many community vendors and partners participating. He acknowledged Joy Stone, MPAC Events Coordinator, for her work on the event. Mr. Jones shared that they are also preparing for the Main Street/MPAC strategic session on February 9. Upcoming MPAC events include two Black History Lectures (Opal Lee on February 2 and Emmitt Smith on February 16). The Black History Month Art Show starts on February 3. Other events include The Young Actors Guild's performance of *A Midsummer Night's Dream* on February 9-11, Texins Jazz Band Mardi Gras show on February 18, Krewe of Barkus on February 19, and they will be unveiling the Benji statue during the Krewe of Barkus event. Mr. Jones shared that the 2023 Retail Boot Camp will be March 20, adding that the 2022 Boot Camp hosted 100 retailers. Board Member Booth asked about the attendance number for the Bridal Show, and Mr. Jones shared that they hosted about 600 guests.

McKinney Parks and Recreation. Director Michael Kowski stated that they are preparing for their February 25 hiring fair to begin hiring hundreds of young adults to staff all the summer programs. Applicants can be as young as 15 years old. The Towne Lake Trout Derby is

February 18. The indoor tennis facility is still awaiting an elevator in order to acquire a C.O., but they are already seeing an increase in scheduled tournaments. Robinson Ridge Park is under construction, and Murphy Park and Mary Will Craig Park are near completion. These are all projects funded through MCDC. Daddy-daughter dances are coming up at both recreation centers. Mr. Kowski shared that the Parks Department held its strategic planning session, and trails was the number one area noted for focus. Vice Chair Kelly commented that he appreciates trails being a top priority, especially since a second dog park is already planned with the Towne Lake development. He emphasized the need for connecting all the trails and parks. Chair Richardson-Woods asked about the status of work near Bloomdale. Mr. Kowski shared that they purchased land which will help with the park connectors, and plans will be discussed at the joint MCDC-Parks planning meeting.

TUPPS Subcommittee. Chair Richardson-Woods stated that information will be shared during Executive Session and during the TUPPS agenda item later in this meeting.

23-0006 Chair Richardson-Woods called for the President's Report. President Schneible reminded Board members that the Retail Development Infrastructure Grant application deadline is Tuesday, January 31, at 5:00 p.m. This program is in its third year, and interest is growing. Action on project grants presented today will be at the February meeting, and the next cycle for project grants opens in March. Ms. Schneible encouraged Board members to review the attached Marketing Report and TUPPS Update. She also called attention to the One Heart McKinney story in the McKinney/Prosper Magazine featuring Scott Elliott and the Heard-Craig Center newsletter which includes a list of upcoming events.

Chair Richardson-Woods shared that the Board will be voting on Promotional and Community Events grant applications that were

presented last month. She thanked the subcommittee (Secretary Bradford and Board Members Riche and Booth) for their time and detailed review of those applications.

23-0007 Chair Richardson-Woods called for consideration/discussion/action on Promotional and Community Event Grant application submitted by McKinney Community Concert Association (PC 23-01) in the amount of \$6,000 for the advertising, marketing and promotion of the 2023-2024 Season including six unique productions. On behalf of the Promotional and Community Events Grant Subcommittee, Board Member Riche reviewed the factors considered by the subcommittee when making recommendations including:

- Did applicant provide required documentation?
- Does the event have the ability to showcase the City of McKinney for purposes of business development and tourism?
- What is the anticipated attendance from McKinney residents and visitors?
- How many events are supported by a single grant?

Mr. Riche shared that total grant funds available for Cycle I are \$119,000, which includes reappropriations of unspent funds from FY 2022.

For the current agenda item, Board Member Riche stated that the subcommittee recommends \$3,000. Board members unanimously approved a motion by Board Member Riche, seconded by Secretary Bradford, to approve the grant in an amount of \$3,000 as recommended by the subcommittee.

23-0008 Chair Richardson-Woods called for consideration/discussion/action on Promotional and Community Event Grant application submitted by Ovation Academy, dba Shakespeare McKinney, (PC 23-02) in the amount of \$5,000 for the advertising, marketing and promotion of the

2023 Shakespeare McKinney event. Board Member Riche stated that the subcommittee recommends \$2,500 for this grant. Board members unanimously approved a motion by Board Member Riche, seconded by Treasurer McGill, to approve the grant in an amount of \$2,500 as recommended by the subcommittee.

