

## MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

**DECEMBER 13, 2022**

The McKinney Economic Development Corporation met in regular session in the City Hall Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on Tuesday, December 13, 2022, at 8:00 a.m.

Board members Present: Vice Chairman Kurt Kuehn, Michael Jones, Mark Denissen, Julie Williams, Michael Jones, Joe Minissale, and Alternate Mohamed Kacem.

Absent: Chairman Brian Loughmiller, and Secretary/Treasurer Thad Helsley.

City Council Members Present: Mayor Pro Tem Rainey Rogers, and Councilman Rick Franklin.

Staff Present: President Peter Tokar, Senior Vice President Michael Talley, Director of Business Retention and Workforce Madison Clark, Operations Manager Deana Smithee, Executive Assistant Melanie Molina, Marketing and Social Media Manager Luke Gajary, City Manager Paul Grimes, Attorney Mark Houser, Financial Compliance Manager Chance Miller, Director of Engineering Gary Graham, MCDC President Cindy Schneible, and Visit McKinney Executive Director Aaron Werner.

There was 1 guest present.

Vice Chairman Kuehn called the meeting to order at 8:08 a.m. after determining a quorum present.

Vice Chairman Kuehn called for Public Comments for items on the agenda and there were none.

**22-1139** Vice Chairman Kuehn called for Board and Liaison Updates.

City of McKinney- City Manager Paul Grimes announced the Airport Bond Committee completed their meetings, in which Chairman Loughmiller is a member of. The committee will report to the City Council in January with their recommendations and findings. Mr. Grimes announced new Police Chief Joe Ellenburg was sworn in last week and noted we look forward to having him serve for many years. Mr. Grimes wished everyone a Happy Holidays.

Chamber of Commerce- McKinney Chamber of Commerce President Lisa Hermes announced January 31st will be the Annual Business Meeting with Dr. Ray

Perriman as the keynote speaker. Ms. Hermes announced the Chamber Board of Directors recently went through their strategic planning session and will be adopting the next three years' strategic plan at the next board meeting. Ms. Hermes announced extensive surveys and community leader of focus interviews were conducted, and that data really helped drive where the focus will be for the next three years. Ms. Hermes noted the focus is going to be on workforce development, education, developing a talent pipeline. In speaking to businesses, a number one concern for small and larger businesses has been talent attraction and retention. The Chamber will be working on programs to help support that and working with community partners such as Collin College, MEDC with Madison Clark and others, potentially, to discuss how to support existing and future businesses. Ms. Hermes announced the Chamber is in the early stages of working on a website redesign. The Chamber operates two websites, the Chamber website for a business-to-business focus, and McKinney Online, which is a business-to-consumer focus. Both websites will be going through a redesign process. Ms. Hermes announced the Annual Awards Banquet will be held on February 24<sup>th</sup> at the Sheraton McKinney. The theme will be Carnival with lots of bright colors and lots of fun. Ms. Hermes announced the legislative session would begin in January, and the Chamber will be very active in Austin with their legislative agenda, which mirror's the city's and has a lot of economic development components. Ms. Hermes noted she serves on the Texas Association Board of Directors and was recently invited to a reception at the Governor's Mansion, where the Governor mentioned Chapter 313 Agreements are one of his top priorities for economic development. Ms. Hermes noted having Chapter 313 Agreements reauthorized is on the Chamber's agenda, so it is part of their toolbox if ever needed as an incentive.

MCDC- MCDC President Cindy Schneible announced project grant applications are being accepted through December 30<sup>th</sup> of this month, January retail grant applications will be accepted. The program was expanded to include not only infrastructure, but also fire suppression. MCDC is working with the city

communications and marketing team as well as other departments to communicate and coordinate an effort about resources available. Ms. Schneible announced the November board meeting the MCDC board approved a contract extension with Tupps Brewery from the end of this month to April 30<sup>th</sup>.

