

McKINNEY ECONOMIC DEVELOPMENT CORPORATION

REGULAR BOARD MEETING

FEBRUARY 15, 2011

The McKinney Economic Development Corporation met on Tuesday, February 15, 2011 in the Dowdy Boardroom of the Corporation office. The meeting was called to order at 8:02 a.m. by Chairman Keith Clifton. Board members present were Chairman Keith Clifton, Vice-Chairman Scott Lewis, Secretary-Treasurer Marta Gore, Director Carrie Alfieri, Director Roger Harris, Director Ernest Lynch III, Director Doug Parker and Ex-officio Councilman David Brooks.

Staff present were President & CEO David Pitstick, Director of Business Development Jim Young, BREP Director Greg Sims, International Development Director Abby Liu, Administrative Assistant Durinda Fisher and Corporation Attorney Mark Houser.

The Board reviewed the minutes from the Regular Board meeting held on January 25, 2011. Director Alfieri asked for clarification of the wording regarding incentives for Project Proposal #11-02. On that request, a motion by Carrie Alfieri, seconded by Marta Gore, the minutes were approved. Motion carried. The Board next reviewed the minutes for the Special Board Meeting held on February 1, 2011. On a motion by Carrie Alfieri, seconded by Marta Gore, the minutes were approved. Motion carried.

The Board next reviewed the Consent Items. Ms. Fisher reviewed the January 2011 check requests. Encore Wire was awarded an incentive for receiving their certificate of occupancy for the completion of their new Research and Development facility. Advertising costs were made to several publications for promoting the MEDC. Interim Finance Director Larry Cunningham reported that the audit meetings were still ongoing so there were no financials available from the city. Jim Young reported that Encore Wire has applied for certification as a LEED platinum building and once that is achieved the company will be entitled to an additional incentive payment per their agreement with the MEDC. The Consent Items were approved on a motion by Scott Lewis, seconded by Carrie Alfieri. Motion carried.

President Pitstick reported that a consulting contract was being prepared for Sherie Ellington to continue her marketing responsibilities on a case by case basis. She will continue working on the MEDC web site and web maintenance, an updated aerial map and the upcoming TexasOne gaming tour planned for Wednesday, April 20, 2011. The planned event should have close to 100 people in attendance and it will be a showcase for McKinney. Chairman Clifton added that the MEDC include many people to participate in the event. Councilman Brooks and President Pitstick attended a TexasOne tour of the Caterpillar plant in Sequin and it was very impressive. It is a big honor that the TexasOne Committee chose McKinney for their tour.

BREP Director Greg Sims gave his report next. Mr. Sims reviewed the numerous projects that are being worked on. Mr. Sims has kept in close contact with the Blockbuster administration regarding their negotiations. Mr. Sims has invited them to give an updated report to the Board at the scheduled April MEDC Board meeting. Zynga with Friends continue negotiating a lease with the Cotton Mill. The build-out for their new offices continues to be going as planned. Mr. Sims attended the City sponsored Sustainability Seminar. The attendance was very good and the presentation was very informative. Mr. Sims thanked the Chamber for their assistance in locating a temporary location for the Riddle Street School to meet after the school was flooded by a broken fire sprinkler pipe. BREP sponsored a table and Mr. Sims attended the recent Spelling Bee luncheon in support of the McKinney Education Foundation.

International Director Abby Liu gave her report to the Board. Ms. Liu attended several Chinese New Year celebrations. Ms. Liu met with the DBJ, DMN and the Chinese Journal regarding advertising in their publications. Several meetings have taken place with Tong Yang as they assist Ms. Liu with prospects. The Taiwanese Consul General has been invited and has accepted to come to McKinney on Thursday, March 24, 2011. A reception will be held in his honor along with a seminar entitled "Invest in McKinney". Director Gore added that she was fortunate to attend one of the Chinese New Year celebrations. She was quite impressed with the event, the large attendance and how the local mayors were recognized.

President and CEO David Pitstick next gave his report. Prospect activity has been good and he thanked Mr. Sims and Ms. Liu for all their efforts in working with the new prospects. McKinney has been in the spotlight all over the state with help from the Mayor's contacts. President Pitstick and Mr. Sims will be attending the quarterly TEDC conference in Austin this week. The MEDC series bond sale went very well at last month's special board meeting. There will be more discussions during the executive session.

The Board next heard the Liaison Reports.

Interim City Manager Rick Chaffin reported that the City's annual budget process has begun. The City has been fortunate that there have been no employees laid off and there are seventeen positions frozen. A City Council retreat is planned for March 11th. Some of the

discussions at the retreat will include international activities and the Gateway Market Study which should be completed by the end of February. Councilman Brooks added that progress is being made for the hiring of a new City Manager. Council has narrowed down the list as they continue with the process.

MADC Chairman, John Wroten, reported that the FAA will be giving final approval for the operations to be turned over to the new tower and the old tower will be ready for demolition. He thanked the MEDC Board for their assistances in the accomplishment. Mr. Wroten thanked the City for their assistance in being a relief airport for the Super Bowl event. There were fifteen transient plans expected for an overnight stay but due to the inclement weather some had to cancel. The airport does not have any deicing equipment but were able to use a road grader to clean the runway. Mr. Wroten said the Board is looking at alternative measures to be put in place for any future weather problems. Director Gore asked if the Board received any feedback from the pilots that used the CCRA during the Super Bowl event. Mr. Wroten said that the Board and staff discussed possibly sending out a survey to those users.

Main Street Director Ty Lake reported that the downtown area was in full swing for their upcoming events. The "Barkus" Parade will be held on March 6th and "Bike the Bricks" will be held during the Memorial Day weekend. Staff has received numerous calls wanting more information about the bike event.

The McKinney Convention and Visitor's Director Diann Bayes said staff continues their talks about developing a smart app with plans to launch it in April or May. The staff and possibly a City Council person will be converging on the State Capitol regarding the state funding cuts to Main Street programs, historical sites and tourism. The group is hoping that 1,000 plus people will attend.

The Board took a break at 8:39 a.m.

In accordance with TX GOV'T CODE ANN. S 551.071 et. seq. the meeting was adjourned into executive session at 8:50 a.m. The Board adjourned out of executive session into open session at 10:45 a.m.

The Board next reviewed the Action Items.

On a motion by Carrie Alfieri, seconded by Ernest Lynch, III, the Board approved to authorize and finalize President Pitstick's amended contract. Motion carried.

The Board next discussed Project #07-25. On a motion by Scott Lewis, seconded by Roger Harris, the Board approved an extension of one year to meet the completion date and the value of the project determined by the Collin County Tax Appraisal District until January 1, 2012.

There being no further business, on a motion by Scott Lewis, seconded by Roger Harris, the meeting was declared adjourned by Chairman Keith Clifton at 10:50 a.m.

MARTA GORE, MEDC Secretary/Treasurer