

## **MCKINNEY COMMUNITY DEVELOPMENT CORPORATION**

**JUNE 19, 2014**

The McKinney Community Development Corporation met in regular session in the Dowdy Board Room, 5900 S. Lake Forest Drive, McKinney, Texas, on June 19, 2014 at 8:00 a.m.

Board members present: George Fuller, Scott Elliott, Colleen Smith, David Clarke, David Myers, and Kurt Kuehn. Board member Michael Puhl was absent.

Staff present: Executive Director Cindy Schneible, Housing and Community Development Administrative Assistant Deb Hass, and Director of Marketing Cayti Stein.

There were several guests present.

Chairman Fuller called the meeting to order at 8:00 a.m.

- 14-588** Minutes of the McKinney Community Development Corporation Board Meeting of January 7, 2014. Board members unanimously approved the motion by Board member Elliott, seconded by Board member Smith to approve the McKinney Community Development Corporation Meeting of January 7, 2014.
- 14-589** Minutes of the McKinney Community Development Corporation Board Meeting of May 22, 2014. Board members unanimously approved the motion by Board member Kuehn, seconded by Board member Elliott to approve the McKinney Community Development Corporation Board meeting of May 22, 2014.
- 14-590** Financial Report. Rodney Rhoades, City of McKinney CFO provided the

report. Mr. Rhoades reported that revenues are higher and expenditures are within budget. Sales tax receipts year-to-date are slightly lower than the previous fiscal year as a result of several large capital purchases made last year that generated increased revenue. If the large purchases are taken out of the equation sales tax is running 15.4% higher than FY 13. June report is 18% higher. Take out large capital purchases and McKinney is outpacing area sister cities in sales tax receipts. The State Comptroller's office will be providing more detailed information that will be available in future monthly reports.

**14-591** Board and Liaison Updates

Chamber of Commerce

- "Buy Local" materials were handed out at the Smiles Charity, and "Bike the Bricks" events. Father's Day gift cards were promoted in the June issue of McKinney Magazine.
- An article on the impact of local purchases on investment in quality of life amenities in the community (My McKinney campaign) will appear in the McKinney Magazine July issue.
- The Chamber President Position has been posted.
- The Chamber quarterly luncheon is July 15<sup>th</sup>.
- The deadline for Leadership McKinney applications has been extended until June 27<sup>th</sup>.

City of McKinney

- City Council's first Budget retreat will be held June 20<sup>th</sup>. Discussions on FY 15 budget will take place.
- Formal action on amended Stage 3 water restrictions will be taken on June 20<sup>th</sup>. It is expected watering will be limited to once every two weeks.
- District 2 Town Hall meeting and ice cream social will be held on June 19<sup>th</sup> at Gabe Nesbitt Park.

Main Street & MPAC

- Main Street will be hosting a performance by Clint Black on August

25<sup>th</sup> at the Performing Arts Center.

- Home town hero Johnny Quinn will be the Grand Marshal of the Independence Day parade to be held in downtown McKinney.
- June 4<sup>th</sup> members of the Texas Historic Commission made a site visit and supported the new initiative of revitalization of the courthouse.
- Amy Rosenthal and Michelle Hancock attended Main Street Managers training. The Texas Main Street organization awarded McKinney an exemplary rating for a rehabilitated downtown effort on preservation and tourism.

#### McKinney Convention & Visitor's Bureau

- Since opening the store front downtown there has been a 75.4% increase in visitors. This was determined by comparing data from first quarter of 2013 and first quarter of 2014.
- MCVB has placed ads in Celebrated Living, and See Texas First.
- 330 rooms were booked with the MCVB assistance in May with total revenue of \$35,376.00.

#### McKinney Economic Development Corporation

- MEDC staff has been negotiating incentive agreements on several large projects. Three have been announced in the last 30 days and seven more will be announced in the next 30 days.
- The McKinney National Airport will be hosting a VIP Open House on June 27<sup>th</sup>. This will be invitation only. There will be a public open house on June 28<sup>th</sup>.

#### Parks, Recreation & Open Spaces

- PROS are still in negotiations for construction of Bonnie Wenk Park Phase II.
- PROS are in the process of making some repairs in Bonnie Wenk Park Phase I.
- The Hike & Bike Trail signage is behind schedule due to an injury with the vendor.
- PROS are still waiting for Horton Builders to deed the land next to Scott elementary (Frisco ISD) over to the city of McKinney for the building of the neighborhood park. Construction of the school is expected to be completed before the beginning of the next school year.
- Upcoming events include Jamming in June on June 19<sup>th</sup> at Bonnie Wenk Park, the Cultural Music Series the weekend of the 20<sup>th</sup>, and the McKinney Connect town hall.
- PROS have kicked off their summer camps and swim lessons. 55

classes are held daily with approximately 450 students attending.

