

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

MAY 20, 2014

The McKinney Economic Development Corporation met in regular session in the Dowdy Board Room, 5900 S. Lake Forest Drive, McKinney, Texas, on May 20, 2014 at 8:00 a.m.

Board members present: Ernest Lynch III, Darrell Tate, Lance Lindsay, Julie Fort, Robbie Clark, Chuck Branch, and Pablo Ruiz.

Staff present: President/CEO Jim Wehmeier, Executive Vice President Abby Liu, Business Retention and Expansion & Emerging Technology Director John Valencia, Marketing Director Cayti Stein, Director of Business Development Chad Walker, Corporation Attorney Mark Houser, and Administrative Assistant Connie Gibson.

Guests present: Mayor Brian Loughmiller, MEDC Liaison Mayor Pro Tem Travis Ussery, MEDC Liaison Council Member Geralyn Kever, Interim City Manager Tom Muehlenbeck, Deputy City Manager Jose Manager, MCDC Executive Director Cindy Schneible, MCVB Executive Director Dee-Dee Guerra, Assistant to the City Manager Darrek Ferrell, MADB Chairman John Wroten, Chamber of Commerce Communications Director/Managing Editor Peggy Smolen.

Board Chairman Ernest Lynch III called the meeting to order at 8:00 a.m.

- 14-504** Minutes of the McKinney Economic Development Corporation Board Meeting of April 15, 2014. Lance Lindsay made a motion to approve the minutes. Robbie Clark seconded the motion. The motion was voted on and passed.
- 14-505** Minutes of the McKinney Economic Development Corporation Special Board Meeting of April 25, 2014. Pablo Ruiz made a motion, seconded by Darrell Tate, to approve the minutes. The motion was voted on and passed.
- 14-506** Financial Report. Jim Wehmeier reviewed the financial report. The fiscal year is 58% complete. MEDC expenditures are at 49% of the budgeted amount. Mr. Wehmeier reported that he is in the process of transferring some line item funds around to other line items in the budget. Some of the line item amounts are over budget because of coding errors and items have gotten re-categorized after they have gone to finance. Board members had some questions regarding the budget. The consensus was to table approving the financial report until next month in order to see the complete financial report and have questions answered.
- 14-518** Update From Airport Strategic Planning Committee. Committee members are: Airport board members John Wroten, Fritz Mowrey, and Ken Sipiora; MEDC board members Robbie Clark, Lance Lindsay, and Darrell Tate; City Council members Mayor Loughmiller, Mayor Pro Tem Ussery, and Councilman Harris. The committee purpose is to evaluate

airport issues and establish policy. The next committee meeting will be May 27th. Mayor Loughmiller commented that he wants to integrate the three groups with regards to the airport. He confirmed that the committee would establish policy for the airport.

14-507 Board and Liaison Updates

Chamber of Commerce

- The next Competitive Edge series seminar is May 20th.
- Applications for the 2015 Leadership McKinney program will be accepted through Friday, June 13.
- The Chamber will have a presence at the "Bike the Bricks" event on May 23rd to promote the "Buy Local-My McKinney" initiative.
- McKinney Magazine will have an unveiling May 29th. The issue will feature Women in Business, and a story on the Collide Center.
- The Serve McKinney Open House will be June 11th at Collin Higher Education Center. McKinney residents that attend the event will have an opportunity to get information on city boards and commissions, as well as several non-profit organizations.
- The next Chamber quarterly luncheon is May 22nd. Lt. Colonel Kevin Sweeney is the guest speaker.

City of McKinney

- Deputy City Manager Jose Madrigal introduced Interim City Manager Tom Muehlenbeck.
- The North Texas Municipal Water District (NTMWD) recently gave an update to City Council. The water shortage continues to be a major issue in North Texas.
- Council member Kever reported that TXDoT has offered incentives to Webber if they complete the corridor 75 construction early.
- McKinney has joined with the cities of Richardson and Plano to support the transportation study of the 75 corridor.

