



McKinney Economic Development Corporation Agenda

Tuesday, November 28, 2017

8:00 AM

Council Chambers
222 N. Tennessee Street
McKinney, TX 75069

PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.002, A QUORUM OF THE CITY COUNCIL MAY BE PRESENT. NO CITY COUNCIL ACTION WILL BE TAKEN.

CALL TO ORDER

This portion of the agenda consists of non-controversial or housekeeping items required by law. Items may be considered individually by the Board or Commission member making such request prior to a motion and vote on the Consent Items.

17-1140 [Minutes of the McKinney Economic Development Corporation Meeting of September 19, 2017](#)

Attachments: [Minutes](#)

17-1141 [Minutes of the McKinney Economic Development Corporation Special Meeting of October 17, 2017](#)

Attachments: [Minutes](#)

17-1142 [Minutes of the McKinney Economic Development Corporation Meeting of October 17, 2017](#)

Attachments: [Minutes](#)

REPORTS

17-1143 [Board and Liaison Updates](#)
[Board Chairman](#)
[City of McKinney](#)
[Chamber of Commerce](#)
[Main Street/MPAC](#)

Attachments: [MCVB Report](#)
[MCDC Report](#)

17-1144 [Consider/Discuss MEDC Staff Monthly Reports](#)

Attachments: [President Report](#)
 [Executive Vice President Report](#)
 [Director of BREP Report](#)
 [Director of Business Development Report](#)
 [Director of Marketing and Research Report](#)

REGULAR AGENDA

17-1145 [Consider/Discuss/Act on October Financials](#)

Attachments: [October Financial Report](#)
 [October Invoices Processed](#)

CITIZEN COMMENTS

BOARD OR COMMISSIONER COMMENTS

Board or Commission Comments relating to items of public interest: Announcements regarding local or regional civic and charitable events, staff recognition, commendation of citizens, upcoming meetings, informational update on projects, awards, acknowledgement of meeting attendees, birthdays, requests for items to be placed on upcoming agendas, and condolences.

EXECUTIVE SESSION

In Accordance with the 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 (as needed) and legal consultation on the following item(s), if any:

- B. Section 551.072. Deliberations about Real Property
 - Real Estate Discussion

- C. Section 551.087. Deliberation Regarding Economic Development Matters
 - Southgate McKinney
 - The WERX
 - Project A185-Harvest
 - Headington Energy Compliance Update

ACTION ON EXECUTIVE SESSION

WORK SESSION ITEMS

17-1037 [Type A Economic Development Sales Tax Training](#)
Attachments: [Training Presentation](#)

ADJOURN

Posted in accordance with the Texas Government Code, Chapter 551, on the 17th day of November, 2017 at or before 6:00 p.m.

Darrell W. Auterson
President-CEO

In accordance with the Americans with Disabilities Act, it is the policy of the City of McKinney to offer its public programs, services, and meetings in a manner that is readily accessible to everyone, including individuals with disabilities. If you are a person with a disability and require information or materials in an appropriate alternative format; or if you require any other accommodation, please contact the ADA Coordinator at least 48 hours in advance of the event. Phone 972-547-2694 or email contact-adacompliance@mckinneytexas.org. Advance notification within this guideline will enable the City to make reasonable arrangements to ensure accessibility. ADA grievances may also be directed to the ADA Coordinator or filed online at <http://www.mckinneytexas.org/ada>.

17-1140



TITLE: Minutes of the McKinney Economic Development Corporation Meeting of September 19, 2017

SUPPORTING MATERIALS:

[Minutes](#)

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

SEPTEMBER 19, 2017

The McKinney Economic Development Corporation met in regular session at the John and Judy Gay Library, 6861 Eldorado Parkway, McKinney, Texas, on September 19, 2017 at 8:00 a.m.

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

City Council members Present: Mayor George Fuller and Scott Elliott

Staff Present: Executive Vice President Abby Liu, Director of BRE/Emerging Tech John Valencia, Director of Marketing and Research Geneva Aragon, Operations/Compliance Administrator Sheri Van Slycke, MEDC Temporary Administrative Assistant Sterrett Coleman, City Manager Paul Grimes, Assistant to the City Manager Trevor Minyard, MCVB Director Dee-dee Guerra, Chief Financial Officer Mark Holloway, Chamber President Lisa Hermes, Video Technician Joey Barr and MEDC Attorney Mark Houser.

There were two guests present.

Chairman Burress called the meeting to order at 8:10 a.m. after determining a quorum was present.

17-914 Chairman Burress called for Consideration/Discussion/Action on a Grant Request Submitted by the City of McKinney/McKinney Air Center in the Amount of Four Million Dollars (\$4,000,000) for Construction of a New Fixed Base Operator Terminal, Expanded Parking, Upgraded U.S. Customs Facility, 40,000 Square Foot Common Hangar. Amount Requested Represents 25% of Total Estimated Project Cost. Deputy City Manager Jose Madrigal provided the history, performance factors and the project overview to the Board to share how the Airport is rapidly seeing an inability to meet growing business demand in McKinney. In addition, the terminal is in need of an upgrade to a larger and more modern, efficient building, with up –to-date technology and amenities that

pilots and passengers expect. McKinney Air Center must align itself with the competition in the FBO market. Total cost is \$16 million. Staff is requesting \$4 million each from MEDC and MCDC. Mr. Brand Henderson shared that Western LLC is providing \$8 million of up front construction financing and construction, which will be repaid with interest over 20 years by the FBO. The expected timeframe for construction is 18 months. Mr. Sipiora expressed, that while he is in strong support of the Airport, he is concerned that the tax benefits may be overestimated and difficult to gauge. Mr. Madrigal explained that while the actuals cannot be guaranteed, at least the McKinney Airport would be receiving those funds instead of other airports. Mr. Clark shared that he was a strong proponent of the Airport, but as a MEDC trustee, he is duty bound to make sure the EDC will have a return on investment. He further stated that the private sector should be better utilized in this process. Board members shared further concerns about applying for available federal funds, as well as making sure this current request was not a band aid approach. Mr. Madrigal explained that future concerns are being considered, but that this current request will meet the critical needs and be the foundation for further growth. The federal funding options have been explored and will not be available until the FBO meets certain criteria which is projected in the years to come. City Manager Grimes stated that staff has completed a comprehensive review and believe this approach is the best avenue to leverage the City's money through the MEDC, the MCDC and the City for the Airport renovation. In addition, the mile and a half runway strip acts as a main street and holds potential for unlimited revenue on either side of that strip of property. Mayor Fuller submitted to the Board for consideration that the most important investment in long-term economic development in the City of McKinney is the Airport infrastructure, as well as the biggest differentiator when comparing us to our sister cities.

17-909 Chairman Burress called for action on the Minutes of the McKinney Economic Development Corporation Meeting of August 29, 2017. Board members approved, by a vote of 5-0, the motion by Vice Chairman Merritt, seconded by Board member Sipiora, to approve the August 29, 2017 minutes.

17-910 Chairman Burress called for Board and Liaison Updates.

Board Chairman – Chairman Burress shared that the City of McKinney is actively engaged in the RFP process for the Amazon HQ2 project.

City of McKinney – City Manager Paul Grimes announced the implementation of our new land management software system, Intergov. This system will streamline the processes by which developers can increase access to pertinent information. Live launch is projected for October 16th. Mr. Grimes welcomed Geneva Aragon, the new MEDC Director of Marketing and Research. In conclusion, the Communications Department received a Savvy Award in the Best Electronic Newsletter category.

Chamber of Commerce - Chamber President Lisa Hermes reported this month has been an advocacy month participating in a Washington DC Fly In with the Texas Association of Business and met with Congressional leaders to address key topics, including NAFTA and DACA. Chamber is continuing to collect information about our major employers and where their workforce is located to contribute to the transit initiatives. Ms. Hermes continued that the Chamber is partnering with the Collin County Chamber of Commerce and our sister communities to develop a candidate school to empower business minded individuals with lots of skills and expertise, to run for local public office. Texas Speaker of the House Joe Straus will host a legislative wrap-up and appreciation lunch at the Sheraton McKinney on October 10th. The State of the City event is on November 2nd.

- 7-911** Chairman Burress called for Consideration/Discussion of the MEDC Staff Monthly Reports. Executive Vice President Liu and Chairman Burress shared that the MEDC staff has put a lot of time and effort into the Amazon H2 RFI and is confident of the impact it will have. Chairman Burress extended his thanks and kudos to Director of Marketing and Research Geneva Aragon for her work on social media.
- 17-912** Chairman Burress called for Presentation by Volunteer Mobilization, LLC. VOMO Controller Bob Peabody provided the presentation. Volunteer Mobilization, LLC (VOMO) is a technology company that was formed in April 2017 and provides software as a service to help companies, churches, etc. manage volunteer projects. VOMO operates in the 501C3 and church realm as “Awaken My City” and to for profit businesses they operate as VOMO. The software product is sold on a monthly subscription basis and is a taxable service. VOMO intends to lease about 5,000 square feet of office space to create corporate headquarters.
- 17-913** Chairman Burress called for Consideration/Discussion/Action on August Financials. Chief Financial Officer Mark Holloway reported revenue is above budget YTD by 19.36%. Sales tax figures came in 9.9% above last year’s collection through August. Expenditures continue to be under budget due to savings in rebate expenditures paid out for incentives. During the month of August, there were no significant expenses to report outside of normal operating expenses. Board members approved, by a vote of 5-0, the motion by Board member Clark, seconded by Vice Chairman Merritt, to approve the August Financials.

Chairman Burress called for citizen and Board comments and there were none.

Chairman Burress recessed the meeting into Executive Session at 9:27 a.m. per 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 (as needed) and legal consultation on the following item(s). Section 551.087. Deliberation

Regarding Economic Development Matters as listed on the posted agenda. Chairman Burress reconvened the meeting to open session at 11:11 a.m.

Board members approved, by a vote of 5-0, the motion by Vice Chairman Merritt, seconded by Board member Clark, to approve the application from VOMO, LLC with the caveats agreed to in Executive Session.

Board members approved, by a vote of 4-1-0, the motion by Board member Clark, seconded by Board member Denny, Board member Sipiora voting no, the grant application request from the City of McKinney and McKinney National Airport.

Board members approved, by a vote of 5-0, the motion by Board member Clark, seconded by Chairman Burress, to adjourn. Chairman Burress adjourned the meeting at 11:13 a.m.

JASON BURRESS
Chairman

17-1141



TITLE: Minutes of the McKinney Economic Development Corporation Special Meeting of October 17, 2017

SUPPORTING MATERIALS:

[Minutes](#)

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

Special Meeting

OCTOBER 17, 2017

The McKinney Economic Development Corporation met in special session at the John and Judy Gay Library, 6861 Eldorado Parkway, McKinney, Texas, on October 17, 2017 at 10:00 a.m.

Board members Present: Kenneth Sipiora, Robert Clark, Paul Merritt, Jason Burress, Joe Minissale and Michael Jones. Absent: Sharon Denny

Staff Present: President Darrell Auterson, MEDC Attorney Mark Houser, Operations and Compliance Administrator Sheri Van Slycke and Temporary Administrative Assistant Sterrett Coleman.

