



McKinney Economic Development Corporation Agenda

Tuesday, July 19, 2016

8:00 AM

Council Chambers
222 N. Tennessee Street
McKinney, Texas 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

CONSENT ITEMS

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.

16-716 [Minutes of the McKinney Economic Development Corporation Meeting of June 16, 2016](#)

Attachments: [Minutes](#)

REPORTS

16-717 [Board and Liaison Updates](#)

[Board Chairman](#)

[City of McKinney](#)

[McKinney Chamber](#)

[MCVB](#)

[MCDC](#)

Attachments: [MCDC Report](#)

16-718 [Director of Business Development Report](#)

Attachments: [Business Development Report](#)

16-719 [Director of BRE/Emerging Tech Report](#)

Attachments: [BREP Report](#)
[McKinney at a Glance Monthly Report](#)
[WERX Update](#)
[WERX Grant Pipeline Update](#)

16-720 [Executive Vice President Report](#)

Attachments: [Executive Vice President Report](#)
[SELECT USA Photos](#)

16-721 [President's Report](#)

Attachments: [President Report](#)

REGULAR AGENDA

16-619 [Consider/Discuss/Act on May Financials](#)

Attachments: [May Transmittal Letter](#)
[May Financials](#)
[May Checks Issued](#)

16-722 [Consider/Discuss/Act on June Financials](#)

Attachments: [June Transmittal Letter](#)
[June Financials](#)
[June Checks Issued](#)

16-723 [Consider/Discuss/Act on the Sixth Amended and Restated Bylaws of McKinney Economic Development Corporation](#)

Attachments: [6th Amended Bylaws](#)
[6th Amended Bylaws-Redline](#)

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
-24.0223 Acres of MEDC Land in University Business Park

C. Section 551.087. Deliberation Regarding Economic Development Matters
-Project A93-Sticky Phase II
-Project A136-Little Bites
-Project A146-3S
-Project A144-Red River
-Project A147-Yard Stick
-Project A148-Kringle
-Project A149-Lumen
-Project A150-Charlie2016
-Gateway

ACTION ON EXECUTIVE SESSION

ADJOURN

Posted in accordance with the Texas Government Code, Chapter 551, on the 15th day of July, 2016 at or before 5:00 p.m.

Darrell W. Auterson
President

Accommodations and modifications for people with disabilities are available upon request. Requests should be made as far in advance as possible, but no less than 48 hours prior to the meeting. Call 972-547-2694 or email contact-adacompliance@mckinneytexas.org with questions or for accommodations.

16-716



TITLE: Minutes of the McKinney Economic Development Corporation Meeting of
June 16, 2016

SUPPORTING MATERIALS:

[Minutes](#)

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

JUNE 16, 2016

The McKinney Economic Development Corporation met in regular session in the Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on June 16, 2016 at 8:00 a.m.

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

City Council members Present: Council member Travis Ussery.

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, City Secretary Sandy Hart, Senior Financial Analyst Trevor Minyard, MEDC Attorney Mark Houser, MCVB Executive Director Dee-dee Guerra, Director of Strategic Services Chandler Merritt, Planning Manager Jennifer Arnold, Planner Steven Doss and Planner Aaron Bloxham.

There was one guest present.

Chairman Lindsay called the meeting to order at 8:00 a.m. after determining a quorum was present. Chairman Lindsay welcomed the newly appointed Board member Paul Merritt. Chairman Lindsay called for action on the minutes.

16-612 Minutes of the McKinney Economic Development Corporation Meeting of May 17, 2016. Board members unanimously approved the motion by Vice Chairman Clark, seconded by Board member Sipiora, to approve the May 17, 2016 minutes.

16-614 Chairman Lindsay called for the Board and Liaison Updates.

City of McKinney – Interim City Manager Tom Muehlenbeck reported the new MEDC President, Mr. Darrell Auterson will begin on July 1, 2016. In addition, City Council will have a Budget Retreat on July 27th to finalize the 2017 Budget. Mr. Muehlenbeck continued with thanking the MEDC Chairman and Board for selecting Abby Liu as Interim President for the

MEDC. Ms. Liu has done a tremendous job during the past 13 months as Interim President, and also wanted to publicly thank her for service.

MCVB - MCVB Executive Director Dee-dee Guerra reported that during the month of May was National Travel and Tourism Week and it was very successful. MCVB held a luncheon for Public Safety Appreciation day to honor all our First Responders and was well attended. Mayor Pro Tem Randy Pogue and Council member Chuck Branch, as well as Councilwoman Tracy Rath were in attendance at the luncheon and their support is greatly appreciated. In addition, helped secure 251 hotel room nights for total revenues of \$17,388, which included six weddings, one social group, one sports group and one corporate booking. MCVB hosted one Day Trip for the Northwood Ladies Group. Ms. Guerra continued that the MCVB received two RFP's, one for the Texas Association of Convention and Visitors Bureau with which we did not qualify, and one for the Texas Society of Infection Control & Prevention at the Sheraton for 50 attendees in July, which was a successful bid. MCVB hosted three site visits, two for hotels for wedding guests, and one for the Texas Municipal League. Ms. Guerra mentioned the Fiscal Year 2015-2016 Recap and the 2nd Quarter Recap reports provided to the Board for their review.

16-615 Chairman Lindsay called for the Director of Business Development Report. Director of Business Development Chad Walker reported a few of the marketing events he attended. First, the Dallas Regional Chamber's Spring Local Broker's Event on May 14th which was an excellent one-on-one time with local brokers. Second, the Area Development Consultant's Forum in St. Louis, Missouri which featured numerous presentations by site consultants and industry experts. And, finally, Mr. Walker attended the TEDC Mid-Year Conference in Irving last week.

16-616 Chairman Lindsay called for the Director of BRE/Emerging Tech Report.

Director of BRE/Emerging Tech John Valencia reported Encore continues their construction at the northwest corner of Industrial Boulevard and Airport Drive and still expect to have their Certificate of Occupancy by July 4th. Blount Fine Foods is currently working on their interior changes and still on schedule for completion by mid-July. Blount expects to get their Certificate of Occupancy for the addition by mid-November. The retention side of business is good, we have no one leaving McKinney that we have been made aware of. Mr. Valencia thanked Steven Doss, one of the Planners for the City, as well as his whole team for all the effort in creating the McKinney at a Glance reports. The current three companies in the Emerging Tech program are Munzee, Pest Routes and HealthQuest. McKinney WERX continues to grow with now 35 companies operating out of their offices which includes 68 people.

16-617 Chairman Lindsay called for the Interim President Report. Interim President Abby Liu reported the MEDC had their Annual Strategic Planning Meeting on May 20th with all seven Board members in attendance, and Allison Larsen as facilitator. Ms. Liu and Vice Chairman Clark attended the 4A/4B Sales Tax training in Dallas which included training on Open Meetings Act, Public Information Act, 2015 Legislation Updates as well as the 4A/4B information. Tomorrow, June 20th, Ms. Liu leaves for Select USA in Washington D.C. hosted by the United States Chamber of Commerce. Ms. Liu thanked Mr. Muehlenbeck, Trudy Mathis and the Finance department for all their hard work on project compliance for Hisun. Chairman Lindsay expressed his thanks to Ms. Liu for stepping in as Interim President.

16-618 Chairman Lindsay called for the Update on the ONE McKinney 2040 Comprehensive Plan Initiative. Long Range Planner Steven Doss initiated the presentation and general overview. Vice Chairman Clark shared that this is a great tool for the community and expressed his

appreciation to Planning Manager Jennifer Arnold and team for all their hard work putting the plan together with the feedback of the citizens.

16-624 Chairman Lindsay called for the Discussion and Direction Regarding Possible Amendment to MEDC Bylaws Relative to Board Member Training. Chairman Lindsay explained he would like incoming Board members to attend the 4A/4B Sales Tax training class during the first year of tenure and for the MEDC Bylaws to reflect this. Ms. Liu explained how the 4A/4B training is an important foundation of knowledge for Board members and what the training includes. Vice Chairman Clark expressed his agreement with how important and vital the education is for the Board. MEDC Attorney Mark Houser acknowledged the ability to adjust the Bylaws and have it ready for the next Board meeting.

16-625 Chairman Lindsay called for the Discussion of New President Welcome Event. Chairman Lindsay introduced the idea of hosting a welcome event for the new MEDC President Darrell W. Auterson. Ms. Liu expressed the date preference for the event to be late July or early August and asked for Board feedback on the scope of the invitation list, the venue location, and budget. Ms. Liu stated she will get some ideas together for the Board to review.

16-619 Chairman Lindsay called for the Consideration/Discussion/Action on May Financials. Senior Financial Analyst Trevor Minyard reported the May financials will be presented in its entirety next month, however Mr. Minyard explained the history of sales tax collection on behalf of the MEDC. Board members unanimously approved the motion by Board member Sipiora, seconded by Vice Chairman Clark, to table May Financials to the next MEDC meeting.

16-613 Chairman Lindsay called for the Corrected Minutes of the McKinney Economic Development Corporation Strategic Planning Work Session of May 20, 2016. Board members unanimously approved the motion by Vice Chairman Clark, seconded by Board member Sipiora, to approve

the corrected minutes of the Strategic Planning Work Session of May 20, 2016 as presented.

