

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

**Regular Board Meeting
May 15, 2012**

The McKinney Economic Development Corporation (MEDC) met on Tuesday, May 15, 2012 in the Dowdy Boardroom of the Corporation office. The meeting was called to order at 8:07 A.M. by Chairman Keith Clifton. Board members present were Secretary-Treasurer Marta Gore, Director Carrie Alfieri, Director Doug Parker, and Director Steve Heussner. Directors Ernest Lynch III and Darrell Tate were absent.

Staff present was Vice President Abby Liu, Director of Business Retention, Expansion & Emerging Technology John Valencia, Administrative Assistant Connie Gibson, and Corporation Attorney Mark Houser.

The board reviewed the minutes from the regular board meeting on April 17, 2012. One change was added to page two. Marta Gore made a motion to approve the minutes with the change. Doug Parker seconded the motion. The motion was voted on and passed (5-0).

Check requests issued April, 2012 were reviewed. Abby Liu briefed the board on some of the check requests. Carrie Alfieri made a motion to approve the check requests, and Doug Parker seconded the motion. The motion was voted on and passed unanimously (5-0).

Jason Cooley, Strategic Planning and Budget Director with the City of McKinney, gave the financial report. The corporation is in the seventh month of the fiscal year, with revenue 61% dispersed. Sales tax revenues are down 0.2% for the month, but the year-to-date sales tax revenues are up 2%. Marta Gore made a motion to approve the finance report, seconded by Steve Heussner. The motion was voted on and passed unanimously (5-0).

A presentation by Prospect Proposal #12-17 was next on the agenda. Raj Bhargava, President of Manner Plastics addressed the board. Manner Plastics manufactures plastic compounds. Their finished product is a raw material for industrial companies. They primarily serve the U.S. 60-60% of sales are within the United States, 30% in Mexico, and 2% in Asia. The company has evolved from primarily construction to automotive and telecommunications. Manner Plastics has seen steady growth since 2000, with an overall revenue growth of 50% from 2008-2012. They have expanded several times since locating in McKinney. The next expansion will include 3,500 square feet of office space, and 30,000-35,000 warehouse space. The expansion will create one additional production line. Additional infrastructure needs include storage tanks, electricity, platform, and a computer control system. Two other locations in Missouri and Indiana have been considered for the expansion. Mr. Bhargava expects the expansion to add twelve new employees with an average salary of \$60,000.

Abby Liu gave the International Development and Marketing report. The TexasOne Business Recruitment trip date has change. The trip is scheduled for July 23-24. This month four press releases were added to the MEDC website. All edits have been made to the aerial map, and three bids have been received. A fourth bid will be submitted to the MEDC office soon. Ms. Liu attended the Texas Economic Development Council spring conference held in Rockwall. MEDC staff attended the CoreNet golf tournament, of which MEDC was the title sponsor. Mayor Loughmiller

spoke at the dinner following the golf tournament, and Mayor Pro-tem Ussery, Council member Ray Ricchi, Council member Roger Harris and Council member Geralyn Kever attended. Encore Wire had planned a trip to China the month of May. MEDC provided assistance to them with the planning of their trip. Ms. Liu will travel to Europe the end of June with the TexasOne Trade and Investment Mission.

John Valencia gave the Business Retention and Expansion, and Emerging Technology report. He reported the activity level has increased the last several months. He attended the four day Basic Economic Development Course prior to the TEDC conference. He has been working with Encore Wire on communications with TXDot and City of McKinney as road construction continues around Encore Wire entrance and exits. Emerson Process Management continues to work through their architectural design on the building to be located at Hwy 121 and 75. A groundbreaking ceremony is tentatively scheduled for July 23rd. Mr. Valencia is working with corporation attorney Mark Houser to prepare documents on four Emerging Technology approved projects. The City of McKinney and McKinney Independent School District continue to work on logistics on McKinney Turbo-McKinney Connect as they look for ways to connect infrastructure of communication technology. The Development Advocacy Group will meet on May 16th.

City Manager Jason Gray gave the President's report. He and MEDC staff are working to restructure the incentive programs. They have come up with nine points to use as prospects are vetted. The consideration points include property tax, number of jobs, and average salary. There is no sales tax incentives at this time related to retail sales. A breakfast will be held May 17th at Collin County Regional Airport. The purpose of the breakfast is to unveil a regional incentive program area cities can take advantage of for businesses locating to their community. The City is communicating with the businesses on Interstate 75 that are affected by the road construction. There have been several successful joint meetings with MEDC, MCDC, Airport, MCVB, the Chamber, and the City. They are looking for collaborative marketing efforts with the different groups. Mr. Gray is continuing to meet with Craig Ranch to work through issues with the corporate center.

Keith Clifton announced liaison reports would be given at this time. Mayor Loughmiller reported the CoreNet golf tournament was successful. The organization has begun discussions to hold the golf tournament in McKinney again in 2013.

Tracy Rath updated the board on McKinney Community Development Corporation activities. The McKinney Performing Arts Center received a \$20,000 grant for an LED sign to be placed on the corner of Louisiana and Kentucky. Baylor Health Care System Foundation submitted a letter of inquiry for the completion of a walking trail around a pond at Baylor Medical Center at McKinney's Overlook Park. An application for funding may be submitted at a later date.

The Chamber of Commerce has completed their website redesign. Board President Ray Bhargava shared that McKinney Magazine is now available for viewing online.

Diann Bayes, Executive Director with McKinney Convention and Visitors Bureau provided an update. A "North Texas Shopping" promotion will launch the end of May. MCVB will focus on downtown McKinney shopping during the year-long campaign. The MCVB offices will be moving downtown on Louisiana Street, just east of The Pantry

restaurant. Diann Bayes last day with MCVB is May 16th. She has accepted the position of Senior Vice President with the Texas Travel Industry Association in Austin.

Keith Clifton called for a break at 9:35 A.M.

The meeting was called into Executive Session at 9:45 A.M.

Steve Heussner left the meeting at 11:00 A.M.

The meeting was called into Open Session at 11:17 A.M.

Carrie Alfieri made a motion to authorize Jason Gray to retain SGR to begin an Executive Search to address personnel issues in the MEDC office. The motion was seconded by Doug Parker. The motion was voted on and passed unanimously (4-0).

Marta Gore made a motion to accept staff recommendation on Prospect Proposal #12-17. Doug Parker seconded the motion. The motion passed unanimously (4-0).

The meeting was adjourned at 11:19 A.M.

MARTA GORE – Secretary-Treasurer