17-1038 Mr. Burress called for the Election of Officers. Board members approved, by a vote of 5-0, the motion by Board member Merritt, seconded by Board member Minissale, to elect Jason Burress as Chairman. Board members approved, by a vote of 5-0, the motion by Board member Clark, seconded by Board member Sipiora, to elect Paul Merritt as Vice Chairman. Board members approved, by a vote of 5-0, the motion by Chairman Burress, seconded by Vice Chairman Merritt, to elect Robert Clark as Secretary/Treasurer.

Chairman Burress adjourned the meeting at 10:05 a.m.

JASON BURRESS
Chairman

17-1142



TITLE: Minutes of the McKinney Economic Development Corporation Meeting of
October 17, 2017

SUPPORTING MATERIALS:

[Minutes](#)

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

OCTOBER 17, 2017

The McKinney Economic Development Corporation met in regular session at John and Judy Gay Library, 6861 Eldorado Parkway, McKinney, Texas, on October 17, 2017 at 8:00 a.m.

Board members Present: Kenneth Sipiora, Robert Clark, Paul Merritt, Jason Burress, Joe Minissale and Michael Jones. Absent: Sharon Denny

Council members Present: Mayor George Fuller and Councilman Scott Elliott

Staff Present: President Darrell Auterson, Executive Vice President Abby Liu, Director of BRE/Emerging Tech John Valencia, Director of Marketing and Research Geneva Aragon, Director of Business Development Bruce Coleman, Operations/Compliance Administrator Sheri Van Slycke, MEDC Temporary Administrative Assistant Sterrett Coleman, City Manager Paul Grimes, Assistant to the City Manager Trevor Minyard, MCVB Director Dee-dee Guerra, City Secretary Sandy Hart, Senior Financial Analyst Eric Corder, Chief Financial Officer Mark Holloway, Chamber President Lisa Hermes, Video Technician Joey Barr and MEDC Attorney Mark Houser.

There were four guests present.

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

17-1033 Mr. Burress called for the Board and Liaison Updates.

Board Chairman - Mr. Burress welcomed incoming Board members Joe Minissale and Michael Jones. Mr. Burress congratulated Madison Clark and family on their new baby arrival. Mr. Burress continued that the PACCAR Groundbreaking event was stellar and he was happy to attend along with Mayor Fuller, several City Council and MEDC Board members, but disappointed Lance Lindsay was unable to attend since he was a significant team player in bringing the PACCAR team to McKinney. MEDC staff, especially Executive Vice President Liu and

former Director of Business Development Chad Walker did outstanding work on the PACCAR project.

City of McKinney - City Manager Paul Grimes welcomed the incoming Board members Michael Jones and Joe Minissale. Mr. Grimes continued that City Council continues deliberations on the proposed annexation of six square miles and just recently held the second of three required public hearings. The final public hearing is October 25th and the vote will be held on November 15th. Congratulations to Donnie Williams, one of McKinney's motorcycle police officers of whom won the Gulf Coast Police Motorcycle Skills Championship. Additional congratulations to McKinney's SWAT Competition Team for finishing in First Place overall during the Texas Tactical Police Officers Association's (TTPOA) yearly competition in Waco.

Chamber of Commerce - Chamber President Lisa Hermes welcomed the incoming Board members Joe Minissale and Michael Jones. Ms. Hermes reported that the week of October 15th is the annual Texas Chamber of Commerce Week that includes special events throughout the week. McKinney Chamber is partnering with other Collin County chambers and hosting a joint chamber event at Valliance Bank on October 19th. Another successful partnership with other Collin County chambers was the luncheon for the Texas Speaker of the House, Joe Straus of whom was a true champion for local control and business interest during the last legislative session. Again, working with other chambers, McKinney Chamber recently signed on to a resolution to support a comprehensive public transportation and transit study from the county level. McKinney Chambers Membership Director Kathy Blank took 3rd Place in first quarter sales in a national sales contest. Ms. Hermes encouraged everyone to save the date of December 5th for the Chamber Christmas Party.

MCVB - MCVB Director Dee-dee Guerra reported the MCVB assisted in securing over 900 room nights, which resulted in a little over \$100,000. MCVB hosted nine weddings, two corporate events, three social events, and one association event. The association MCVB assisted was the Farm and Ranchers Freedom Alliance from whom the MCVB received rave reviews from the organizers and the attendees. MCVB received coverage in Travel Host Magazine at no charge. MCVB Board approved \$20,000 to the budget to allocate for grants. The criteria to be considered for a grant includes advertising/promotion of events or projects that will encourage tourism dollars in McKinney. Available funds are \$10,000 per grant cycle. Deadlines to apply for each grant cycle are November 10th, with funds awarded on January 22nd, and February 2nd, with funds awarded on March 27th.

17-1034 Mr. Burress called for Consideration/Discussion of MEDC Staff Monthly Reports. President Auterson introduced and welcomed the new MEDC Director of Business Development Bruce Coleman. Mr. Auterson shared that MEDC was awarded the 2017 IEDC Bronze Award for Innovation in Economic Development during Economic Development Week earlier this year. In addition, Mr. Auterson was honored with the Fellow Member designation by the IEDC at the 2017 Annual Conference held in Toronto, Canada in September. Executive Vice President Liu echoed Chairman Burress' comments concerning the PACCAR Groundbreaking and expressed great appreciation to City of McKinney and MEDC staff for all their teamwork related to the PACCAR project. Ms. Liu expressed special appreciation to former MEDC Board members, Lance Lindsay, Randy Page and Walter Chen for their efforts with PACCAR, as well.

17-1035 Mr. Burress called for Consideration/Discussion/Action on September Financials. Chief Financial Officer Mark Holloway reported revenue is below budget YTD by -1.46%. An end of year budget adjustment was completed in September to bring FY17 revenues in line with current year

actuals. Sales tax figures came in 9.3% above last year's collection through September. Expenditures continue to be under budget due to savings in rebate expenditures paid out for incentives. During the month of September there were no significant expenses to report outside of normal operating expenses. Board members approved, by a vote of 6-0, the motion by Board member Clark, seconded by Board member Sipiora, to approve the September financials.

17-1036 Mr. Burress called for the Presentation by The WERX, Powered by Dallas Entrepreneur Center. McKinney WERX Co-chairman of the Board Mark Cottam and Trey Bowles with The Dallas Entrepreneur Center (DEC) provided the presentation to the Board. Mr. Cottam shared the current state of affairs with The McKinney WERX in terms of location, revenue, and expenses and concluded for The McKinney WERX to succeed the following items are critical to address: The location and space configuration, programs, education and mentorship, access to capital and the right management team. In partnership with The DEC, The WERX would be able to properly build out the Entrepreneur Center in the Cotton Mill, execute the Department of Commerce RIS Grant to create and operate the Makerspace and be a fully funded program through 12/31/19 with renewal options. Mr. Bowles shared the history, the accomplishments and successful programs of the DEC in other cities in Texas and what the DEC would require from the MEDC to implement those same programs within The McKinney WERX. Board members expressed their concern of granting funds up front whereas the usual model for MEDC grants would be to assist with start-ups that have, at least, some proven return on investment and Mr. Bowles conveyed that the DEC being a non-profit organization, that business model is a reverse of for profit. In addition, Board members shared their concern whether graduating businesses from The WERX/DEC would stay in McKinney.

Mr. Bowles shared that while there are no guarantees, statistically, graduating businesses do stay in the local area.

Mr. Burress called for citizen and Board comments and there were none.

Mr. Burress recessed the meeting into Executive Session at 9:34 a.m. per 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 (as needed) and legal consultation on the following item(s), if any. Section 551.072. Deliberations about Real Property - Real Estate Discussions. Section 551.087. Deliberation Regarding Economic Development Matters as listed on the posted agenda.

Mr. Burress recessed Executive Session at 9:59 a.m. to usher the Board into a Special Meeting for election of officers. Chairman Burress reconvened to Executive Session at 10:10 a.m., after the election of officers meeting.

Board member Sipiora left Executive Session at 11:00 a.m. and did not return. Chairman Burress reconvened to open session at 11:52 a.m.

Board members, by a vote of 5-0, approved the motion by Vice Chairman Merritt, seconded by Board member Minissale, to approve the Southgate McKinney Master Development Agreement as discussed in Executive Session.

Board members, by a vote of 5-0, approved the motion by Vice Chairman Merritt, seconded by Chairman Burress, to approve Project Hammer with the changes as discussed in Executive Session.

Board members, by a vote of 5-0, approved the motion by Board member Minissale, seconded by Board member Jones, to adjourn. Chairman Burress adjourned the meeting at 11:53 a.m.

JASON BURRESS
Chairman

17-1143



TITLE: Board and Liaison Updates
Board Chairman
City of McKinney
Chamber of Commerce
Main Street/MPAC

SUPPORTING MATERIALS:

[MCVB Report](#)
[MCDC Report](#)

Talking Points November 2017 for October 2017

I. Recognition:

Second year in a row, the MCVB was voted for the annual Convention South Readers' Choice award. Press release is attached. Congratulations to the team at McKinney CVB! (*Way to seriously bring in the votes this year! One of only 38 total winners in the entire state including CVBs and venues!*) Of the *thousands* of meeting destinations in the South, *over 1,000* were nominated this year, and *only 300* were chosen winners... After *over 6,000* readers and fans voted, *you have won* an Annual *ConventionSouth* Readers Choice Award!



II. MCVB Room Nights Generated: TTL Room Nights: 819; TTL Revenue: \$91,187.45

WEDDINGS COMPLETED in October 2017 - TTL Room Nights: 375; TTL Rev: \$44,465.85

- Wheeler/Tadvick Wedding – Grand Hotel: TTL room nights: 11, TTL Rev: \$ 2107
- Warren/Wells Wedding – Towne Place Suites: TTL room nights: 2, TTL Rev: \$218
- Boyette/Cook Wedding – Grand Hotel: TTL room nights: 39, TTL Rev: \$6291
- Kimbro/Jensma Wedding – Comfort Suites: TTL room nights: 31, TTL Rev: \$2719
- Herrera/Sutherland Wedding – Hampton Inn: TTL room nights: 53, TTL Rev: \$6042
- Symone Charlton Wedding – Towneplace Suites: TTL room nights: 25, TTL Rev: \$2725, Hampton Inn: TTL room nights: 28, TTL Rev: \$3192, Holiday Inn: TTL room nights: 7, TTL rev: \$693
- Folkening/Harbour Wedding – Towneplace Suites: TTL room nights: 10, TTL Rev: \$1090, Best Western: TTL room nights: 2, TTL rev: \$191.98

MEDC-MCDC-MAIN ST.