16-620 Chairman Lindsay called for the Consideration/Discussion/Action on a Non-Binding Letter of Intent with the WERX Foundation, Inc. to Provide Matching Grant Funding for Emerging Technology Initiatives. The WERX Development Director Cindy Johnson reported The WERX is in the process of submitting a federal grant application to the Regional Innovations Strategies Program under the United States Department of Commerce. One grant opportunity is the i6 Challenge, which the grant request is between \$400,000 to \$500,000, focuses on increasing employment in a region based on industry clusters. And, this opportunity is being submitted partnering with Collin College. The second grant opportunity is Seed Fund start-up for The WERX which provides funding to create the methodology, the measures and the processes around the Seed Fund and the collateral marketing fund. The Seed Fund grant application request is between \$200,000 to \$250,000 and is also in collaboration with Collin College. Having the support of the MEDC, and thusly the letter of intent is a required element of the grant matching funds process. The WERX is requesting \$200,000 letter of intent from the MEDC to fund over three years, and will be dispersed only if the i6 Challenge grant is awarded. Board members unanimously approved the motion by Vice Chairman Clark, seconded by Board member Merritt, to approve a non-binding letter of intent with the WERX Foundation, Inc. to provide matching grant funding for emerging technology initiatives.

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

Chairman Lindsay recessed the meeting into Executive Session at 9:03 a.m. per 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

MEDC MINUTES

June 16, 2016

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needed) and legal consultation on the following item(s), if any: Section 551.072. Deliberations about Real Property -24.0223 Acres of MEDC Land in University Business Park and Section 551.087. Deliberation Regarding Economic Development Matters as listed on the posted agenda. Board member Chen left the meeting at 10:45 a.m. Chairman Lindsay reconvened to open session at 11:00 a.m.

Board members unanimously approved the motion by Board member Merritt, seconded by Board member Sipiora, to approve Project Sticky Phase II as discussed in Executive Session.

Board members unanimously approved the motion by Board member Sipiora, seconded by Vice Chairman Clark, to approve Project 3s as discussed in Executive Session.

Board members unanimously approved the motion by Vice Chairman Clark, seconded by Board member Sipiora, to adjourn. Chairman Lindsay adjourned the meeting at 11:03 a.m.

LANCE LINDSAY
Chairman

16-717



TITLE: Board and Liaison Updates
Board Chairman
City of McKinney
McKinney Chamber
MCVB
MCDC

SUPPORTING MATERIALS:

[MCDC Report](#)



July 14, 2016

TO: Sheri Van Slycke
FROM: Cindy Schneible
RE: Information for the MEDC Board Meeting

Please include the the following information in the packet for the MEDC board meeting scheduled for July 19, 2016.

Project Grants

The MCDC board approved two project grants at the June 23rd meeting:

- \$50,000 Heard Wildlife Museum for equipment purchase, infrastructure improvements and construction required for the Dinosaurs Live exhibit that will open in September 2016.
- \$200,000 McKinney Rotary Foundation for construction of an all-abilities playground in Bonnie Wenk Park.

Promotional and Community Event Grants

Nine applications were received for Promotional and Community Event grants prior to the June 30, 2016 application deadline. A total pool of \$50,000 is available. The total amount requested is \$69,200.

McKinney Aquatic and Fitness Center

Construction continues on the facility located in Gabe Nesbitt Community Park, with opening slated for the end of the current calendar year. Several recent aerials and construction photos are attached.

20th Anniversary

A significant component of MCDC's 20th anniversary activities is an advertising campaign to encourage McKinney residents to buy local – with information about the quality of life impact from local purchase decisions. Samples are attached.

**McKinney Community Development Corporation
Grants and Transfers - FY 15-16**

Category	Grant/Transfer	Amount
Promotional & Community Events	MCDC Discretionary	\$ 100,000.00
	Run for Cover/3e McKinney	\$ (3,000.00)
	Crape Myrtle Trails Run and Festival	\$ (3,000.00)
	Embrace Waiting Children-Fairways for Families	\$ (2,000.00)
	Heard Wildlife Museum - Texas Heritage Festival	\$ (2,500.00)
	Heritage Guild of Collin County - Farmers Market and Ice Cream Crank-off	\$ (6,500.00)
	Kiwanis Historic McKinney Triathlon	\$ (3,000.00)
	ManeGait - Gaitapalooza	\$ (4,000.00)
	McKinney Main Street - Arts in Bloom	\$ (12,000.00)
	Smiles Charity - 2016 Event	\$ (5,000.00)
	The WERX - multiple 2016 events	\$ (9,000.00)
	Balance	\$ 50,000.00
Community Projects	MCDC Discretionary	\$ 1,171,896.00
	#16-01 Pecan Grove Cemetery - Road resurfacing and construction	\$ (127,698.00)
	#16-02 Heard Natural Science Museum - Building modifications, electrical and equipment requirements for Magic Planet exhibit	\$ (50,000.00)
	#16-03 Armed Services Memorial Board - Site work and installation of monument to Gold Star Families	\$ (145,000.00)
	#16-04 Heritage Guild of Collin County - Paint and upgrades to Bevel House, Chapel and Pavilion	\$ (62,000.00)
	#16-05 Heard Natural Science Museum - equipment purchase, infrastructure improvements and construction required for Dinosaurs Live exhibit	\$ (50,000.00)
	#16-06 McKinney Rotary Foundation - construction of an all-abilities program in Bonnie Wenk Park	\$ (200,000.00)
	Balance	\$ 537,198.00
Projects - Parks & Recreation	Project #15-04	\$ 5,500,000.00
	Scott Elementary Neighborhood Park	\$ (500,000.00)
	Community Center ADA Compliance	\$ (470,000.00)
	Gabe Nesbitt Park - Park Road, Parking (Phase II Aquatic Center) <i>Added to MAFC (4B 1409) as a result of Board action on 11/19/15.</i>	\$ (1,500,000.00)
	Gabe Nesbitt Tennis Court Expansion	\$ (3,000,000.00)
	Parks Master Plan Update - add section re: Streetscape	\$ (30,000.00)
	Balance	\$ -
MPAC Operations		\$ 375,000.00
	Balance	\$ (375,000.00)
MAFC Operations		\$ 200,000.00
	Balance	\$ 200,000.00

Loan to PSA in an amount up to \$3,200,000; approved in FY13 is reflected on MCDC books as a note repayable within 5 years.

Total amount loaned: **\$2,721,965.38**

First loan repayment made 6/23/15 in the amount of **\$1,000,000**

Balance: **\$1,721,965.38**



Aquatic & Fitness Center

Print #160627758
 Date: 06/27/16
 Lat/Lon: 33.172764 -96.714439
 Order No. 60827



2

Print #160627755
 Date: 06/27/16





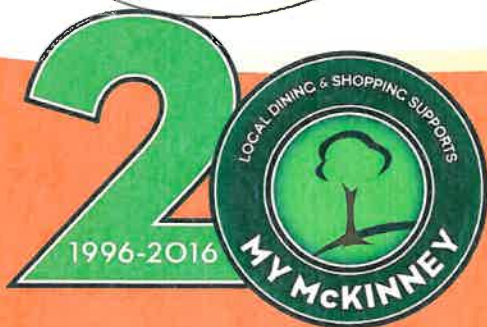
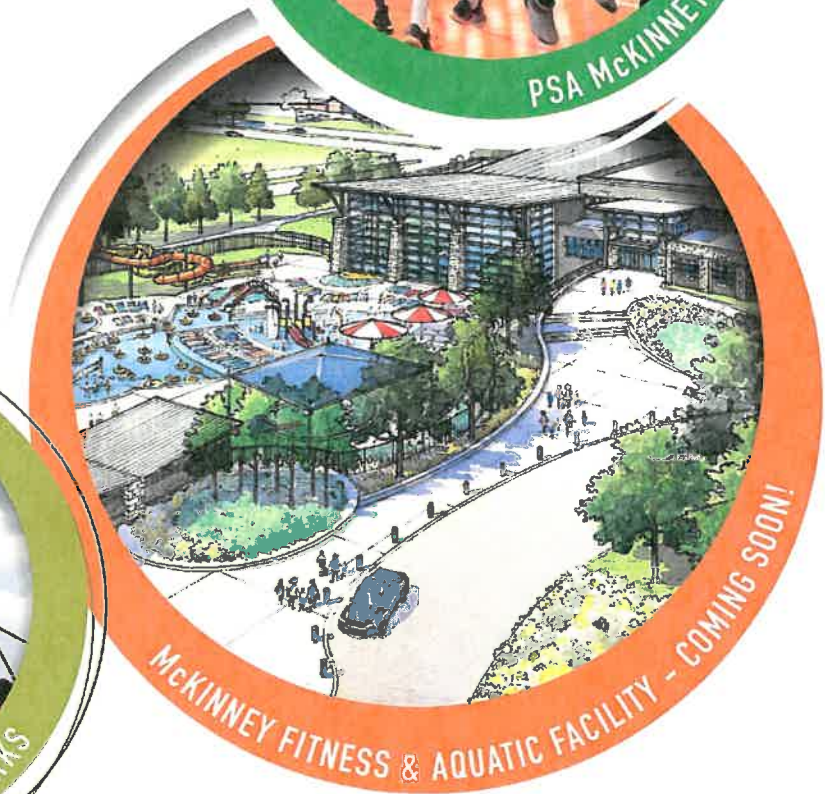


each
small purchase
makes a
big difference

**BUYING LOCAL IS
WORTH EVERY CENT.**

Every time you
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McKinney, sales
tax revenue stays
in our community
to fund quality of
life projects like
local parks and
annual events.

It's money well spent.



