

MCKINNEY COMMUNITY DEVELOPMENT CORPORATION

MAY 28, 2015

The McKinney Community Development Corporation met in regular session in the Dowdy Board Room, 5900 S. Lake Forest Drive, McKinney, Texas, on May 28, 2015 at 8:00 a.m.

Board members Present: Chairman Scott Elliott, Secretary/Treasurer Colleen Smith, David Clarke, David Myers, Hamilton Doak, and Board Alternate Rick Glew. Board members Absent: Vice Chairman Kurt Kuehn and Michelle Gamble. Council Liaisons Present: Mayor Brian Loughmiller, City Council member Roger Harris.

Staff Present: President Cindy Schneible, Interim City Manager Tom Muehlenbeck, Marketing Director Cayti Stein, Financial Analyst Trevor Minyard, Director of Parks, Recreation and Open Space Rhoda Savage, Facilities Construction Manager Patricia Jackson, Director of MPAC/Main Street Program Amy Rosenthal, Tourism Services/Sales Representative Vanessa Baggett, City Secretary Sandy Hart, and Administrative Assistant Sheri Van Slycke.

There were four guests present.

Chairman Elliott called the meeting to order at 8:02 a.m. after determining a quorum was present.

- 15-503** Minutes of the McKinney Community Development Corporation Meeting of April 23, 2015. Board members unanimously approved the motion by Board member David Myers, seconded by Board member David Clarke, to approve the minutes of McKinney Community Development Corporation Meeting of April 23, 2015.
- 15-504** Minutes of the McKinney City Council, McKinney Economic Development Corporation, and the McKinney Community Development Corporation Joint Meeting of May 14, 2015. Board members unanimously approved the motion by Board member Hamilton Doak, seconded by Board member David Myers, to approve minutes of the McKinney City Council, McKinney Economic Development Corporation, and the McKinney Community Development Corporation Joint Meeting of May 14, 2015.

15-505 Minutes of the McKinney Community Development Corporation Performance Facility Subcommittee Meeting April 23, 2015. Board members unanimously approved the motion by Board member David Myers, seconded by Alternate Board member Rick Glew, to approve the Minutes of the McKinney Community Development Corporation Performance Facility Subcommittee Meeting April 23, 2015.

15-506 Minutes of the McKinney Community Development Corporation Performance Facility Subcommittee Meeting May 18, 2015. Board members unanimously approved the motion by Board member Hamilton Doak, seconded by Alternate Board member Rick Glew, to approve the Minutes of the McKinney Community Development Corporation Performance Facility Subcommittee Meeting May 18, 2015.

15-507 Chairman Elliott called for the April Financial Report. Financial Analyst Trevor Minyard reported due to the bond proceeds, the revenues are at 90% of collections for the year, however without the bond proceeds the revenues stand at 62%, with only 58% of the year behind us. Operational expenses are at 45%. Chairman Elliott questioned the FY15 Projected Ending Fund Balance of \$19,180,287.00 on the summary page of the financial report in comparison to the Final Unreserved Fund Balance on the last page of the report, and Mr. Minyard responded that the Projected Ending Fund Balance is what the budget teams projects the balance to be at the end of the fiscal year, whereas the Unreserved Fund Balance is how it stands as of today. There was a lot of activity on projects in the month of April as displayed in the report. Compared to last year's April budget there was a 6% increase in sales tax revenue over April of last year. Mr. Minyard offered a short tutorial on the new interactive options for financial reports, available on the City of McKinney

website, that allows for additional transparency with respect to the City's financial transactions.

Chairman Elliott called for any questions or comments concerning April checks issued, and there were none.

15-508 Chairman Elliott called for Board and Liaison Updates.

City of McKinney – Interim City Manager Tom Muehlenbeck stated City Council has approved all the recommendations from the Bond Committee, and are now in the process of consolidating all of the project recommendations. This information will then be turned over to our Bond advisors to draft the ballot language. Following this meeting, the Finance department and I will be meeting with our Bond Counsel regarding a sale in June of about \$52 million dollars. We are still working on plans for a downtown parking garage, and will be discussing in the next Council meeting on whether or not to move forward with the garage design. Mayor Loughmiller mentioned Rainey Rogers will be sworn in as the new District 2 Council member at the next City Council meeting. Mayor Loughmiller expressed thanks to the MCDC Board for all their help with Bike the Bricks, and the other events last week.