- Maddison Howell Wedding – Sheraton: TTL room nights: 46 TTL rev: \$5334
- Glenda Meadows Wedding – Best Western: TTL room nights: 13, TTL rev: \$1325.87
- Garrett/Bailey Wedding – Sheraton: TTL room nights: 58, TTL rev: \$6607
- Sarah Castaneda Wedding – Holiday Inn: TTL room nights: 2, TTL rev: \$ 218
- Jeania Lemons Wedding – Hampton Inn: TTL room nights: 8, TTL rev: \$ 952
- Leah Ingebriksen Wedding – Hampton Inn: TTL room nights: 28, TTL rev: \$ 3332
- Margot Delossantos Wedding – Hampton Inn: TTL room nights: 12, TTL rev: \$1428

No Pick-ups on the following weddings:

- Rachel Cohenouer - October 2017, The Springs
- Mercedes Henderson Wedding – October 2017, Rustic Grace
- Carly Schindler Wedding – October 2017, Stone Crest
- Dana Galway Wedding – Springs
- Katie Almaleh Wedding – October 2017, The Springs

ASSOCIATION/CORPORATE/SMERF COMPLETED in October 2017: TTL Room nights: 444, TTL Revenue: \$46,721.60

Associaton: TTL Rooms: N/A; TTL Rev: \$ 0

Corporate: TTL Rooms: 444 TTL Revenue: \$ 46,721.60

- Torchmark- Sheraton 10/8-12/17; 43 TTL Room nights; \$ 4,300 TTL Revenue
- Torchmark- Sheraton 10/10-12/17; 56 TTL Room nights; \$ 5,600 TTL Revenue
- Torchmark- Sheraton 10/16-17/17; 56 TTL Room nights; \$ 5,600 TTL Revenue
- Torchmark- Sheraton 10/22-25/17; 250 TTL Room nights; \$ 25,000 TTL Revenue
- Emerson- Sheraton 10/10-12/17; Cancelled
- Dow Chemical Co. – Grand Hotel: TTL room nights: 13, TTL Rev: \$1777
- 3D Group Travel – Grand Hotel: TTL Room nights: 26 TLL Rev: \$4000.60

SMERF: TTL Rooms: N/A; TTL Rev: \$ 0

Sports: 0 TTL Rooms: N/A; TTL Rev: \$ 0

- North Texas Fall Shootout – teams booked online, no room block, no pick up

III. Visitors: FYTD Total (October '17)

August Total: (includes all individuals that have come through the visitor's center)

- Out of State:
- Out of Country:
- Texas Residents:
- McKinney Residents:
- Register Total:
- Ticker Counter:

IV. RFP's: 31 (1-Association, 20-Corporate, 10-Weddings, -Social (0-Religious), 0 -Sports, 0-Day Trips)

Association: 1

- Texas State NAACP Annual Conference to the Sheraton on 10/6/17
Event to Take Place 2 or 3rd Week in October 2018. Attendees: 250
Peak Room Nights: Thursday – Saturday 50-75 Room nights per night over 3 days (150-225 room nights) Off Peak Room Night: Wednesday 10 room nights.

Corporate: 20

- CarMax Employment Center: Monday, 19 Feb 2018 - Fri, 13 Apr 2018); looking for a venue only to do training.
- **1200 room nights- Emerson**
 - Emerson: 30 attendees; 60 room nights:
 - Life Cycle Services: IV 1100; 180 Room nights
 - 1/30/18-2/1/18
 - 5/1-3/18
 - 6/5-7/18
 - Life Cycle Services:IV1106;240 Room nights
 - 1/9-11/18
 - 4/10-12/18
 - 9/18-20/18
 - 11/13-15/18
 - Regulator:1100; 240 Room nights
 - 2/20-22/18
 - 3/20-22/18
 - 9/11-13/18
 - 11/6-8/18
 - Regulator:1106;240 Room nights
 - 2/27/18-3/1/18
 - 3/20-22/18
 - 9/11-13/18
 - 11/6-8/18
 - Regulator:1112; 120 Room nights
 - 5/22-24/18
 - 12/11-13/18
 - Emerson: 30 attendees; 90 room nights; 180 Room nights
 - Regulator:FC1605
 - 10/9-11/18
 - Regulator:FC1800
 - 1/23-26/18

Weddings: 10

- Kayly Browne Wedding, October 2018 – Avalon Legacy
- Shelby Boyett/Camerson Cook Wedding, October 2017 – Flour Mill
- Natalie Butlers Wedding, December 2017 – River Road Chateau
- Gaby Ortiz Wedding, December 2017, - Springs
- Shadae Rogers Wedding, February 2018 – The Springs

MEDC-MCDC-MAIN ST.

- Morgan McGrew Wedding, March 2018, The Springs
- Alex Parkinson Wedding, April 2018, The Rosemary Barn
- Lauren Daymard Wedding, May 2018 – Chandlers Garden
- Katie Nelson Wedding, August 2018 – Stone Crest
- Waychoff/Lonzanida Wedding – August 2018, Stone Crest

SMERF: 0

V. RFP's: (-Association, -Corporate, -Weddings, -Social (0-Religious), 0 -Sports, 0-Day Trips)

VI. Site Visits: 452

- Out of State: 38
- Out of Country: 11
- Texas Residents: 28
- McKinney Residents: 9
- Register Total: 96
- Ticker Counter: 452

VII. Advertising: Ads/materials created and submitted: Created/submitted materials (photos and text)
Blogs on our website:

- Peek Inside The Old Gough-Hughston House - 17
- Support Your Local Farmers & Locally-Grown Food - 4
- Heard Museum 50th - 9
- Want to be in a Movie? – 7
- Benji House on Film Trail – 9
- Keep McKinney Beautiful This Fall: 1
- McKinney Shop opens - 25
- Slice of McKinney: Improv at Comedy Arena - 56
- Wurlitzer organ - 21
- What's New in McKinney-Fall Update - 48
- Grants now Available - 15

VIII. Visits on Homepage News Flash buttons & landing pages:

- **The McKinney Shop - 25**
- **World-War-I-Exhibit – 32**
- **Plan Your Visit - 6**
- **Weekend Update page: 84**
- **GetSocial#getsocial – 77**
- **MCVB Grants - 33**

#GETSOCIAL 17-18	
FY 17-18	Views
Oct, 17	77
TOTALS	77

VIII. Photos, Text Written, Marketing Materials and Ads Submitted

- Facebook photos
 - DIY Class at Fair & Square
 - Fall photos at Towne Lake
 - Mayor’s Concert promoting MPAC grant competition
 - SportSource proclamation
 - TDA Proclamation
 - Press release for MCVB Grants
 - Eventzee Clues for TDA

- Materials Submitted
 - Winter calendar info for Texas Events Calendar
 - Home for the Holidays photos to Modern Luxury Magazine
 - Event information to Dallas Child Magazine

X. Advertising- Website & Publication ROI Tracking:

- Meeting Planners Guide – 19
- Historic Calendar – 2
- TourTexas (Oktoberfest) – 6
- Oxford American (Oktoberfest) - 38
- Faster2First Tourney – 16
- DFW Map – 1
- Daytripper – Oktoberfest: 24
- Southern Living – 1
- Dallas Cowboys – 1

XI. Free Publicity:

FY 17-18	Budgeted Amount
Adv.	\$42,655
Promo.	\$83,710
Total	\$ 126,365

- *Does not include \$20,000 for Grants*

MEDC-MCDC-MAIN ST.

OCTOBER 2017 - MCVB Publicity/Free Media Coverage					
Publication	Article/Topic/Writer	Print/ Broadcast Value	Web Value	PR Value	Impressions
BubbleLife Collin Co.	Shared Blog/web posts (4 times)	0	8000	24000	900000
Community Impact	MCVB Grants	0	2000	6000	150000
Courier Gazette	MCVB Grants	1025	1000	3000	49384
North Texas E- News	MCVB Grants	750	600	1800	55000
TOTALS		\$1,775	\$11,600	\$34,800	1,154,384

SOCIAL MEDIA TRACKING

FACEBOOK - 207-18					
FY 17-18	New Likes	TTL Likes	Engaged Users	Total Reach	Impressions
Oct. 17	47	6217	92,814	850,774	4,382,210
TOTALS	47	6,217	92,814	850,774	4,382,210

OTHER SOCIAL MEDIA TRACKING – AUGUST 2017

Type	Number	Increase #	Percentage (+/-)
Twitter			
Followers	4561	+72	+36%
Tweets	5932	+52	+2.0%
Tweet Impressions	16.8K	(not given)	-8.4%%

MEDC-MCDC-MAIN ST.

Profile Visits	282	-58	-0.9%
Mentions by other users	26	+7	+13%
Google Sites	Views	Increase	Subscribers
YouTube	4015	329	20 (+1)

VISIT WIDGET - OCTOBER 2017						
OCTOBER	Sessions	Users	Page Views	Pages per Session	Bounce Rate %	% New Sessions
Oct. 2-8	34	22	135	3.97	20.59	41.18
Oct. 9-15	42	32	174	4.14	33.33	50.00
Oct. 16-22	31	24	226	7.29	16.13	45.16
Oct. 23-29	29	20	197	6.79	34.48	41.38
Oct. 30-Nov. 5	41	30	193	4.71	24.39	56.10
TOTALS	177	128	925	26.90	n/a	n/a

XII. Lost Business-2

- Texas State NAACP Annual Conference to the Sheraton on 10/6/17Event to Take Place 2 or 3rd Week in October 2018. Attendees: 250, Peak Room Nights: Thursday – Saturday 50-75 Room nights per night over 3 days (150-225 room nights). Off Peak Room Night: Wednesday 10 room nights.
- Emerson Global-Inside Sales Automation Solutions SK (HelmsBriscoe) www.emerson.com. RFP sent to the Sheraton. Dates: 11/14-17/17. Lost to Allen, wanted walk ability.
Dee-dee,

I just heard back after an email follow-up. They went to the Courtyard in Allen. It is now a room's only meeting and they like that they can walk to things – including Top Golf.

DAWN FISCHER-PATTERSON

Director of Sales

T: 972 363 2091 F: 972 549 0044

sheraton.com | like us on [Facebook](#)

SHERATON MCKINNEY

1900 Gateway Blvd McKinney, TX 75070



November 15, 2017

TO: MEDC
FROM: Cindy Schneible, MCDC
RE: MCDC Update

2017 Grant Funded

The following page provides a summary of Promotional and Community Event Grants and Project Grants funded by MCDC in FY17.

Promotional and Community Event Grants

Applications are being accepted for the first cycle of Promotional Grants through November 30, 2017. The total pool of funds available for this round is \$75,000. Applicants will present their requests at the December board meeting. Board action will be scheduled for the January MCDC meeting.

The following events, supported by MCDC Projotional Grant funds are scheduled for the October-November timeframe:

Santa on the Square

November 24th – December 17th

Quality of Life Award

MCDC is soliciting nominations for both an individual and organization to receive the annual Quality of Life Award at the Chamber's annual Community Awards Celebration on February 23, 2018. The award will be promoted via social media and email – with announcements going out the first week of November.

Marketing/Promotion/Advertising

MCDC continues to place print ads, with a buy local/impact to the community – message. Publications/outlets include: McKinney Historic Preservation Calendar; Parks and Rec Guide; Craig Ranch and Stonebridge Ranch HOA News; Community Impact News; McKinney (Chamber) Online advertising; Apex Centre – digital ads and radio spots; PSA sponsorship; and retail publications -Texas Real Estate Business; RED News.

