

MCKINNEY COMMUNITY DEVELOPMENT CORPORATION

JUNE 26, 2018

The McKinney Community Development Corporation met in regular session in the Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on Tuesday, June 26, 2018 at 8:00 a.m.

Board members Present: Vice Chairman David Clarke, Secretary Hamilton Doak, Jackie Brewer, Michelle Gamble, and Rick Glew. Absent: Chairman Kurt Kuehn and Treasurer David Myers.

City Council members Present: Mayor George Fuller and Mayor Pro-Tem Tracy Rath.

Staff Present: President Cindy Schneible; City Manager Paul Grimes; Assistant to City Manager Trevor Minyard; Director of Parks and Recreation Michael Kowski; Assistant Director of Parks and Recreation Ryan Mullins; Chief Financial Officer Mark Holloway; Director of MPAC/Main Street Amy Rosenthal; MCVB Sales Manager Vanesa Rhodes; MEDC Interim President Abby Liu; City Secretary Sandy Hart; MEDC Operations and Compliance Administrator Melissa Dixon.

There were sixteen guests present.

- 18-538** Minutes of the MCDC Meeting of May 24, 2018. Board members unanimously approved the motion by Secretary Doak, seconded by Board member Glew, to approve the May 24, 2018 minutes.
- 18-539** Vice Chairman Clarke called for the May Financial Report. Chief Financial Officer Mark Holloway reported that the sales tax revenue was above budget by 4.5% in comparison to last year. Sales tax revenue was budgeted at a 5.2% increase for the current fiscal year.
- 18-540** City of McKinney – City Manager Paul Grimes reported that city staff is working through the budget process and is on track to present to City Council at the August 10 Budget Workshop. Mr. Grimes reminded the Board that the next City Council workshop and meeting is cancelled for the July 4th holiday and will resume on July 16 and 17. He shared that

city staff was recognized on June 15 by the North Central Texas Council of Governments (NCTCOG) with the Regional Cooperation Award for contributing funds alongside Collin College and the City of Allen towards the construction of a regional public safety training facility for both police and fire. The facility includes a shooting range, as well as fire-training facilities. This award is truly an example of regionalism in local government. In addition, the Communications and Marketing department has received twelve awards in the past few weeks. Six of the awards were from the International Hermes Creative Awards, an international entity that recognizes a variety of public agencies around the world for communications and marketing efforts. The remaining six awards were from the Texas Association of Municipal Information and Officers (TAMIO).

McKinney Convention and Visitors Bureau – MCVB Sales Manager Vanesa Rhodes praised the Streets department for assisting with parking so that the McKinney First Responders could attend events during National Tourism Week, along with MPAC/Main Street for their help coordinating the walking history tours. In May, the Volunteer Management Conference used Collin College and Hampton Inn to host their event. The Texas State Society of American Technologists utilized the Sheraton. Vintage Market Days, held at Myers Park, utilized the Hampton Inn. Ms. Rhodes encouraged the Board to go to their website, www.visitmckinney.com, and check out a new project that Beth Shumate and DeeDee Guerra have been working on in the photo gallery. They are utilizing a user-generated contact program called “CrowdRiff” which allows anyone to take photos and hashtag (#) them with a variety of phrases related to McKinney, TX. These photos then show up on the MCVB website.

McKinney Economic Development Corporation – Interim President Abby Liu provided an update on six current MEDC projects which included

Project Todd, Project Harvest, Project Knowledge, Project Sunny, Project Lucky and Project Blue Pineapple, which is an international prospect from Asia. On May 17-18, the MEDC team attended ECONOMIX, which is a networking event consisting of economic development professionals and nationwide site selection consultants. On June 4, the MEDC was an interactive hole-sponsor at the annual McKinney Chamber Golf Classic. MEDC staff, MEDC Chairman Burress, Board members Denny, Jones, Minissale and Clark, participated in sharing information on upcoming McKinney developments with golfers.

McKinney Main Street/MPAC – MPAC/Main Street Director Amy Rosenthal thanked the Board for their input on the Cultural District application. The application has been submitted to Texas Commission of the Arts in Austin. A decision on the application is expected by September 6. Upcoming events in July include the McKinney Community Band's patriotic concert "Land of Liberty" on Sunday; the "American Farmer" exhibit by photographer Paul Mobley is on display in the gallery; Asleep at the Wheel will perform on July 21; and for the Independence Day holiday, the annual 4th of July parade will start at 10:00 a.m., followed by the Yankee Doodle Block Party on Louisiana Street, the Salsa Fest in Chestnut Square, and Red, White and BOOM! at Craig Ranch in the evening.

McKinney Parks and Recreation – Director of Parks and Recreation Michael Kowski invited the Board to attend Red, White and BOOM! on July 4, starting at 6:30 p.m. at Craig Ranch. The Parks Maintenance team was recognized by Mr. Kowski for keeping up with close to 100 acres of newly absorbed property in the Parks system. There have been many residents that have stopped the Parks Maintenance team to personally thank them for their work, especially in this hot weather. The Apex Center's landscaping was recently refreshed with additional flowers and plants due to some greenery not surviving the winter.