Visit McKinney- Visit McKinney Executive Director Aaron Werner announced it is a busy week for Visit McKinney as the NCAA Vision II Division Championship comes to MISD Stadium once again. Friday night, December 16<sup>th</sup> there will be a free pep rally event at Tupps Brewery. Ferris State University is back for the third time in McKinney as well a team new to McKinney, the Colorado School of Mines. Mr. Werner announced Visit McKinney is ready to give the teams a warm welcome and partners heavily with McKinney ISD for the event. The football game is Saturday at noon and tickets are still available. Mr. Werner announced he has had several joint meetings over the last month with multiple city departments, including MEDC. Yesterday, he and Madison Clark were able to sit down with a local corporate headquarters and discuss their needs. One item that arose from that discussion was a hospitality industry showcase at their headquarters. This will show what McKinney-based restaurants, caterers, service providers, rental opportunities, and so forth are available. This way, when events come in, they can utilize McKinney businesses. This will take place on January 26<sup>th</sup> as a joint partnership and may set a model for this to be done in the future with other large headquarters. Mr. Werner thanked Madison for her help. Mr. Werner announced he and Director of Parks and Recreation Michael Kowski were able to host the Executive Director of the Dallas Sports Commission yesterday. The Dallas Sports Commission is the host organization of the World Cup in 2026, and also hosts other major sports events in Dallas. Mr. Werner noted he and Mr. Kowski were able to show the renderings of Craig Ranch, Al Ruschhaupt Park, the new tennis facility that is nearing completion, and several other items. Mr. Werner noted he and Mr. Kowski made it clear that now is McKinney's time to shine and are hopefully on the list for World Cup-related events that will take place in 2026.

Board Chairman- Vice Chairman Kuehn wished everyone a Merry Christmas on behalf of Chairman Loughmiller.

**22-1140** Vice Chairman Kuehn called for the MEDC Monthly Organizational Report. President Tokar announced Madison Clark has been with MEDC seven years, starting as a Project Coordinator. Madison has shown tremendous skills and has grown with the organization. Madison was recently promoted to Director of Business Retention and Workforce Development. Workforce development has become a top priority of MEDC, and Madison will be heading up those efforts.

**22-1141** Vice Chairman Kuehn called for the MEDC Monthly KPI Metrics Report. President Tokar announced this year sign we closed a lot of projects, with an average project life cycle of 12 to 36 months depending on the project. We have a lot of projects we have been working on that we hope will come to fruition in 2023. It has been a strange real estate market, but we have a lot of activity. The project pipeline is strong, MECD Marketing and Social Media Manager Luke Gajary is doing an excellent job with marketing and getting target campaigns rolled out, and in every other category, we are doing great.

**22-1142** Vice Chairman Kuehn called for the October 2022 Financials. Financial Compliance Manager Chance Miller announced for the month of October we had \$1.8 million in revenue, \$58,000 was interest income, \$1.7 million was sales tax revenue. For October expenditures, we had \$158,000 in operational expenses, \$208,000 in project expenses, and non-departmental and debt services of \$238,000 for a total of resulting in a total of \$603,000. For the October sales tax sister cities comparison McKinney had a 15.9% increase, Allen had an 18.5% increase, Frisco had a 30.5% increase, and Plano had a 21.2% increase. Mr. Miller noted he reached out to the City of Frisco and they are claiming their increase is from sales tax growth and inflation. Mr. Miller noted about 16% of the

sales tax Frisco brings in is rebated back to the companies, compared to McKinney's chapter 80 agreements is about 4 or 5%. Mr. Miller noted this is something to weigh when comparing increases, that a portion of Frisco's number is rebated back to companies. Mr. Miller noted looking at their budget for 2023, Frisco is still reporting a 4.5% increase in sales tax for 2023, and still only budgeting a 4.5% increase for 2023. Mr. Miller noted Allen is going back up after about a six-month span of being at around 1 or 2%. Mr. Miller noted for sales tax by industry, the categories are all steady increases.

Board members unanimously approved the motion by Board member Jones, seconded by Board member Williams, to approve the October 2022 Financials.