Funding support for collaborative advertising initiatives promoting McKinney for a visit, shop, dine experience includes: See McKinney First (City, MCVB, MCDC); DMagazine (City, MCDC); Modern Luxury (City, MCDC); USA Today (MCVB, MCDC); Visit Widget (MCVB, MCDC).

ICSC Texas Deal Making Conference – MCDC funded and staffed a City of McKinney booth, November 8-10.

**McKinney Community Development Corporation
Grants and Transfers - FY 16-17 (Final)**

Category	Grant/Transfer	Amount
Promotional & Community Events	MCDC Discretionary	\$ 100,000.00
	3e McKinney - Run for Cover	\$ (3,750.00)
	Collin County Historical Society - WWI Centennial Commemoration	\$ (6,225.00)
	Heard Craig - Art Meets Floral	\$ (3,000.00)
	Heritage Guild of Collin County - Farmer's Market; Tour de Coop; Ice Cream Crank-off	\$ (12,500.00)
	Kiwanis Club of McKinney - Historic McKinney Triathlon and Kids Triathlon	\$ (3,525.00)
	McKinney Main Street - Arts in Bloom	\$ (15,000.00)
	Texas Artists/DEAR Texas - McKinney Book Festival	\$ (6,000.00)
	Volunteer McKinney - Santa on the Square	\$ (2,000.00)
	NCCHF - Monster Mash Birthday Bash	\$ (3,500.00)
	McKinney Rotary Foundation - Parade of Lights	\$ (3,500.00)
	Heritage Guild of Collin County Farmers Market, Ghost Walk, Holiday Home Tour	\$ (9,000.00)
	Arts & Music Guild - McKinney Art Studio Tour	\$ (5,000.00)
	Collin County Master Gardeners - 2018 Garden Show	\$ (6,000.00)
	McKinney Main Street - Oktoberfest	\$ (15,000.00)
	Mission Regan - Golf Tournament	\$ (1,000.00)
	Embrace Texas - Child to Family Event	\$ (1,000.00)
	Crape Myrtle Trails Foundation - Run the Trails	\$ (4,000.00)
	Balance	\$ -
Community Projects	MCDC Discretionary	\$ 1,259,745.00
	#17-02 McKinney Main Street - Polaris Gem	\$ (25,000.00)
	#17-03 Collin County Historical Society and Museum - Display Cases	\$ (7,062.00)
	#16-06 McKinney Rotary Foundation All Abilities Playground - Amendment to Increase Funding (total now \$275,000)	\$ (75,000.00)
	#16-03 McKinney Armed Services Memorial Board Gold Star Memorial - Amendment to Increase Funding (total now \$165,000)	\$ (20,000.00)
	#17-06 North Collin County Habitat for Humanity - Land Acquisition and Lot Preparation; Exterior Home Repairs; Material Costs for MISD/North Texas Job Corp Project Home	\$ (331,072.00)
	#17-07 McKinney Housing Authority - Rehabilitation, Reconstruction and Expansion of Merritt McGowan Manor	\$ (500,000.00)
	#17-08 Heritage Guild of Collin County - Repairs to Taylor Inn and Campus-wide Irrigation System	\$ (65,000.00)
	Balance	\$ 236,611.00
Projects - Parks & Recreation	Project #15-04	\$ 5,500,000.00
	Hike & Bike Trails	\$ (480,000.00)
	Prosper ISD Neighborhood Park	\$ (705,000.00)
	Gray Branch Phase I	\$ (770,000.00)
	Land Acquisition	\$ (2,270,000.00)
	Frisco ISD Neighborhood Park	\$ (825,000.00)
	Park Accessibility/ADA Compliance Plan	\$ (250,000.00)
	Erwin Park Phase I	\$ (200,000.00)
	Balance	\$ -
MPAC Operations		\$ 375,000.00
	Balance	\$ (375,000.00)
MAFC Operations		\$ 1,040,093.00
	Balance	\$ 1,040,093.00
Community/Partnership Projects	Fund Balance	\$ 30,423,420.00
	#17-01 Dr Pepper StarCenter Expansion (\$3,500,000 funded by Fund Balance)	\$ (3,500,000.00)
	#17-04 Resort Hotel and Conference Center at Craig Ranch Loan - repayment at 3% interest	\$ (5,000,000.00)
	#17-04 Resort and Conference Center at Craig Ranch - Grant - Payout FY 20	\$ (3,000,000.00)
	#17-10 City of McKinney/McKinney National Airport - Improvements to FBO; Parking; Hangar Construction	\$ (4,000,000.00)
	Balance	\$ 14,923,420.00



17-1144

TITLE: Consider/Discuss MEDC Staff Monthly Reports

SUPPORTING MATERIALS:

[President Report](#)

[Executive Vice President Report](#)

[Director of BREP Report](#)

[Director of Business Development Report](#)

[Director of Marketing and Research Report](#)



McKinney Economic Development Corporation

Darrell Auterson – President/CEO

November 2017

Strategic Plan Management & Communicating Results:

A. Business Retention & Expansion

- Working with an existing company that is exploring a potentially very large expansion project. They have received an incentive application & have pledged to submit the application by the December 5th deadline for the December MEDC Board meeting. There is question whether the project can qualify for MEDC assistance, but City tax reimbursement consideration is a likely possibility.

B. Business Attraction

- We have had a steady stream of prospect leads flow in & Geneva Aragon has been doing an excellent job in taking the lead on assembling responses to the Requests for Information (RFI's). Geneva & Bruce Coleman (new Business Development Director) have learned quickly by doing. They have rallied together with their teammates to present McKinney's attractiveness as a business location.
- Bruce has been working diligently to meet with many of the commercial/industrial real estate brokers from across the metroplex. He is getting known quickly in this market & aggressively promoting McKinney's openness for business.
- Our connections in London this year helped generate 128 business leads & we have held phone/skype conversations with a couple of these leads thus far. We have also connected one of our local companies with contacts in London as they are looking to expand their business footprint. We will continue promoting McKinney as being attractive for Foreign Direct Investment (FDI) for companies of all sizes. We have tailored our message around a "soft landing zone" program.
- Construction is progressing nicely on the PACCAR, Playful Corp. & Hunt Southwest projects. We are also scheduled to close on the sale of the MEDC property to Hunt Southwest by the end of the year. Independent



Bank has also indicated they could potentially break ground on their corporate headquarters project in December.

C. Entrepreneurship

- The WERX & DEC are seeking financial support from MEDC & a formal request will be discussed at the November Board meeting.

D. Competitiveness

- The Southgate MDA has been approved by the City Council & KDC has indicated they are actively working on an office lead that could generate a 300,000 square feet project. An update meeting with Emerson is planned to share the latest vision concepts.
- I am in discussions with a speculative office developer that has caught wind of MEDC's receptivity to incentivizing high density Class A office development. Indications are that the developer would likely construct a minimum 6 story, high quality structure that would enhance our office market product offerings. We are planning a meeting soon with that developer & will continue to refine our strategy for attracting more high quality office projects. Other similar conversations with office developers are in the works.
- Similar speculative development conversations are underway for light industrial opportunities as well. The spec RFP initiative with Hunt Southwest has clearly demonstrated McKinney's development intentions & has sparked the interest of more developers.

Marketing/Promotion/Connection Activities:

- Attended the Texas Economic Development Council's (TEDC) Annual Conference in Houston, October 18-20th. Generated a solid prospect lead while at the conference.
- Attended the Craig Ranch Broker Appreciation event on 10/26 & witnessed the unveiling of the rendering for the Independent Bank Corporate Headquarters. Connected with a number of commercial brokers & educated them about MEDC's receptivity to incentivizing high density, Class A office development in McKinney. Interest is picking up as the word is getting out.
- Staff attended the ICSC Conference in Dallas 11/9 – 11/10.



- We have developed updated marketing materials for inclusion in RFI response packages. We are also beta testing two lead generation/prospect research software programs to determine the best tool for assisting our research & targeting efforts.

Other:

- Our new Administrative Assistant joined the MEDC team on 11/6.
- We are preparing job descriptions to recruit a new research analyst & business development team member.



McKinney Economic Development Corporation

Abby Liu, Executive Vice President

November, 2017

Strategic Plan Management & Communicating Results:

A. Business Retention & Expansion

- Staff worked with City Secretary Hart and MEDC Legal Counsel Houser/Lathrom for the City of McKinney to nominate PACCAR as an Enterprise Project for the company's Texas Enterprise Zone Application.
- Assistant City Manager Shelton and Staff held monthly meetings with PACCAR staff to facilitate the progress of the company's new construction.

B. Business Attraction

- Staff has been working on the attraction of Project Harvest, Global Headquartered in Hong Kong, to establish its first U.S. presence in McKinney.

Marketing/Promotion/Connection Activities:

- Staff attended the successful PACCAR Groundbreaking on October 12. (Photo attached)
- President Auterson and Staff attended 2017 Texas Economic Development Council Annual Conference in Houston on October 18-20.
- President Auterson, Director of Marketing Aragon, Director of Business Development Coleman and Staff attended Craig Ranch Broker Appreciation Party in Dallas on October 26. (Invitation attached)
- Staff organized and attended Mayor Fuller's media interview with Chief Editor Mak of Dallas Chinese News on October 31.

Other:

- Executive Session Agenda Items:
 - Real Estate
 - Project Harvest

PACCAR/DYNACRAFT GROUNDBREAKING

McKinney, TX | October 12, 2017



A ground breaking event was held to break ground on PACCAR's new 130,000 square foot manufacturing facility. It was an exciting event to launch the start of a 6 year agreement, bringing 200 jobs and over \$20 million in capital investment.





CHEERS TO FIVE YEARS!



YOU ARE INVITED TO THE 5TH ANNUAL

Broker Appreciation Party

JAVIER'S GOURMET MEXICANO

October 26, 2017  *5:00 - 7:00 pm*

4912 COLE AVE, DALLAS, TX

Please RSVP to rdelgado@craigranchtexas.com by October 19

CRAIG RANCH



McKinney Economic Development Corporation

John Valencia-Director of BREP

November 2017

Strategic Plan Management & Communicating Results:

A. Business Retention & Expansion

- Simpson Strong-Tie expansion continues. The Warehouse and plant expansion on the north end to be complete first week of December. The CO on that phase is scheduled for end of this year.
- Project Todd (Previously referred to as Project Raise) - I was contacted by a development team retained by the client to help navigate their project to build an approximately 100K sf, two story Class A office complex that has 50K sf floor plates. Site would be in the 8-10 acre range. The development team is gathering intel for presentation before the client's December Board of Director's meeting. Early schedule is to have the CO and move in Q4 of 2019 or early Q1 of 2020.
- Project Sweet - New Retention & Expansion opportunity is in discussion. With recent discussions and development in our community regarding annexation, this has become a relocation, retention and expansion opportunity. The short term effort will be to maintain current location and have some square footage increases, along with job growth. And over the next 6 to 12 months, to design, build and occupy a totally different location and facility. This is ongoing and continues to be worked.
- Project Lilly - Offer Letter has been presented but per the client, they are letting the offer elapse. Their business model may be changing in the near future and if it does and they continue to need to expand, they will reapply under a different application. They have extended their current location and lease until July 31, 2018.