**McKinney Community
Development Corporation**

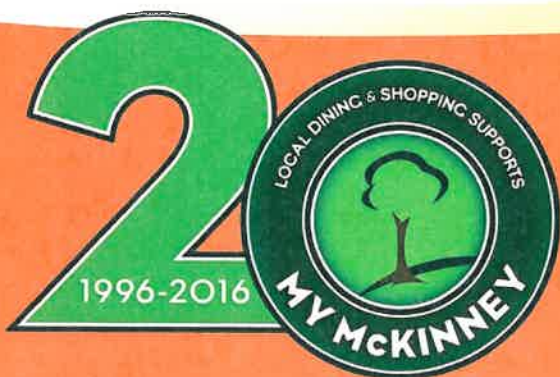
www.McKinneyCDC.org

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■■■■■
**McKinney Community
Development Corporation**

www.McKinneyCDC.org

16-718



TITLE: Director of Business Development Report

SUPPORTING MATERIALS:

[Business Development Report](#)

In spite of not traveling for marketing purposes, it has been quite busy in the MEDC office since the last meeting. Several new projects have come online that will be discussed in executive session. Additionally, we continue to have interest shown in the MEDC-owned property in the University Business Park.

Recent Activities:

- Meeting with local developers on potential project sites and options on 6/21
- Madison and I had a call with a defense industry site consultant on 6/27
- Project Lumen made a site visit on 6/28
- City and MEDC representatives met with a developer to discuss available properties on 7/7
- City and MEDC representatives met with Commissioner Webb to discuss project Red River on 7/12
- Conference call with Project Red River on 7/14
- Met with developers regarding MEDC-owned land on 7/14

Projects:

Several active project updates will be discussed in Executive Session.

Upcoming Activities:

- Bisnow 121 Corridor event in McKinney on 8/25
- Great States Investment Summit in Dallas 9/11-9/14
- Dallas Regional Chamber New York/New Jersey marketing trip 9/14-9/16

<http://greatstatessummit.com>

WHO

Expanding companies, site selection consultants, economists and economic developers will come together in Dallas, TX, to discuss the states at the heart of the American economy. Industry leaders from Texas, Louisiana, New Mexico, Oklahoma and Arkansas, will engage in candid conversation about current economic development investment trends in the region at the heart of the American economy, and explore how this region will build on its recent success.

WHAT

Panels will focus on key investment-attraction issues such as how integrated workforce development programs and right-to-work legislation ensure sustainability, how marrying traditional energy sectors with renewables and new energy tech are vital to powering tomorrow's economies, and why the aviation aerospace industry will continue to soar. Innovation and the importance of FDI will also be covered, with some new ideas about why America will continue to be the world's premier FDI destination.

WHY

You are an integral part of the very important dialogue that will help propel our Great States through the coming decades. This is the can't-miss economic forum for anyone with an interest in this region's, or this country's, economic future.

**SUNDAY** SEPTEMBER 11TH

7-9.30 pm **Welcome Dinner & Reception**
The Dallas Arboretum and Botanical Garden (Alex Camp House)

MONDAY SEPTEMBER 12TH

8.15 am **Breakfast & registration**

9.00 am **Welcome Remarks from Conway & Team Texas**

9.15 am **The State of the States**
An introduction and overview discussion of the state of the States. Speakers include economists, academics, and site selection consultants from each state represented.

Moderator **Andy Serwer** (invited)
Editor in Chief Yahoo Finance

Panelists **Josh Bays** (invited)
Principal Site Selection Group, LLC
Mark Watson (invited)
CEO Argo Group US
(2016 EY Entrepreneur Of The Year® Transformational CEO Award for Central Texas Region)

10.30 am **Networking coffee break**

11.00 am **Right to Succeed**
How integrated workforce development programs and right-to-work legislation ensure sustainability.

Moderator **Susan Arledge**
Managing Director E Smith Realty Partners

Panelists **Debra Lyons**
Senior Director
Center for Workforce Advancement ACT
Deborah Carter
Senior Manager
Rackspace Open Cloud Academy
Tom F. Gray
Economic Development Consultant
Grand River Dam Authority

12.15 pm **Email break**
Catch up on email, check Facebook, tweet about morning sessions.

12.30 pm **Lunch & Networking**

1.45 pm **Powering Tomorrow**
How marrying traditional energy sectors with renewables and new energy tech are vital to powering tomorrow's economies. This session will also look at the challenges of the changing oil economy.

Introduction **Iain Vasey**
President/CEO
Corpus Christi Regional Economic Development Corporation

Moderator **Dr. Ray Perryman**
President/CEO The Perryman Group

Panelists **Alissa Oppenheimer**
Managing Director Chamisa Energy
Jessica Pair
Manager Upstream, Stratas Advisors
- a Hart Energy Company
Brad Stutzman
CEO O3 Energy Solutions
David Dismukes
Professor and Executive
Director Center for Energy Studies
College of the Coast and Environment

3.00 pm **Networking break**

3.20 pm **Innovation is Prosperity**
Rebecca Ryan
Futurist

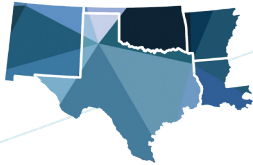
4.30pm **Developing the Future Fortune 500s**
A panel of senior executives from SMEs who will speak frankly about what support they look for governments and economic development agencies to grow their businesses.

Moderator **Rebecca Ryan**
Futurist

Panelists **Ingrid Miller**
COO Rural Sourcing, Inc
Erik Huddleston
CEO Trendkite
Bill Ogle
CEO Koupon Media
Lauren Thompson Miller
Chief Executive Officer A-76 Technologies

6.45 pm **Drinks reception**
The Sheraton Downtown Dallas (The Chaparral Room) followed by individual sponsored dinners.

EVENT HOSTS



DALLAS, TX | September 11-14, 2016

TUESDAY SEPTEMBER 13TH

8.15 am Breakfast & registration

9.00 am Beam Me Up

Why the Aviation Aerospace Industries Will Continue to Soar.
Panel will feature a mix of executives from domestic and foreign companies developing the technologies and supply-chains for these cutting-edge industries.

Moderator

Ali Velshi

Global Affairs & Economic Analyst

Panelists

Jeff Davis

Founding Partner Acorn Growth Companies

Ed Lundeen

Executive Vice President, Business Operations

One Aviation

John W. Brown

CEO Silent Falcon™ UAS Technologies

Thierry Derrien

President Safran Electronics & Defense (ex Sagem Avionics) - a Safran company

10.10 am Networking break

10.40 am The Next 25 years

A panel of experts predict which sectors and industries will flourish in the coming quarter century and where we should be concentrating our efforts for investment attraction and economic growth.

Moderator

Ali Velshi

Global Affairs & Economic Analyst

Panelists

Larry Hurtado

CEO Digital Defense, Inc.

Tugce Ergul (Invited)

CEO Angel Labs

Carolyn Rodz

Founder The Circular Board

Juan Gomez (Invited)

Ph.D., P.E., Interim Institute Director and Associate Professor of Research, Texas Sustainable Energy Research Institute

11.40 am Keynote address from a noted economist on why America will continue to be the world's premier FDI destination.

12.00 pm Open Borders

The Foreign Direct Investment Imperative
Speakers from a mix of international companies who are based in Texas and surrounding states

Moderator

Andreas Dressler

Managing Director Conway Advisory

1.00 pm Lunch & Networking

2.00 pm

Workshop on Marketing for Foreign Companies

Keynote

Shirar O'Connor

Principal Conway PR & Marketing

2.30 pm

Urban Revitalization and the Global Perception of Cities

Session will look at the imperative of developing a vibrant city center, including a great restaurant scene, to create the perfect life-work balance critical to attracting top talent.

Panelists

Ken McCarthy

Principal Economist, Applied Research Lead

Cushman & Wakefield

Lacy Beasley

President and COO Retail Strategies, LLC

Ron Drake

CEO Ron Drake Consulting, LLC

Christiana McFarland (Invited)

Research Director National League of Cities

Minoli Ratnatunga

AD Regional Economics Research

Milken Institute

3.30 pm Networking break

4.00 pm

Consultants Roundtable

Moderator

Steve Weitzner

Principal Silverlode Consulting

Panelists

Alison Benton

CEcD/President Aliquantus Consulting

6-9pm

Fun networking activities with food & drinks at Gilley's Dallas (The Lonestar Room)

WEDNESDAY SEPTEMBER 14TH

8.15 am Breakfast & registration

9.00 am

The Future of the Great States

Keynote from an economist who will make predictions about the future for America's most dynamic economies including Texas and the surrounding states.

Introduction

Lorie Vincent

CEcD, Executive Director Team Texas

Keynote

Dr. Lowell Catlett

Futurist

10.30 am Closing Remarks

12.00 pm Site Tours including luncheon TBC

EVENT HOSTS



Team
Texas



16-719

TITLE: Director of BRE/Emerging Tech Report

SUPPORTING MATERIALS:

[BREP Report](#)

[McKinney at a Glance Monthly Report](#)

[WERX Update](#)

[WERX Grant Pipeline Update](#)



MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

July 13, 2016

To: MEDC Board

From: John Valencia

Director of BRE & ET Programs

Subject: July 19, 2016 MEDC Board Meeting; BREP Report/Update

Business Retention & Expansion Program

Encore is nearing completion of their Plant 6 expansion. CO is due any day now and landscaping is being installed now. This building will add another 160,771 sf to their facility, growing to nearly 1.3MM sf total under roof! With more land available, Daniel and his Team are sure to grow even more. I will have the opportunity to take Darrell on a tour of the plant and to meet Daniel and Frank on August 2nd.

Blount Fine Foods continues to work on their internal changes and all is on schedule to be completed within the next week or so. Plant Manager, Tom Thibeault, says things and progress have really ramped up, especially on the outside and on top of the building. The schedule is still scheduled to have the CO issued in mid-November. So far so good!

The expansion plans that I have eluded to over the past few months is coming to fruition. Simpson Strong-Tie is looking to add 25K sf of office and training facility as a phase one and then add 73K sf of manufacturing and warehousing space as a phase two in early 2017. A very good project for them and excellent for McKinney!

