

McKinney Community Development Corporation
Regular Board Meeting
March 24, 2011

The McKinney Community Development Corporation (MCDC) met in regular session in the Dowdy boardroom located at 321 North Central Expressway, Suite 200, McKinney, Texas at 8:00 A.M. on March 24, 2011.

Board members present were board chair Tracy Rath, board vice-chair George Fuller, board secretary Dan Hall, Jason Burress, Kevin Griffin, Michael Puhl, Eric Davis and mayor pro-tem Pete Huff, council liaison. Staff members present were executive director Cindy Schneible and administrative assistant Connie Gibson.

There were several guests present.

Tracy Rath called the meeting to order at 8:02 A.M. She called for a motion to approve board minutes for the February 24, 2011 regular board meeting. Dan Hall made a motion to approve the minutes, and Michael Puhl seconded the motion. The motion was voted on and passed unanimously (7-0).

Larry Cunningham, Interim Finance Director with the City of McKinney gave a financial update. He reported the February sales tax revenues were up 4.2% from February, 2010. March is expected to be down slightly from one year ago. A review of the annual audit was given. Mr. Cunningham indicated it was a clean audit.

The board reviewed the check requests for the month of February, 2011.

Jason Gray, new City Manager for the City of McKinney was introduced to the board and guests at the meeting. He discussed several of the priorities for the city that have been identified by city council and city staff.

Cindy Schneible reported that MEDC has offered \$250,000 in incentives to Baylor Hospital to build a medical office building. Veneer Stone has received incentives to construct a rail spur extension. In an effort to show opposition to the bill put forth by Representative Button regarding the use of 4(a) and 4(b) funds for incentives, MEDC passed a resolution opposing the bill.

Diann Bayes, Executive Director for the McKinney Convention and Visitors Bureau reported that her staff will be travelling to other states over the next few weeks to participate in a tourism blitz. The Smartphone application for MCVB should launch in April. Bloomin' and Boomin' currently has two dozen organizations signed up to participate during the month long event in June. May 8-15 is National Tourism Week. MCVB will participate in the North Dallas Shopping Promotion highlighting the downtown shopping area in McKinney.

Tracy Rath gave the Chairman's report. She provided a report on Collin County Days in Austin and a meeting held with Judge Keith Self, Councilman Ray Ricchi, Lt. Governor David Dewhurst and others to discuss the redistricting plan for Collin County.

Cindy Schneible provided an update on the Flour Mill project. Councilman Don Day, and Kevin Spath, Assistant Planning Director for the City of McKinney addressed the board on the Flour Mill redevelopment plans. Mr. Kidwell, owner of the Flour Mill, has secured an architectural firm from Dallas, and is working on meeting city code requirements. Events have started being held at the public facility. MCDC may have the opportunity to purchase a parcel of land to be used for a parking lot adjacent to the Flour Mill site. The request may be presented at the April board meeting.

Lemuel Randolph, Parks, Recreation & Open Spaces Director provided an update on research outlining nine aquatic center options at three different price points.

The board chair called for a break at 9:35 A.M.

The meeting was called back into session at 9:46 A.M.

Tracy Rath announced a public hearing would be held to discuss and consider project #11-04 as submitted by North Collin County Habitat for Humanity requesting \$160,000 for the purchase of a building to house three NCCHH departments. Dennis Haydenek, Board President for NCCHH addressed the board. The facility that NCCHH is purchasing is located at 2060 Couch Drive. The facility will house the Habitat administration offices, ReStore retail space, and storage. The new building size will allow for 36,000 square feet of selling space. The estimated increase in revenue will be \$833,000; up from \$491,000. With the purchase of the building, and the added retail space, the goal is to be able to cover 100% of all NCCHH administrative costs within three years. In addition to consolidating NCCHH offices and functions, the larger space will facilitate indoor construction of housing components – increasing the number of homes that can be constructed on an annual basis. Additional space for ReStore will provide an opportunity to expand sales and recycling activities. Since September, 2009, ReStore has been able to divert 600 tons of solid waste from landfill. That number is expected to rise to 900 tons per year at the new location. The total project cost is \$1.1 million, with 20% needed for the loan down payment. There was no action taken. The board will vote on the request during the April board meeting.

Tracy Rath called for a discussion on the Heard-Craig Center for the Arts grant application requesting \$47,404.26 for renovation and restoration to Heard-Craig House and Heard-Craig Hall. Jason Burress made a motion to approve \$10,000 funding. The motion failed without a second. George Fuller made a motion to fund \$20,385 for two line items on the request; stage curtains in Heard-Craig Hall, and concrete work in the front of Heard-Craig Hall. Eric Davis seconded the motion. The motion was voted on and passed (6-1) with Jason Burress opposing.

Cindy Johnson, Executive Director of Heritage Guild of Collin County addressed the board and requested that the original application for \$250,000 be amended to reflect a total of \$99,000. That amount will allow renovations on Phase I of the work to begin, on projects that can be completed within one year. The \$99,000 amount represents 53% of the total project cost for Phase I. Mrs. Johnson stated that it was her intention to come back to MCDC for Phase II funding assistance. Michael Puhl made a motion to approve funding amount of \$99,000. Kevin Griffin seconded the motion. The motion was voted on and passed (5-2) with Dan Hall and Jason Burress opposing. Mr. Burress stated that he could support the project, but not at that funding level.

Cindy Schneible asked if MCDC wanted to send a resolution opposing Representative Button's bill in the State Legislature. Members of the board indicated their support for drafting and sending a resolution.

There were no Citizen comments.

No Council Liaison report was provided.

Michael Puhl made a motion to adjourn the meeting. The motion was seconded by George Fuller. The motion passed unanimously (7-0).

The meeting was adjourned at 11:07 A.M.

TRACY RATH – Board Chair