B. Business Attraction

- I was a small part of the MEDC and City Team in preparing and participation in Project HQ2. This was a very exciting project and continues even now and will be fun to see how it all turns out!!!
GO MCKINNEY
...It's been a month now since the submittal to Amazon has happened and it's been interesting and fun to keep up with all the "analysts, experts,



prognosticators and the like...” to hear and read where they think Amazon will land. As I write this, it was in this morning’s WSJ that Dallas was ranked “Best Overall” <http://www.wsj.com/graphics/amazon-headquarters/>
Not sure the WSJ knows anything more than anyone else, but certainly more fun to read than what the Chicago Tribune, Boston Globe or the Atlanta Business Journal have to say!!!

Marketing/Promotion/Connection Activities:

- NA

Other:

After last month’s Board meeting and the presentation by The WERX and The DEC, a number of questions were asked of Mark and Trey as action items to address. Last week answers were put together and distributed to you for review and follow up. We trust these were adequate and were answered thoroughly. Thank you for your continued patience and support.

>>>

From: *Texas CEO Magazine*

2018 Dallas Economic Forecast: Acceleration

Nov 11, 2017

<https://texasceomagazine.com/events/2018-dallas-economic-forecast-acceleration/>



McKinney Economic Development Corporation

Bruce Coleman – Director of Business Development

November 2017

Strategic Plan Management & Communicating Results:

A. Business Retention & Expansion

- Held introductory meeting with major McKinney employer regarding potential expansion project.
- Participated in International Council of Shopping Centers (ICSC) in support of Assistant City Manager and MDCDC President.

B. Business Attraction

- Participated in Dallas Regional Chamber site selectors trip to Atlanta and Greenville SC. Met with five firms to promote McKinney.
- Scheduled appointments for December's West Coast trade mission.
- Continuing to schedule appointments with area commercial real estate brokers.

C. Entrepreneurship

D. Competitiveness

Marketing/Promotion/Connection Activities:

- Conducted over 60 cold-calls to Dallas commercial brokerage firms.

Other:



McKinney Economic Development Corporation

Geneva Aragon-Director of Marketing and Research

October 2017

Highlights:

In the month of October, MEDC marketing focused on:

- best practices in working with Communications and Marketing – marketing requests, press releases, data mining, etc.
- working with BREP and Business Development team members

Our social media efforts were overshadowed by:

- the PACCAR groundbreaking, on October 12, 2017
- numerous RFIs in the later part of October and early part of November

RFI Details:

MEDC had the following RFIs in which we provided proposals:

Due Date	RFI
10/27/2017	Project Dorothy Gale – Construction Equipment Manufacturing Facility
10/30/2017	Project Dusty 1 – Advanced Manufacturing
10/30/2017	Project Dusty 2 – Distribution Center
10/30/2017	Project Dusty 3 – Manufacturing Site
11/09/2017	Project Patriot – Customer Service Operations

Facebook Comparison of Insights:

Facebook and Twitter screenname: McKinneyTxEDC.

Reporting Period: October 1-31, 2017

The Facebook and Twitter dashboards below reflects how MEDC's posts resonated with its audience, in the month of October in comparison to September.

Top Facebook post by reach^a:

- Daily average of unique page impressions^b: 127 for Oct. vs. 231 for Sept.
- Monthly average of unique page impressions^b: 2,974 for Oct. vs. 21,326 Sept.

Post Details ✕

MEDC - McKinney Economic Development Corporation
Published by Geneva Aragon [?] · October 16 at 9:55am · 🌐

Growing! SMU Cox School of Business has recognized 100-fastest growing companies, including four in McKinney. [fresh benies](#), [Hisun Motors Corp, USA](#), [Nature Nate's](#) and [Popular Ink](#)
<https://www.bizjournals.com/.../meet-the-2017-dallas-100-from...>

D A L L A S 1 0 0™

Dallas 100 | From A to Z, here are the fastest-growing private companies in North Texas - Dallas Business Journal
BIZJOURNALS.COM

✔ **Get More Likes, Comments and Shares**
Boost this post for \$3 to reach up to 830 people.

1,806 people reached Boost Post

👍 Madison Clark, Kris Martin Wells and 5 others 2 Shares 👉

👍 Like 💬 Comment ➦ Share

1,806 People Reached

15 Likes, Comments & Shares 👤

11 Likes	7 On Post	4 On Shares
0 Comments	0 On Post	0 On Shares
4 Shares	2 On Post	2 On Shares

70 Post Clicks

0 Photo Views	19 Link Clicks	51 Other Clicks 👤
-------------------------	--------------------------	---

NEGATIVE FEEDBACK

1 Hide Post	0 Hide All Posts	
0 Report as Spam	0 Unlike Page	

Reported stats may be delayed from what appears on posts

Social Media Aragon Report
Page 2 of 4

Twitter Insights:

Top Tweets by impressions^c:

The screenshot shows the Twitter Analytics interface for McKinney EDC. It features a navigation bar with 'Analytics', 'Home', 'Tweets', 'Audiences', 'Events', and 'More'. The main content area is divided into three sections:

- Top Tweet:** Earned 1,308 impressions. The tweet text reads: "Welcome PACCAR! Playing in the dirt? PACCAR and MEDC call it a groundbreaking. mckinneytexas.org/CivicAlerts.as... communityimpact.com/dallas-fort-wo... pic.twitter.com/fUrMmdxQIY". It includes two photos of a groundbreaking ceremony.
- Top mention:** Earned 15 engagements. The tweet is from @CityOfMcKinney, mentioning @GulfPrintWeb, @DTOWNMcKinney, @McKinneyPolice, and @McKinneyTxEDC.
- Top media Tweet:** Earned 161 impressions. The tweet text reads: "Is that a fox in the sky? Lucky playing, Albuquerque Balloon Fiesta. @PlayfulLucky, @StarChildGame, @CreativeGame". It includes three images of colorful balloons.

On the right side, there is an 'OCT 2017 SUMMARY' table:

Tweets	2	Tweet impressions	3,080
Profile visits	64	Mentions	22
New followers	16		

- Monthly Average impressions^c: 1014 for Oct. vs. 254 for Sept.
- Monthly Average engagements^d: 30 for Oct. vs. 5.0 for Sept.
- *Increase in media views and media engagements often leads to an increase in monthly average engagements. With Agorapulse we can "listen for keywords."*
- New Followers: 16 for Sept. Even with limited tweets, MEDC was able to increase the number of followers due to public interest in both the "Top Tweet," and "Top Media Tweet."

October 26th the Communications and Marketing Department introduced MEDC Marketing to a social media management tools (SMMT) called Agorapulse to help coordinate and manage all MEDC social media accounts.



This platform will be a great resource and help with:

- scheduling with a content center - schedule content; including bulk schedule content
- monitoring engagement with its built in customer relationship management system (CRM); tracks users who interact with us most often; answer comments and messages; listen for keywords
- supporting multiple profiles based on security; tag team members to answer questions; allow for drafts, calendars, tasks, etc.
- reporting and analytics; track the same data to communicate success

Glossary of Terms:

- **^aReach:** number of unique people who saw your content
- **^bUnique Page Impressions:** The number of people who have seen any content associated with your Page. (Unique Users)
- **^cTweet Impressions:** Number of times users saw the tweet on Twitter
- **^dEngagements:** Total number of times a user interacted with a Tweet. Clicks anywhere on the Tweet, including Retweets, replies, follows, likes, links, cards, hashtags, embedded media, username, profile photo, or Tweet expansion

17-1145



TITLE: Consider/Discuss/Act on October Financials

SUPPORTING MATERIALS:

[October Financial Report](#)
[October Invoices Processed](#)

McKinney Economic Development Corporation
 Balance Sheet
 October 2017

	MEDC Operations	Interest and Sinking	Reserve Fund	Long-Term Debt	General Fixed Assets	Total
Assets						
Cash and Cash Equivalents	\$ 372,150	\$ 335,158	\$ 17,397	\$ -	\$ -	\$ 724,706
Investment Pools	36,446,712	-	1,523,862	-	-	37,970,574
Accounts Receivable/Other Taxes & Franchise Fees	2,232,189	-	-	-	-	2,232,189
Deposits/Security Deposits	5,528	-	-	-	-	5,528
Land	-	-	-	-	15,007,272	15,007,272
Land Improvements (Net of Depreciation)	-	-	-	-	12,889	12,889
Machinery & Equipment (Net of Depreciation)	-	-	-	-	628	628
GASB 68 TMRS/Actuarial	-	-	-	15,101	-	15,101
GASB 68 TMRS/Investment	-	-	-	110,441	-	110,441
GASB 68 TMRS/Contributions	-	-	-	69,624	-	69,624
Total Assets	\$ 39,056,579	\$ 335,158	\$ 1,541,259	\$ 195,166	\$ 15,020,788	\$ 56,148,951
Other Debits						
Amount Available for Debt Service	\$ -	\$ -	\$ -	\$ 1,600,637	\$ -	\$ 1,600,637
Amount Provided for Retirement of Long-term Debt	-	-	-	12,225,894	-	12,225,894
Total Other Debits	\$ -	\$ -	\$ -	\$ 13,826,531	\$ -	\$ 13,826,531
Total Assets and Other Debits	\$ 39,056,579	\$ 335,158	\$ 1,541,259	\$ 14,021,697	\$ 15,020,788	\$ 69,975,481
Liabilities						
Vouchers Payable	\$ 18,521	\$ -	\$ -	\$ -	\$ -	\$ 18,521
Compensated Absences Payable	-	-	-	69,979	-	69,979
Accrued Interest Payable	-	-	-	44,383	-	44,383
Note Payable to Primary Government	-	-	-	1,623,919	-	1,623,919
Bonds Payable	-	-	-	11,820,000	-	11,820,000
TMRS Pension Liability	-	-	-	449,979	-	449,979
TMRS Actuarial Experience	-	-	-	13,436	-	13,436
Total Liabilities	\$ 18,521	\$ -	\$ -	\$ 14,021,697	\$ -	\$ 14,040,217
Fund Balances/Equity						
Reserve for Encumbrances	\$ 187,117	\$ -	\$ -	\$ -	\$ -	\$ 187,117
Unreserved Fund Balance	38,850,941	335,158	1,541,259	-	-	40,727,358
Investment in Capital Assets	-	-	-	-	15,020,788	15,020,788
Total Fund Balances/Equity	\$ 39,038,058	\$ 335,158	\$ 1,541,259	\$ -	\$ 15,020,788	\$ 55,935,264
Total Liabilities and Fund Balances	\$ 39,056,579	\$ 335,158	\$ 1,541,259	\$ 14,021,697	\$ 15,020,788	\$ 69,975,481

McKinney Economic Development Corporation
Summary Operating Statement
 October 2017 (8% of FY Complete)

