

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

JANUARY 21, 2020

The McKinney Economic Development Corporation met in regular session in the Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on January 21, 2020 at 8:00 am.

Board members present: Chairman Kenneth Sipiora, Vice Chairman Michael Jones, Secretary/Treasurer Brian Loughmiller, Patrick Cloutier, Dr. Gere' Feltus, Joe Minissale, Tracy Rath, and alternate Bill Krueger.

Absent: None

Staff Present: President Peter Tokar, Executive Vice President Abby Liu, Senior Vice President Danny Chavez, Project Manager Madison Clark, Technology and Infrastructure Specialist Michael DePaola, MEDC Office Supervisor Deana Smithee, MEDC Administrative Assistant Joanne Isom, Mayor George C. Fuller, Mayor Pro Tem Rainey Rogers, Councilman Scott Elliott, City Manager Paul Grimes, Assistant City Manager Kim Flom, MEDC Attorney Mark Houser, Financial Compliance Manager Chance Miller, and Visit McKinney Executive Director DeeDee Guerra.

There were 3 guests present.

Chairman Sipiora called the meeting to order at 8:01 am after determining a quorum present.

Chairman Sipiora Called for Public Comments for items on the agenda and there were none.

20-0079 Chairman Sipiora called for the Minutes of the McKinney Economic Development Corporation of December 17, 2019. Board members unanimously approved the motion by Board member Rath, seconded by Vice Chairman Jones, to approve the minutes.

20-0080 Chairman Sipiora called for Board and Liaison Updates.
Visit McKinney – Executive Director Guerra reported McKinney hosted the NCAA DII football games in December and over 5,300 people attended. They assisted with over 1,100 hotel rooms and 645 rooms booked were from the Division II football game. Executive Director

Guerra reported great feedback from Local Yocal BBQ and Grill. The restaurant made over \$6000 during the DII weekend and the owners contributed the success to McKinney DII website. Executive Director Guerra noted they will continue to advertise on the website throughout the year. Executive Director Guerra thanked the McKinney Independent School District (MISD), MISD Athletics and the people who assisted with the NCAA DII game. Executive Director Guerra noted the Visit McKinney Communications Manager Beth Shumate has scheduled a visit with Chet Garner, the Daytripper on February 7th. He will be visiting the Heard Museum, Collin County History Museum, Chestnut Square, The Yard, and Local Yocal. Executive Director Guerra noted there will be a Texas Music Friendly meeting at 7:00 pm on January 28th at the McKinney Performing Arts Center. Director Guerra noted the meeting is part of the criteria to receive the "Texas Music Friendly Designation" from the Governor's Office.

City of McKinney - City Manager Grimes reported on February 7th the City Council will have their annual strategic goals setting workshop. This session is held annually for the Council to set priorities and strategic goals. The staff will set objectives around the priorities and present to Council for adoption late April or early May. Once Council adopts, the City will move forward with preparing a budget. City Manager Grimes noted the budget process begins in earnest with the budget kickoff in early August and will go through September. City Manager Grimes noted on February 10th there will be a joint meeting with the McKinney Independent School District to discuss the City's priorities. City Manager Grimes announced the first Neighborhood Services Conference will be held at the Collin County Conference Center on March 28th. This conference will be targeted to homeowners and renters. Information at the conference will include: engaging neighbors, renter's rights,

conducting an HOA meeting, home maintenance and city services. City Manager Grimes reported the Census 2020 meeting will be January 30th at 6:30 pm in Council Chambers. City Staff will give a Census 2020 presentation to the MCDC and City Council starting February 27th. City Manager Grimes noted with Census 2020 it is very important to count everyone in order for McKinney to be properly represented at the state level. President Tokar recognized Neighborhood Services Coordinator Dana Riley and the work she is doing. Services Coordinator Riley invited the MEDC to join some of the neighborhood services events as a part of the community outreach initiative. The MEDC is meeting with the HOA boards at the quarterly meetings and taking advantage of the program she is developing. President Tokar welcomed the new City Assistant Manager, Kim Flom.