**22-1143** Vice Chairman Kuehn called for Receive/Consider/Discuss CIP Presentation on Transportation Infrastructure Initiative and Economic Development Program Pursuant to Article VII, Section 5.b of the Eighth Amended MEDC Bylaws. Director of Engineering Gary Graham announced in June of this last year, City Council adopted a transportation, infrastructure initiative and economic development program. The MEDC and MCDC boards subsequently amended their bylaws. In essence, this program takes 50% of new revenue generated after last year's, base amount set, to fund economic development projects in the city's Capital Improvements Program. Mr. Graham announced the previous estimate in growth for MEDC and MCDC funds was \$20 million for each of the two boards, but the final audited amount was closer to \$21.2 million for each board, for a total of \$42.4 million. Looking forward to the next year, we are estimating about \$1 million dollars, \$500,000 from each board, will be used for economic development projects in CIP. This is about \$16 million over the next five years of the Capital Improvements Program. As part of the program, The CIP team prepared a list of projects that fit the category of economic development and would be eligible. Some of these projects are funded, some are under construction, and some have not been started or

funded at all. As part of this program, we will come to the MEDC Board with this list of projects every year to show what is eligible under the program. This list has been presented to both MEDC and MCDC Board Presidents and received comments. Mr. Graham noted the MEDC President mentioned that MEDC would like to fund Collin McKinney Parkway. Mr. Graham noted that one phase of the Collin McKinney project has been designed and bid and is ready to go to City Council early next year for funding approval. This first phase is about a \$10 million project. The second phase of the Collin McKinney project has not yet been funded. Mr. Graham noted the CIP team will try to accommodate any recommendations from the different boards. Mr. Tokar announced the feedback MEDC provided Engineering was, if MEDC has a project that needs assistance with roadway development, and it is on the CIP projects list, MEDC asks that Engineering prioritize the project. Mr. Graham noted that Engineering will try to leverage funds as much as possible, maybe a Texas Department of Transportation grant, maybe a North Central Council of Governments grant, to try to pay for a project on MEDC's priority list.

**22-1144** Vice Chairman Kuehn called for Consideration/Discussion/Action on Chamber of Commerce Awards Based on Nominations. President Tokar announced as in previous years, we put together a list of nominees for this year's Chamber Awards. The Encore Wire and New Corporate Business Award. Board members will not say the name of the company, only vote by "A", "B", or "C", a Board member will make a motion for that award recipient, discuss, and vote. The BRE/Encore Wire Award is for business expansion, and the New Corporate Business Award is for a project that is new to the city of McKinney and has received their Certificate of Occupancy within this year. Board members unanimously approved the motion by Board member Denissen, seconded by Alternate Kacem, to approve Company B for the BRE/Encore Wire Award.

Board members unanimously approved the motion by Vice Chairman Kuehn, seconded by Board member Jones, to approve Company A for the New Corporate Business Award.

Vice Chairman Kuehn called for Public Comments regarding items not on the agenda, and there were none.

Vice Chairman Kuehn called for Board Comments and there were none.

Vice Chairman Kuehn recessed the meeting into Executive Session at 8:46 a.m.

Vice Chairman Kuehn reconvened the meeting to open session at 11:13 a.m.

Board members unanimously approved the motion by Board member Williams, seconded by Board member Kacem, to approve option B for Project Batman as discussed in Executive Session.

Board members unanimously approved the motion by Vice Chairman Kuehn, seconded by Board member Minissale, to approve Project Abyss as discussed in Executive Session.

Board members unanimously approved the motion by Board member Minissale, seconded by Board member Jones, to approve Project Purple as discussed in Executive Session.

Board members unanimously approved the motion by Board member Minissale, seconded by Board member Denissen, to Adjourn.

Vice Chairman Kuehn adjourned the meeting at 11:15 a.m.

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

These minutes approved by the MEDC members on: February 21<sup>st</sup>, 2023

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BRIAN S. LOUGHMILLER  
Chairman

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THAD HELSLEY  
Secretary / Treasurer