In this section let me share the attached McKinney at a Glance for June 2016. This is produced by the Planning Department and is pretty comprehensive of what is happening in McKinney. Rather than try to explain it all, it is pretty self-explanatory, but certainly questions may come up.

Emerging Technology

At this time, we have three (3) active companies in the Program. They are: Pest Routes, Health Quest and Munzee.

The WERX in McKinney

The WERX continues to grow. There are currently 35 companies operating with 66 people. Capacity is nearing full. They did have a company “grow out” of The WERX. TeacherTube moved out and on to commercial lease space as their employee numbers have grown to a point that more space and more dedicated office space was needed. We congratulate them for their accomplishments and wish them continued success!

Please see attached two updates:

Christine Smith, Executive Director of The WERX

What Happened at WERX in June 2016?

Cindy Johnson, CFRE with The WERX Foundation

The McKinney WERX Grant Pipeline Report – 07/13/16

The Team here continues to work hard in promoting our wonderful community. And we are very excited to have Darrell Auterson joining the MEDC!

Respectfully Submitted,

John Valencia

Director of Business Retention, Expansion & Emerging Technology
MCKINNEY ECONOMIC DEVELOPMENT CORP.

June
2016

McKinney at a Glance

A monthly development report prepared by the McKinney Planning Department

City of McKinney
Planning Department

221 N. Tennessee St.
McKinney, TX 75069

Phone: 972.547.7409
Fax: 972.547.2604

Hours:
8 am - 5 pm
Mon-Fri
www.mckinneytexas.org

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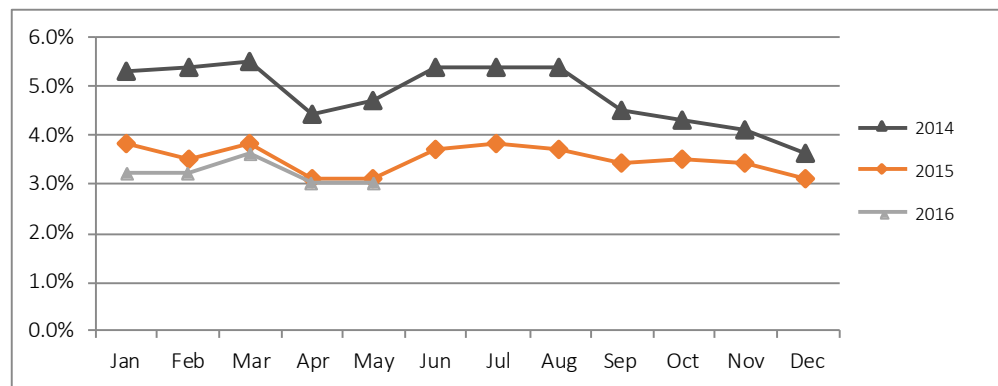
www.mckinneytexas.org/reports

McKinney Population Summary

Year	Population	Year	Population	Year	Population	Year	Population
1900*	4,342	1990*	21,283	1999	44,000	2008	120,978
1910*	4,714	1991	23,138	2000*	54,369	2009	122,083
1920*	6,677	1992	24,261	2001	58,438	2010*	131,117
1930*	7,307	1993	25,953	2002	66,990	2011	133,399
1940*	8,555	1994	29,706	2003	76,907	2012	136,666
1950*	10,560	1995	30,173	2004	85,865	2013	140,826
1960*	13,763	1996	31,783	2005	94,733	2014	149,082
1970*	15,193	1997	34,150	2006	104,853	2015	155,142
1980*	16,256	1998	38,700	2007	115,198	2016	161,905

*Official Census figure

McKinney Unemployment Rate



Unemployment Rate
published by the Texas Workforce Commission
for May 2016

Unemployment Rates	
McKinney:	3.0%
Collin County:	3.2%
Texas:	4.4%

Texas Unemployment Rate is seasonally adjusted

Building Permit Summary

Development Type	This Month ¹		Year to Date ¹	
	Permits Issued	Construction Dollars	Permits Issued	Construction Dollars
Single Family	259	\$77,682,896	1,079	\$357,914,714
Multi-Family	2 @ 595	\$52,022,267	3 @ 795	\$74,104,137
Non-Residential	5	\$4,241,543	25	\$27,289,939
Vertical Mixed-Use	0	\$0	0	\$0

¹ 2016 Single Family and Non-Residential permits may include permits issued in the Trinity Falls Municipal Utility District. In June 2016, 22 single family permits valued at \$8,222,016 were issued in the Trinity Falls MUD. In the 2016 calendar year, 131 single family permits valued at \$46,575,715 have been issued in the Trinity Falls MUD and 0 non-residential permits valued at \$0 have been issued.

Note: Non-Residential permits include commercial, institutional, and recreational permits.



June
2016

McKinney at a Glance

Planning Submittal Summary

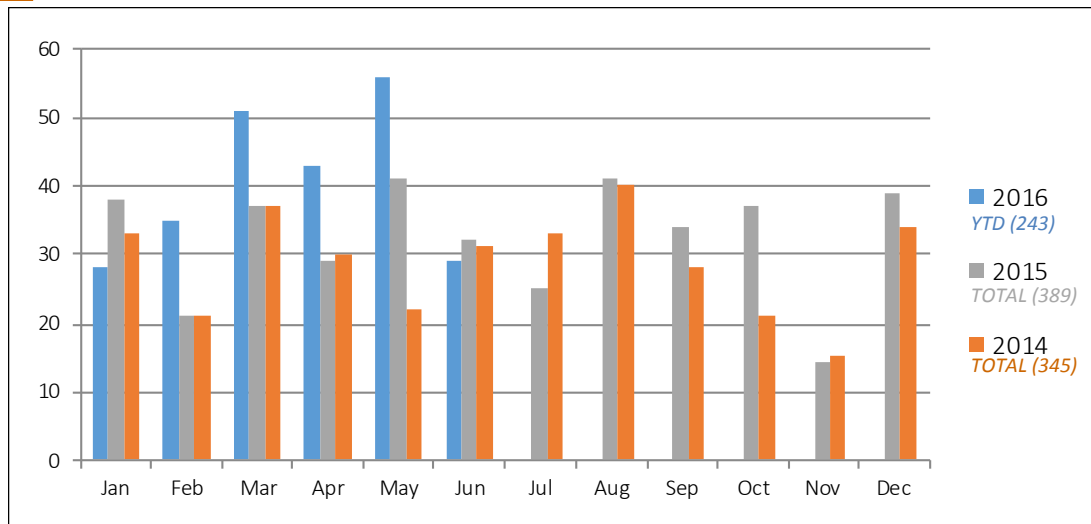
Case Type	This Month				Year to Date			
	Submitted	Approved			Submitted	Approved		
		P&Z	City Council	Staff Review Only		P&Z	City Council	Staff Review Only
<i>Pre-Development Meetings</i> ¹	11	n/a	n/a	n/a	81	n/a	n/a	n/a
Zoning ²	4	0	1	n/a	15	0	12	n/a
Site Plans	2	1	0	7	63	11	5	31
Plats	16	3	0	17	112	24	1	50
Architectural Elevations	5	0	0	5	42	5	0	22
Other	2	0	0	0	11	2	10	0
Totals	29	4	1	29	243	42	28	103

¹ Pre-Development Meetings are not included in submittal totals.

² All zoning requests require a recommendation by the Planning and Zoning Commission and final approval by City Council.

Planning Submittal Comparison

Planning Submittals



Engineering & Parks

Engineering & Parks Summary

Development Type	This Month	Year to Date
Engineering Development Plans Reviewed	36	196
Engineering CIP Payments Made	30	197
Park CIP Payments Made	12	81

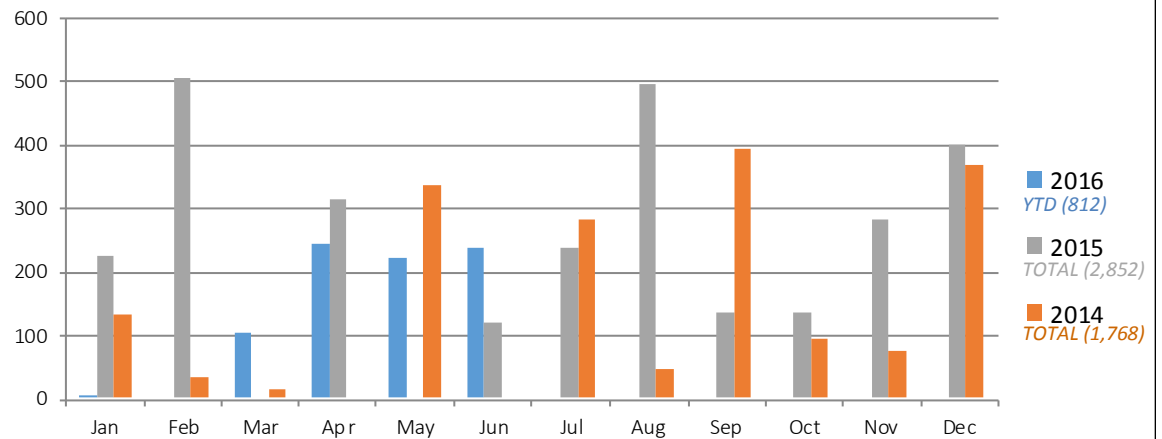
June
2016

McKinney at a Glance

Approved Single Family Lots

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2016	5	0	104	243	222	238							812
2015	225	505	0	315	0	118	239	497	134	135	283	401	2,852
2014	131	32	12	0	335	0	282	46	394	94	74	368	1,768

