

MCKINNEY COMMUNITY DEVELOPMENT CORPORATION

MARCH 25, 2021

The McKinney Community Development Corporation met in regular session in the City Hall Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on Thursday, March 25, 2021 at 8:00 a.m.

Board Members Present: Chairman Jackie Brewer, Vice Chairman Rick Glew, Secretary Mary Barnes-Tilley and Board members Kathryn McGill, John Mott, Deborah Bradford and Angela Richardson-Woods.

Board Member Absent: David Kelly.

Council Members Present: Councilman Scott Elliott.

Staff Present: President Cindy Schneible, City Manager Paul Grimes, Financial Compliance Manager Chance Miller, Assistant Director of Parks and Recreation Ryan Mullins, Visit McKinney Communications Manager Beth Shumate, Main Street/MPAC Director Amy Rosenthal and MCDCC Administrative and Marketing Coordinator Linda Jones.

There were several guests present.

Chairman Brewer called the meeting to order at 8:02 a.m. after determining a quorum was present. Ms. Brewer announced that it was National Waffle Day and National Cerebral Palsy Day. She invited everyone to reflect on understanding. Board member McGill shared an invocation, which was followed by the Pledge of Allegiance.

Chairman Brewer called for public comments on agenda items, and there were none.

Chairman Brewer called for a motion on the consent agenda items. Board members unanimously approved a motion by Board member McGill, seconded by Vice Chairman Glew, to approve the following consent items:

- 21-0245** Minutes of the McKinney Community Development Corporation Meeting of January 28, 2021.
- 21-0246** Minutes of the McKinney Community Development Corporation Meeting of February 1, 2021.

- 21-0247** Minutes of the McKinney Community Development Corporation TUPPS Project Subcommittee Meeting of February 10, 2021.
- 21-0248** Minutes of the McKinney Community Development Corporation Project Grant Subcommittee Meeting of February 22, 2021.
- 21-0249** Minutes of the McKinney Community Development Corporation Meeting of February 25, 2021.
- 21-0250** Chairman Brewer called for the Financial Report. Financial Compliance Manager Chance Miller reviewed financials for FY 2020. Budgeted revenues for 2020 were \$16.4 million and actuals were \$16.7 million. Chairman Brewer asked if the increase was based on the original or adjusted budget income, and Mr. Miller shared it was based on the revised budget which was only about \$500,000 less than the original. Expenses were budgeted at \$40.4 million including reappropriations for 2019. Actual expenses were \$13.1 million. This resulted in a \$3.6 million surplus that rolled over into the fund balance. The current fund balance is \$63.5 million. Mr. Miller continued with the 2021 financials for January and February. January revenue was \$1.3 million with large expenses including \$401,000 for Parks and Rec projects and \$344,000 for debt service, resulting in a net surplus of \$480,000. Sales tax showed an increase of 14.8% over 2019. During the same time period, Frisco saw an increase of 13.5%, Allen saw an increase of 5.6% and Plano saw a decrease of 7.7%. For February, revenues were \$1.8 million with about \$460,000 in expenses, including \$360,000 for Parks and Rec projects, resulting in a surplus of \$1.3 million. Sales tax for February showed an increase of 8.4%, while Frisco saw an increase of 7.8%, Allen saw an increase of 5.5% and Plano saw a decrease of 1.2%. Vice Chairman Glew asked if the tax increase is still primarily related to online sales, and Mr. Miller said online sales is still a big factor, but there is natural growth

occurring as well. Mr. Miller shared that he will provide a best effort analysis of areas where growth has occurred. Chairman Brewer asked how much of the fund balance is committed, and Mr. Miller shared that \$41.5 million was currently committed to ongoing projects, and \$1.5 million is budgeted for 2021 projects. He added that the unreserved balance is \$21.8 million as of February.

21-0251 Chairman Brewer called for board and liaison reports. Chairman Brewer encouraged members of the community to volunteer, attend meetings, gain an understanding of how the city works, what boards and commissions actually do, and consider applying to serve on a city board or commission in the new fiscal year.

City of McKinney. City Manager Paul Grimes shared that things are gradually returning to normal within the City. On April 5, the City will progress to Step 3 of its COVID plan with most employees returning back to the office. Remote work will now be by exception. The vaccination hub at MISD stadium has been open since January and will be closing April 30. By then, the hub will have provided about 50,000 shots. Mr. Grimes shared that on March 18, the City hosted a project overview event for redevelopment activities east of Highway 5, and the event was well attended. There will be an opportunity on March 31 at Old Settlers for citizens to provide input on the new City Hall campus. Mr. Grimes stated that the AT&T Byron Nelson is less than 60 days away, and staff is working hard on this event. Attendance is typically 50,000 a day but will be limited to 10,000 a day. He encouraged Board members to explore the new portal at mckinneytexas.org/snapshot which provides an update on development projects in the community. The snapshot currently shows that Blue Mountain Equipment will be nearly doubling its space with an 82,000 square foot expansion. Mr. Grimes shared that the Amazon facility near the airport will be operational in about 60 days, and

