



MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

April 15, 2015

To: MEDC Board

From: John Valencia

Director of BRE & ET Programs

Subject: April 21, 2015 MEDC Board Meeting; BREP Report/Update

Business Retention & Expansion Program

On the Retention front, all is good. Our key companies seems to happy other than always asking me when 75 will be done! I don't go on a visit without that subject being brought up. We'll address that later...

We do have a request for an expansion and will be discussing Project Bag in Executive Session.

I'm actually enjoying working with Salesforce on the BRE side as it's taking all my various "data" and putting it into one place. And I have added to my base by nearly a third. Still lots to do, but I'm really liking where and how it will help our whole organization

Emerging Technology

At this time we have five (5) active companies in the Program. (See attached detailed update on the Emerging Technology companies) One current ET company and one that was in the program last year have come back requesting a year two. They will be presented during Executive Session.

As reported last month, PestRoutes, one of our newest entrants into the Emerging Technology Program was looking for space and now has secured a new commercial development at Hudson Crossing. They will be moving out of The Werx and into Hudson Crossing on April 17th.

Although I have attached the Emerging Technology company update, I'd like to highlight a few points of particular interest and numbers in it.

1. Of the 17 companies that have been through or in the program, only one did not make it and one moved to Plano, an 88% success rate. (National average is 84% - Source: *Business Incubation Works*)
2. Of the 15 actively operating here in McKinney, they employ 282 people with an estimated 2015 payroll of \$24.2 million. The average salary is \$85,857.
3. MEDC is in year five of the program, and cost to date has been \$988,988 representing an investment of \$3,507 or 3.5% per job creation.

The Werx in McKinney

The Werx now has 19 Resident companies with 24 people working there as of today. On April 1st they took occupancy of the adjacent suite 700 and now have a total 6,500 square feet. In organizing the desks and layout, they will use Suite 700 for their permanent residents and Suite 710 for their Open Seat Plan Members. Although it sounds separated, they designed a big door opening so there is good flow between the two spaces. They continue to be on track per their business plan.

Re-Werx Opening Event - (invitation attached)

Please join the Werx team as they invite the Community to their “Coming-Out-Party”, so to speak. The date is April 30th from 7:00 to 9:30 and is open to the Public. There will be a VIP Reception from 6:00 to 7:00 by special invitation only. The event will showcase some cool technology and their unique ecosystem there at The Werx. We hope you’ll join them as they celebrate the all new Werx in McKinney!

75 Construction

At the MEDC, we continue to do our best, along with City Staff, in keeping those affected most with how the project is going and updates. There were no complaints in particular reported to be investigated and four (4) communiques published. (See them attached)

The Team here continues to work hard in promoting our wonderful community. These are exciting times and we are blessed to be a part of McKinney!

Respectfully Submitted,

John Valencia

Director of Business Retention, Expansion & Emerging Technology
MCKINNEY ECONOMIC DEVELOPMENT CORP.