Vice Chairman Clarke commented that he had recently visited the Towne Lake Park playground with his grandsons, who heartily approve of the improvements that have been made. He also had several residents personally thank him for the upgrade made to the playground as well.

Vice Chairman Clarke thanked the City and staff, including the Planning department for the public meeting that was held several weeks ago on the ONE McKinney 2040 Comprehensive Plan update. He indicated it was well-facilitated by staff and well-attended by residents. Clarke felt the presentation was a great reflection on how well-prepared the City is, in addition to keeping the citizens informed of the future plans for the City of McKinney.

18-541 Vice Chairman Clarke called for the President's Report. MCDC President reminded the Board to review the documents in the packet, in particular, the recap of the grants awarded by the MCDC so far this year. In terms of the status of the funds remaining, the MCDC has approximately \$97,000 available for project grants and \$75,000 for promotional grants. There are three final reports provided by grant recipients of promotional funds for board review. The reports are very detailed and provide great information about the success of the events and how they met the metrics outlined in the grant requests that were submitted and approved by the board. Ms. Schneible received an update yesterday from the McGough development team on the Craig Ranch Resort Hotel. Their primary focus has on negotiating the financial terms for the project. Terms have been finalized with their equity partners and they are currently working on financing agreements. Closing is expected to take place in late June or early July. The team is working on the completion of the Marriott franchise application, with review by the Marriott franchise committee planned for mid-July. They are also working on securing bids for major building systems, as well as building relationships in the

community. More information will be provided at the July MCDC Board meeting. Ms. Schneible received information from Colin Kimball last night, regarding a memorial service being planned for Bobby Younger. Mr. Younger was a McKinney native who fought in World War II. His plane was shot down and his remains have been missing for the past seventy-three years. His remains have been released and returned to the United States. He will be buried in the Arlington National Cemetery. The McKinney community will be honoring his life at the Veterans Memorial Park with a sundown memorial service on Wednesday evening.

18-542 Vice Chairman Clarke called for Consideration/Discussion of a Promotional and Community Event Grant Application Submitted by Collin County Master Gardeners Association (PC #18-14) in the Amount of \$10,000 for the Advertising, Marketing and Promotion of The Garden Show 2019. Vice Chairman Clark called on Kim Shultz, President of the Collin County Master Gardeners Association to present the request. The organization is a 501c3, educational and volunteer-based program is based in McKinney and has about 300 members. CCMGA is affiliated with Texas A&M AgriLife Extension Service and their mission is to educate the public on sound horticulture practices. They have hosted a Garden show for the past eight years. It is a two-day educational and one-of-a-kind destination event held at Myers Park Event Center. There are educational and demonstration booths for adults and children, as well as tours of the award-winning research and demonstration gardens at Myers Park. This event is not a fundraiser. All entrance proceeds go to a charity partner and in 2018, the partner was Volunteer McKinney. There were 6500 attendees at the 2018 event, who come from all over Texas and surrounding states. There are about 50-60 local independent businesses based in McKinney and Collin County that serve as sponsors

for the event. The retention rate for sponsors is about 80%. The businesses invest in McKinney and Collin County and reinforce McKinney's uniqueness. Due to the garden show being self-supported, it brings a need for increasing advertising and promotional efforts. The plan is to use a multichannel marketing approach to advertising the 2019 show that will include print, social media and radio.

18-543 Vice Chairman Clarke called for Consideration/Discussion of a Promotional and Community Event Grant Application Submitted by Heard Craig Center for the Arts (PC #18-15) in the Amount of \$6,030 for the Advertising, Marketing and Promotion of Schön Everywhere. Vice Chairman Clarke called for Nate Pike to present the request. Mr. Pike began by letting the board know that the request had been reduced to \$5,150. He went on to share that Schön Everywhere 2018 is providing a new and unique event for this area. Heard-Craig Center for the Arts has partnered with the Freya Frahm Haus in Leboe, Germany to form an international pop-up art gallery exchange in the Fall of 2018. Local artists will send their artwork overseas (ten to twenty-five pieces) to Germany in exchange for a like amount of artwork, created by German artists, to be displayed here in McKinney during Oktoberfest in September. The American artwork will be exhibited in Germany during their annual Regatta event. The amount being requested is for ads, show booklets and advertisement and shipping. The ads will be featured in Leboe, Germany, as well as advertising in outlets like Community Impact. Board member Gamble asked if the Heard-Craig has ever participated in an international art exchange in the past; Mr. Pike indicated he was not aware that this has ever been done in the past. Board member Glew asked for an estimation on the number of attendees expected for this event; Mr. Pike stated that they were unsure since it is a first-time event.

Mr. Pike confirmed for Secretary Doak that the artwork will be on display during both September and October.