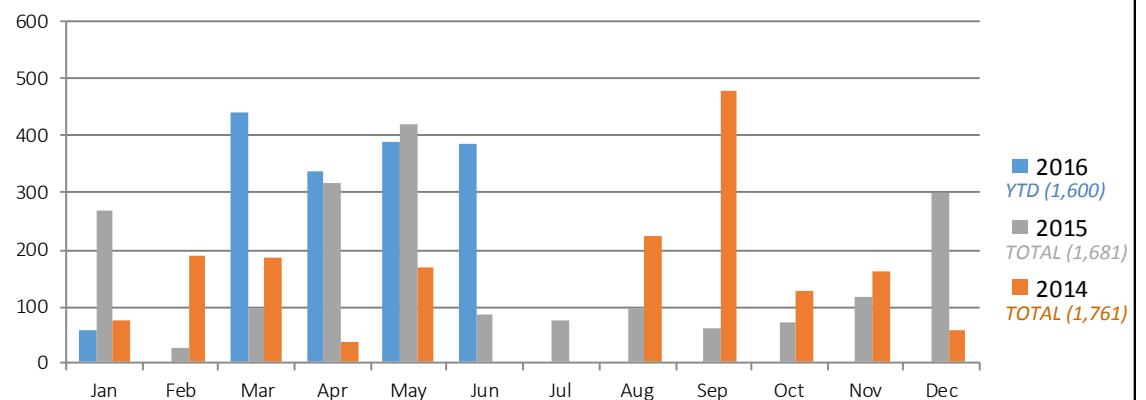
Approved Single Family Lots Comparison



Filed Single Family Lots

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2016	56	0	438	335	386	385							1,600
2015	71	187	184	33	165	0	0	220	479	126	160	56	1,681
2014	237	98	100	352	0	289	0	64	102	0	301	218	1,761

Filed Single Family Lots Comparison



Building Permit Comparison

Single Family Permits (2012-2016)

	2012		2013		2014		2015 ¹		2016 ²	
	Permits	Valuation	Permits	Valuation	Permits	Valuation	Permits	Valuation	Permits	Valuation
Q1	261	\$88,437,310	419	\$141,467,863	415	\$139,221,302	464	\$159,619,856	432	\$148,976,943
Q2	440	\$150,586,422	678	\$223,774,220	493	\$165,301,479	536	\$179,787,881	647	\$208,937,771
Q3	442	\$147,018,920	402	\$142,829,655	359	\$125,081,104	568	\$191,108,421		
Q4	347	\$117,917,809	363	\$121,164,524	436	\$152,374,960	513	\$173,027,832		
Total	1,490	\$503,960,461	1,862	\$629,236,262	1,703	\$581,978,845	2,081	\$703,543,990	1,079	\$357,914,714

Multi-Family Permits (2012-2016)

	2012		2013		2014		2015		2016	
	Permits	Valuation	Permits	Valuation	Permits	Valuation	Permits	Valuation	Permits	Valuation
Q1	1@334	\$20,000,000	0@0	\$0	1@164	\$12,000,000	1@245	\$21,000,000	1@200	\$22,081,870
Q2	0@0	\$0	0@0	\$0	0	\$0	1@182	\$16,140,948	2@595	\$52,022,267
Q3	0@0	\$0	1@418	\$28,859,713	1@7	\$3,360,000	3@884	\$59,845,641		
Q4	1@334	\$26,877,763	0@0	\$0	2@377	\$31,858,075	4@891	\$95,566,810		
Total	2@668	\$46,877,763	1@418	\$28,859,713	4@548	\$47,218,075	9@2,202	\$192,553,399	3@795	\$74,104,137

Non-Residential Permits (2012-2016)

	2012		2013		2014		2015 ¹		2016 ²	
	Permits	Valuation	Permits	Valuation	Permits	Valuation	Permits	Valuation	Permits	Valuation
Q1	2	\$255,000	15	\$14,771,400	12	\$20,283,000	10	\$8,309,154	10	\$14,723,451
Q2	11	\$90,639,388	7	\$26,415,000	11	\$26,926,188	18	\$35,825,718	15	\$12,566,488
Q3	16	\$38,797,657	15	\$24,117,500	12	\$51,095,883	24	\$102,586,757		
Q4	10	\$24,771,750	13	\$23,387,500	9	\$14,022,500	19	\$41,205,391		
Total	39	\$154,463,795	50	\$88,691,400	44	\$112,327,571	71	\$187,927,020	25	\$27,289,939

Vertical Mixed-Use Permits (2012-2016)

	2012		2013		2014		2015		2016	
	Permits	Valuation	Permits	Valuation	Permits	Valuation	Permits	Valuation	Permits	Valuation
Q1	2@26	\$7,000,000	2@211	\$18,500,000	0@0	\$0	0@0	\$0	0@0	\$0
Q2	0@0	\$0	0@0	\$0	0@0	\$0	0@0	\$0	0@0	\$0
Q3	0@0	\$0	0@0	\$0	0@0	\$0	0@0	\$0		
Q4	0@0	\$0	0@0	\$0	0@0	\$0	0@0	\$0		
Total	2@26	\$7,000,000	2@211	\$18,500,000	0@0	\$0	0@0	\$0	0@0	\$0

¹ 2015 Single Family and Non-Residential permits may include permits issued in the Trinity Falls Municipal Utility District. In the 2015 calendar year, 241 single family permits, valued at \$83,148,016 were issued in the Trinity Falls MUD and 1 non-residential permit, valued at \$45,000 was issued.

² 2016 Single Family and Non-Residential permits may include permits issued in the Trinity Falls Municipal Utility District. In the 2016 calendar year, 131 single family permits, valued at \$46,575,715 have been issued in the Trinity Falls MUD and 0 non-residential permits valued at \$0 have been issued.

Notes: Non-Residential permits include commercial, institutional, and recreational permits. Permit activity listed by calendar year. Non-residential permits only include new buildings and major additions and do not include minor additions or alterations.

June
2016

Commercial Construction at a Glance

Commercial Construction in McKinney (as of June 30, 2016)

New Construction Summary

The commercial construction summary below reflects new development projects that have received an approved building permit by the City of McKinney.

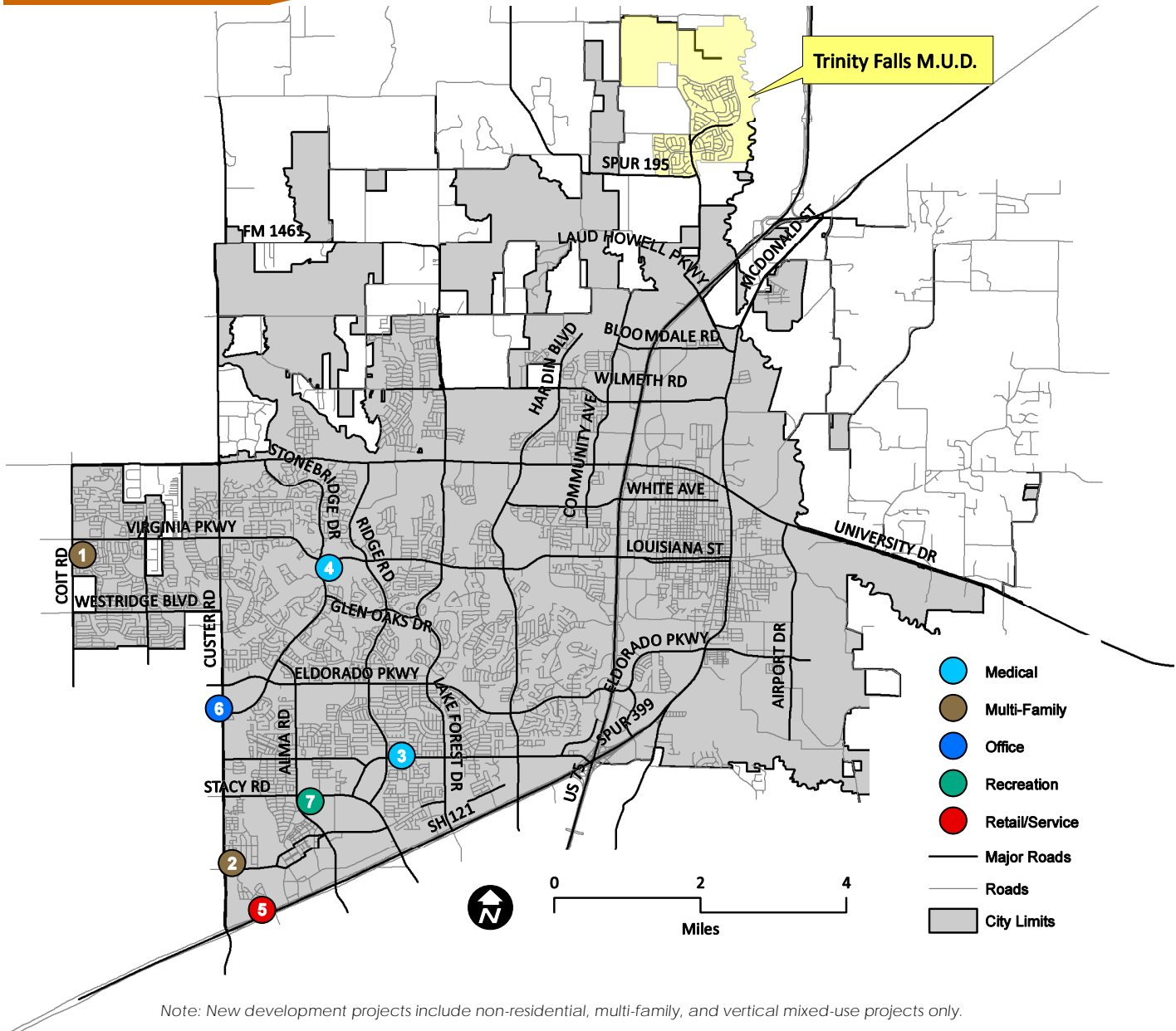
Project Name	Type	Address	New Sq. Ft.	Valuation	Date Permit Issued
1. Sanctuary at Westridge	Multi-Family	401 Coit Rd.	492,267 (432 units)	\$32,000,000	6/9/2016
2. Artistry Senior Residence at Craig Ranch	Multi-Family	8950 Collin McKinney Pkwy.	249,521 (163 units)	\$20,022,267	6/10/2016
3. Avalon Memory Care	Medical	5401 McKinney Ranch Pkwy.	13,278	\$1,678,472	6/2/2016
4. Medical Office at Adriatica (Bldg. A)	Medical	240 Adriatic Pkwy.	8,405	\$1,260,000	6/29/2016
5. Moviehouse Retail Center	Retail / Service	8480 SH 121	6,975	\$600,000	6/29/2016
6. Stonebridge Ranch Office (Bldg. 6)	Office	3900 S. Stonebridge Dr.	4,900	\$356,671	6/15/2016
7. Greens at Stacy Crossing Amenity Center	Recreation	7111 Mitchell Dr.	2,228	\$346,400	6/27/2016

New Construction Totals

777,574

\$56,263,810

New Construction Map



Note: New development projects include non-residential, multi-family, and vertical mixed-use projects only.