their distribution system is very sophisticated. Chairman Brewer asked about the radius served by the distribution center. Mr. Grimes shared that it is about 10-20 miles. He added that Amazon hopes to open more of these centers in the northern part of the metroplex. Board member Bradford asked if Amazon has been staffed, and Mr. Grimes said they are still working on staffing. Vice Chairman Glew inquired about the feedback from the March 18 redevelopment event, and Mr. Grimes stated that the feedback was mostly positive with some concerns about maintaining the character of the east McKinney neighborhoods. He added that the City is working to create a Neighborhood Preservation Program. Board member Bradford thanked the City for the event and agreed that it was primarily a positive experience.

Visit McKinney. Communications Manager Beth Shumate shared that their Board will be voting next week on three grant applications. They are working with Parks and Recreation and The Courts to support the pickleball qualifying tournament on April 22-25. Currently 965 players have registered, and typically players bring one or two guests with them. Visit McKinney is negotiating special hotel rates and restaurant discounts. She added that they have been receiving many RFPs and that the wedding market is picking up again. Regarding advertising and marketing, YOLO Texas re-aired their episode on Local Yocal, and The Daytripper featured the St. Patrick's Beer Walk in their newsletter. Ms. Shumate stated that there is another influencer couple planning to visit McKinney over the coming weekend. She shared that Visit McKinney currently has a photo contest for residents. Photos submitted will be used on Visit McKinney's new website. The launch is planned for June.

McKinney Economic Development Corporation. Chairman Brewer directed Board members to the report attached to the agenda.

McKinney Main Street/MPAC McKinney. Director Amy Rosenthal shared that Downtown sales were up 12% in December. She thanked the Board

for their support of the holiday festivities. Ms. Rosenthal shared that there is a coupon in Community Impact for \$5 for businesses impacted by the Light Up Louisiana project. Arts in Bloom will take place April 9-11 and will have over 100 artists from 10 states dispersed over fifteen blocks. She shared that the historic seats in the courtroom theater will be relocated in April in order for more flexible seating to be placed there. Ms. Rosenthal shared that the Texas Music Revolution is June 4-5 and will feature four main stages and music in 25 different stores and restaurants in Downtown. Ticket sales are going great and hotels are booking up. Vice Chairman Glew asked if the holiday format from 2020 will be continued. Ms. Rosenthal responded that they plan to have activities throughout the Thanksgiving to New Years' time frame with keystone moments like the Christmas tree lighting. Board member McGill, MCDC's liaison to Main Street, complimented them on their strategic planning and effective marketing to support small business.

Parks and Recreation. Assistant Director Ryan Mullins shared that Mr. Kowski is attending a meeting about a potential award-winning project. He shared that May openings are targeted for Old Settlers and the Senior Recreation Center. He added that the trails at Prestwick are mostly complete, the basketball goals are down, and they are working on the splash pad. They are currently finalizing designs for Robinson Ridge, so the next step will be to create construction documents. Cottonwood Park is very close to completion as well. The Parks Maintenance crew is recreating the UN_QUE letters out of metal. He asked for questions. Vice Chairman Glew asked for clarification on the timing of the opening of Old Settlers and the Senior Recreation Center. Mr. Mullins replied that they are hoping for a May opening for both, but due to issues from the storm, it is possible they could be delayed.

21-0252 Chairman Brewer called for the President's Report. President Cindy

Schneible called attention to the reports attached to the agenda including the comparison of grant expenditures to grant allocations, social media metrics and MCDC's promotional support of grant recipient events. She reminded the Board of upcoming MCDC-supported events including Chestnut Square's Murder Mystery dinner and Ovation's production of The Descendents this weekend, McKinney Philharmonic's Tango concert on April 3, Arts in Bloom the weekend of April 9-11, Chamber Community Awards on April 22 and Empty Bowls on April 29. Each Board member received a ticket for Empty Bowls. Ms. Schneible reminded the Board that the deadline for Cycle II Project Grant applications is March 31, and those applications will be presented at the April meeting. She shared that the architects on the TUPPS project are working on design revisions and are addressing issues raised by the Planning Department and Fire Marshall. The Board will hear an update on the project next month. Chairman Brewer added that the next adopt-a-park workday at Bonnie Wenk is April 10. She encouraged all McKinney Boards to adopt a spot. Ms. Schneible asked for questions, and there were none.