18-544 Vice Chairman Clarke called for Consideration/Discussion of a Promotional and Community Event Grant Application Submitted by Crape Myrtle Trails of McKinney Foundation (PC #18-16) in the Amount of \$8,780 for the Advertising, Marketing and Promotion of the 2018 Crape Myrtle Run and Festival. Vice Chairman Clarke called for Phil Wheat, President of the Crape Myrtle Trails Foundation, to present the request. Mr. Wheat shared that the event always takes place on Saturday during the Oktoberfest. The location for the past few years has been the McKinney Boyd High School parking lot, with the run/walk taking place on the trail through Bonnie Wenk Park. Several goals for this year's event include an increase in runner counts, school donations, and out-of-town participants. The grant will facilitate KLAK radio station promotions. KLAK is based in Sherman and draws people from areas north of McKinney including Sherman/Denison/Texoma. The promotion for the Crape Myrtle Trails Run focuses on "stay and play" and drawing people in that would not normally attend. Crape Myrtle Trails of McKinney Foundation is teaming up with the Oktoberfest again this year by offering runners the opportunity to trade their bibs in for drink and food tickets. The running event has become an important part of McKinney's culture.

18-545 Vice Chairman Clarke called for Consideration/Discussion of a Promotional and Community Event Grant Application Submitted by SBG Hospitality (PC #18-17) in the Amount of \$15,000 for the Advertising, Marketing and Promotion of the 2018 McKinney Wine and Music Festival. Vice Chairman Clarke called for Lauren Stephan to present the request. Ms. Stephan referred to the McKinney Wine and Music Festival as the "crown jewel" of all of the festivals that she plans. The second annual event is returning to McKinney on Saturday, October 20 from

12:00 p.m. to 4:00 p.m. at Adriatica. The fun of the event includes four bands playing all day, participation by eighteen wineries, food vendors and more than one hundred McKinney artists, boutiques and local businesses. Entertainment will include a stomping competition that benefits The Warriors, a non-profit organization. There will be a play zone for kids, as well as a culinary experience tent that showcases talented McKinney culinary experts. The event is free, family-friendly and food and wine are available for purchase. The event has partnered with the Love Life Foundation, a non-profit organization. They will receive a portion of the proceeds. Last year, the event drew 3500 attendees and had the largest following on Facebook of all DFW events. This year's event is expected to bring in 4000-5000 people. The event promotes tourism, adds value to McKinney and furthers McKinney's reputation for being a cultural arts destination. The grant would help the event grow to become an annual McKinney tradition through an advertising campaign. This campaign would include advertising in Community Impact, Dallas Observer, Pandora, local radio, magazines, and flyers distributed to other events around DFW. Secretary Doak asked Ms. Stephan to share the amount of event proceeds donated to the charity partner from total revenue generated by the event. Ms. Stephan stated that last year's partner, The Community Garden Kitchen, received \$1,800 of the \$18,000 in revenue. She added that this year, the event hopes to raise \$4,500 for the Love Life Foundation from the proceeds of the wineglasses sold and the 5k run taking place. Ms. Stephan confirmed for Mr. Doak that the grant money received would only be for this event. She shared that they would like to see this event host 30,000 people in the future. The grant money would go towards promoting the event to bring in tourism. She also confirmed for Mr. Doak that the impact of receiving an amount smaller than the amount requested would be less advertising and probably fewer attendees from outside of the city of McKinney. Mr. Doak

asked if it would be wise focus the grant dollars outside of McKinney since so many of the attenders are McKinney residents. Ms. Stephan replied that is important to advertise both in McKinney and outside the area in order to nurture the McKinney crowd and still draw people from outside. Board member Glew asked Ms. Stephan to explain what SBG Hospitality was. Ms. Stephan stated that is an event planning company that specializes in events drawing crowds of between 3,000 and 10,000 people. Board member Glew asked what percentage of total revenue a donation of \$4,500 would represent. Ms. Stephan responded that they are hoping to generate a net of \$25,000. Ms. Stephan confirmed for Secretary Doak that SBG is a for-profit company responsible for planning and executing the event. Mr. Doak asked for confirmation that it is not just a percentage of profits that are being donated and that the amount being donated is a chosen amount; Ms. Sherman stated that the donations depend on how many wine-tasting tickets are sold. One dollar from the sale of each will be donated. They believe the event will sell 4,000 tickets. Board member Glew asked for verification that there are three benefits to the event; the first is bringing people to McKinney, second is a contribution to a local charity and the third a benefit to SBG Hospitality. Ms. Stephan agreed, adding that a fourth benefit to the event is business growth and a fifth benefit would be promoting cultural arts in McKinney. Mr. Doak clarified for the board that this event falls within the Board's charter.