- The Courts will host a tennis tournament the weekend of June 20-22<sup>nd</sup>. Proceeds from the event will benefit Graham “Hopper” Kormylo who was injured in an accident in McKinney.
- PROS would like to seek voter approval for expansion of The Courts facility in the next bond election.

**14-592** Marketing Director's Report

- MCDC and MEDC will be participating in the Town Hall on June 19<sup>th</sup>. MCDC will be located with Parks and Recreation, and MEDC will be located with the Airport.
- The Airport will be holding a VIP Open House on June 27<sup>th</sup> and the “Fly In” public open house will be held on June 28<sup>th</sup> from 10 –noon.
- Toyota has contacted MEDC and will be touring Collin County August 10<sup>th</sup>-15<sup>th</sup>. They will be touring McKinney on August 13<sup>th</sup>. Toyota is expecting 30-50 to attend the tour. Their big focus will be quality of life.
- The MCDC brochure is in the draft phase.
- The My McKinney magazine article will be published in July, and the PSA will be featured in the magazines sports issue in September.
- The MCDC interactive map showing funded projects is on the website. The map is categorized by year and shows all projects funded by MCDC. The map shows the funded project, how much was funded, and where the project is located.

**14-593** Executive Director's Report

- Work on PSA is progressing at a rapid rate. In two weeks they will be under roof allowing more trades to work on the project. They are hoping for a mid-November occupancy date.
- Aerial photos showing progress on the Sheraton Hotel and Event Center have been provided by the development team and will be emailed to board members. A monthly status report is in the board binder. The target date for completion of two model hotel rooms is the first week of July. A team from Sheraton will tour the property and view the rooms later in July. Opening date for the hotel remains February 2015.
- MCDC helped facilitate a meeting between the hotel development team, Aimbridge Hospitality and the City's marketing and communication's task force to discuss marketing and sales efforts for the hotel and event center. Aimbridge will have a sales director in place by early August.
- Processing and reconciling design elements with the budget began for the Aquatic Center. The design committee updated the steering committee that initial reconciliation showed costs at approximately 12% over the initial estimate. The numbers will be refined and an update will be provided to the steering committee at a meeting on July 9<sup>th</sup>. Of the 12% increase, a cost of 1.4 million

for site improvements was not factored into the initial estimate. The steering committee is planning an update for Council on the project at the Council work session on August 18<sup>th</sup>. Following the Council briefing and preparation of budget estimates is complete a public hearing will be scheduled. The date is tentatively set for the August 21<sup>st</sup> MCDC board meeting.

- Board member participation in the Serve McKinney event was appreciated.
- The deadline to apply for next year's City Boards and Commissions is June 27<sup>th</sup>.

**14-594** Chairman Fuller called for Consideration/Discussion/Action on Project #14-06 as Submitted by Samaritan Inn Request for \$200,000 for Infrastructure Costs for new State-of-the-Art Family Shelter. Board members unanimously approved the motion by Board member Elliott, seconded by Board member Smith to approve \$200,000 for infrastructure costs for the Samaritan Inn Family Shelter.

**14-595** Chairman Fuller called for Consideration/Discussion/Action on Project #14-07 as Submitted by McKinney Housing Authority Request for \$500,000 for the Redevelopment of Newsome Homes into a Senior Housing Community. Board members unanimously approved the motion by Board member Elliott, seconded by Board member Clark, to fund the McKinney Housing Authority up to \$300,000 contingent on the following

factors:

- The project moves forward within 90 days.
- MCDC funds will be last in, to meet a funding gap that will be calculated after the results from applications to the Federal Home Loan Bank, the City for CDBG funds, and other potential funding sources are known; and a response is provided by the City on the request for fee waivers on the Newsome Homes project.

**14-596** Chairman Fuller called for Consideration/Discussion/Action on MCDC 2014-2015 Proposed Budget. Board members unanimously approved the motion by Board member Elliott, seconded by Board member Kuehn to approve the MCDC proposed budget, and to submit the proposed budget to City Council noting the following:

- The full amount of CDC's portion of the cost for the Aquatic and Fitness Center will be financed through bond sales. Expense for debt service will be deducted from annual revenue, along with administrative, operating and marketing costs prior to calculating net funds available for projects.
- Project funds will be allocated as follows:
  - 25% of the project grant budget for PROS.
  - 55% of the project grant budget for Economic Development and Capital costs.
  - 15% for discretionary project funding, including promotional

and community event grants.

- 5% for contingency costs.

Chairman Fuller adjourned the meeting at 9:35 a.m.

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GEORGE FULLER  
Chairman