

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

JANUARY 19, 2016

The McKinney Economic Development Corporation met in regular session in the Dowdy Board Room, 5900 S. Lake Forest Drive, McKinney, Texas, on January 19, 2016 at 8:00 a.m.

Board members Present: Chairman Lance Lindsay, Vice Chairman Robert Clark, Secretary/Treasurer Jason Burress, Randy Page, Walter Chen, Sheila Johnson and Kenneth Sipiora.

Staff Present: Interim President Abby Liu, Director of BRE/Emerging Tech John Valencia, Director of Business Development Chad Walker, Economic Development Coordinator Madison Clark, Executive Assistant Sheri Van Slycke, Interim City Manager Tom Muehlenbeck, Senior Financial Analyst Trevor Minyard, MEDC Attorney Mark Houser, Mayor Pro Tem Travis Ussery and MCVB Director Dee-dee Guerra.

There were eight guests present.

Chairman Lindsay called the meeting to order at 8:00 a.m. after determining a quorum was present.

16-054 Minutes of the McKinney Economic Development Corporation Meeting of December 15, 2015. Board members unanimously approved the motion by Vice Chairman Clark, seconded by Secretary/Treasurer Burress, to approve the December 15, 2015 minutes.

16-055 Chairman Lindsay called for the Board and Liaison Updates.

Main Street & MPAC – Mayor Pro Tem Ussery reported February 7th is the Krewe of Barkus Dog Parade at 2:00 p.m. in Downtown McKinney. Also, Executive Director Amy Rosenthal circulated a survey among the downtown merchants to collect information on how downtown events affect business either positively or negatively.

MCVB – MCVB Executive Director Dee-dee Guerra reported that McKinney has been selected as the designated sight for the Texas Downtown Association. This will take place November 6-10, 2017. We

will be using more than the Sheraton Hotel to accommodate this group, as they will be bringing 250-300 attendees. They will also be featuring the downtown/historic districts and using some of the downtown venues for workshops. MCVB received seven RFP's in the month of December. MCVB received two RFP's from the Texas Connect show that staff attended in Frisco last month.

16-056 Chairman Lindsay called for the Director of Business Development Report. Chad Walker, Director of Business Development, reported the ROI began outreach to site selectors for the familiarization tour MEDC will be hosting March 8-10. Staff has executed the contract with Impact Data Source and are currently setting up MEDC's financial impact modeling software. And, finally, site areas were presented to three potential projects and a site visit will take place next week for a fourth project, one of which will be presented in Executive Session.

16-057 Chairman Lindsay called for the Director of BRE/Emerging Tech Report. John Valencia, Director of BRE/Emerging Tech, reported Mycon General Contractors, Inc. has acquired a 46,000 square foot building just south of Trinity Mills Road in Dallas for its new headquarters. Staff worked last year with Charlie Myers, President and CEO on his needs for a bigger and nicer building here in McKinney, but the right situation was not available. On the expansion side, staff continues to have discussions with the same three companies considering expansions that were reported on last month. This month marks the one year anniversary of The Werx and they will be presenting their one year performance review today.

16-058 Chairman Lindsay called for the Interim President Report. Interim President Abby Liu reported the Management Audit report has been delayed, but Mr. Eisenlohr is scheduled to present at the February Board meeting. Ms. Liu mentioned the two events coming up in February include the Chinese New Year Celebration Gala with 18 current RSVP's

and the McKinney Community Awards Celebration with 27 RSVP's. Ms. Liu provided an update on Project Compliance. Staff, along with CFO Rhoades, MEDC Attorney Mark Houser, Senior Financial Service Manager Trudy Mathis, and Interim City Manager Tom Muehlenbeck have been meeting and reviewing compliance documents on a number of companies, including Raytheon, Hisun and Wistron. One project of note, United Parcel Service's loan agreement was amended and MEDC subsequently issued their first check, after all their compliance documents were in order.

16-060 Chairman Lindsay called for The Werx One Year Performance Report. Mr. John Minnis, MEDC Board appointed Liaison for The Werx, gave the performance report. Interim City Manager Tom Muehlenbeck requested additional information to be presented by the next Board meeting. The request included more detailed information on who the current corporate sponsors/partners were, and what the difference is between a community versus a sponsor partner, plus, what their contributions have been. Also, from the balance sheet, from whom and how much are the capital donations.

16-059 Chairman Lindsay called for the Consideration/Discussion/Action on December Financials. Senior Financial Analyst Trevor Minyard reported that revenue is above budget YTD by 10.20%. Sales tax figures came in 9.10% above last year's collection through December. Expenditures are significantly under budget due to savings in rebate expenditures paid out for various incentives. MEDC did made a large payment to UPS in December for project incentives being met. Personnel expenses are continuing to be below budget due to vacant positions. Mr. Minyard reminded the Board that links to all the reports with more detail on the revenues and expenditures are available online. Board members unanimously approved the motion by Board member Sipiora, seconded by Board member Chen, to approve the December Financials.

Chairman Lindsay called for citizen comments and there were none.

Chairman Lindsay called for Board and Commissioner comments and there were none.

Chairman Lindsay recessed the meeting into Executive Session at 8:22 a.m. per the Texas Government Code: 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 (as needed) and legal consultation on the following item(s), if any: MEDC Rights/Obligations Under Existing Vendor Contracts; Section 551.074. Personnel Matters as listed on the posted agenda; and Section 551.087. Deliberation Regarding Economic Development Matters as listed on the posted agenda. Chairman Lindsay recessed to the open session at 9:30 a.m.

Chairman Lindsay called for Action on Executive Session.

Board members unanimously approved the motion by Vice Chairman Clark, seconded by Board member Page, to approve Project Kringle as discussed in Executive Session.

Board members unanimously approved the motion by Board member Sipiora, seconded by Board member Page, to adjourn. Chairman Lindsay adjourned the meeting at 9:31 a.m.

LANCE LINDSAY
Chairman