

# McKINNEY ECONOMIC DEVELOPMENT CORPORATION

## REGULAR BOARD MEETING

June 21, 2011

The McKinney Economic Development Corporation met on Tuesday, June 21 2011 in the Dowdy Boardroom of the Corporation office. The meeting was called to order at 8:05 a.m. by Chairman Keith Clifton. Board members present were Chairman Keith Clifton, Vice-Chairman Scott Lewis (arrived at 8:27 a.m.), Secretary-Treasurer Marta Gore, Director Carrie Alfieri, Director Doug Parker and Ex-officio member David Brooks. Former Director Roger Harris presented his resignation to the MEDC Board due to his successful election to the McKinney City Council.

Staff present was President 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 May 17, 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 MEDC May 2011 check requests. Renewal membership dues were paid for the Texas EDC and International EDC for President Young and Greg Sims. Several rental fees for services for the CCRA Tower Dedication and the TexasOne Tour were paid. Servergy, Inc. received their second rent reimbursement for their new offices. Finance Budget Director Jason Cooley reviewed the MEDC's balance sheet and operating statement ending May 31, 2011. Sales tax receipts for the month totaled \$564,781 which was an increase of 11% from the previous year. The projections for May showed a slight decrease of 2.2%. President Young reported that EDS received their monthly lease subsidy for the project payments along with the Servergy payment. The Consent Items were approved on a motion by Marta Gore, seconded by Ernest Lynch, III. Motion carried.

President Young next gave an update on the MEDC marketing. The TexasOne calendar shows marketing visits to Chicago and New York City in September. The 4-Cities meeting is working on a marketing campaign for the West Coast. CoCo Good will now be handling all press releases for the MEDC and Aars Wells will be updating the web site. The latest web site hits showed over 100 visitors with five from Russia, Ireland and several other international countries.

Greg Sims next gave his BREP report. Blockbuster is still in negotiations with their landlord at the McKinney facility. Dish Network is making an effort to increase retail into the remaining Blockbuster stores. Project Zynga launched a new game "Hanging with Friends". Staff is launching a wage survey along with a Human Resource Round Table Committee with employers in McKinney.

Abby Liu next gave her International Development report. Ms. Liu reported on her recent trip to Taiwan. She visited the global headquarters of Project Green Pineapple in Taipei. She met with the General Manager and executives. She also visited the Global Headquarters of Tong Yang Group along with the Department of Economics, the Department of Foreign Affairs and the American Institute in Taiwan. The trip to Taiwan was very successful. She is working on a potential "sister city" connection with Wenjiang, China with a possibility of representatives from there to visit McKinney. McKinney City leaders are making plans to visit Taiwan. Ms. Liu applied and was accepted into the 2011-2012 Leadership McKinney class through the McKinney Chamber. The first meeting will be in August.

President Young said that his comments would be saved for the Executive Session. He thanked Mr. Sims and Ms. Liu for the continued efforts in marketing McKinney.

The Board next heard the liaison reports.

The MADC Vice-President Andy Cowen reported that the runway construction is on schedule with a projected completion in 2012. A pre-bid of \$12.5 million has been presented with Phase 2 starting in late July. Phase 3 will be the lighting portion and will take place in 2012. The Addison airport is still under renovations and the CCRA is providing support to some of their customers which is a great opportunity for McKinney to show them what we have to offer.

Chamber President Jodi Ann LaFreniere reported that the Chamber will be having their quarterly Advisory Committee meeting along with their 12@12 meeting. The quarterly luncheon will be on July 12, 2011. Staff member Deb Fitzgerald was recognized recently with the Preceptor Award which recognizes successful program directors of their leadership development efforts. Mayor Loughmiller will be presented with a Leadership Award at the July luncheon.

MCDC Chairman Tracy Rath reported that their next meeting will be on Thursday. The MCDC Board reviewed a proposal from MPAC for building renovations. MCDC is still funding the operating expenses for MPAC. The Board is reviewing parking lot designs to add 45

parking spaces at land adjacent to the Flour Mill. The deadline for grant applications is next week.

Main Street Director Ty Lake reported that JC Penney was recently downtown taking photo shoots for their catalog. Owner Laura Kay Houser's "Happiness is Quilting" has been named as one of the top 10 quilting stores in the U.S. Square Burger is on the top list for best burgers. The Bike the Bricks event was again big success. The Red, White & Boom parade will be held on the 4<sup>th</sup> along with the car show which has been moved back to the downtown area. Staff has started planning for the upcoming Oktoberfest.

McKinney Convention and Visitors' Bureau Director Diann Bayes reported that she is researching the history of cotton pertaining to the McKinney Cotton Mill. "Bloomin and Boomin" kicked-off with the Grape Myrtle Park dedication. Staff currently has received 30 entries for the 4<sup>th</sup> of July parade. Ms. Bayes and Ms. Lake have been asked to be speakers at a Texas Tourism event. The smart phone app is being launched today for the Android. Feedback for the app has been very positive. Local realtors are using the application to show their clients. Triangle Studios in Irving did a wonderful job on creating the app.

Chairman Clifton called for a short break at 8:45 a.m.

The Board was next introduced by Mr. Sims to Scott Smith, Glen Goodwin and Robert DeGeter representing Project #11-14. Mr. Goodwin produces music videos in the entertainment field, Mr. Scott is the technical person of the company and Mr. Smith is the President. The company is a social media network entertainment platform focusing on independent, indie bands and artists. The company is seeking assistance from the MEDC for rent subsidy through the Emerging Technology Program.

In accordance with TX GOV'T CODE ANN. S 551.071 et. seq. the meeting was adjourned into executive session at 9:37 a.m. The Board adjourned out of executive session into open session at 11:04 a.m.

The Board next discussed the Action Items.

The Board next discussed Project Proposal #11-12. On a motion by Marta Gore, seconded by Doug Parker, the Board approved the following:

- (A) A forgivable loan of \$120,000, with \$60,000. to be paid at Certificate of Occupancy.
- (B) The second payment to be paid on the first anniversary of the initial payment. Forgiveness on the loan would be on the third anniversary, if still in compliance.

Motion carried.

The Board next discussed Project Proposal #11-14. On a motion by Scott Lewis, seconded by Carrie Alfieri, the Board approved the following:

Under the Emerging Technology Fund, MEDC will reimburse the company 50% of actual rent paid (to a maximum of \$4,167. monthly) for a period of twelve (12) months. The company will submit evidence of real paid on a monthly basis to the MEDC for reimbursement. The loan will be forgiven after two (2) years.

Motion carried.

The Board next discussed Project Proposal #11-13. On a motion by Scott Lewis, seconded by Carrie Alfieri, the Board directed Staff to continue negotiations with the company to determine a strategy for retaining the company.

President Young presented a letter to the Board from HIE Electronics regarding use of the MEDC boardroom after hours. The Board agreed that there be no policy change in allowing use of the offices after hours.

Staff and Board members briefly discussed the use of iPads for Board members. No decisions were made.

The Board and Staff agreed that a July Board meeting would only take place on a need to meet basis.

On a motion of acclamation, the meeting was adjourned at 11:16 a.m.

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MARTA GORE, MEDC Secretary/Treasurer