

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

FEBRUARY 19, 2013

The McKinney Economic Development Corporation met in regular session in the Dowdy Board Room, 5900 S. Lake Forest Drive, Suite 110, McKinney, Texas, on February 19, 2013 at 8:00 a.m.

Chairman Keith Clifton called the meeting to order at 8:08 a.m.

Board members present: Keith Clifton, Ernest Lynch III, Doug Parker, Lance Lindsay, and Julie Fort. Board members Darrell Tate and Steve Heussner were absent.

Staff present: President/CEO Jim Wehmeier, Vice President Abby Liu, BRE&ET Director John Valencia, Corporation Attorney Mark Houser, and Administrative Assistant Connie Gibson.

Guests present included: MCDC Executive Director Cindy Schneible, MCDC Board Chairman George Fuller, Collin County Airport Development Board Chairman John Wroten, Chamber President Jodi Ann LaFreniere Ray, City of McKinney CFO Rodney Rhoades, and City of McKinney Mayor Brian Loughmiller.

13-173 Minutes of the McKinney Economic Development Corporation Board Meeting of January 15, 2013. Board member Lance Lindsay made a motion to approve the minutes. The motion was seconded by Julie Fort, and passed unanimously.

13-174 January 2013 Financial Report. Rodney Rhoades, City of McKinney CFO gave the financial report. Sales tax revenues continue to remain strong. The January sales tax revenues were \$669,397. A motion to approve the financial report was made by Ernest Lynch and seconded by Lance Lindsay. The motion was voted on and passed.

Steve Heussner entered the meeting at 8:14 a.m.

13-175 Board and Liaison Updates

Chamber of Commerce

- Collin County Days in Austin will be held March 4-5. A large delegation from Collin County is expected to attend.
- The Chamber quarterly luncheon and candidate forum will be held April 9th at Eldorado Country Club.

Collin County Regional Airport

- The Airport Development Board is in the process of determining the next development project for the airport.

Main Street & McKinney Performing Arts Center

- Arts in Bloom will be held April 13th in downtown McKinney.
- MPAC will host *Lunch on the Lawn* every Friday beginning April 5th and going through May.

McKinney Convention & Visitors Bureau

- The MCVB staff participated in the Team Texas booth showcasing

Texas cities to tour bus operators.

- Staff attended the Southwest Showcase in Austin
- The staff received over 80 leads from the Bridal Show that was held this past month at MPAC. They have given tours of area motels to several bridal parties since the show.

McKinney Community Development Corporation

- The annual Quality of Life award was presented during the Chamber Community Awards dinner. Tracy Rath received the award.
- The MCDCC board approved a budget amendment for the Gateway hotel/event center project during the January board meeting.
- City Council has tasked the MCDCC board and staff to review and analyze aquatic center options. The results will be presented to council in August.
- The board heard three requests for Promotional and Community Events grant funds at the January meeting. Requests were:
 - The Grape Myrtle Trails request for \$8,000 to promote the *Run the Trails and More!* 5K and 1 mile run/walk on November 16th.
 - The Heritage Guild of Collin County request for \$15,000 to promote the Farmers Market at Chestnut Square and Adriatica, Living History Weekends, the Old-Fashioned Ice Cream Crank-Off, and Trolley tours of McKinney Historic District.
 - Kiwanis Club of McKinney's request for \$5,000 to promote the *Historic McKinney Kiwanis Triathlon* August 3rd & 4th.
- A proposal to conduct a Quality of Life survey was given by Raymond Turco and Associates.

City of McKinney

- City Manager Jason Gray reported City Council has heard requests for deadline extension from Wistron GreenTech and Traxxas. Wistron is working on resolving the issue with the fire suppression system. The Traxxas distribution center is near completion.
- A tax abatement proposal was made by Simpson Strong Tie.
- City Council will be voting to approve the Gateway budget amendment and vote on selling bonds for the project.

13-176

Vice President

- Abby Liu participated in the TexasOne California business recruitment mission February 12-13. A great deal of interest had been generated when Governor Perry ran ads in six California cities the weeks leading up to the trip. Governor Perry attended a reception for the Texas representatives and 43 California business representatives.
- MEDC was a sponsor of the Chinese New Year Charity Gala held February 16th.

13-177

Business Retention & Expansion (BREP) and Emerging Technology Report

- The Traxxas distribution center is nearing completion. The office will begin construction soon.
- The Encore Wire addition is complete
- Raytheon expansion is on track
- Popular Ink has relocated to their new location in McKinney. Production is up and running.