June
2016

Commercial Construction at a Glance

Commercial Construction in McKinney (as of June 30, 2016)

Development Quarterly Summary
(Quarter 2: April—June)

Development Type	April 2016	May 2016	June 2016	Qtr 2 Totals (as of June 30)
Office				
New Building Square Footage	12,840	8,026	4,900	25,766
Interior Finish-Out Square Footage	4,532	42,060	99,154	145,746
Construction Valuation	\$1,118,404	\$1,493,000	\$1,536,162	\$4,147,566
Retail/Service				
New Building Square Footage	9,180	16,900	6,975	33,055
Interior Finish-Out Square Footage	5,218	0	220,650	225,868
Construction Valuation	\$1,226,310	\$1,347,391	\$1,371,000	\$3,944,701
Restaurant				
New Building Square Footage	0	3,583	0	3,583
Interior Finish-Out Square Footage	1,800	7,777	0	9,577
Construction Valuation	\$46,800	\$1,473,500	\$0	\$1,520,300
Recreation				
New Building Square Footage	1,097	0	2,228	3,325
Interior Finish-Out Square Footage	0	0	0	0
Construction Valuation	\$311,000	\$0	\$346,400	\$657,400
Industrial				
New Building Square Footage	43,292	0	0	43,292
Interior Finish-Out Square Footage	21,712	725	48,564	71,001
Construction Valuation	\$3,590,740	\$300,000	\$4,743,176	\$8,633,916
Institutional				
New Building Square Footage	0	0	0	0
Interior Finish-Out Square Footage	0	0	1,520	1,520
Construction Valuation	\$211,594	\$0	\$2,745,705	\$2,957,299
Medical				
New Building Square Footage	0	0	21,683	21,683
Interior Finish-Out Square Footage	1,730	0	42,534	44,264
Construction Valuation	\$81,000	\$0	\$5,591,733	\$5,672,733

2016 Summary		New Buidling Sq. Ft.	Interior Finish Out Sq Ft	Construction Valuation
	Q1 (Jan - Mar 2016)	161,682	550,963	\$36,416,630
	Q2 (Apr - June 2016)	130,704	497,976	\$27,533,915
	Q3 (July - Sept 2016)			
	Q4 (Oct - Dec 2016)			
	Grand Total (2016)	292,386	1,048,939	\$63,950,545

June
2016

Commercial Construction at a Glance

Commercial Construction in McKinney (as of June 30, 2016)

Development Monthly Summary

The projects below reflect non-residential building permits that have been approved by the City of McKinney. Existing businesses may be listed for additions and/or alterations.

Office	Name	Permit Type	Address	New Building Sq. Ft.	Finish Out Sq. Ft.	Valuation	Date Permit Issued
	Stonebridge Ranch Office (Bldg. 6)	Construction	3900 S. Stonebridge Dr.	4,900		\$356,671	6/15/2016
	Farmers Insurance	Finish Out	8720 SH 121 (Ste. 124)		1,988	\$60,741	6/28/2016
	Speculative Lease Space	Finish Out	8951 Collin McKinney Pkwy. (Ste. 301)		4,600	\$48,000	6/13/2016
	Speculative Lease Space	Finish Out	8951 Collin McKinney Pkwy. (Ste. 302)		4,600	\$48,000	6/13/2016
	Speculative Lease Space	Finish Out	8951 Collin McKinney Pkwy. (Ste. 303)		4,600	\$48,000	6/13/2016
	Speculative Lease Space	Finish Out	8951 Collin McKinney Pkwy. (Ste. 304)		4,600	\$48,000	6/13/2016
	Speculative Lease Space	Finish Out	8951 Collin McKinney Pkwy. (Ste. 501)		4,600	\$48,000	6/27/2016
	Speculative Lease Space	Finish Out	8951 Collin McKinney Pkwy. (Ste. 502)		4,600	\$48,000	6/27/2016
	Speculative Lease Space	Finish Out	8951 Collin McKinney Pkwy. (Ste. 503)		4,600	\$48,000	6/27/2016
	Speculative Lease Space	Finish Out	8951 Collin McKinney Pkwy. (Ste. 504)		4,600	\$48,000	6/27/2016
	Speculative Lease Space	Finish Out	8951 Collin McKinney Pkwy. (Ste. 601)		4,600	\$48,000	6/27/2016
	Speculative Lease Space	Finish Out	8951 Collin McKinney Pkwy. (Ste. 602)		4,600	\$48,000	6/27/2016
	Speculative Lease Space	Finish Out	8951 Collin McKinney Pkwy. (Ste. 603)		4,600	\$48,000	6/27/2016
	Speculative Lease Space	Finish Out	8951 Collin McKinney Pkwy. (Ste. 604)		4,600	\$48,000	6/27/2016
	Speculative Lease Space	Finish Out	8951 Collin McKinney Pkwy. (Ste. 701)		4,600	\$48,000	6/27/2016
	Speculative Lease Space	Finish Out	8951 Collin McKinney Pkwy. (Ste. 702)		4,600	\$48,000	6/27/2016
	Speculative Lease Space	Finish Out	8951 Collin McKinney Pkwy. (Ste. 703)		4,600	\$48,000	6/27/2016
	Speculative Lease Space	Finish Out	8951 Collin McKinney Pkwy. (Ste. 704)		4,600	\$48,000	6/27/2016
	Speculative Lease Space	Finish Out	8951 Collin McKinney Pkwy. (Ste. 801)		4,600	\$48,000	6/27/2016
	Speculative Lease Space	Finish Out	8951 Collin McKinney Pkwy. (Ste. 802)		4,600	\$48,000	6/27/2016
	Speculative Lease Space	Finish Out	8951 Collin McKinney Pkwy. (Ste. 803)		4,600	\$48,000	6/27/2016
	Speculative Lease Space	Finish Out	8951 Collin McKinney Pkwy. (Ste. 804)		4,600	\$48,000	6/27/2016
	Speculative Lease Space	Alteration	1700 Redbud Blvd. (Ste. 230)		1,153	\$47,500	6/22/2016
	Speculative Lease Space	Alteration	1700 Redbud Blvd. (Ste. 220)		1,247	\$47,500	6/22/2016
	Real Estate Services, LLC	Finish Out	1833 Hunt St. (Ste. 102)		1,500	\$41,750	6/13/2016
	Edward Jones	Finish Out	2150 Central Expy. (Ste. 170)		1,266	\$22,000	6/28/2016
	TOTAL:			4,900	99,154	\$1,536,162	

Retail/Service	Name	Permit Type	Address	New Building Sq. Ft.	Finish Out Sq. Ft.	Valuation	Date Permit Issued
	Moviehouse Retail Center	Construction	8480 SH 121	6,975		\$600,000	6/29/2016
	Walmart #5221	Alteration	5001 McKinney Ranch Pkwy.		210,399	\$620,000	6/10/2016
	St. Paul's Square (Bldg. B)	Finish Out	470 Adriatic Pkwy. (Ste. 1201)		4,173	\$80,000	6/23/2016
	Jessica Beauty Supply	Finish Out	1651 Eldorado Pkwy. (Ste. 110)		4,835	\$46,000	6/15/2016
	4/4 School of Music	Alteration	4610 Eldorado Pkwy. (Ste. 400)		1,243	\$25,000	6/14/2016
	TOTAL:			6,975	220,650	\$1,371,000	

Restaurant	Name	Permit Type	Address	New Building Sq. Ft.	Finish Out Sq. Ft.	Valuation	Date Permit Issued
	n/a						
	TOTAL:			0	0	\$0	

June
2016

Commercial Construction at a Glance

Commercial Construction in McKinney (as of June 30, 2016)

Development Monthly Summary (cont.)