Chair Richardson-Woods shared that the Agenda Item for the Heritage Guild grant application (PC 23-03) was inadvertently left off today's agenda. The Board will have a special meeting on Monday, January 30, at 8:00 a.m. at MCDC offices to consider application 23-03.

23-0009 Chair Richardson-Woods called for consideration/discussion/action on Promotional and Community Event Grant application submitted by SBG Hospitality (PC 23-04) in the amount of \$15,000 for the advertising, marketing and promotion of the 2023 Sip and Stroll Series. Board Member Riche stated that the subcommittee recommends \$15,000 for this grant. Board members unanimously approved a motion by Board Member Riche, seconded by Board Member Booth, to approve the grant in an amount of \$15,000 as recommended by the subcommittee.

23-0010 Chair Richardson-Woods called for consideration/discussion/action on Promotional and Community Event Grant application submitted by Marching Music Made in McKinney (PC 23-05) in the amount of \$5,600 for the advertising, marketing and promotion of the 2023 Drum Corps International Competition in McKinney. Board Member Riche stated that the subcommittee recommends \$5,600 for this grant. Board members unanimously approved a motion by Board Member Riche, seconded by Secretary Bradford, to approve the grant in an amount of \$5,600 as recommended by the subcommittee.

23-0011 Chair Richardson-Woods called for consideration/discussion/action on Promotional and Community Event Grant application submitted by St.

Peter's Episcopal Church (PC 23-06) in the amount of \$9,500 for the advertising, marketing and promotion of the 2023 Empty Bowls Event. Board Member Riche stated that the subcommittee recommends \$9,500 for this grant. Board members unanimously approved a motion by Board Member Riche, seconded by Treasurer McGill, to approve the grant in an amount of \$9,500 as recommended by the subcommittee.

23-0012 Chair Richardson-Woods called for consideration/discussion/action on Promotional and Community Event Grant application submitted by Kiwanis Foundation of McKinney (PC 23-07) in the amount of \$3,000 for the advertising, marketing and promotion of the 2023 McKinney Kiwanis Triathlon. Board Member Riche stated that the subcommittee recommends \$2,500 for this grant. Board members unanimously approved a motion by Board Member Riche, seconded by Board Member Booth, to approve the grant in an amount of \$2,500 as recommended by the subcommittee.

23-0013 Chair Richardson-Woods called for consideration/discussion/action on Promotional and Community Event Grant application submitted by ManeGait Therapeutic Horsemanship (PC 23-08) in the amount of \$12,500 for the advertising, marketing and promotion of the 2023 ManeGait LIVE at the Gait Country Fair and Concert. Board Member Riche stated that the subcommittee recommends \$7,500 for this grant. Board members unanimously approved a motion by Board Member Riche, seconded by Secretary Bradford, to approve the grant in an amount of \$7,500 as recommended by the subcommittee.

23-0014 Chair Richardson-Woods called for consideration/discussion/action on Promotional and Community Event Grant application submitted by McKinney Garden Club (PC 23-09) in the amount of \$3,000 for the advertising, marketing and promotion of the 2023 Art Meets Floral Event.

Board Member Riche stated that the subcommittee recommends \$3,000 for this grant. Board members unanimously approved a motion by Board Member Riche, seconded by Treasurer McGill, to approve the grant in an amount of \$3,000 as recommended by the subcommittee.

23-0015 Chair Richardson-Woods called for consideration/discussion/action on Promotional and Community Event Grant application submitted by McKinney Main Street (PC 23-10) in the amount of \$11,000 for the advertising, marketing and promotion of the 2023 Arts in Bloom. Board Member Riche stated that the subcommittee recommends \$11,000 for this grant. Board members unanimously approved a motion by Board Member Riche, seconded by Vice Chair Kelly, to approve the grant in an amount of \$11,000 as recommended by the subcommittee.

23-0016 Chair Richardson-Woods called for consideration/discussion/action on Promotional and Community Event Grant application submitted by Collin County History Museum (PC 23-11) in the amount of \$15,000 for the advertising, marketing and promotion of the 2023 Created in Collin Exhibit. Board Member Riche stated that the subcommittee recommends \$12,000 for this grant. Board members unanimously approved a motion by Board Member Riche, seconded by Board Member Booth, to approve the grant in an amount of \$12,000 as recommended by the subcommittee.