- John Valencia has been coordinating efforts with Perfectly Green to introduce their technology to the community.
- John Valencia reviewed the basic elements of the BREP program with the board
 - Regular visits with major McKinney employers
 - Industry appreciation
 - Monthly and quarterly roundtables
 - Monthly electronic newsletter
 - Local wage and benefit survey
- Construction issues along the Hwy 75 corridor have been pretty minor, with access to area businesses proving not to be as difficult as it appears.

13-178 President's Report

- Jim Wehmeier handed out a McKinney community profile that can be updated annually. The City communications department is creating a marketing piece using the community profile information.
- The four area cities (McKinney, Allen, Frisco, Plano) placed a joint ad in Dallas CEO magazine.
- MEDC is working with city development services to create several Land Use Plan options for the Gateway property. The piece should be ready to present to the board in March.
- MEDC has been approached by a group that is developing land adjacent to the Gateway site. They will meet to discuss plans for the land.
- The Governor's ad that ran in California was played for the board. The ad has created a great deal of good exposure and publicity for Texas.
- Interviews for the Research Specialist position will be scheduled soon. The new staff person will manage CRM and research.
- LocalHitz has started doing an ad words campaign for MEDC. They may bring in other search engines and take advantage of banner ads online.

Chairman Clifton called for a break at 9:08 a.m.

The meeting was called into Open Session at 9:26 a.m.

13-183 Consider/Discuss/Act on Restructuring of MEDC Internal Debt. Rodney

Rhoades reported MEDC has one debt amount of \$1.36 million due to be paid off next year. He recommends making no changes on that debt. Another \$4 million is scheduled to be paid 2017. City recommendation is to refinance the \$4 million debt for 6 years at a lower interest rate. This will free up \$605,840.80 yearly for MEDC to reinvest in the community.

Darrell Tate entered the meeting at 9:40 a.m.

Lance Lindsay made a motion to authorize Jim Wehmeier to execute debt restructure if the discussed interest rate is confirmed. Ernest Lynch seconded the motion. The motion was voted on and passed unanimously.

The meeting was called into Executive Session at 9:43 a.m. per Texas Government code: Section 551.071(2) - Consultation with attorney on any work session, special session, or regular session agenda item

requiring confidential, attorney/client advice necessitated by the deliberation or discussion of said items (as needed). Section 551.087 - Deliberation regarding economic development matters – *Project #09-06, *Project #10-16, *Project #11-11, *Project #13-02

Doug Parker left the meeting at 9:43 a.m.

Mr. Parker entered the meeting at 10:01 a.m.

Steve Heussner left the meeting at 10:38 a.m.

Mr. Heussner entered the meeting at 10:49 a.m.

Chairman Clifton called the meeting into Open Session at 10:49 a.m.

13-179 Consider/Discuss/Act on Approval of Special Logo for MEDC 20 Year Anniversary. President Wehmeier handed out logo designs created by the City communications department. The logos will be used to promote the 20th anniversary activities for MEDC. No action was taken.

13-180 Consider/Discuss/Act on Approval of Incentive Offer to Project #E10016. Lance Lindsay made a motion to approve staff recommendation. Julie Fort seconded the motion. The motion was voted on and passed (6-0-1) with Doug Parker abstaining.

13-181 Discuss Status of Traxxas Construction Timeline and Consider/Act on a 1) New date (April 1, 2013) for Final Receipt of Certificate of Occupancy for Distribution Center and a 2) New Date (December 31, 2013) for Final Receipt of Certificate of Occupancy for Office Building in Approved Loan Agreement. Lance Lindsay made a motion to approve staff recommendation as discussed in Executive Session on Project #09-06. Ernest Lynch seconded the motion. The motion was voted on and passed unanimously.

13-182 Discuss Status of Wistron GreenTech (Texas) Corporation Renovation and Consider/Act on a new date (July 1, 2013) for Final Receipt of Certificate of Occupancy for the Office area and a Temporary Certificate of Occupancy for the Warehouse area in Approved Loan Agreement. Darrell Tate made a motion to approve as presented. Doug Parker seconded the motion. The motion passed unanimously.

Ernest Lynch made a motion for MEDC staff to make a non-binding proposal to Project #13-02. Lance Lindsay seconded the motion. The motion passed unanimously.

ADJOURN - The meeting was adjourned at 10:54 a.m.

JULIE FORT
Secretary/Treasurer