Main Street & MPAC - Director of MPAC/Main Street Program Amy Rosenthal expressed heartfelt thanks for all the support from MCDC for Bike the Bricks. Although it rained, and our attendance was impacted, it was a successful event. There were 570 racers participating, the largest participation level ever. The racers came from nine different states, as well as Mexico. The Sheraton was also a tremendous support. Moving forward, The Goonies will be the next Friday Night Flick. Registrations are being accepted for the Red, White and Boom Hometown Parade. Applications are available online. Marc Broussard is a New Orleans-Blues-R&B type artist and will be at MPAC July 17th. Ms. Rosenthal gave a special thank you to Rick Glew for all his help and support at Bike

the Bricks.

McKinney Convention and Visitors Bureau - Tourism Services/Sales Representative Vanessa Baggett reported that walk-in visitors totaled 281 in April, with 130 from out-of-state, and 33 from out-of-country. MCVB assisted in booking 126 rooms, which equaled about \$15,674 in revenue. Thirteen corporate sales calls were made in the Allen area, and 20 association calls in the Dallas-Fort Worth area. Advertising year-to-date for the Sheraton Hotel & Event Conference Center totals \$25,620. La Quinta is now under new ownership. The Hampton Inn was scheduled to be open by now, but we have not received word on when the opening date will take place. As a result, three sports teams for the upcoming Triple Crown Event at Craig Ranch had to be moved from The Hampton Inn to The Sheraton.

McKinney Economic Development Corporation – Marketing Director Cayti Stein reported that MEDC staff is excited about moving forward with the joint project with the MCDC, and City Council.

Parks and Recreation - Director of Parks, Recreation and Open Space Rhoda Savage gave an update on the Master Plan process. PROS staff is meeting with the Planning department and working diligently to create a scope for the Park Master Plan project, that will work in harmony with the Comprehensive Plan update, and help ensure we are not duplicating services, and also maximizing the information provided by our consultants. June 16th PROS will present the plans for the update to City Council for approval. PROS staff wants to make sure we are good stewards of the funds provided by MCDC. In addition to MCDC funds, application is being made for grant money from Collin County for trails development. The Rotary Club has offered to sponsor an all-inclusive playground for the City. Bonnie Wenk Park looks like a good location for the playground. PROS asked The Rotary Club to consider \$750,000 to put towards the playground. Staff is working through all the details and

budgeting for this possibility, and will be able to report more on this at a later date.

15-509 Chairman Elliott called for the Marketing Report. Ms. Stein reported it has been a busy month for MCDC and expressed her appreciation to the board for their support and participation. Ms. Stein asked the board to mark their calendars for the June 10th Serve McKinney event, and hopes that board members will attend and offer their expertise and experience in serving on the MCDC board. Also, enclosed in the board packet for review is a list of the advertising MCDC has purchased since January 2015. President Schneible mentioned MCDC specifically targets advertising that includes events and sponsorships that MCDC is involved in to not only promote the events, but also communicate a message about the impact of local shopping and dining on the community. Ms. Stein indicated that within the board packet, there are news articles that showcase MCDC sponsored events, and also a draft of the MCDC marketing plan for board review.

15-510 Chairman Elliott called for the President's Report. President Schneible included her report in the board packet. Some highlights in the report include a meeting with Ms. Schneible and PSA, and for the current year, they have 24 weekends identified that could be available for tournament use. Through June, (14/24 weekends) all but one weekend has been booked. In 2016, 22 weekends have been identified for tournament use, and as of now, 18 of the 22 weekends are booked. They estimate about 1,000 people walk through the door on a tournament day, and many of the guests are from outside McKinney. The Aquatics and Fitness Center ground breaking is scheduled for July 20th at 9:00 a.m. The MAFC construction team is working to secure bids to prepare a GMP for the project that will be scheduled for approval at a joint meeting with MCDC and Council on June 22nd. Three final reports have been received from