23-0017 Chair Richardson-Woods called for consideration/discussion/action on Promotional and Community Event Grant application submitted by McKinney Chamber Foundation (PC 23-12) in the amount of \$15,000 for the advertising, marketing and promotion of the 2023 Black History Month events in McKinney. Board Member Riche stated that the subcommittee recommends \$14,000 for this grant. Board members unanimously approved a motion by Board Member Riche, seconded by

Treasurer McGill, to approve the grant in an amount of \$14,000 as recommended by the subcommittee.

- 23-0018** Chair Richardson-Woods called for consideration/discussion/action on Promotional and Community Event Grant application submitted by Millhouse Foundation (PC 23-13) in the amount of \$12,475 for the advertising, marketing and promotion of the 2023 Millhouse Arts Festivals, a series of two-day events held at McKinney Cotton Mill. Board Member Riche stated that the subcommittee recommends \$10,000 for this grant. Board members unanimously approved a motion by Board Member Riche, seconded by Secretary Bradford, to approve the grant in an amount of \$10,000 as recommended by the subcommittee.

Chair Richardson-Woods congratulated all grant recipients and stated that these grants represent more than 50 events that will take place in McKinney in the upcoming months. She encouraged everyone to support the events.

- 23-0019** Chair Richardson-Woods called for a Public Hearing and Consideration/Discussion/Action on a Request Submitted by Boys and Girls Club of Collin County to Allocate Remaining Grant Funds on Project Grant #22-07, in the amount of Two Thousand Six Hundred Forty-Six and 32/100 Dollars (\$2,646.32), to be Used for Plumbing Required for Installation of a Water Fountain at the McKinney Club Location. President Schneible reminded Board members that the improvements funded through the 2022 grant are complete, and funds remain. Because the applicant is requesting reallocation of unused funds for an additional improvement, a public hearing is required. Vice Chair Kelly verified that this request is not for additional funds. Ms. Schneible confirmed and added that this work was intended to be part of the original request but was inadvertently omitted. Board members unanimously approved a

motion by Vice Chair Kelly, seconded by Board Member Riche, to close the public hearing. Board members unanimously approved a motion by Vice Chair Kelly, seconded by Treasurer McGill, to approve the item.

Chair Richardson-Woods stated that we will hear from three Project Grant applicants. Each applicant will have up to five minutes to present, which will be followed by an opportunity for Board questions and answers. These are public hearings, so there will also be an opportunity for public comments after each presentation. She announced that the Board will vote on these grants at the February meeting.

23-0020 Chair Richardson-Woods called for a public hearing and consideration/discussion/action on a project grant application submitted by Haddington Fund, LP (#23-02) in an amount of seventy-seven thousand, three hundred seventy and NO/100 dollars (\$77,370.00) for construction and installation of two neon signs at The Flour Mill located at 407 E. Louisiana Street, McKinney, Texas. James Bresnahan shared that despite the popularity of The Flour Mill, many of McKinney's own residents do not know it exists. The Flour Mill is a 150-year-old building which is located on McKinney's original Main Street. They are requesting funds for a lighted sign atop the tall building to attract and guide visitors. The new sign has been designed, engineered and permitted and is similar to the old White Billows sign that once sat atop the building. They are also requesting signs on the building's exterior brick to mark the Diamond Hall, one facing north to Virginia and another facing south to Louisiana. Board Member Booth asked for clarification on the number of signs being requested, and Mr. Bresnahan clarified that it is two designs and three signs total. Ms. Booth also inquired whether there is a common area maintenance fee for tenants that could contribute to the funding of the sign, and Mr. Bresnahan stated that their tenants only pay one rental fee for the space they occupy. Vice Chair Kelly verified that Haddington Fund

is a private company that owns the Flour Mill. He expressed concern regarding setting a precedent for other similar buildings/businesses to apply for the same type of signage. Mr. Bresnahan shared that the Flour Mill is a National Registry Historical Landmark that shines a light on the history of McKinney. He added that the signage would guide visitors coming to the area. He explained that Haddington Fund does own the building, and he is majority owner. The business has operated in the red every year. Treasurer McGill asked if there were alternative plans if this grant is not awarded and if there are alternative signage types that may be more affordable. Mr. Bresnahan replied that there are no other funding sources at this time, and this design was recommended by the company that did the Historic Downtown neon signage. Chair Richardson-Woods asked if they considered securing additional quotes, and Mr. Bresnahan stated that they only secured one. Chair Richardson-Woods stated that this public hearing will remain open, so that changes can be made to reflect the number of signs as three instead of two, if needed.