18-546 Vice Chairman Clarke called for Consideration/Discussion of a Promotional and Community Event Grant Application Submitted by McKinney Main Street (PC #18-18) in the Amount of \$15,000 for the Advertising, Marketing and Promotion of the 2018 Home for the Holidays Event. Vice Chairman Clarke called for Aaron Werner, Main Street Program Coordinator, to present the request. Mr. Werner spoke in

tandem to a video collage of past Home for the Holiday events. This three-day event has become a family tradition welcoming 35,000 people to the Square. Over Thanksgiving day, vendors will work to decorate downtown with Christmas décor. The event will host Santa's Village, with a tiny house workshop while Mrs. Claus tells stories and gives out treats to children in line. The Square features food, shopping and entertainment that includes Christmas carolers and toy soldiers. There will also be a tree lighting ceremony. This event supports Small Business Saturday, a national program that encourages communities to support local businesses. It also accounts for 30% of annual sales for local businesses around the Square. This year, the tree will have 100,000 lights. The grant will provide advertising in movie theater commercials, radio, network TV commercials and other digital platforms. The sales data collected from surveys and feedback will help gauge the success of the event and attendance will be tracked by an audience survey.

18-547 Vice Chairman Clarke called for Consideration/Discussion of a Promotional and Community Event Grant Application Submitted by McKinney Rotary Foundation (PC #18-19) in the Amount of \$5,000 for the Advertising, Marketing and Promotion of the 2018 Rotary Parade of Lights. Vice Chairman Clarke called for Stephanie Talley to present the request. Ms. Talley, a member of the Rotary Club, shared that this year will mark the 19th annual parade. Prizes are offered for best floats. There will be a VIP reception and priority seating. McKinney school bands and local businesses, charities, clubs and even families, will be featured, as well as McKinney Fire, PD and mounted patrol. One hundred percent of net proceeds goes directly to the McKinney Rotary Foundation. Marketing will consist of radio ads, newspaper ads, posters, yard signs, social media and MPAC banners. Local businesses will be used for printing and radio advertising. Last year, it was estimated there were

10,000 people in attendance and just over \$4,000 went to the McKinney Rotary Foundation.

18-548 Vice Chairman Clarke called for Consideration/Discussion of a Promotional and Community Event Grant Application Submitted by Volunteer McKinney (PC #18-20) in the Amount of \$4,000 for the Advertising, Marketing and Promotion of the 2018 Santa on the Square Event. Vice Chairman Clarke called Dana Riley, Executive Director of Volunteer McKinney to present the request. Ms. Riley shared with the Board that having a Santa downtown has been a tradition for the past two years. They have partnered with McKinney Main Street to use their tiny house workshop to create a family-friendly Santa experience. The ability for families to book their appointment online means there are no waiting times. Attendees are provided with a unique experience, coupled with presenting them ideas of where they can purchase gifts or eat a meal in a family atmosphere. Last year, appointments were sold out three of the four Saturdays, so they have altered the timing this year and will run for four weekend starting November 30th through December 22nd. Advertising and promotion for the event is largely from word of mouth. Last year, Santa appeared at Home for the Holidays; he will not be there this year.

18-549 Vice Chairman Clarke called for Consideration/Discussion of a Promotional and Community Event Grant Application Submitted by Heard Wildlife Museum (PC #18-21) in the Amount of \$2,500 for the Advertising, Marketing and Promotion of Heard After-Hours. Vice Chairman Clarke called Sy Shahid, Executive Director of the Heard Wildlife Museum to present the request. Mr. Shahid shared that because of a project grant awarded to the museum by MCDC, they were able to install a four-foot Magic Planet globe that cost \$190,000. It will be used for field trips as part of school district science modules. The question they

are working to address is how to use Magic Planet, with over 11,000 modules, for adult education. They have decided to initiate a monthly event, open to the public, at night for adults from 6:30 p.m. to 9:00 p.m. with different subject material. The events will include features such as wine tasting for the adults who attend. The amount requested by the museum is half of their advertising and promotional budget for the events. Income from the Heard After-Hours is expected to be around \$12,000 the first year. Board member Glew inquired about marketing for this event. Mr. Shahid responded that most advertising is done through Facebook, Google ads, and NBC 5. Board member Gamble asked if the events would be every month. Mr. Shahid stated that they would be every month starting in July. Board member Glew asked about targeting and reaching out to groups like seniors. Mr. Shahid responded that this event originally came about as a result of his working with Heritage Ranch and they have been asking for programs for people over 50 years of age. The museum reaches out via an e-newsletter with over 21,000 recipients. They also have one of the highest open and click rates of anyone in the area because people want to receive the newsletter.

Board member Glew recused himself from the dais for the next item on the agenda due to his board service with Chestnut Square.