Revenues	FY18 Adopted Budget	Monthly Actual	YTD Actual	Remaining Budget	Budget Received	Monthly Comparison		YTD Comparison	
						Monthly Budget	Monthly Variance	YTD Budget	YTD Variance
Sales Tax	\$ 13,482,272	\$ 1,026,985	\$ 1,026,985	\$ 12,455,287	7.6%	\$ 1,123,523	\$ (96,538)	\$ 1,123,523	\$ (96,538)
Interest Income	275,000	37,999	37,999	237,001	13.8%	22,917	15,082	22,917	15,082
Total Revenues	\$ 13,757,272	\$ 1,064,984	\$ 1,064,984	\$ 12,692,288	7.7%	\$ 1,146,439	\$ (81,456)	\$ 1,146,439	\$ (81,456)
Expenditures	FY18 Adopted Budget	Monthly Actual	YTD Actual	Remaining Budget	Budget Spent	Monthly Budget	Monthly Variance	YTD Budget	YTD Variance
MEDC Operations									
Personnel	\$ 1,333,270	\$ 62,846	\$ 62,846	\$ 1,270,424	4.7%	\$ 111,106	\$ 48,259	\$ 111,106	\$ 48,259
Supplies	33,700	625	625	33,075	1.9%	2,808	2,183	2,808	2,183
Maintenance	29,000	-	-	29,000	0.0%	2,417	2,417	2,417	2,417
Services/Sundry	895,519	47,477	47,477	848,042	5.3%	74,627	27,150	74,627	27,150
Total MEDC Operational Exp.	\$ 2,291,489	\$ 110,948	\$ 110,948	\$ 2,180,541	4.8%	\$ 190,957	\$ 80,009	\$ 190,957	\$ 80,009
Projects									
Committed Projects	\$ 7,000,000	\$ -	\$ -	\$ 7,000,000	0.0%	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333
Other Project Expenses	150,000	(580)	(580)	150,580	-0.4%	12,500	13,080	12,500	13,080
Land Acquisition	-	-	-	-	0.0%	-	-	-	-
Total Project Expenses	\$ 7,150,000	\$ (580)	\$ (580)	\$ 7,150,580	0.0%	\$ 595,833	\$ 596,413	\$ 595,833	\$ 596,413
Non-Departmental									
Other - Adm Fee	\$ 269,000	\$ 22,417	\$ 22,417	\$ 246,583	8.3%	\$ 22,417	\$ -	\$ 22,417	\$ -
Bond Issuance Costs	-	-	-	-	0.0%	-	-	-	-
Insurance & Risk Fund	1,708	142	142	1,566	8.3%	142	-	142	-
MEDC I & S Fund	2,307,118	192,260	192,260	2,114,858	8.3%	192,260	-	192,260	-
Total Non-Departmental Expenses	\$ 2,577,826	\$ 214,819	\$ 214,819	\$ 2,363,007	8.3%	\$ 214,819	\$ -	\$ 214,819	\$ -
Total Expenses	\$ 12,019,315	\$ 325,187	\$ 325,187	\$ 11,694,128	2.7%	\$ 1,001,610	\$ 676,422	\$ 1,001,610	\$ 676,422
Net	\$ 1,737,957	\$ 739,796	\$ 739,796			\$ 144,830	\$ 594,967	\$ 144,830	\$ 594,967
FY18 Beginning Fund Balance	\$ 38,298,262								
Add FY18 Budgeted Revenue	13,757,272								
Less FY18 Budgeted Expense	(12,019,315)								
FY18 Proj. End Fund Balance	\$ 40,036,219								

Project Details

October 2017

Committed Projects		Prelim Prior Year Budget Balance	FY18 Adopted Budget	FY18 Budget Transfers	Monthly Actual	YTD Actual	Remaining Budget	YTD Budget Disbursed
Raytheon	E13005	\$ 1,530,000	\$ -	\$ -	\$ -	\$ -	\$ 1,530,000	0.0%
Statlab	E13007	157,500	-	-	-	-	157,500	0.0%
Hisun	E13011	126,000	-	-	-	-	126,000	0.0%
Wistron II	E14002	240,000	-	-	-	-	240,000	0.0%
O'Hara Flying Service	E14003	96,000	-	-	-	-	96,000	0.0%
Headington Energy	E14010	160,000	-	-	-	-	160,000	0.0%
Encore Wire	E14017	930,000	-	-	-	-	930,000	0.0%
AIM	E14021	69,000	-	-	-	-	69,000	0.0%
Popular Ink II	E15005	24,000	-	-	-	-	24,000	0.0%
Wright IMC	E15007	108,000	-	-	-	-	108,000	0.0%
Accent Care	E15008	169,020	-	-	-	-	169,020	0.0%
Horizon Data Center	E15010	51,000	-	-	-	-	51,000	0.0%
Blount Fine Food Corp	E16001	510,000	-	-	-	-	510,000	0.0%
Cookies-N-Milk	E16002	44,480	-	-	-	-	44,480	0.0%
Werx (Grant Match)	E17001	108,097	-	-	-	-	108,097	0.0%
SFMC	E17002	768,000	-	-	-	-	768,000	0.0%
TPUSA	E17003	610,000	-	-	-	-	610,000	0.0%
Paccar	E17004	3,300,000	-	-	-	-	3,300,000	0.0%
Cotiviti USA	E17005	792,000	-	-	-	-	792,000	0.0%
Simpson Strong Tie	E17006	467,000	-	-	-	-	467,000	0.0%
Playful	E17007	2,334,400	-	-	-	-	2,334,400	0.0%
3-TAB Beacon	E17008	248,500	-	-	-	-	248,500	0.0%
Lone Star Reel	E17009	224,982	-	-	-	-	224,982	0.0%
Undesignated FY 18		-	6,500,000	-	-	-	6,500,000	0.0%
Total Committed Projects		\$ 13,067,979	\$ 6,500,000	\$ -	\$ -	\$ -	\$ 19,567,979	0.0%

Emerging Technologies		Prelim Prior Year Budget Balance	FY18 Adopted Budget	FY18 Budget Transfers	Monthly Actual	YTD Actual	Remaining Budget	YTD Budget Disbursed
Undesignated FY 18		\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000	0.0%
Total Emerging Technologies		\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000	0.0%

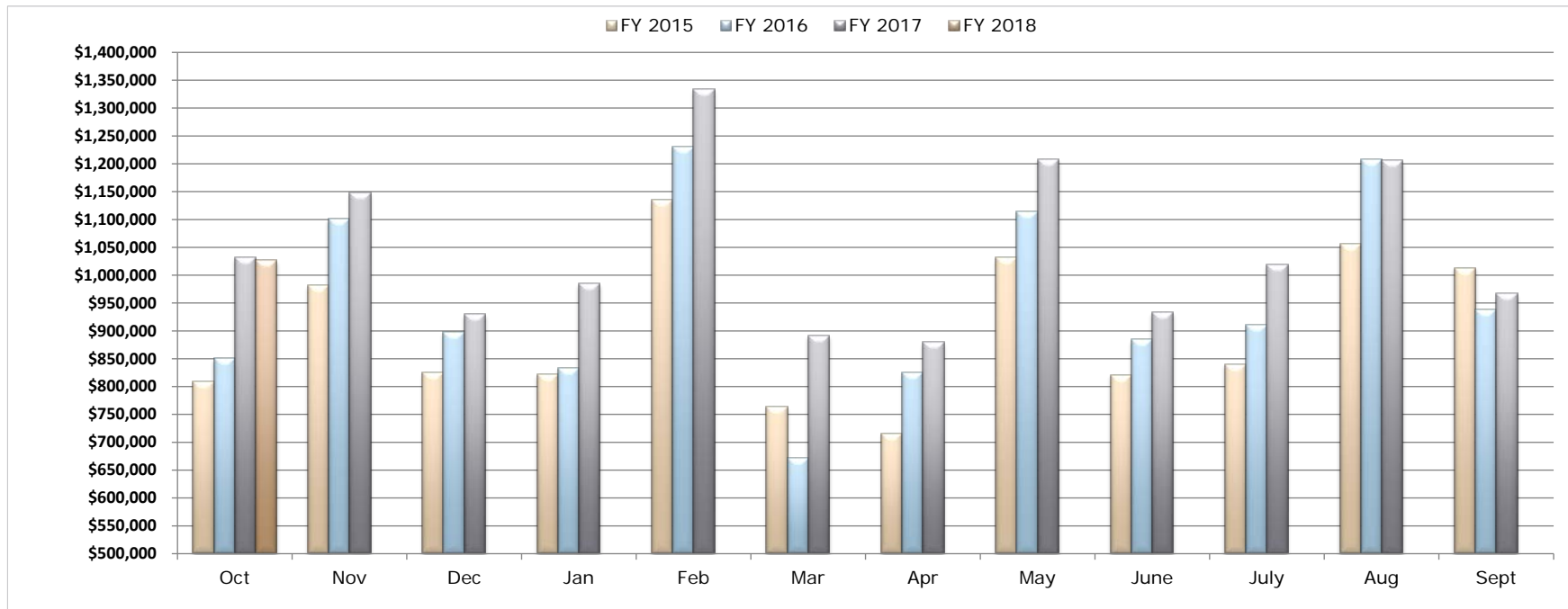
Total Projects		\$ 13,067,979	\$ 7,000,000	\$ -	\$ -	\$ -	\$ 20,067,979	0.0%
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McKinney Economic Development Corporation

Sales Tax Revenue

October 2017

Month Received	FY 2013 Received	FY 2014 Received	FY 2015 Received	FY 2016 Received	FY 2017 Received	FY 2018 Received	Difference to FY 2017	Variance to FY 2017	% of Budget
October	\$716,718	\$780,694	\$809,613	\$851,178	\$1,032,847	\$ 1,026,985	(\$5,862)	-0.6%	7.6%
November	1,039,163	938,090	982,351	1,101,106	1,148,939				
December	722,045	770,221	826,009	897,304	929,699				
January	669,397	744,988	821,731	833,503	985,393				
February	1,231,993	1,043,205	1,136,044	1,231,183	1,334,043				
March	666,620	681,914	764,445	671,518	891,649				
April	676,334	677,086	716,258	825,953	880,093				
May	903,002	978,399	1,031,572	1,114,575	1,208,091				
June	703,897	765,309	820,908	884,501	932,936				
July	694,500	787,000	840,355	910,886	1,019,409				
August	951,437	980,251	1,055,774	1,207,558	1,206,441				
September	725,552	928,323	1,013,186	938,767	967,150				
Total	\$9,700,659	\$10,075,479	\$10,818,246	\$11,468,033	\$12,536,690	\$1,026,985	(\$5,862)	-0.6%	7.6%

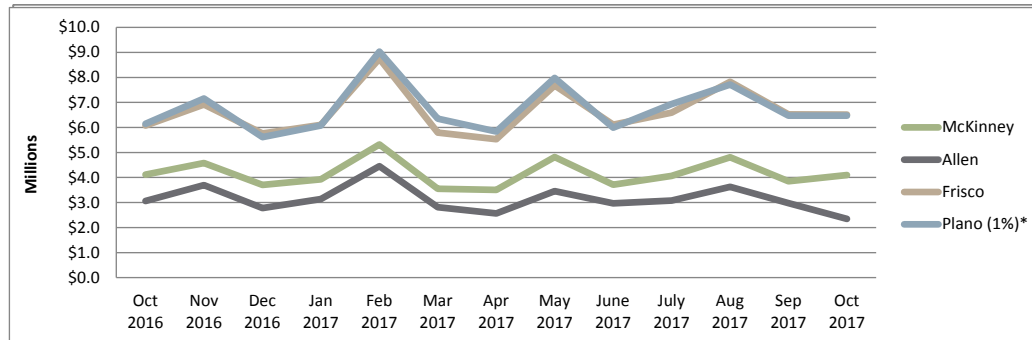


TOTAL SALES TAX COLLECTED

Sister City Comparison

Oct 2017	McKinney	Allen	Frisco	Plano (1%)*
Diff to LY	-\$20,476	-\$716,198	\$440,637	\$319,007
Var to LY	-0.5%	-23.4%	7.3%	5.2%

Year To Date	McKinney	Allen	Frisco	Plano (1%)*
Diff to LY	-\$20,476	-\$716,198	\$440,637	\$319,007
Var to LY	0.0%	-1.9%	0.6%	0.4%



Year-to-Date Collections

FY 2017	McKinney	Allen	Frisco	Plano 1% *
Oct 2016	\$4,116,182	\$3,061,944	\$6,075,708	\$6,150,300
FY 2017 Total	\$4,116,182	\$3,061,944	\$6,075,708	\$6,150,300

FY 2018	McKinney	Allen	Frisco	Plano 1% *
Oct 2017	\$4,095,706	\$2,345,746	\$6,516,345	\$6,469,308
FY 2018 Total	\$4,095,706	\$2,345,746	\$6,516,345	\$6,469,308

* State Comptroller reports 1% sales tax for City of Plano and 1% for DART. All other Sister Cities represent 2% sales tax.