McKinney Convention & Visitor's Bureau

- Texas Highways "Top 40 Travel Destinations in Texas" listed McKinney as #17.
- MCVB had 207 walk-ins to the office.
- The staff assisted with 223 hotel room in the month of April.

McKinney Community Development Corporation

- Construction at the PSA McKinney site continues as scheduled. The walls and the roof will go up within the next few weeks.
- MCDC board will hear two project requests for funding during the May 22nd board meeting. The organizations requesting funding are Samaritan Inn and McKinney Housing Authority.
- The aquatic facility design committee has met twice.

McKinney National Airport

- A survey of pilots recently ranked McKinney's Fixed Base Operation #1 in the country. The same survey also ranked the McKinney tower #1.
- The subsidy that the airport receives from the City is expected to be significantly decreased this next year. The subsidy could be cut by approximately ½ if business continues as expected.

- 14-508** Director of Business Development Report. Chad Walker reported that he and Abby Liu had a very productive recruitment mission to New York.
- 14-509** Director of Marketing and Research Report. Cayti Stein reviewed some of the recent press that MEDC and the City of McKinney has received. There will be an announcement of a new business relocating to McKinney during the next City Council meeting. An immersion tour will be given for two Development Counsellors (DCI) staff members May 28 and 29.
- 14-510** Director of Business Retention & Expansion and Emerging Technology Report. John Valencia reported that the construction continues at the StatLab site. A “Throw the Switch” event at Manner Polymers will be held June 16th. The event will highlight the Perfectly Green technology.
- 14-511** Executive Vice President's Report. Abby Liu shared the Hisun Motors media coverage. The press release was covered by Dallas Chinese News and World Journal. The board was invited to attend a lunch with the DCI staffers when they are in town.
- 14-512** President's Report. Jim Wehmeier reviewed a comparison of property tax rates around Collin County. The FY 2014-15 budget was discussed. Mr. Wehmeier stated no action is needed. The budget will be presented to the board again during the June board meeting. Darrell Tate asked for clarification on some association charges. Robbie Clark asked if it would be possible to get more current numbers. He stated he would like month to month figures. Julie Fort asked about the 10% cap on promotional expenditures. The promotional allotment can be carried over each year according to state law.
- Ernest Lynch called for a break at 9:10 a.m.
- The meeting was called into Executive Session at 9:23 a.m. per Texas Government code: Section 551.071(2) – Consultations with attorney on any work session, special session, or regular session agenda item requiring confidential, attorney/client advice necessitated by the deliberation or discussion of said items (as needed). Section 551.074 – Discuss personnel matters. Section 551.087 – Deliberation regarding economic development matters.
- The meeting was called into Open Session at 12:00 p.m.
- 14-513** Consider/Discuss initial draft budget for FY 2014-15. No action was taken.
- 14-514** Consider/Discuss/Act on Collide Center Project. Lance Lindsay made a motion to approve staff recommendation to fund the Collide Center Project \$11,000 per month for two years, with the agreement that the

management agent will sign a three year contract. Robbie Clark seconded the motion. The motion was voted on and passed.

14-515 Consider/Discuss/Act on MEDC position related to possible changes to statewide policies related to economic development. Lance Lindsay made a motion for staff to write a position letter in support of economic development activities at the state level. The motion was seconded by Robbie Clark. The motion was voted on and passed.

Darrell Tate made a motion to approve staff recommendations for incentives to Project Waterworld. Chuck Branch seconded the motion. The motion was voted on and passed.

Corporation attorney Mark Houser advised the motion for the Collide Center be amended to include rescinding the previous management agreement with Jason Adams. Lance Lindsay rescinded his previous motion and made a new motion to rescind the management agreement with Jason Adams, and approve funding the Collide Center \$11,000 per month for two years with the agreement that the management agent will sign a three year contract. The motion was seconded by Robbie Clark and voted on. The motion passed.

Pablo Ruiz made a motion to adjourn the meeting. The motion was seconded by Lance Lindsay and voted on. The motion passed.

The meeting was adjourned at 12:04 p.m.

ERNEST LYNCH
Chairman