18-550 Vice Chairman Clarke called for Consideration/Discussion of a Promotional and Community Event Grant Application Submitted by Heritage Guild of Collin County (PC #18-22) in the Amount of \$12,000 for the Advertising, Marketing and Promotion of Farmers Market, Legends of McKinney Ghost Walk and 2018 Holiday Tour of Homes. Vice Chairman Clarke called Jaymie Pedigo, Executive Director of The Heritage Guild to present the request. Ms. Pedigo began by recapping the announcement about Bobby Younger. His story is that his remains have been missing for seventy-three years. Along with the memorial

service being held Wednesday evening, Chestnut Square will have his room on exhibit at the Johnson House open from 10:00 a.m. to 5:00 pm. The Dallas News and Channel 11 will be in attendance tomorrow. Regarding the grant application, funds are being requested for promotion of the Farmer's Market, which is year-round, the Ghost Walk, which is October 26 and 27 and the Holiday Tour of Homes, which is the largest fundraiser and brings around 3,000 people into McKinney to tour the historic district. The Heritage Guild is looking for promotional and marketing opportunities in the greater Dallas area to make sure that a large percentage of visitors coming to McKinney will stay and spend money while they are here. The Farmer's market is not held downtown; however, they will return to Chestnut Square in the fall of this year. Part of the funding will go toward advertising special events and promotions for the market when it returns to Chestnut Square to attract visitors and vendors back to the original location. The Ghost Walk last year was all downtown because there was no parking available in Chestnut Square. This year, the event will move back to Chestnut Square due to the parking garage being open in September. The Holiday Tour of Homes last year did a mass distribution of the tour guide ahead of time and it served as advertising. Visitors came from four states and eighty-nine ZIP codes and generated the largest gross profit ever. Ms. Pedigo also provided copies of Sketch McKinney. Secretary Doak asked for an explanation on Sketch McKinney. Ms. Pedigo explained that a gentleman who offers advertising in the downtown area provides a publication of hand-drawn sketches of the downtown area. They have the opportunity for a three-page feature for a year and every building at Chestnut Square has been sketched. The Heritage Guild owns the sketches so they can be used in the future.

Board member Glew returned to the dais.

18-551 Vice Chairman Clarke called for Consideration/Discussion of a Promotional and Community Event Grant Application Submitted by Éclair Bistro (PC #18-23) in the Amount of \$15,000 for the Advertising, Marketing and Promotion of a Digital Projection Project. Vice Chairman Clarke called Aaron Thomas to present the request. Mr. Thomas shared that he is the chef and owner of Éclair Bistro. There are less than a dozen cities in the world that use a projection method presentation for their guest's dining experience. He has developed a new concept to reveal an immersive, multimedia display on the tabletop during a meal to present guests with a state-of-the-art experience, coined digital dining. The concept is being taken one step further in the upstairs lounge where guests can manipulate graphics on the bar top as well as the private dining area to highlight McKinney. During the beta testing of the concept, Éclair was approached by Texas Instruments. They were excited about what they saw and they developed a liaison to create a study of how this new idea, along with their technology could benefit the restaurant industry. Éclair has a lot of great restaurant support locally but is not known as a culinary hotspot in DFW. Nationwide advertising assistance was provided by Texas Instruments with optimum projectors. A few other restaurants that have developed this concept welcome guests from all over the world. They have been approached by people hearing about the concept looking for lodging and additional entertainment recommendations as they plan to visit McKinney for this unique dining experience. The grant would support efforts through marketing and advertising, print, media, radio and TV. Texas Instruments will outfit the entire building, as well as the upstairs to accommodate the projection project. The board asked for further explanation of the experience. Mr. Thomas explained that there is a chef tasting menu consisting of a seven-course meal, during which there is a video and multimedia

production projected onto the table top and it is mapped out to the environment being presented. It takes place during dinner as well as between courses. The majority of the presentation is with graphics. The presentations are abstract and colorful. Design graphics relate to how the presentations are plated resulting in a unique experience. Presentations for the public will do an on-location spot which will highlight the historic area. A special section of the presentation is able to bring in actual videos and photographs of McKinney that are manipulated and integrated into the presentation. Presentations are consistent and will change with the seasons.

At the conclusion of the presentations, board member Glew shared his perspective regarding marketing needs outlined during grant application presentations. Mr. Glew noted that many of the project applications provided different ideas on how to spend the grant money, with many focused on digital marketing. He suggested that Aaron Werner, with Main Street McKinney, might be an excellent resource as plans are being made for digital marketing. He also requested City Manager Paul Grimes to explore the availability of city resources for individual nonprofits to use for marketing and advertising advice and templates. Mr. Grimes assured Board member Glew that he would look into this request. Vice Chairman Clarke stated that this wraps up the Promotional and Community Event Grant section of the agenda.