21-0253 Chairman Brewer called for an update on Project 20-11, submitted by Sanchez Charities, LLC to locate a monument at the Mexican Cemetery located in Pecan Grove Cemetery at 1701 McDonald Street, McKinney, Texas. Jason Hernandez thanked the Board members who toured the Mexican Cemetery. One of the stipulations in the grant agreement was that Pecan Grove Cemetery Board provide written consent for the project. Mr. Hernandez indicated that a request had been made to the Pecan Grove Cemetery Board of Directors for a monument to be placed in the Mexican Cemetery to honor those who are buried there and who were instrumental in the establishment of McKinney and Collin County, but the request was denied. The reason given for the denial was concern that the monument might disrupt a burial site, as not all of the grave

locations had been determined. He reminded the Board that 175 of the 178 known to be buried there are Mexicans, the majority of whom lived on the east side of McKinney. The monument was planned to be a statue of an adult with children, honoring all generations who worked in the fields and at other jobs. The Pecan Grove Board suggested that a plaque be placed in a different location and Mr. Hernandez indicated he had communicated with the board that they would like to hold for now and consider options at a later date. Mr. Hernandez stated that they have located 110 of the 178 graves known to be there, but there is an expectation that there are as many as 120 others buried there without records. He believes that they did their due diligence in selecting the monument location by using metal detectors and two-foot probes to search for graves in the designated area. He has reached out to a company that could do GPR scanning of the entire cemetery, which would determine exactly where people are buried. If this work is done, small markers could be placed at each grave location and selection of an appropriate location for the monument could be made. If there is not a location large enough for the current design, which includes an eight foot by ten-foot base, several smaller individual monuments could be considered. An alternative is to erect a monument just outside of the cemetery along Harry McKillop Boulevard. He and Beth Bentley will be visiting other heritage cemeteries to get ideas on types of monuments that may be appropriate. Mr. Hernandez requested the Board rescind approval of the grant application and stated another application would be made for board consideration as plans are refined. Mr. Hernandez asked for questions. Chairman Brewer asked who owns the land along McKillop, and Mr. Hernandez shared that their research shows it is owned by Pecan Grove. Board member Richardson-Woods commended Mr. Hernandez and other volunteers for their passion and the work they've done at the cemetery and asked if they would still seek

permission from the Pecan Grove Board if they place a monument along McKillop. Mr. Hernandez clarified that they would still need permission from them because it is their land. He also shared that they would hope to do something outside and inside the cemetery. Board member McGill shared her appreciation for their research efforts to preserve the history and honor those who are buried there and for the forward thinking plans for cemetery tours. Mr. Hernandez added that their efforts are focused not just on the Mexican Cemetery but also Pecan Grove and Ross Cemetery. Vice Chairman Glew mentioned that as they work on the monument with Pecan Grove, the opportunity is there to discuss wayfinding and informational signage for all the cemeteries. Mr. Hernandez shared with the Board that the city is working on a wayfinding signage project for all of McKinney, including outside of the cemetery. There are discussions currently taking place regarding what the Mexican section of the cemetery will be officially named. Mr. Glew emphasized that this initiative opens the door to a greater understanding of McKinney's heritage. Martin Sanchez, Sanchez Charities, shared that they have had discussions with the Pecan Grove Board about ways to improve the overall site for visitors, culture and preservation. The ideas discussed include wayfinding, lighting and security throughout the cemetery. Mr. Sanchez emphasized that the cemetery presents a true timeline of McKinney's beginnings and the rich culture we all share. Chairman Brewer shared that the Board will add the request to rescind the grant application on the April agenda.

21-0082

Chairman Brewer called for a Public Hearing and consideration/discussion/action on a Project Grant application (#21-06), submitted by Sanchez Charities, LLC, in the amount of three hundred forty-three thousand nine hundred seventeen and no/100 dollars (\$343,917.00), for construction of horizontal infrastructure for The Mustard Seed Center for

nonprofits to be located on White Street approximately 500 feet east of Redbud Drive in McKinney Texas. Amount requested represents 18% of total project cost. Chairman Brewer called for public comments. Martin Sanchez shared that they are continuing to work on the project and will close on the property by or before next Monday. He added that they look forward to continuing with the project to unify the work of the nonprofits in our community. Vice Chairman Glew shared that the Board is excited about the potential collaborative impact of this type of project, adding that there is a need for a thorough understanding about the space, partners and process of the collaboration, and the Board is not prepared to make a decision at this time. He added that the Board's efforts to do its due diligence on this initiative, including a visit and tour with Serve Denton, has led to more questions. Mr. Glew added that MCDC has created a subcommittee with himself and Board members McGill and Kelly to continue learning more about the potential for this project. He indicated he planned to ask the Board to table this agenda item for at least one more month. Mr. Sanchez shared that this idea has been discussed by nonprofits in the community for several years, adding that the need for collaboration is great. The purpose of this grant application and project is to get things moving on the concept. He shared that this is just the first step, not intended to be the location of a Serve Denton model project. Mr. Glew shared that this concept has been a part of MCDC Board conversations for several years, as well. Board members unanimously approved a motion by Vice Chairman Glew, seconded by Secretary Barnes-Tilley, to table the item until the April Board meeting.