community organizations that received a Promotional and Community Event Grant. Ms. Schneible is impressed that these organizations recognize that criteria to receive MCDC grant funding for these events includes demonstrating the ability to bring visitors to our area, and reported this information in their matrix. The Kiwanis Triathlon report indicates that 88% of their participants are from outside of McKinney. Habitat for Humanity was unable to track where attendees at the Spring Bling event came from, but 88% of their purchasers were from outside of McKinney. Empty Bowls overall attendance increased from 300 to 500. Twenty-seven percent of Empty Bowls attendees were from outside McKinney and 25.5% of those bidding in the online auction were from outside of McKinney. MCDC's draft budget was reviewed with the Interim City Manager, CFO, Budget Manager, Deputy City Manager and Assistant City Managers on May 13th and there were a few suggested changes to date that are listed in the President's Report. There is a budget retreat scheduled for Council in June and MCDC board will be updated on those discussions. Ms. Schneible continued that several years ago, MCDC funded construction for the parking lot at the Flour Mill, and it's been determined that 10 of the 12 lighting fixtures need to be repaired or replaced. The estimate for replacement is about \$800.00 per fixture and MCDC staff is looking to see how they might be able to assist with this project. Ms. Schneible expressed how important the lighting around the Flour Mill is to the safety and security of guests attending events at that venue. Ms. Schneible asked for board feedback on the Flour Mill lighting issue. Board members indicated support for MCDC assistance to resolve the lighting issue, if needed by the City. On a final note, the Sales Tax Workshop scheduled on June 26th will provide important information for MCDC board members and asked the board to consider attending.

15-511 Chairman Elliott called for the update on Sheraton McKinney Hotel and Conference Center. Sheraton General Manager Ryan Miyamoto, and Director of Sales and Marketing Johnny Martinez, briefed the board on bookings and business at the Sheraton since opening in February. Mr. Miyamoto reported they will finish the month of May with 49% occupancy, which will be the first month they exceeded their budgeted occupancy. June is looking even better. This occupancy rate is exactly what is expected during ramp-up phases. With the support of MCVB, weekends are showing a huge demand. Memorial Day weekend the hotel was at 92% occupancy. Sheraton's first big conference client is The Church of God Worldwide Association which will meet this Sunday, May 31st (130 check-ins), and will use the conference space Monday, Tuesday, and Wednesday. Mr. Miyamoto projects finishing 2015 with an occupancy level of about 65%. They served 232 people for their first Mother's Day Brunch, which created revenues of \$5,800.00. Mr. Martinez shared the goals for his department are to balance out the week, and to fill the Sunday through Thursday weekday gaps with business travelers, corporate groups, sports teams, etc. The goal is to bring in people that have never been to McKinney before.

15-512 Chairman Elliott called for the Consideration/Discussion/Action on Paperless Board Meetings. City Secretary Sandy Hart provided a short explanation and tutorial on how iLegislate works to provide the paperless agenda possibility to the MCDC board. Ms. Schneible explained the cost involved in purchasing iPads, about \$8,000 for the first year, and \$3,600 per year afterwards for the data service. Ms. Schneible asked the board to take action on whether or not they would like to adopt this for future board meetings. Board members unanimously approved the motion by Board member Hamilton Doak, seconded by Board member David Clarke, to approve paperless board meetings.

15-513 Chairman Elliott called for the Consideration/Discussion of Strategic Goals and Priorities. Ms. Schneible explained that over the last few board meetings, the board has provided input on how MCDC can develop goals and priorities that support City Council's established goals for the City. To move the process forward, Chairman Elliott suggested focusing on a few items in each section to maintain brevity. Ms. Schneible explained the provisions of the Texas Local Government Code and how they govern the types of projects eligible for consideration for providing grant funds. The discussion focused on implementing a retail development strategy that serves to further diversify revenue sources available to the City; systematically implement CIP within stated goals; maintaining a focus on retaining and improving quality of life in McKinney when making policy decisions. Additionally, under the heading of Operational Excellence the discussion focused on conducting long range financial planning and fostering a culture of servant leadership. Chairman Elliott suggested calling a special meeting to continue the Strategic Goals and Priorities discussion.

Chairman Elliott called for citizen comments. Mr. Trevor Minyard stated he would like to comment as a citizen of McKinney. His address is 3001 Morning Dove. Mr. Minyard stated he is an active skateboard enthusiast and there was an event at the Skate Park (with over 600 people in attendance), titled "Best Foot Forward", hosted by DVS Shoes, a company that specializes in athletic shoes/gear. Mr. Minyard continued that DVS Shoes sent one of their pros to head up the event, and he has 450,000 followers on Instagram, and he posted a positive comment about the event at McKinney Skate Park, it received over 22,000 likes. Mr. Minyard encourages the board to recognize the Skate Park as an underutilized asset in McKinney, and would recommend MCDC support these types of events.

Chairman Elliott called for board comments and there were none.

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Board members unanimously approved the motion by Board member Hamilton Doak, seconded by Board member Colleen Smith, to adjourn. Chairman Elliott adjourned the meeting at 10:05 a.m.

SCOTT ELLIOTT
Chairman

ATTEST:

Colleen Smith
Secretary/Treasurer