Chamber of Commerce – President Hermes reported the Chamber of Commerce Annual Business meeting will be January 28th at the Sheraton in McKinney. The speaker is Margaret Spellings, the former Secretary of Education under the George W. Bush administration, and current CEO of Texas 2036. President Hermes noted the CEO series will begin on January 30th with Mike Foster, General Manager of Market Street. President Hermes noted the Government and Legislative Issues Committee Meeting will be on February 7th with Senator Angela Paxton. President Hermes reported Plano, Frisco, Allen and McKinney will be flying to Washington D.C. March 24th-25th to meet with Congressmen, Senators and the US Chamber of Commerce to discuss topics important to the business community. President Hermes noted the Community Award Celebration will be on February 21st. The Chamber will have multiple people who will be awarded, as well as the City and key partners. President Hermes updated the Board on the Business Retention partnership. They are actively setting appointments for the

remainder of the year and have an appointment with Globe Life scheduled for today. President Hermes noted there will be upcoming updates on the HR Roundtables and Manufacturing Roundtables as they prepare for 2020 in partnership with the MEDC. President Hermes noted the Chamber offices have moved to 1700 N. Redbud, Suite 180 in the First United Bank building on the first floor. There will be a ribbon-cutting on January 29th at 4:30 pm.

20-0081 Chairman Sipiora called for the consideration/discussion of the MEDC Monthly Organizational Report. President Tokar reported the MEDC will also be scheduling a Strategic Goals Priority Session at the end of February.

20-0082 Chairman Sipiora called for the consideration/discussion of the Technology & Infrastructure Update. Technology and Infrastructure Specialist DePaola reported the Wireless Infrastructure Technology Community Forum is scheduled for February 12th at 6:00 pm at the Senior Recreation Center at 1400 South College Street. Technology and Infrastructure Specialist DePaola noted information on the Community Forum will be sent to the community in the marketing communications release later this week. Technology and Infrastructure Specialist DePaola, members from the City Manager's office, and the HR Green consultants will discuss the process and take community feedback to incorporate into the final draft to present to Council. Technology and Infrastructure Specialist DePaola noted the first draft of the health analysis scorecards for peer-reviewed articles have been received.

20-0083/
20-0084 Chairman Sipiora called for the consideration/ discussion/ action on the November and December 2019 Financials. Financial Compliance Manager Miller reported normal operational expenditures for both months. Sales tax for November was 13% higher over last year and December had a 12% increase over last year bringing a 11% increase year to date. Board members unanimously approved the motion by

Board member Minissale, seconded by Board member Feltus, to approve November and December 2019 Financials.

20-0085 Chairman Sipiora called for the consideration/discussion of the 2019 Annual Key Performance Indicators. President Tokar reported this was year one in reporting Key Performance Indicators and the goals set were not bench marked by actual historical organizational performance. President Tokar noted the MEDC far exceeded the projected numbers in some areas while others were not met. These numbers will present a baseline for organizational performance moving forward. The seven Key Performance Indicators are New Business Attraction, Marketing, Website/Social Media, Outbound Recruitment and Lead Generation, Infrastructure Development, Increase Commercial Tax Base, and Build a New Business Expansion Program. 1. New Business Attraction: (a.) Maintain an active project pipeline of a minimum of 20 active projects. President Tokar noted the project pipeline is an in and out flow. There were times during the year when the MEDC had well over 20 projects in the active pipeline. During the year, the qualification criteria for what is considered a "project" was redefined. Once it is considered a project win, entered into an incentive agreement or contract negotiations, it is removed from the active project pipeline. President Tokar reported in addition to the revised criteria, several projects were announced in the last quarter of 2019. (b.) Host at least one Familiarization Tour Annually. President Tokar reported the MEDC hosted two and as the MEDC grows this metric will potentially increase. (c.) Participate in Industry Trade Shows and Missions. President Tokar reported the MEDC attended eighteen Industry Trade Shows and Missions. 2. Marketing: (a.) Complete marketing and re-branding campaign on time and on budget. President Tokar noted utilizing the marketing and communications firm, Centipede Digital, the MEDC was able to complete this goal. Centipede Digital provided full website design, logo redesign, branding campaign

