

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

JULY 17, 2012

The McKinney Economic Development Corporation met in regular session in the Dowdy Board Room, 5900 S. Lake Forest Drive, McKinney, Texas, on July 17, 2012 at 8:00 a.m.

Chairman Keith Clifton called the meeting to order at 8:08 a.m. Board members present: Chairman Keith Clifton, Secretary-Treasurer Marta Gore, Director Carrie Alfieri, Director Darrell Tate, and Director Doug Parker.

Staff members present were: Vice President Abby Liu, Director of Business Retention, Expansion & Emerging Technology John Valencia, Administrative Assistant Connie Gibson, and Corporation Attorney Mark Houser.

12-532 Consider/Discuss/Act on the Minutes of the McKinney Economic Development Corporation Board Meeting of June 19, 2012, Board members unanimously approved the motion by Board member Carrie Alfieri, seconded by Board member Darrell Tate, to approve the board meeting minutes of June 19, 2012.

12-544 Liaison Reports

Chairman Clifton announced the liaison reports would be given next.

MCDC - Tracy Rath gave an MCDC update. The MCDC board approved an \$18,335 grant to Heard Natural Science Museum for the purchase and installation of five video cameras throughout the sanctuary. A Letter of Intent was approved with Champ Hospitality and Beck Development in regards to the Gateway Hotel and conference center.

Airport - The Airport update was provided by Ken Wiegand. The new runway begins operations at midnight July 26th. A press conference will be called for the first landing. The terminal complex will be the next project the Collin County Airport Development Board focuses on. The \$36 million project will require \$14-\$15 million local funds. An RFI has been issued to select an engineering firm for the new terminal.

Chamber - Jodi Ann LaFreniere gave the Chamber of Commerce report.

The CEO series luncheon will be held July 24th. Dallas Stars CEO Jim Lites will be the speaker. The Business and Education breakfast will be held at Boyd High School August 15th.

MCVB - Vanesa Baggett provided an update on McKinney Convention and Visitors Bureau activities. Their office will be moving off the historic square in November. The MCVB board hopes to have the new Executive Director in place by mid September.

12-541 International Development/Marketing Report..

Abby Liu gave the International and Marketing report. She will be travelling to San Francisco July 23-24 with the TexasOne Business Recruitment Mission. MEDC is working on the redesign of the website. MEDC will use the website design firm that the City of McKinney has contracted with. The communication and marketing group led by Jason Gray continues to meet. An RFQ for a marketing firm has been issued. Two firms have made presentations. The aerial maps have been completed and delivered to the MEDC office. The Encore Wire expansion #6 has received their certificate of occupancy. The MEDC office is working with Baylor to complete the loan agreement and promissory note.

12-542 Business Retention and Expansion (BREP) and Emerging Technology Report.

John Valencia gave the Business Retention and Expansion, and Emerging Technology update. This year there have been six projects presented to the MEDC board. Of those, two are in the works, two are pending, and two did not qualify. The Emerson Process Management groundbreaking is July 24th. Mr. Valencia continues to work with the City to communicate with business owners along the Interstate 75 construction corridor.

12-533 Consider/Discuss/Act on the June 2012 Financial Report. Jason Cooley provided the financial report. The fiscal year is 75% over. Sales tax

received for the month of June was \$646,007. This amount is up 6.3% over June 2011. Overall, the sales tax receipts are trending up 3.1% over 2011. Board members unanimously approved the motion by Board member Marta Gore, seconded by Board member Doug Parker, to approve the June 2012 financial report.

12-534 Consider/Discuss/Act on Check Requests for June, 2012. Board members unanimously approved the motion by Board member Marta Gore, seconded by Board member Doug Parker, to approve the check requests.

12-535 Consider/Discuss/Act on Prospect Proposal #12-21.
Greg Johnson addressed the board. His company primarily focuses on urban redevelopment. Versus has developed over 80,000 square feet in downtown Denton. They have purchased the Boyd building, and would like to do multiple projects in downtown McKinney. The Boyd building will keep the original floors and walls, but all plumbing and electrical will be replaced. MCVB has signed a lease. Other possible tenants are restaurants and a wine bar.

12-536 Consider/Discuss/Act on Prospect Proposal #12-23.
Kent Smith with Health Quest Alliance addressed the board. His company has been in McKinney since 2005. Health Quest Alliance develops software, and operate medical clinics. Their goal is to have ten new clinics in Dallas/Fort Worth within three years. Health Quest Alliance plans to establish a new office in McKinney, with 25 software engineers and project managers.

12-537 Consider/Discuss/Act on Prospect Proposal #12-22.
Drew Reese and Ray Salinas made a presentation to the MEDC board. Popular Ink manufactures flexible packaging. Their facility is currently located in Prosper. They have identified property that meets their needs on Redbud Street in McKinney. Their business focuses on smaller start-up companies that have lower quantity needs.

12-543 President's Report

Jason Gray updated the board. A Letter of Intent has been approved for the development agreement on Gateway. Rob Daake has been named the new Deputy City Manager after having served as Executive Director for Development Services for McKinney for several years.

12-538 Consider/Discuss/Act on the MEDC Budget for FY 2012-2013

No action was taken on the FY 2012-13 budget.

Chairman Clifton called for a break at 9:30 A.M.

The meeting was called back into session at 9:41 A.M.

The Chairman called the meeting into Executive Session at 9:42 a.m. per Texas government Code Section 551.072(2) – Consultation with attorney on any regular or special session agenda item requiring confidential, attorney/client advice necessitated by the deliberation or discussion of said items (as needed), and Section 551.074 – Personnel Matters (President search), Section 551.087 – Deliberation regarding economic development matters as listed on the posted agenda. Chairman Clifton called the meeting into Open Session at 11:15 a.m.

12-539 Consider/Discuss/Act on an Amended Loan Agreement for TRAXXAS, LP.

Chair Clifton called for a motion for TRAXXAS. Board members unanimously approved the motion by Board member Carrie Alfieri, seconded by Board member Doug Parker, to approve the amended loan agreement for TRAXXAS, LP.

12-540 Consider/Discuss/Act on a Resolution Approving a Chapter 380 Economic Development and Incentive Agreement by and between the City of McKinney, the McKinney Economic Development Corporation and Emerson Process Management Regulator Technologies, Inc. and authorizing board Chairman Keith Clifton to execute the agreement.

The Chairman asked for a motion to approve the incentive agreement between the City of McKinney, the Economic Development Corporation

and Emerson Process Management Regulator Technologies, Inc. Board members unanimously approved the motion by Board member Marta Gore, seconded by Board member Darrell Tate, to approve the incentive agreement.

Chairman Clifton called for Action out of Executive Session.

Board members approved the motion by Board member Darrell Tate, seconded by Board member Doug Parker, to approve a motion to offer \$37,500 incentives to Verus with the contingency that the building be 75% leased with a five year lease by July 2013. A vote was taken and passed 4 - 1 - 0, with Carrie Alfieri voting no. Carrie Alfieri stated she appreciates the project, but does not feel this falls under MEDC project guidelines.

Board members unanimously approved the motion by Board member Doug Parker, seconded by Board member Marta Gore, to offer HealthQuest Alliance incentives under the Emerging Technology program. Reimbursement of 1/2 monthly rent paid up to a maximum of \$4,167 monthly will be paid for one year, with the option of reapplying after one year.

Board members unanimously approved the motion by Board member Marta Gore, seconded by Board member Doug Parker, to approve staff's incentive recommendations, with added tax grant, for a total of \$65,000 in incentives for Popular Ink.

The meeting was adjourned at 11:19 a.m.

MARTA GORE
Secretary-Treasurer