23-0021 Chair Richardson-Woods called for a public hearing and consideration/discussion/action on a project grant application submitted by Heard-Craig Center for the Arts (#23-03) in the amount of one hundred thirty-five thousand three hundred and NO/100 dollars (\$135,300.00) for improvements to the west garden at Heard-Craig Center for the Arts including additional brickwork, repairs to existing brickwork, audio, lighting, gazebo speakers, additional irrigation, new all-weather tables, chairs, planter and new bushes. Amount requested represents 94% of total project cost. Vice Chair Kelly recused himself from the presentation and discussion of the agenda item. Stephanie Tyson stated that the Heard-Craig estate is 120 years old and has been open to the public for the past 50 years. It was the first art museum in McKinney and is a

Smithsonian affiliate. The Center hosts weddings, teas, art lectures and exhibits while preserving the legacy of art, philanthropy and education. The Center serves as a hub for over 20 organizations and provides free meeting space. About 1,500 participants use the facility each month. Ms. Tyson showed photos of the completed garden projects made possible through a past MCDC project grant. This request is for funding the repair of walkways, widening of walkways, addition of lighting and sound systems, and the addition of planters to provide both floral and seating along the Church Street side of the Center. Board Member Booth sought clarity on specific items included in the funding, and Ms. Tyson verified that tables, chairs and bushes are not part of the funding request. Board Member Booth also asked if the gardens are subject to noise ordinances. Karen Zupanic, Executive Director, stated that outdoor event attendance is capped at 200, and their events have never posed an issue regarding noise. Board Member Booth asked about metrics they might use to gage value or success of these improvements. Ms. Zupanic stated that they will visually track visitors. She added that one goal would be to increase the number of small events on their property with the renovated space. Board Member Booth asked about costs for maintaining the requested renovations, and Ms. Tyson shared that they partner with the McKinney Garden Club for planting and maintaining the garden areas. Board Member Riche verified that these outdoor spaces are open to the public. Chair Richardson-Woods called for public comments, and there were none. Board members unanimously approved a motion by Board Member Barnes-Tilley, seconded by Board Member Booth, to close the public hearing. Vice Chair Kelly returned to the dais after the closing of the public hearing.

23-0022 Chair Richardson-Woods called for a public hearing and consideration/discussion/action on a project grant application (#23-04), submitted by

McKinney Roots in the amount of twenty-two thousand and NO/100 dollars (\$22,000.00), for the construction of a chicken coop which will allow for tripling current egg production. Amount requested represents 36% of total project cost. Vicki Deerman, Executive Director, introduced McKinney Roots farmers Tucker Nichols and Casey Cutler. She shared that McKinney Roots is a five-acre farm which donates fresh produce and eggs to the food insecure in McKinney through partnerships with Community Lifeline Center, Samaritan Inn, First Baptist Church, Neighbors Nourishing Neighbors, Community Garden Kitchen and Little Free Pantry. She acknowledged and thanked the Board for its support of their hydroponic greenhouse which has provided a good harvest of fresh lettuce since this past fall. In 2022, McKinney Roots produced 12,000 pounds of produce and 3,000 dozen eggs. This project request would allow them to build a new chicken coop to increase their number of laying hens from 80 to 480, increase the egg production from 3,000 dozen to 10,000 dozen, and add to the number of community partners receiving eggs. The multi-purpose coop will have a rainwater harvesting system, solar powered doors on timers, automatic drinkers, rollout nesting boxes for clean egg retrieval, predator fencing and fencing for rotational pasture grazing. In addition, the coop will be a natural composter to create fertilizer for the farm. Ms. Deerman added that the current flock is being reduced because of the aging out of the hens, so their goal is to complete this new coop by June to keep up with the community's need. She added that it takes about four months for chickens to begin producing. Ms. Deerman shared that Farmer Tucker has completed a sketch of the new coop, and Chair Richardson-Woods asked Ms. Deerman to share the sketch with the Board. Treasurer McGill thanked the McKinney Roots team for their vision and strategic thinking. Vice Chair Kelly added his appreciation for the farm and the wide community benefit it provides. He also called attention to the reference of 240,000 bees working in the