Secretary Barnes-Tilley excused herself from the dais for the remainder of the meeting.

21-0186

Chairman Brewer called for a Public Hearing and consideration/discussion/action on a Retail Development Infrastructure Grant

application submitted by Haddington Fund, LP (RI21-01) in an amount of up to twenty-five thousand and no/100 dollars (\$25,000.00) for reimbursement of expenses related to dirt and concrete, retaining walls, ADA compliant ramp, artificial turf, landscaping, irrigation and electrical work for Ashlee's Garden special events space, located at The Mill at East McKinney, 601 E. Louisiana Street, McKinney, Texas. Board members unanimously approved a motion by Vice Chairman Glew, seconded by Board member Richardson-Woods, to close the public hearing. Board member McGill shared that the Retail Development Infrastructure Grant subcommittee met on March 17 to review the applications in detail. On behalf of the subcommittee, Ms. McGill recommended funding eligible expenses in an amount up to \$25,000. Board members unanimously approved a motion by Board member McGill, seconded by Board member Mott, to approve this item up to \$25,000 as recommended by the subcommittee.

21-0254

Chairman Brewer called for a Public Hearing and consideration/discussion/action on an amended Retail Development Infrastructure Grant application submitted by James West, Architect (RI21-02) in an amount of up to twenty-five thousand and no/100 dollars (\$25,000.00), increased from nine thousand seventy-seven and 80/100 dollars, for reimbursement of expenses related to storm drainage improvements including asphalt, concrete and gutter replacement to the alleyway behind 208 East Louisiana Street and 208 Johnson Street, between Louisiana Street and Cloyd Street, McKinney, Texas. James West shared that improvements are moving forward and additional items in need of repair have been identified. He showed photos of damage to the Dowell Building and the building next to it, stating that the damage is a direct result of contour subsurface and surface drainage. In the course of the work, they have found extensive damage to the inside of the building

as well where water has infiltrated. They had originally proposed paving the entire area and are now proposing adding a drainage flume to run from the north end of the alley to the south end at Cloyd Street in order to improve the longevity of the buildings. The new concrete will allow for ADA service to the rear of the building leading directly to retail shops. In order to complete this additional work, they are asking for additional funding of up to \$25,000 for work including a new downspout system, extended drainage flumes, new gutters, concrete curb sidewalk, exterior building improvements and professional services. Vice Chairman Glew asked for clarification of the amount of the grant request. Mr. West shared that he understands that some of the expenses are not eligible, but he is asking for up to \$25,000 of those expenses that are eligible. President Schneible clarified that this grant program is limited to horizontal infrastructure exterior to the building. She explained that the improvements to the building are not eligible with this grant. Ms. Schneible reminded the Board that this is a matching program, and the maximum amount for one grant is \$25,000. Since the current total of qualified expenditures is less than \$25,000, there remains opportunity for the applicant to identify additional expenses that may qualify as their work continues. Chairman Brewer asked for public comments, and there were none. Board members unanimously approved a motion by Board member McGill, seconded by Chairman Brewer, to close the public hearing. Board member McGill shared that the subcommittee recommends funding eligible expenses in an amount up to \$25,000. Board member Richardson-Woods and Vice Chairman Glew shared their excitement for this project, as it perfectly aligns with the intent of the grant. Board members unanimously approved a motion by Board member McGill, seconded by Chairman Brewer, to approve this item up to \$25,000 as recommended by the subcommittee.

Chairman Brewer called for public comments unrelated to agenda items, and there were none.

Chairman Brewer called for Board or Commissioner comments, and there were none.

Chairman Brewer recessed the meeting into Executive Session in accordance with the Texas Government Code. Items to be discussed under Section 551.087 regarding economic development matters include Project RI21-01 (Haddington Fund), Project RI21-02 (James West, Architect), Project 21-06 (Mustard Seed), Project 20-09 (TUPPS Brewery) and Project Bluesky.

Chairman Brewer reconvened the meeting at 10:24 a.m.

Chairman Brewer called for a motion to adjourn. Board members unanimously approved a motion by Board member Bradford, seconded by Vice Chairman Glew, to adjourn. Chairman Brewer adjourned the meeting at 10:25 a.m.

A video recording of this meeting is available through the City of McKinney meeting archive.

These minutes were approved by the MCDC members on: _____

JACKIE BREWER
Chairman

MARY BARNES-TILLEY
Secretary