Recreation	Name	Permit Type	Address	New Building Sq. Ft.	Finish Out Sq. Ft.	Valuation	Date Permit Issued
	Greens at Stacy Crossing Amenity Center	Construction	7111 Mitchell Dr.	2,228		\$346,400	6/27/2016
TOTAL:				2,228	0	\$346,400	

Industrial	Name	Permit Type	Address	New Building Sq. Ft.	Finish Out Sq. Ft.	Valuation	Date Permit Issued
	Aramark	Alteration	407 Interchange St.		45,080	\$4,520,776	6/7/2016
	Tomes Texas Star Parts	Alteration	410 Industrial Blvd.		3,484	\$222,400	6/15/2016
TOTAL:				0	48,564	\$4,743,176	

Institutional	Name	Permit Type	Address	New Building Sq. Ft.	Finish Out Sq. Ft.	Valuation	Date Permit Issued
	McNeil Elementary School (reroof)	Alteration	3650 Hardin Blvd.		0	\$942,000	6/17/2016
	Walker Elementary School (reroof)	Alteration	4000 Cockrill Dr.		0	\$942,000	6/17/2016
	Nell Burks Elementary School (HVAC replacement)	Alteration	1801 Hill St.		0	\$489,225	6/1/2016
	Eddins Elementary School (reroof)	Alteration	311 Peregrine Dr.		0	\$259,850	6/15/2016
	Vega Elementary School (reroof)	Alteration	2511 Cattleman Dr.		0	\$72,630	6/15/2016
	Highpointe Church of Christ	Alteration	3201 Central Expy.		1,520	\$40,000	6/24/2016
TOTAL:				0	1,520	\$2,745,705	

Medical	Name	Permit Type	Address	New Building Sq. Ft.	Finish Out Sq. Ft.	Valuation	Date Permit Issued
	Avalon Memory Care	Construction	5401 McKinney Ranch Pkwy.	13,278		\$1,678,472	6/2/2016
	Medical Office at Adriatica (Bldg. A)	Construction	240 Adriatic Pkwy.	8,405		\$1,260,000	6/29/2016
	HealthTexas Provider Network Family Practice	Finish Out	5220 University Dr. (Ste. 100)		16,088	\$1,300,000	6/6/2016
	Medical Center of McKinney	Alteration	4500 Medical Center Dr.		17,960	\$753,261	6/22/2016
	HealthTexas Provider Network Orthopedics	Finish Out	5220 University Dr. (Ste. 220)		4,681	\$450,000	6/6/2016
	The Heart Group	Alteration	5236 University Dr. (Ste. 4900)		3,805	\$150,000	6/24/2016
TOTAL:				21,683	42,534	\$5,591,733	

TOTAL NON-RESIDENTIAL: 35,786 412,422 \$16,334,176

June
2016

Vertical Mixed-Use at a Glance

Vertical Mixed-Use Projects in McKinney (as of June 30, 2016)

Vertical Mixed-Use Quarterly Summary (Quarter 2: April—June)

Development Type	April 2016	May 2016	June 2016	Qtr 2 Totals (as of June 30)
Office				
New Building Square Footage	0	0	0	0
Interior Finish-Out Square Footage	0	0	0	0
Construction Valuation	0	0	0	\$0
Retail/Service				
New Building Square Footage	0	0	0	0
Interior Finish-Out Square Footage	0	0	0	0
Construction Valuation	0	0	0	\$0
Multi-Family				
New Building Square Footage	0	0	0	0
Interior Finish-Out Square Footage	0	0	0	0
Construction Valuation	0	0	0	0
Other*				
New Building Square Footage	0	0	0	0
Interior Finish-Out Square Footage	0	0	0	0
Construction Valuation	0	0	0	\$0

*Includes courtyards, parking, and independent senior living

Note: Existing businesses may be listed for additions and/or alteration permits. Construction valuation for vertical mixed-use developments does not include a breakdown by use type.

2016 Summary	New Building Sq. Ft.			Interior Finish Out Sq. Ft.			Construction Valuation					
	Q1 (Jan - Mar 2016)			0			0			\$0		
	Q2 (Apr - June 2016)			0			0			\$0		
	Q3 (July - Sept 2016)											
	Q4 (Oct - Dec 2016)											
	Grand Total (2016)			0			0			\$0		

June
2016

Vertical Mixed-Use at a Glance

Vertical Mixed-Use Projects in McKinney (as of June 30, 2016)

New Vertical Mixed-Use

Office	New Business Name	Permit Type	Address	New Building Sq. Ft.	Finish Out Sq. Ft.	Valuation	Date Permit Issued
	n/a						
	TOTAL:			0	0	\$0	

Retail/Service	New Business Name	Permit Type	Address	New Building Sq. Ft.	Finish Out Sq. Ft.	Valuation	Date Permit Issued
	n/a						
	TOTAL:			0	0	\$0	

Multi-Family	New Business Name	Permit Type	Address	New Building Sq. Ft.	Finish Out Sq. Ft.	Valuation	Date Permit Issued
	n/a						
	TOTAL:			0	0	\$0	

Other	New Business Name	Permit Type	Address	New Building Sq. Ft.	Finish Out Sq. Ft.	Valuation	Date Permit Issued
	n/a						
	TOTAL:			0	0	\$0	

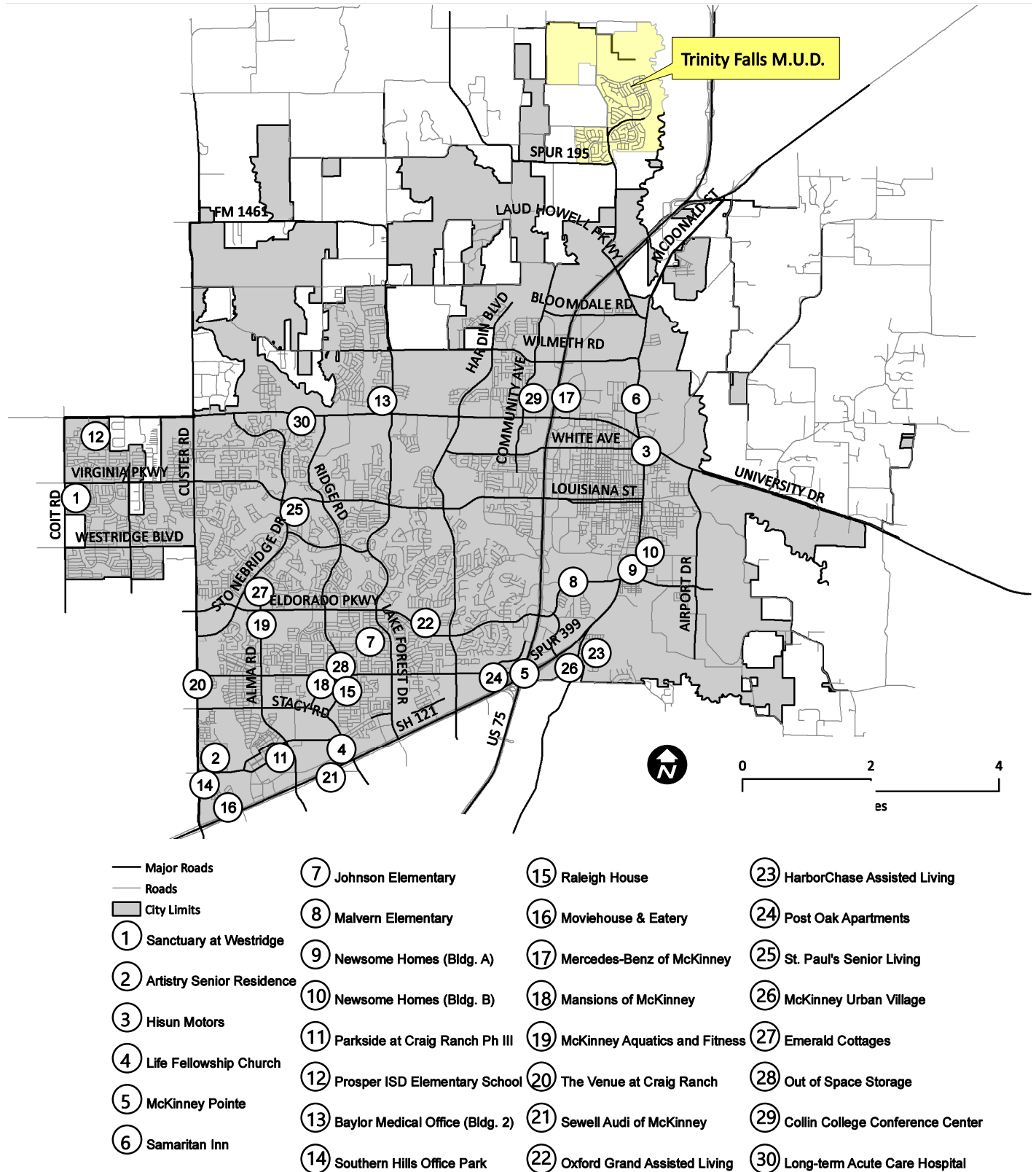
TOTAL VERTICAL MIXED-USE				0	0	\$0	
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Note: Existing businesses may be listed for additions and/or alteration permits. Construction valuation for vertical mixed-use developments does not include a breakdown by use type.

June
2016

Major Projects at a Glance

Major Projects Map



June
2016

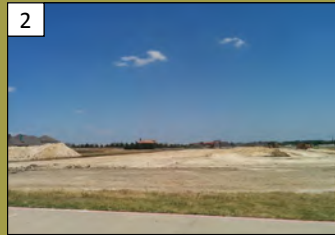
Major Projects at a Glance

Major Projects Descriptions

Project numbers correspond to map legend on page 11.