background. Mr. Kelly asked if the new coop will be mobile. Ms. Deerman explained that their current coop is mobile, but the new coop will be stationary. It will be divided into two rooster nesting sections, and the grazing areas will be feather netted with electric fencing to regulate and rotate grazing sections, allowing the field to recuperate in between grazings. Vice Chair Kelly asked if labor is part of the budget, and Ms. Deerman shared that Farmer Tucker will lead a team of volunteers to build the coop. Board Member Booth asked for clarification on items specifically requested through this grant. Ms. Deerman clarified that this request includes building materials (\$18,723.86) and the rainwater collection systems (\$2,550). Board Member Booth agreed that the farm has wide community benefit but sought clarification as to how this request meets the criteria for an MCDC project grant. President Schneible stated that it is considered under “new or expanding business” due to capacity expansion. Ms. Deerman added that they have two full-time staff. President Schneible stated that agricultural jobs fall under the list of jobs qualified for economic incentives. Board Member Barnes-Tilley asked for information about how they arrived at the egg production count. Ms. Deerman shared that the variety of chickens they use typically arrive at a very young age and will produce just under one egg per day then slow down production as they age. They also account for a percentage of sub-grade eggs. After about two years, chickens reduce their production. Board Member Riche asked about predator prevention. Ms. Deerman shared that they will have a gap between flocks to discourage coyotes from the area. In addition, they are considering acquiring aggressive geese to ward off predators. Ms. Deerman added that the chickens do go into the coop at night. Vice Chair Kelly acknowledged the hard work and contribution of Farmer Tucker. Board Member Kelly asked what happens to chickens as they age out, and Ms. Deerman stated that they will be donated to backyard farmers. Board

Member Riche asked about the current condition of the hydroponic beds.

Ms. Deerman acknowledged that one of their beds did have a leak, but it has been patched and is in good working order now. Additionally, Ms. Deerman's husband designed a system to heat the water in the beds, so they no longer need to heat the whole greenhouse. Board members unanimously approved a motion by Board Member Booth, seconded by Vice Chair Kelly, to close the public hearing.

Chair Richardson-Woods thanked all the presenters and reminded everyone that the Board will vote on these requests at their February meeting.

Chair Richardson-Woods recessed the meeting into Executive Session at 9:46 a.m. in accordance with the Texas Government Code. Deliberation regarding economic development matters include Project 23-02 (Haddington Fund), Project 23-03 (Heard-Craig Center for the Arts), Project 23-04 (McKinney Roots), Project 20-09 (TUPPS Brewery and Entertainment Destination), Project BlueSky and Project Terrigen.

Chair Richardson-Woods reconvened the meeting of McKinney Community Development Corporation back into regular session at 10:34 a.m.

23-0023 Chair Richardson-Woods called for a public hearing and consideration/discussion/action on additional funding resources to TUPPS Brewery, LLC to supplement the grant fund as such is described in the second amended and restated lease agreement executed between McKinney Community Development Corporation (Landlord) and TUPPS Brewery, LLC (Tenant) and to accordingly amend Project #20-09 to meet all eligible project costs contained in the approved budget for the rehabilitation and revitalization of the property located at 402 E. Louisiana Street, McKinney, Texas, to create a world-class cultural and entertainment destination to serve as a catalyst for economic development in McKinney, Texas, and having a project completion date of April 30, 2023. Chair Richardson-Woods noted that Treasurer McGill and Board Member Booth have stepped out of the meeting, noting that

