

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

MAY 16, 2017

The McKinney Economic Development Corporation met in regular session in the Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on May 16, 2017 at 8:00 a.m.

Board members Present: Chairman Jason Burress, Vice Chairman Paul Merritt, Secretary/Treasurer Walter Chen, Kenneth Sipiora, Robert Clark, Randy Page and Sharon Denny.

Council members Present: Travis Ussery

Staff present: President Darrell Auterson, Executive Vice President Abby Liu, Director of BRE/Emerging Tech John Valencia, Business Development Specialist Madison Clark, Operations/Compliance Administrator Sheri Van Slycke, City Manager Paul Grimes, Assistant to the City Manager Trevor Minyard, MCVB Director Dee-dee Guerra, Financial Analyst Eric Corder, MEDC Attorney Mark Houser and MEDC Temporary Administrative Assistant Sterrett Coleman.

There were two guests present.

Chairman Burress called the meeting to order at 8:00 a.m. after determining a quorum was present. Chairman Burress called for action on the consent items.

17-512 Minutes of the McKinney Economic Development Corporation Meeting of April 18, 2017. Board members unanimously approved the motion by Board member Clark, seconded by Board member Page, to approve the April 18, 2017 minutes with one edit requested by Board member Sipiora to change the word 'underwhelmed' to 'underinvested' at the end of item #17-396.

17-513 Chairman Burress called for the Board and Liaison Updates.
Board Chairman – Chairman Burress expressed his pleasure with the MEDC and encouraged President Auterson to continue his diligent efforts in securing a marketing staff member with strong social media skills and the highest possible caliber.

City of McKinney – City Manager Grimes reported that SB2, the legislative bill regarding the administration of the ad valorem tax system caps passed in the House, but had been stripped of the revenue cap provisions. Mr. Grimes announced that Trevor Minyard has been promoted to Assistant to the City Manager effective May 2nd. City staff is in preparation for the new City Council Orientation. Mr. Grimes shared that the McKinney Airport was awarded the number one FBO in the United States and this is the fourth year in a row listed in the top five. Mr. Grimes reiterated the importance of the MEDC Marketing initiative as part of the Strategic Plan and the City marketing team are partnering with President Auterson to promote McKinney and the MEDC.

MCVB - MCVB Director Dee-dee Guerra reported that during the month of April the MCVB generated 511 room nights, which included ten weddings, as well as the Texas Justice Court Training Group. MCVB hosted two site visits, one of which being the Texas Agri-Life Collin County Division and the other being the Taiwanese Chamber of Commerce that will hold their event at the Sheraton on June 24th. Ms. Guerra reported the Visit Widget is up and running on the MCVB website. Special thanks to Mr. Auterson for partnering with the MCVB during Economic Development Week, coinciding with National Tourism Week and participating in the shared advertising and messaging opportunities.

17-514 Chairman Burress called for the Consideration/Discussion of the MEDC Staff Monthly Reports. Chairman Burress asked staff about the Green Building Tour and if MEDC had if any incentives had been applied for on behalf of the Green Building. Executive Vice President Liu stated the tour was informative and staff looks forward to promoting the office building, but no applications for incentive had been received by MEDC.

17-515 Chairman Burress called for the Consideration/Discussion/Action on April Financials. Assistant to the City Manager Trevor Minyard reported the revenue is above budget YTD by 16.36%. Sales tax figures came in

14.86% above last year's collection through April. Expenditures continue to be below budget due to savings in rebate expenditures paid out for incentives. However, during the month of April MEDC paid \$11,750 to The Werx and \$5,600 to Pest Routes. Board members unanimously approved the motion by Board member Sipiora, seconded by Board member Page, to approve the April Financials.

17-516 Chairman Burress called for the Consideration/Discussion/Action on MEDC Strategic Plan Final Report. President Auterson provided the final strategic plan report by reviewing the following topics: Our purpose and direction including the Vision and Mission Statements, as well as including the Planning Process and the Strategic Plan Overview. Board members opted to adjust the Vision Statement from "To make McKinney the most desirable location in North Texas for business by encouraging growth through strategic investments in corporate culture, talent development and capital assets" to "To make McKinney the most desirable location in North Texas for business by attracting and retaining companies committed to growing and investing in McKinney". Mr. Auterson continued that the Strategic Initiatives include Business Retention and Expansion, Business Attraction, Entrepreneurship and Competitiveness. Mr. Auterson finalized the presentation discussing the concepts around Strategy Management and Communicating Results by measuring key performance indicators and how MEDC would remain transparent with the City and the community. Board members suggested more emphasis on incentives directed at capital investments as opposed to job creation. Also, Board members were assured that KPI's could be adjusted as needed and will be considered with fluidity over time. Board members unanimously approved the motion by Board member Page, seconded by Secretary/Treasurer Chen, to approve the MEDC Strategic Plan.

Chairman Burress called for Citizen comments and there were none. Chairman Burress called for Board comments and he mentioned the long and arduous effort the staff, particularly Executive Vice President Liu, extended to bring Project Red River to fruition.

Chairman Burress recessed the meeting into Executive Session at 9:19 a.m. Texas Government Code: A. Section 551.071 (2). Consultation with City Attorney on any Work Session, Special or Regular Session agenda item requiring confidential, attorney/client advice necessitated by the deliberation or discussion of said items and legal consultation on the following item(s), if any: B. Section 551.072. Deliberations about Real Property -MEDC Office Lease Renewal C. Section 551.087. Deliberation Regarding Economic Development Matters as listed on the posted agenda.

Board member Clark left Executive Session at 10:20 a.m. during the discussion on Projects BPA and Caliente and did not return to the closed session. Chairman Burress reconvened the meeting to open session at 10:46 a.m.

Board members unanimously approved the motion by Vice Chairman Merritt, seconded by Board member Page, to approve the MEDC Lease Renewal with Lake Forest McKinney Investors at the Valliance Bank Building.

Board members unanimously approved the motion by Chairman Burress, seconded by Board member Clark, to approve the incentive agreement for Red River as discussed in Executive Session.

Board members unanimously approved the motion by Board member Sipiora, seconded by Vice Chairman Merritt, to approve the revised terms for Fox III as discussed in Executive Session.

Board member Clark stepped down from the dais for Projects BPA and Caliente.

Board members approved, by a vote of 6-0-1, the motion by Vice Chairman Merritt, seconded by Secretary/Treasurer Chen, to deny the requested incentive offer for Project BPA, Board member Clark abstained.

Board members approved, by a vote of 6-0-1, the motion by Vice Chairman Merritt, seconded by Board member Denny, to deny the requested incentive offer for Project Caliente, Board member Clark abstained.

Board member Clark returned to the dais.

Board members unanimously approved the motion by Board member Clark, seconded by Vice Chairman Merritt, to adjourn. Chairman Burress adjourned the meeting at 10:51 a.m.

JASON BURRESS
Chairman