

**CITY COUNCIL
AND
McKINNEY ECONOMIC DEVELOPMENT CORPORATION
JOINT MEETING**

JUNE 5, 2012

The City Council and the McKinney Economic Development Corporation of the City of McKinney, Texas met in joint session in the Council Chambers of the Municipal Building on June 5, 2012 at 3:30 p.m.

Council Present: Mayor Brian Loughmiller, Mayor Pro-Tem Travis Ussery, Council members: David Brooks, Don Day, Ray Ricchi, and Roger Harris. Absent: Council member Geralyn Kever.

McKinney Economic Development Corporation Board Present: Chairman Keith Clifton, Vice Chairman Ernest Lynch, Carrie Alfieri, Marta Gore, Steve Heussner, Darrell Tate, and Doug Parker.

Staff Present: City Manager Jason Gray; Deputy City Manager Joe Williams; City Attorney Mark Houser; City Secretary Sandy Hart; Finance Director Rodney Rhoades; Human Resources Director Tadd Phillips; Strategic Budget Director Jason Cooley; Help Desk Technician Clif Carnley; Communications and Marketing Director CoCo Good; Chief Information Officer Chris Chiancone; Communications and Media Manager Anna Clark; and Airport Executive Director Ken Wiegand.

McKinney Economic Development Corporation Staff Present: Vice President Abby Liu and Director of Business Development Expansion John Valencia.

There were 7 guests present.

Chairman Clifton called the McKinney Economic Development Corporation meeting to order at 3:35 p.m. after determining a quorum present.

Mayor Loughmiller called the City Council meeting to order at 3:35 p.m. after determining a quorum present. Mayor Loughmiller turned the meeting over to City Manager Jason Gray. Mr. Gray called for discussion on the following items with no action taken:

- 12-353** Discuss Restructuring Incentive Program. City Manager Gray stated that it is important that the incentive structure is aligned with the goals that City is trying to accomplish. Mr. Gray stated that the existing program and

incentives are heavily focused on the issue of ad valorem value. This type of incentive is geared more for companies investing into capital assets and equipment. Mr. Gray stated that to stay competitive in the market place it will require a multi-faceted incentive program approach. Staff has been working on creating a matrix to understand what we are trying to create an incentive for, what keeps us competitively regionally, and nationally from an incentive stand point. Mr. Gray stated that the incentives should look at a variety of issues.

1. Ad valorem value improvement
2. Business personal property
3. Number of jobs created
4. Target Industry
5. Other priorities (new market expansion, Division Headquarters, Fortune 500, Corporate Headquarters, or Fortune 100, etc.)
6. Target areas within the City
7. Average wage of employees
8. Relocation (over 50 miles, out of state, or international)
9. Current McKinney Businesses - Appreciating the investments that companies have already made into the area and will be expanding and putting additional investments into the community.

12-357 Discuss President Search. Mr. Gray stated that Strategic Government Resources has been engaged for the President search.

12-354 Discuss Prospects on New Business. Abby Liu presented 18 projects that have been worked over the last four months that include some from the Governor's office and several international projects.

12-355 Discuss Business Retention. John Valencia presented a summary of business retention projects. During 2011, there were 24 projects. From January through May 2012, there have been 18 projects. Currently, staff is working on 6 relocation or new location projects and 4 emerging technology projects.

12-356 Review of the Emerging Technology. City Manager Gray stated that a virtual technology incubator has been created that allows for a lot of the same benefits as a physical technology incubator building that does not carry of the costs or risk that operating and maintaining a building would have.

Chairman Clifton adjourned the McKinney Economic Development Corporation meeting at 3:47 p.m.

Council unanimously approved the motion by Mayor Pro-Tem Ussery, seconded by Council member Ricchi to adjourn. Mayor Loughmiller adjourned the meeting at 3:48 p.m.

BRIAN LOUGHMILLER
Mayor

KEITH CLIFTON
MEDC Chairman

ATTEST:

SANDY HART, TRMC, MMC
City Secretary