a quorum is still present to conduct business. President Schneible shared that the original project completion date was November 2, 2022, and the contract has been amended for a completion date of April 23, 2023. The current estimated completion date for the full site is late second quarter or early third quarter of 2023, with a goal of obtaining a Temporary Certificate of Occupancy (T.C.O.) for the production building by March 15, 2023. Additionally, TUPPS has secured a lease extension at their current location through the end of March. Ms. Schneible shared project progress photos including exterior and interior photos. Ms. Schneible reminded the Board that budgeting challenges to date have been resolved through a variety of approaches including value engineering and deferring some site features for the future. At the December 21 subcommittee meeting, the TUPPS subcommittee (Chair Richardson-Woods, Vice Chair Kelly and Secretary Bradford) was notified by TUPPS that they now anticipate an \$800,000 budget shortfall. On December 31, the Board received an official request for \$644,427 of additional funds plus the release of \$400,000 previously allocated to amenities. Since that time, the TUPPS subcommittee, MCDC staff, City staff and City Council have worked together to identify potential options for addressing the shortfall. She reminded Board members that the current contract states that owner/tenant (TUPPS) is obligated to cover budget shortfalls. However, in a spirit of community partnership, these groups have worked together to find a solution to keep the project moving forward. Ms. Schneible shared some issues surrounding the shortfall including the following items identified after approval of the GMP: \$250,000 for the taproom for structural issues not known at the start of construction; \$152,000 for site drainage requirements; \$139,000 for electrical; and \$112,000 for brewery insulation. Additional items attributing to the shortfall are dumpsters, coolers, equipment, future expansion allowances and some additions to the project. On January 3,

the TUPPS subcommittee met with Council to discuss options. The partnership team discussed potential solutions over a two-week period and have reached a negotiated proposal to include a ten-year 4.33% fixed rate (current effective Federal rate) loan capped at \$750,000 to complete the project with no additional changes in scope. Loan terms include first year of repayment as interest only and repayment will begin July 1, 2023 or first day of the month following C.O. (whichever is earlier). TUPPS will add \$150,000 to the project, so additional project funds will total \$900,000. Additionally, this loan will be subject to MCDC receiving an early call right based upon certain financial and/or corporate restructuring events. Ms. Schneible stated that Keith Lewis from TUPPS and MCDC's owner's rep Brenda Spinelli are in attendance and available for questions. Board members unanimously approved a motion by Vice Chair Kelly, seconded by Board Member Riche, to close the public hearing and approve the agenda item as discussed in executive session.

23-0024 Chair Richardson-Woods called for consideration/discussion/action on the 2023 Quality of Life Award Nominations. She stated that each Board member has two ballot sheets. The blue sheet is for individual nominees and the yellow sheet is for organization nominees. Nominations will begin with the individual award. Anyone can make a nomination using the corresponding numbers assigned to each individual nominee on the ballot. Multiple nominations can be made. A vote will then be conducted by show of hands. A nominee must receive a majority of votes (4) to be confirmed as winner of the award. If necessary, there will be a runoff vote. The process will be repeated for the organization award. Chair Richardson-Woods called for nominations for the Individual Quality of Life Award. Two individuals were nominated, and Nominee Number Five was voted to receive the award. Chair Richardson-Woods called for nominations for the Organization Quality of Life Award, and one

organization was nominated. Nominee Letter D was voted to receive the award. President Schneible verified that winners will be notified and will be MCDC guests at the awards celebration.

Chair Richardson-Woods called for public comments regarding matters not on the agenda, and there were none.

Chair Richardson-Woods called for Board comments. President Schneible thanked the TUPPS subcommittee for their time and expertise regarding this complex project and expressed her appreciation for their involvement and support. Chair Richardson-Woods and Vice Chair Kelly acknowledged President Schneible's leadership and dedication to the Board and specifically the TUPPS project. Mr. Kelly also acknowledged others working behind the scenes with the TUPPS project including Trevor Minyard, Patricia Jackson and Brenda Spinelli. Board Member Riche reminded everyone of the Open House on February 9, and Chair Richardson-Woods encouraged attendance. Secretary Bradford expressed appreciation for the work of the TUPPS subcommittee. Board Member Dell'Antonia expressed concerns regarding the TUPPS project.

Chair Richardson-Woods called for a motion to adjourn. Board members unanimously approved a motion by Secretary Bradford, seconded by Board Member Barnes-Tilley, to adjourn.

Chair Richardson-Woods adjourned the meeting at 10:58 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
Chair

DEBORAH BRADFORD
Secretary