18-553 Vice Chairman Clarke called for a Public Hearing and Consideration/Discussion/Action on a Request for Funding Project #18-08, Submitted by the City of McKinney Parks and Recreation Department in the Amount of Five Million, Five Hundred Thousand Dollars (\$5,500,000) for Park and Facility Redevelopment and Improvements and Design and Construction of Various Parks, Facilities and Trail Projects. Vice Chairman Clarke called Michael Kowski, Director of Parks

and Recreation for the City of McKinney to make the presentation. Mr. Kowski provided a recap on the status of the following parks projects: the Gold Star Family Memorial was upgraded and another monument was added to Veterans Memorial Park; trails are consistently being worked on, including the Comegys Trail and the connection with the City of Allen, close to the TPC golf course; improvements are being made to the Grady Littlejohn ball fields; and work on the Wilson Creek connection is critical as presently there is hope to eventually connect to the golf course land recently donated to the City which would extend the trails by many miles. With respect to Bonnie Wenk Park Phase II, a critical partnership has been established with MCDC, Rotary Clubs of McKinney and the All Abilities Playground project which is on pace to be completed in August. Gabe Nesbitt Tennis Center expansion is underway and the facility is doubling in size. The operator has already doubled the number of tournaments for next year with the prospect of the project being completed just after the holidays. If the indoor component moves forward, we'll be able to attract 99% of all tournaments in the country and host them here in McKinney. We awarded the contract for George Webb Park at the last Council meeting and will break ground within thirty days and this will serve the Westridge subdivision. The Cottonwood Park project has received great public input. This is one of the oldest parks in the system. It was the genesis of Parks and Recreation back in the day according to George Webb who has provided much history on the parks in McKinney. The public campaign was very successful and sketch plans will be ready in the next two to three months. The Gray Branch master plan for 212 acres has received great feedback from a public input meeting held last week. About seventy-five residents attended. We are looking to reset expectations on the property based on the larger amount of land acquired over the years. A master plan update for the park should be ready in six months. We're looking to finish improvements at Gabe

Nesbitt Park. Through a partnership with the Library, we'll be able to share costs for construction of a road that will improve ingress and egress to both the Library and other park amenities. The connection will add at least 100 parking spaces. A firm has been hired to do a space needs analysis as a first step in the Senior Center expansion project. The plan is to double the size of the building or do something even bigger and better. Finch Park is the oldest park in McKinney being over one hundred years old. A budget of \$2 million has been approved for the refreshment of the park. Improvements will include a pavilion, extended trails and an expanded section of outdoor space for a McKinney Garden Club project. Fitzhugh Park is a project that arose during a field trip with the Council several months ago. Pavilions and drinking fountains will be added and will be completed this year. Each year, the plan is to replace two or three playgrounds in the system. Some of the equipment dates back to the 90's and is due for refreshment. We completed two-Winniford Park and Towne Lake and we added a new playground at the Community Center. There was a great joint meeting with the MCDC board and the Parks Advisory board this spring. There was a great conversation regarding allocation of funding and projects. Mr. Kowski shared several takeaways. First is assuring that Parks can tackle small and mid-size projects in a one-year cycle that includes budgeting, completion, and celebration all being done within one year. Second is to identify visionary projects that they can all take ownership of. Towne Lake is one that came up multiple times for a refresh and improvement and addition of amenities. Mr. Kowski and his team developed an eighteen month plan to complete many of the small and mid-size projects and get them off of the books. The five-year plan is included in the 2017 master plan. This plan has been distilled down into something easier to understand and breaks down into priority sections. The first section consists of George Webb Park, Prestwick Park, Finch Park and Gray Branch master plan;

they are fully funded and will be completed this year and removed from the books. The second section includes the request being made to MCDC asked for the coming year: Cottonwood Park renovation and Old Settlers renovation. The request includes an umbrella fund within Parks to facilitate flexibility to address unexpected opportunities and needs. Examples could include acquiring or inheriting park land and needing to do a quick study on it, adding water fountains in parks, or lights in parks or buildings. Additionally, JMAC pool improvements and Oak Hollow upgrades are included. These items constitute the basis for the request of \$5.5 million dollars. The third section are projects that will be done using current parkland dedication zone money. This consists of Robinson Ridge neighborhood park, Gabe Nesbitt Community Park project with the Library, indoor tennis court facility, Community Center renovation and design work for Old Settlers Park. The fourth section consists of wish-list projects: Phase II of the athletic field enhancements, Phase I of Craig Ranch Soccer renovation, and playground equipment replacements. The last section includes MCDC "above-and-beyond" grant opportunities such as a digital signage program, design of a Wayfinding program and bike-share. This presentation has a number of layers of information. The next to be addressed is with respect to parkland dedication fees and the zones they are assigned to. Each project is assigned to a specific zone. Zone 2 has the smallest cash balance as a result of the least amount of residential development at this time. The balance is \$82,000. Zone 4 is an older area; the balance is \$1,020,049. Zone 3 is the area that is growing the fastest with the most activity; the balance is \$8,826,338. Zone 1 reflects the rest of the remaining funding; the balance is \$3,172,187. Secretary Doak asked if the \$5.5 million in funding from MCDC would be used in zones that have smaller balances in zone funding. Michael responded that was correct. He also explained that if a developer builds residential housing the city