McKINNEY ECONOMIC DEVELOPMENT CORPORATION

Invoices Processed-October 2017

<https://mckinneytexas.opengov.com/transparency>

- 1) Choose "Checkbook" from the left column
 2) Choose the dropdown arrow in the "Funds" column and search for "McKinney Economic Development Corporation"

DATE	#	DESCRIPTION	AMOUNT	INVOICE #	FPO #	PO #
10/3/2017	1	Foliage Design System	\$ 105.00	1914		170049
10/3/2007	2	A. Liu Mileage Reimbursement (Aug & Sept '17)	\$ 310.65	liu100317	F34280	
10/6/2017	3	Petty Cash Reconciliation	\$ 134.20	PETTY100617	F34337	
10/10/2017	4	McKinney Chamber (Ambassador Lunch)	\$ 131.85	134344	F34344	
10/10/2017	5	Brown & Hofmeister (Board Mtgs)	\$ 720.00	34672	F34346	
10/10/2017	6	Brown & Hofmeister (General)	\$ 2,064.00	34671	F34345	
10/10/2017	7	Brown & Hofmeister (Independent Bank)	\$ 32.00	34673	F34347	
10/10/2017	8	Brown & Hofmeister (Playful Corp.)	\$ 32.00	34674	F34348	
10/10/2017	9	Brown & Hofmeister (PACCAR, Inc.)	\$ 32.00	34675	F34349	
10/10/2017	10	Brown & Hofmeister (Hunt Southwest)	\$ 3,424.00	34676	F34350	
10/10/2017	11	Brown & Hofmeister (MyTeleMedicine)	\$ 32.00	34724	F34351	
10/10/2017	12	TEDC ('17 Annual Conference - A. Liu)	\$ 500.00	7201	F34343	
10/16/2017	13	TEDC (EDST Workshop - B. Coleman)	\$ 175.00	7234	F34393	
10/16/2017	14	CivicPlus	\$ 3,000.00	166362		180337
10/16/2017	15	Standard Coffee	\$ 50.60	11952659 092917		180352
10/16/2017	16	McKinney Chamber (City on the Rise)	\$ 450.00	134454	F34392	
10/17/2017	17	TEDC ('17 Annual Conference - D. Auterson)	\$ 500.00	7202	F34416	
10/17/2017	18	American Diversity (Nametags - G. Aragon)	\$ -	00-642621	F34417	VOID
10/17/2017	19	American Diversity (Nametags - S. Elliott)	\$ -	00-642619	F34418	VOID
10/17/2017	20	TEDC ('18 Site Selector Guild Sponsorship)	\$ 3,500.00	114	F34420	
10/17/2017	21	OfficeTeam (S. Coleman)	\$ 629.64	49235883		171234
10/17/2017	22	4-D Property Maintenance	\$ 1,872.00	2016-325		180425
10/20/2017	23	Bruce Coleman Relocation Costs	\$ 5,000.00	COLEM102017	F34463	
10/24/2017	24	OfficeTeam (S. Coleman)	\$ 693.00	49353139		171234
10/24/2017	25	OfficeTeam (S. Coleman)	\$ 693.00	49287262		171234
10/24/2017	26	OfficeTeam (S. Coleman)	\$ 255.67	49236168		171234
10/24/2017	27	American Diversity (Nametags - G. Aragon)	\$ 32.00	00-642621		180521
10/25/2017	28	American Diversity (Nametage - G. Aragon) Shipping	\$ 3.25	00-642621		180521
10/30/2017	29	Bruce Coleman (Expenses)	\$ 146.00	COLEM103017	F34536	

17-1037



TITLE: Type A Economic Development Sales Tax Training

SUPPORTING MATERIALS:

[Training Presentation](#)



Type A Economic Development Sales Tax

McKinney Economic Development Corporation

October 17, 2017

What is the tax rate for a Type A sales tax?

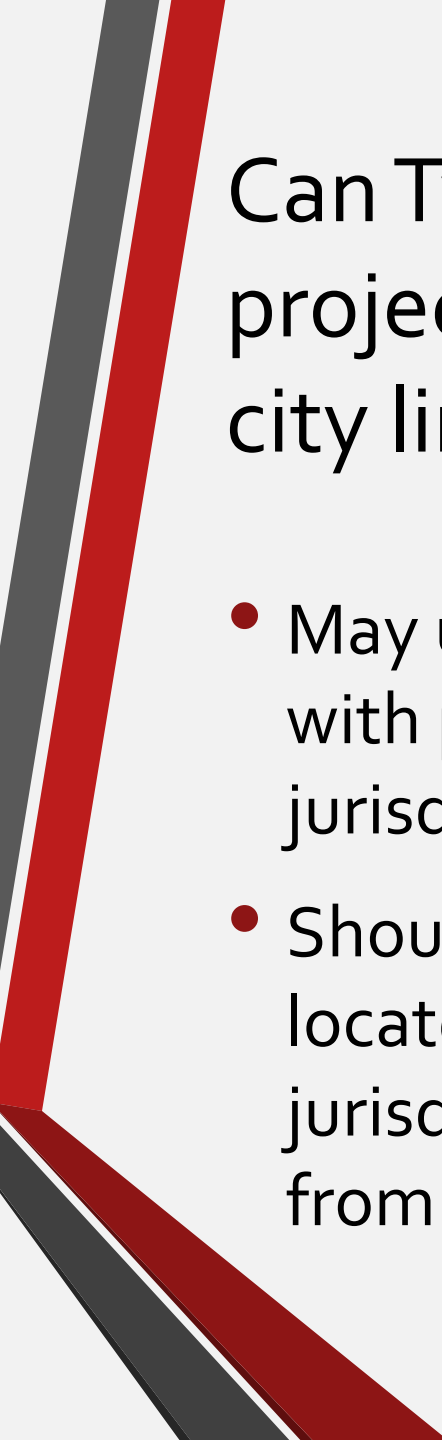
- The sales tax rate for a Type A sales tax is in increments of $\frac{1}{8}$ th of one-percent ($\frac{1}{8}$ th to two (2) percent).
- The total rate for all local sales and use taxes may not exceed two (2) percent.
 - Tex. Loc. Gov't Code Ann. §§504.252(b) and 505.252(b) (as amended by H.B. 157 (2015)).

Can Type A corporations grant or gift Type A proceeds to a business entity without a performance agreement?

- Must enter into a performance agreement with the business enterprise.
- Performance agreement must contain the following:
 - schedule of additional payroll or jobs to be created or retained,
 - schedule of capital investment to be made, and
 - specify the terms for any repayment.
 - Tex.Loc.Gov't Code §501.158.

Can Type A corporation hire an independent third party to conduct business recruitment or development?

- The Act requires a written contract approved by the board of directors for third party business recruitment efforts.
- The penalty is
 - Up to \$10,000 fine
 - Texas Attorney General's Office may bring an action to recover the penalty in Travis County District Court or the district court in which the violation occurred.
 - Tex.Loc.Gov't Code §502.051.



Can Type A corporation undertake projects which are located outside the city limits of the eligible city?

- May undertake projects outside of the city limits with permission of the governing body that has jurisdiction over the property. §501.159(a).
- Should corporation decide to undertake a project located completely in the city's extraterritorial jurisdiction or beyond, it should get approval from the county commissioners court.

Who administers and oversees a Type A sales tax?

- Type A sales tax is administered by non-profit corporations.
- Corporations are governed by the Development Corporation Act, Chapters 501 to 505 of the Texas Local Government Code, and Texas Non-Profit Corporation Act.
- The corporations through a board of directors determine which projects to fund.
- City council retains approval authority over all expenditures of the corporation through approval of MEDC annual budget.
§501.073(a) and 501.054(b)(2).

Who administers and oversees a Type A sales tax? (cont'd)

- In Texas Attorney General Opinion JC-0488 (2002) (“Before addressing the City’s principal concern, we address its assumption that the City, rather than its section 4B development corporation, may expend the sales tax proceeds for the purposes authorized by the voters. This assumption is contrary to the Act.”)
- Section 501.054 of Texas Local Government Code – A corporation “with respect to a project, may exercise all powers necessary or appropriate to effect a purpose for which the corporation is organized, subject to the control of the governing body of the corporation’s authorizing unit.”

Does city council have to approve expenditures for permissible Type A projects?

- The Type A corporation has the power to expend the sales tax revenue.
- Yet, city council retains authority to “approve all programs and expenditures of a corporation.” §501.073(a) through the budget approval process.

Does city council appoint the directors of the Type A corporation?

- Type A board of directors consists of at least five (5) directors.
 - MEDC – 7 member board
- Type A board members are appointed by city council and can be removed with or without cause.

Who receives the Type A sales tax proceeds?

- State Comptroller remits Type A sales tax proceeds to the city.
- The city upon receiving its local sales tax allotment from the Comptroller must remit the sales tax to the Type A corporation.
 - §§504.301 and 505.301.

How long a term do Type A board of directors serve?


- Type A board of directors serve a term not to exceed six (6) years. §504.051(c).
 - MEDC – 2 year terms

Can a Type A director be reappointed to a subsequent term?

The Attorney General concluded Type A board member could be reappointed to a subsequent term, absent any contrary provision in the articles of incorporation or bylaws, or in a city charter, ordinance or resolution of the city.

- Op.Tex.Att’y Gen. No. JC-0349 (2001).

City of McKinney Board Policy – three (3) consecutive, full two-year terms.




Who determines which board members serve as president, secretary and other officers of the corporation?

The board of directors appoint the officers to serve as president, secretary, and other officers.