design, social media channel redesign, marketing automation and search engine optimization services to deliver the new website and corporate brand. Through strategic planning and very high levels of service, the MEDC met the Marketing and Branding completion date of October 1, 2019 and on budget. (b.) Achieve an open rate of 40% on digital marketing materials distributed. President Tokar noted the open rate was 44.5% and digital campaigns will start going out on a quarterly basis. (c.) Distribute to at least 20 Unique strategic marketing audiences. President Tokar reported the MEDC did meet this goal, however recommended this number be updated for future distributions to go to individual audiences as separate campaigns. 3. Website /Social Media: (a.) Increase traffic to the MEDC website by 30% in the first year of launch. President Tokar noted the goal was to increase traffic to the MEDC website by 30% and increase Social Media viewership. The website has not been active for a full calendar year and the MEDC is not able to calculate the result of this Key Performance Indicator at this time. President Tokar noted all new marketing initiatives and new channels are working and gaining influence month over month. 4. Outbound recruitment lead generation (a.) Generate at least five national and international project leads. President Tokar reported through networking and trade missions, the projects team generated 17 qualified leads. President Tokar noted the MEDC redefined the definition and qualifications for project leads. The objective is leads generated have, at minimum, the potential for a project rather than just a casual interaction with a company that has no intention of making a relocation or an expansion decision. (b.) Develop a database of Site Selectors and Brokers. President Tokar noted through a lot of research, attendance at site selectors events, and networking at local and regional broker's events, the MEDC was able to compile a database of site selection consultants and local, regional and national commercial retail brokers.

The list is over 400 members strong across the stated audiences. 5. Infrastructure Development: (a.) Have a tech strategy completed and implemented by the end of the year. President Tokar reported Technology & Infrastructure Specialist DePaola completed a Tech Infrastructure Program in November of 2019. The plan will help McKinney prepare for the future of technology and use the advanced network to recruit high tech industries and improve quality of life. (b.) Engage at least one development as a test site for tech infrastructure roll out. President Tokar reported there are five test sites the MEDC is engaging to specifically look at 5G technology implementation. The sites are McKinney Corporate Center at Craig Ranch, HUB 121, Southgate, and 2 MEDC owned vacant parcels. 6. Increase commercial tax base. (a.) Bring a minimum of \$100 million in capital investment from MEDC projects annually. President Tokar reported the MEDC had a record project year with \$171 million spread out over 12 project wins. The capital investment only represents the projects the MEDC had an active role in bringing to McKinney and does not represent the total amount of commercial capital investment that occurred in the City of McKinney for 2019. (b.) Aim to increase in capital investment of at least 20% year over year: President Tokar noted the MEDC increased capital investment over the prior year by 182%. 7. Build a new Business, Retention and Expansion Program: (a.) Visit at least 300 McKinney businesses annually. President Tokar noted the MEDC fell short with 98 total visits. The MEDC will research and study industry norms and other economic development agency best practices for targeted B.R.E visits to gauge a suitable number of corporate visits to implement for future years. President Tokar noted they are researching to build a database of all the available businesses in the City of McKinney to better establish visit targets. (b.) Engage top ten employers at least 10 times a year. President Tokar reported the MEDC did complete this goal based on the employers

the MEDC has identified. President Tokar noted the Director of Business Intelligence position will research the true business footprint in McKinney. (c.) Host two Community Forums annually. President Tokar noted the MEDC was fortunate to be invited to participate in regularly scheduled community forums with the McKinney Neighborhood Services department. President Tokar noted with over 200,000 residents, this outlet has assisted the MEDC in communicating with the citizens.

Chairman Sipiora called for Citizen Comments and there were none.

Chairman Sipiora called for Board Comments and there were none.

Chairman Sipiora recessed the meeting into Executive Session at 8:43 am.

Chairman Sipiora reconvened the meeting to open session at 9:49 am.

Board members unanimously approved the motion by Board member Cloutier, seconded by Board member Rath, to approve Project LoneStar as discussed in Executive Session.

Board members unanimously approved the motion by Secretary/Treasurer Loughmiller, seconded by Board member Rath, to approve the amendment to Simpson Strong Tie as discussed in Executive Session.

Board members approved the motion by Vice Chairman Jones, seconded by Secretary/Treasurer Loughmiller, to approve the amendment to Toyoshima Greentech as discussed in Executive Session with a vote of 6 - 1 - 0, Board member Cloutier voting no.

Board members unanimously approved the motion by Board member Minissale, seconded by Board member Feltus, to approve the amendment to Lone Star Reel as discussed in Executive Session.

Board members unanimously approved the motion by Board member Cloutier, seconded by Board member Feltus, to adjourn.

Chairman Sipiora adjourned the meeting at 9:52 am.

Kenneth T. Sipiora

Chairman