requires either dedication of park land or a fee. The fees collected are allocated to the zone where the development takes place. Currently Zone 1 will see the most benefit from this. Over the next two to five years, Zone 3 will have a positive increase but there will be a need to spend dollars in the next eighteen months. Vice Chairman Clarke applauded the efforts in directing attention to older facilities and parks like Towne Lake and Erwin Park as those are the crown jewels that are discussed in the Parks Master Plan, adding that parks in general, are probably one of the greatest assets for a city. Secretary Doak asked to review the "wish list" of projects and asked if the projects listed in the second section for MCDC are slated for completion in 2018/2019 and if in the last two sections if funding is being requested to speed up the progress over the next eighteen months. Michael responded that the third section projects are zone specific using zone dollars. The final two sections still need funding; however, the fourth section could utilize the umbrella fund to cover those projects within that section if CIP money is not received. Secretary Doak asked for confirmation that section five just consists of extra-asks funding. Michael stated that those projects are items that the MCDC has expressed an interest in being addressed and has discussed them with Parks. He wanted to make clear that Parks wants to do those projects, but additional funding is required for them. Board member Glew asked how the process to move forward on the digital signage project could be accelerated. Michael responded that the RFP draft is ready and it is just a matter of whether the board is willing to consider a grant above and beyond what Parks is asking for today. Board member Glew then stated that he would like to make sure that when the RFP is created, and options are considered, that they are in line with board's initial vision and interest in the project in the first place. He expressed interest in reviewing the scope of the project prior to release of the RFP. Secretary Doak commented that the three parks trails that have been upgraded are

amazing and absolutely beautiful; he commended the Parks team on a job well done. In accordance with the public hearing item, Vice Chairman Clarke requested public comments on the Parks request. Vice Chairman Clarke recognized Phil Wheat, President of the Crape Myrtle Trails Foundation to speak. He commended the Parks department on their professionalism and heart that they put into each project. He expressed his gratitude, on behalf of Crape Myrtle Trails Foundation, for the organization to be allowed to be a tiny piece in the puzzle of McKinney. Vice Chairman Clarke called for any further public comments; there were none. Vice Chairman Clarke requested a motion to close the public hearing. Board members unanimously approved the motion by Board member Glew, seconded by Board member Brewer, to close the public hearing.

Vice Chairman Clarke recessed the meeting into Executive Session at 9:41 a.m. per Texas Government Code: Section 551.087. Deliberation Regarding Economic Development Matters as listed on the posted agenda. Vice Chairman Clarke reconvened the meeting to open session at 10:02 a.m.

18-552 Vice Chairman Clarke called for the Consideration/Discussion of Changes to McKinney Community Development Corporation Grant Program. President Schneible asked to give a quick presentation. She reminded the board about the discussion in the last meeting regarding the interest in looking into a retail development infrastructure grant program due to several requests that have been received. Included with the agenda was an outline for proposed parameters for a pilot program to support retail development infrastructure grants that would conform to the Texas Local Government Code. The pilot would focus on landmark retail, defined as buildings within the historic downtown area. She suggested they align the boundaries with the cultural district designation proposed for consideration by the Texas Commission of the Arts for

consistency. Additionally, retail development opportunities in locations that could be considered gateways into McKinney, would also be eligible for consideration. Examples might include Virginia and US75, HWY 380 and US75, HWY 5 and Spur 399, along with other areas the board might have an interest in considering. In terms of the types of projects that would be appropriate for consideration, the recommendation is to limit funding to infrastructure that is external to a building that would include sewer, water, electric and gas utilities and drainage issues. Grants would not be available for interior improvements. In terms of funding, Ms. Schneible suggested allocating \$100,000 to the program for FY 19. The maximum grant award for a single grant would be \$25,000 and would require a match in an amount equal to the grant funds requested. Funds could be used for materials, construction and fees associated for the project; a minimum of two bids would be required for submission with the grant application. The process would mirror what is being done for other types of grants, both project and promotional. Two grant cycles per year were suggested. A public hearing would be conducted on the projects submitted for board consideration. The requests would be heard one month with board action scheduled for the following month. Like the other project grants, the board could give preference to those who have not sought funding for another grant within that same year. Once awarded, a performance agreement would be drafted and executed and funds would be required to be used within one year. Improvements funded through the MCDC grant would be required to be maintained for ten years. Funds would not be provided until the project had been completed, inspected for code compliance and a certificate of occupancy issued. Funds would be paid on a reimbursement basis. Board member Glew requested that grant recipients provide verification that amounts being requested were actually paid prior to reimbursement being made. Ms. Schneible agreed to include this in the guidelines and process.