- Tex. Loc. Gov't Code §§504.052 and 505.053.

How long a term do the president, secretary and other officers serve as an officer?

- One term as officer is the term provided for in the certificate of formation or bylaws.
- But, one term cannot exceed three (3) years.
 - MEDC – officers have 1 year term
- If the certificate of formation or bylaws do not address the term of office, the officers are elected annually.
 - Tex.Loc.Gov't Code §501.065(b).



Must a Type A board member be a resident of the city?

- The Development Corporation Act does not require a Type A director to be a resident of the city.

Can city council members serve as directors on the Type A corporation?

- The Development Corporation Act does not address whether council members may serve on the Type A board.
 - In Texas Attorney General Opinion JC-0547 (2002), the Attorney General noted service on the board of directors is not a “public officer.” Accordingly, such dual service on the Type A board would not violate the common-law doctrine of incompatibility nor dual office holding.

What constitutes a quorum of the Type A board of directors?

- A majority of the board constitutes a quorum.
- **Type A**: Generally, three (3) members of a five (5) member Type A board constitute a quorum.

§504.053.

- MEDC – quorum is 4 of the 7




Are Type A board of directors paid?

The directors serve without compensation but must be reimbursed for actual expenses.
§501.062(d).

Are the board meetings of Type A board subject to the Open Meetings Act?

- Type A corporations are subject to the Open Meetings Act. §501.072.
- All meetings of the Type A board must occur within the city limits.



Are Type A corporations subject to the Public Information Act?

Type A corporations are subject to the Public Information Act. §501.072.

Can a Type A corporation amend its bylaws?

- Are authorized to adopt and amend bylaws not inconsistent with:
 - certificate of formation; or
 - state law.
- Amendments to the bylaws must be approved by resolution of the city council.
 - Tex. Loc. Gov't Code §§501.064(c).

Must Type A corporations conduct public hearings prior to funding Type A projects?

- Type A corporations are required to obtain city council approval of its project budget.
- Type A corporations generally do not have additional public notice and public hearings requirements on individual projects.

Must Type A corporations publish notice of any hearings on proposed projects?

- Generally, Type A corporations are not required to publish notices of proposed projects.
- When a Type A board pursues a particular project, city council must approve the project.
- Three exceptions requiring the publishing of notices:
 - sports venue projects,
 - pursuing Type B projects, and
 - maintenance and operating costs of a project.

Economic Development Corporation Report

- Section 502.151 of the Texas Local Government Code provides the following:
 - Requires all Type A corporations to submit an annual report to the State Comptroller's Office
 - The report must be submitted by February 1 each year
 - \$200 penalty failure to file
 - Comptroller must report to Legislature in even numbered years.

Economic Development Corporation Report

01-138 (Rev. 10/2003)		TEXAS COMPTROLLER OF PUBLIC ACCOUNTS	
ECONOMIC DEVELOPMENT CORPORATION REPORT <i>—Fiscal Year Ending 2003</i>			
Corporation name _____			
Contact person _____		Title _____	
Street address _____			
City _____		State TEXAS	ZIP code _____
Phone (Area code and number) _____	FAX (Area code and number) _____	E-mail address (if applicable) _____	Type of corporation <input type="checkbox"/> 4A <input type="checkbox"/> 4B

As required by Vernon's Ann. Civ. St. Art. 5190.6 §4C, please complete and return this form to the Comptroller's office by **February 1, 2004**. Your reply must be postmarked no later than February 1, 2004. Please use the enclosed self-addressed envelope. You may also complete and fax this form to 512/475-0664 no later than the due date. Failure to file a completed report form by February 1, 2004 may result in an administrative penalty. Instructions are on the back of this form.

- Indicate your corporation's fiscal year _____
- Check the corporation's primary economic development objective(s):

<input type="checkbox"/> Job Creation/Job Retention	<input type="checkbox"/> Infrastructure Projects
<input type="checkbox"/> Tourism	<input type="checkbox"/> Other (You may use a separate sheet to provide additional information, if desired.)
<input type="checkbox"/> Sports Facilities/Recreation	
- List the corporation's total revenues during the preceding fiscal year.

Sales Tax Revenue	\$ _____
State/Federal Grants and Matching Contributions	_____
Rental/Lease/User Fees Income	_____
Bond Proceeds/Loans Obtained	_____
Other Revenue	_____
TOTAL FISCAL YEAR-END 2003 REVENUES	\$ _____
- List the corporation's total expenditures during the preceding fiscal year in each of the following categories:

Personnel	\$ _____
Administration	_____
Marketing and Promotion	_____
Direct Business Incentives (Do not include payments to other taxing units)	_____
Job Training	_____
Debt Service	_____
Capital Costs	_____
Affordable Housing	_____
Payments to Taxing Units (e.g., school districts, municipalities, counties, etc.)	_____
Other	_____
TOTAL FISCAL YEAR-END 2003 EXPENDITURES	\$ _____
- List the corporation's capital assets. (Exclude office equipment.)

_____	_____	_____
_____	_____	_____

PERSON COMPLETING THE FORM

Print name _____		Title _____	
		Phone (Area code and number) _____	

If you have questions concerning the instructions or survey, call the Comptroller's Local Government Assistance Division, toll free at 1-800-531-5441, ext. 3-4679. The Austin number is 512/463-4679.

Type A Sales Tax Permissible Projects



What are permissible Type A projects?

- Currently, Type A corporations may fund the following projects which must create or retain primary jobs:
 - manufacturing and industrial facilities;
 - research and development facilities;
 - military facilities;
 - recycling facilities;
 - distribution centers;
 - small warehouse facilities;
 - primary job training facility by institutions of higher education; and
 - regional or national corporate headquarters.
 - Tex.Loc.Gov't Code §§501.101 and 504.103.

What are permissible Type A projects? (cont'd)

- Additionally, Type A corporations may fund the following projects without creating or retaining primary jobs:
 - job training classes;
 - certain targeted infrastructure;
 - career center not located within the taxing jurisdiction of a junior college district;
 - general aviation business airport which is an integral part of an industrial park;
 - port related facilities; and
 - development, improvement, maintenance commuter rail, light rail, or motor buses.

Sec. 501.103. Certain Infrastructure Improvement Projects.

- In this subtitle, “project” includes expenditures that are found by the board of directors to be required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises, limited to:
 - streets and roads, rail spurs, water and sewer utilities, electric utilities, or gas utilities, drainage, site improvements, and related improvements;
 - telecommunications and Internet improvements; or
 - beach remediation along the Gulf of Mexico.

Tex. Loc. Gov't Code §501.103.

What is a “Primary Job”?

- In 2003, the Texas Legislature required most Type A projects create or retain primary jobs.
- The term primary job means
 - a job that is . . . available at a company for which a majority of the products or services of that company are ultimately exported to regional, statewide, national, or international markets infusing new dollars into the local economy; and
 - is included in one of nearly sixteen (16) NAICS sector codes.

What is a “Primary Job”?

- The NAICS sector code categories include:
 - crop production;
 - animal production;
 - forestry and logging;
 - commercial fishing;
 - support activities for agriculture and forestry;
 - mining;
 - utilities;
 - manufacturing;
 - wholesale trade;
 - transportation and warehousing;
 - information;
 - securities, commodity contracts, and other financial investments and related activities;
 - scientific research and development services;
 - management of companies and enterprises;
 - telephone call centers;
 - correctional institutions; and
 - a job included within National Security sector number 928110.

Sales Tax Proceeds for Promotional Purposes?

- Type A corporations may spend no more than ten percent (10%) of the corporate revenues for promotional purposes.
- Texas Attorney General Opinion GA-0086 (2003)
 - Promotional purpose is a question of fact for the board of directors to resolve in the first instance.
 - The City Council could approve or disapprove of a particular promotional expenditure.
 - The Attorney General noted a corporation may not spend more than ten percent (10%) of its current annual revenues for promotional purposes in any given year. Yet, unexpected revenues specifically set aside for promotional purposes in past years may be expended for such purposes.

Can Type A corporations expend sales tax proceeds for job training classes?

- A corporation may spend tax revenue received under this Act for job training offered through a business enterprise only if the business enterprise has committed in writing to:
 - create new jobs that pay wages that are at least equal to the prevailing wage for the applicable occupation in the local labor market area; or
 - increase its payroll to pay wages that are at least equal to the prevailing wage for the applicable occupation in the local labor market area.
- Tex.Loc.Gov't Code Ann. §501.162.

Streets and Sewers

Could a Type A corporation fund street and/or sewer projects?

Section 501.103

- “Project” includes expenditures found by the board of directors to be required or suitable for **infrastructure** necessary to promote or develop new or expanded business enterprises, limited to: **streets and roads**, . . . , water and **sewer utilities**, . . . **drainage**,.

Streets and Sewers (cont'd)

Attorney General Opinion GA-320 (2005)

- An expenditure for road construction may qualify as a “project” under section 2(11)(A)[now 501.103] of the Development Corporation Act . . . provided the board of directors of an industrial development corporation finds that the expenditure is “required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises.”

Streets and Sewers - Questions

1. Can Type A repave all streets within a city or fund the installation of a sewer pipeline in the city?
2. Can Type A funds be used to pave/repave streets in a commercial district or fund the installation of a sewer pipeline in a commercial or industrial park?
3. Can Type A pay for streets or installation of sewer pipelines to a new residential subdivision?

Streets and Sewers - Questions

You decide a particular street or sewer project is permissible. What “costs” can you pay related to the street or sewer project?

- a) Can you pay for right-of-way acquisitions?
- b) Can you purchase the land for the street or sewer?
- c) Can you purchase easements?
- d) Can you pay for engineering, surveying, and legal cost related to the street or sewer project?

Definition of “Cost” – Section 501.152

“Cost” with respect to a project, means the cost of the acquisition, cleanup, construction, reconstruction, improvement, or expansion of a project, including

(1) the cost of acquiring all land, rights-of-way, property rights, easements, and interests; . . .

(9) the cost of engineering or legal surveys;

(10) the cost of plans, specifications, or surveys;

(11) other expenses necessary or incident to determining the feasibility and practicability . . .

Public Parks

Can Type A corporation fund park projects?

- **Section 505.152** “Project” includes land, buildings, equipment, facilities, expenditures and improvements found by the board of directors to be required or suitable for use for professional and amateur sports, including children’s sports, athletic, entertainment, tourist, convention, and **public park purposes** and events, **including** stadiums, ball parks, auditoriums, amphitheaters, concert halls, **parks and park facilities**, open space improvements, . . .

Type A Pursuing a Type B Project

- Election on uniform election date authorizing Type A sales tax proceeds for Type B project, or “specific category of projects.”
- Project or category of projects must be clearly described on the ballot.
- If maintenance and operating costs are to be paid, the ballot language must clearly state that fact.
 - Tex. Loc. Gov’t Code Ann. §504.152.

Type A and Retail

- If a Type A corporation wishes to assist with retail development, the Type A corporation may provide economic development assistance in the following areas:
 - Section 501.103 – targeted infrastructure
 - Section 504.105 – promotional expenditures
 - Section 501.162 – job training classes