Secretary Doak asked who was required to provide the match of funds. Ms. Schneible responded that it could be matched by the tenant or building owner. Board member Gamble asked if there should be a limitation on how often someone could apply. Ms. Schneible replied that preference could be given to an applicant who had not submitted an application within the previous year. Secretary Doak agreed that he supports the option of preference. Board member Glew raised concern about property owners applying for the grant money as opposed to business owners, which is the ultimate intent of this grant money. Secretary Doak responded that small businesses will own the building; however, he does not like the idea of funding infrastructure for redevelopment from this specific grant if funds were benefiting the building but not a business as this could result in building owners returning over and over. Board member Glew stated that he prefers to help small businesses, not a property owner that owns multiple buildings in downtown McKinney. Ms. Schneible assured board members that a subcommittee will be formed to review applications and make recommendations to the board. Vice Chairman Clarke applauded President Schneible on the effort she put forth to create the grant guidelines, as her presentation was very well thought out; he supported the presentation fully. Ms. Schneible responded that Paul Grimes, City Manager, had been a great resource, sharing information about a grant program that operated in Orland Park, IL where he served as Village Manager prior to coming to McKinney. Additionally, the documentation for the city's TIRZ grants was very helpful in putting together an outline for the proposed program. Secretary Doak asked Ms. Schneible if she was comfortable that the proposed program guidelines address the issues that have been seen by the board from the grants requests submitted over the years where applicants are asking for small amounts of funding to improve infrastructure. Ms. Schneible responded that she

was. The proposed program provides clarity in outlining the parameters and providing the board a clear definition of what can be funded. Board member Glew asked if the requests can be tied to a specific business, and if the applications would be considered on a case-by-case basis. Board member Brewer asked if grants would be available to a building owner who does not yet have a tenant, but wants to improve the building to entice tenants. Vice Chairman Clarke suggested that a good caveat to add would be to require a tenant be in place. Vice Chairman Clarke called for public comments. Tracy Rath, City Council member, addressed the board. She stated that this is an area that is currently not being addressed. She spoke of a program within TIRZ 1 that provides funding for outside façade work; this program compliments the program being discussed today and follows the same type of guidelines. Secretary Doak asked Ms. Rath if there are a lot of requests for this type of funding. Ms. Rath responded that she is not sure but she believes so. In the big picture, \$25,000 is not a lot of money for these projects, but it is certainly helpful. Long-term it will benefit the property owner, but in the short-term, it would benefit the tenants and small business owners first and foremost. Ms. Schneible asked board members if it would be of concern to them if an applicant applied for both an MCDC grant and the TIRZ grant Ms. Rath had mentioned. The board collectively asked if there would be any oversight during the term of the grant once approved by MCDC. Secretary Doak asked Mr. Grimes to comment on the Orland Park program. Mr. Grimes explained that the Orland Park program was modeled to support legacy shopping centers that are older in age. The owners of the property would typically petition for the funding, however, tenants were also able to do so as well. The intent was to provide a boost for those legacy shopping plazas to do something; the City wanted to find a way to beautify the community and upgrade the storefronts. The general objective for the Orland Park program was to upgrade the

facilities to approve appearance, ensure they were usable and attract quality tenants to the city. Ms. Schneible added that in the past six to seven years, the board has only had one request for infrastructure and another that requested funding for interior improvements such as a sprinkler system, neither was approved by the board. Mr. Grimes also shared that perhaps why there have not been many requests for infrastructure is that it has always been denied; however, if the program is available, it is likely that the grant would be requested more often and be well-utilized. Board member Glew asked what would happen if four solid requests were submitted in the first cycle. Secretary Doak responded that the grant allocation would be fully used and not available again until the next year. The consensus of the board was to move forward with establishment of a pilot program to fund retail development infrastructure grants. Ms. Schneible then requested board input regarding requests from groups interested in promotional grants for fundraising events with high-ticket costs. It seems that when an event's ticket costs are above a certain level, it no longer is a community event because a broad segment of the community may find participation in the event cost prohibitive. As a result, Ms. Schneible suggested putting additional criteria in place to stipulate that a fee or registration cost for an event, cannot be higher than \$35 and qualify for consideration for a promotional and community event grant. The exception would be if the entry fee exceeded \$35, but included a public or community component that was free of charge. Ms. Schneible made an additional recommendation to require events that include a charitable donation component to disclose the exact nature of the donation – such as a specific percentage of net proceeds or a specific dollar amount per registration paid. Additionally, the final report filed by the grant recipient would require disclosure of the amount of the donation made to the named charity. Secretary Doak asked if there will be any requirement for

net proceeds to be disclosed as well as a definition of what exactly net proceeds means. Board member Brewer asked if it will be required to disclose an event organizer's fees up front so it is apparent what net proceeds are reported and perhaps require a minimum percentage of proceeds to go to charitable contributions so that service charges and fees cannot be adjusted from what is presented. Secretary Doak stated that he believed it wise to continue working on the guidelines. Vice Chairman Clarke stated that the board can continue to revisit the topic and refine as needed. Vice Chairman Clarke called for board or commission comments. There were none.

Board members unanimously approved the motion by Board member Gamble, seconded by Secretary Doak, to adjourn the meeting at 10:30 a.m.

KURT KUEHN
Chairman