Sanctuary at Westridge
401 Coit Rd.
Valuation: \$32 million
Permit Issuance: June 2016



**Artistry Senior Residence
at Craig Ranch**
8950 Collin McKinney Pkwy.
Valuation: \$20 million
Permit Issuance: June 2016



Hisun Motors
1020 N. McDonald St.
Valuation: \$3 million
Permit Issuance: April 2016



Life Fellowship Church
6400 Henneman Way
Valuation: \$4.7 million
Permit Issuance: February 2016



McKinney Pointe
2401 McKinney Ranch Pkwy.
Valuation: \$22 million
Permit Issuance: January 2016



Samaritan Inn
1514 McDonald St.
Valuation: \$5.5 million
Permit Issuance: January 2016



Johnson Elementary (MISD)
3400 Ash Ln.
Valuation: \$3.2 million
Permit Issuance: January 2016



Malvern Elementary (MISD)
1100 Eldorado Pkwy.
Valuation: \$2.6 million
Permit Issuance: January 2016



Newsome Homes (Bldg. A)
1450 Amcott St.
Valuation: \$9.4 million
Permit Issuance: December 2015



Newsome Homes (Bldg. B)
203 McMakin St.
Valuation: \$6.2 million
Permit Issuance: December 2015



Parkside at Craig Ranch Phase III
6130 Alma Rd.
Valuation: \$48.4 million
Permit Issuance: November 2015



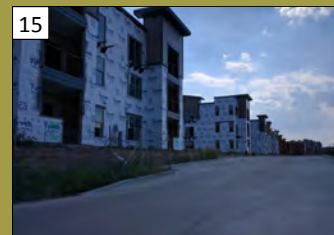
Prosper ISD Elementary School
1551 Prestwick Hollow Dr.
Valuation: \$20 million
Permit Issuance: November 2015



**Baylor Scott & White
Medical Office (Bldg 2)**
2550 W. University Dr.
Valuation: \$8.9 million
Permit Issuance: November 2015



Southern Hills Office Park
8951 Collin McKinney Pkwy.
Valuation: \$1.7 million
Permit Issuance: November 2015



Raleigh House
4450 S. Ridge Rd.
Valuation: \$31.5 million
Permit Issuance: October 2015



Moviehouse & Eatery
8450 SH 121
Valuation: \$5.5 million
Permit Issuance: October 2015

June
2016

Major Projects at a Glance

Major Projects Descriptions

Project numbers correspond to map legend on page 11.



Mercedes-Benz of McKinney
2080 N. Central Expwy.
Valuation: \$12 million
Permit Issuance: September 2015



Mansions of McKinney
6600 McKinney Ranch Pkwy.
Valuation: \$37 million
Permit Issuance: August 2015



McKinney Aquatics and Fitness
3003 Alma Rd.
Valuation: \$30.2 million
Permit Issuance: August 2015



The Venue at Craig Ranch
4651 S. Custer Rd.
Valuation: \$21 million
Permit Issuance: August 2015



Sewell Audi of McKinney
6650 SH 121
Valuation: \$12.4 million
Permit Issuance: August 2015



Oxford Grand Assisted Living
2851 Orchid Dr.
Valuation: \$9.3 million
Permit Issuance: July 2015



HarborChase Assisted Living
265 Plateau Dr.
Valuation: \$6.6 million
Permit Issuance: June 2015



Post Oak Apartments
2601 McKinney Ranch Pkwy.
Valuation: \$16.1 million
Permit Issuance: May 2015



St. Paul's Square Senior Living
375 Adriatic Pkwy.
Valuation: \$15.1 million
Permit Issuance: May 2015



McKinney Urban Village
201 McKinney Village Pkwy.
Valuation: \$21 million
Permit Issuance: January 2015



Emerald Cottages
2551 Alma Rd.
Valuation: \$3.6 million
Permit Issuance: November 2014



Out of Space Storage
3920 S. Ridge Rd.
Valuation: \$3 million
Permit Issuance: October 2014



Collin College Conference Center
2300 Community Ave.
Valuation: \$4.6 million
Permit Issuance: August 2014



Long-term Acute Care Hospital
6601 W. University Dr.
Valuation: \$10 million
Permit Issuance: July 2014

For any questions or suggestions about this publication, please contact Steven Doss, Planning Department at (972) 547-7403 or at sdoss@mckinneytexas.org. This publication can be made available upon request in alternative formats, such as Braille, large print, audiotape or computer disk. Requests can be made by calling 972-547-2694 (Voice) or email at contact-adacompliance@mckinneytexas.org. Please allow at least 48 hours for your request to be processed.

What Happened at WERX in June 2016?

June 3rd : Innovate McKinney Finalists were announced live on KLAK Radio

June 9th : Luncheon Honoring Finalists and Judges at the McKinney Chamber with Mayor in attendance.

June 9th : WERX held a House of Genius Session with two resident companies who received valuable feedback on issues they presented with their companies.

June 14th : Lunch-N-Learn Presentation: "STOP LOSING BIG OPPORTUNITIES" by Gary De Rodriguez

June 22nd : We met with Sheacy Thompson who focuses on technology and cybersecurity sector of the Texas Workforce Solutions for North Center Texas. We will be working with her office to setup free training sessions for the community.

June 28th : Innovate McKinney Live Pitch Competition and Small Business Expo was held at the winner was announced. Prizes were awarded to the top 3 StartUps, first prize being \$3500 in cash plus \$3000 in Prizes.

The Innovate McKinney Expo & StartUp Competition took in over \$11,440 in cash sponsorships, and over \$7000 in-kind donations. There was \$640 in ticket sold. Net profit on the event was \$4425 which was split between WERX and the McKinney Chamber.

WERX built on a partnership with Collin College on a Federal Grant application for \$500k to build and run a Technology Maker Space at WERX, and one on each Colling College Campus for each ones respective course specialties. An additional Seed Fund Federal Grant application was submitted as well for an additional \$. Both applications were submitted on June 25th.

During June WERX began promoting the Young Entrepreneurs Summer Program, through community partners and social media channels. Due to late enrollment in June, we decided to cancel the July session and focus on the Aug session. Karl Suchman of McKinneyTV came out and wants to do a story on the program and interview a couple of the student applicants.

July Events include:

July 23rd : Full Day Workshop Presentation: "The Art of Making the Pitch" by Gary De Rodriguez

The McKinney WERX Grant Pipeline Report: 07/13/2016

Grant Agency	Amount Requested	Amount Received	Project(s)	Status
McKinney Community Development Corporation	\$11,000	\$9,000	Promotion for Innovate McKinney, InnovateHER, Innovation Speaker Series and Chili Cook-Off	Received
Wal-Mart Foundation – SAM's Club	\$2,500	\$2,000	Food and coordination costs for Lunch and Learns, Tech Roundtables and other educational offerings.	Received
McKinney Alliance	\$8,300		Innovation Lab	Re scoped as part of Federal RIS Grants
Wal-Mart Foundation - Redbud Wal-Mart	\$2,500	\$0	Innovation Lab	Denied
Wal-Mart Foundation – Neighborhood Wal-Mart	\$2,500	\$0	Young Entrepreneur Camp classroom materials and backpacks.	Denied
Bank of America Sponsorship for Family Feud	\$3,000	\$0	Top Sponsorship for Family Feud	Denied
Bank of America Sponsorship for Innovate McKinney	\$5,000	\$0	Top Sponsorship for Innovate McKinney	Denied
Bank of America Foundation Workforce Development Grant	\$50,000	\$0	Innovation Lab, Educational Activities, Growth of Programming	Denied
Regions Bank	\$10,000	\$0	SEO Optimization and Website Redesign	Denied
IMA Foundation	TBD		TBD – submitted first step in the process – a paragraph about The WERX on 3/26/16	Asked to submit application in October
Cathay Bank	\$8,000		Entrepreneurship Camp Scholarships for 2017. Submitted 4/30	In Review- August
Sorenson Impact Fund	\$20,000?		Growth of Programming	Made first cut. Application in Work – Due by 7/31/2016
Small Business Innovation Accelerator Fund Grant	\$50,000		Seed Fund Accelerator in cooperation with Collin College	Denied

The McKinney WERX Grant Pipeline Report: 07/13/2016

Department of Commerce RIS I6 Grant	\$400,000- \$500,000		In collaboration with Collin College, build four innovation/makerspaces focused on key technology clusters	\$375,895 matching funding lined up from MEDC, Collin College and Cotton Mill. Total project submitted \$751,790. Turned in 6/24/16. Award notification 120 days after that.
Department of Commerce RIS I6 Grant	\$200,000- \$25,000		In collaboration with Collin College, build infrastructure to implement seed fund accelerator at The WERX.	Submitted with letter of support from Collin College, but not matching funding. \$113,228 in matching funding lined up from MEDC, Cotton Mill. Total project \$226,728. Turned in 6/24/16. Award notification 120 days after that.

The McKinney WERX Grant Pipeline Report: 07/13/2016

Grant Prospects

Grant Agency	Interest Area	Date Accepted	Project Ideas
Aegon TransAmerica Foundation	Community Development, Workforce and Business Development	Throughout the Year	Productize (through video?) mentor programs and offer through You Tube, Teacher Tube
Cathay Bank	Entrepreneurship Education for Underserved Youth	Throughout the Year	Requested \$8,000 for Scholarships to 2017 Entrepreneur Camps
Constellation Energy Community Giving Program	Stimulating business growth	Throughout the Year	Expanding The WERX space in 2017
Federal Home Loan Bank of Dallas Partnership Grant Program	Funding for operations for non-profits involved in small business technical assistance. Organization must match funds 1:3.	June, 2016	Cover operational costs of existing WERX facilities, programming and staff.
JP Morgan	Funding non-profits that connect small businesses to crucial resources to help them grow.	2Q 2016	Cover operational costs of existing WERX facilities, programming and staff.
Freeport-McMoRan Copper and Gold Foundation	Economic and Community Development	August 30, 2016	Expanding The WERX programming
BBVA Compass Foundation	Providing financial literacy to children and adults and supporting entrepreneurship in underserved communities	September 30, 2016	2017 Entrepreneur Camps
Sorenson Impact Fund	Innovative education and training programs that maximize human potential and train new generations of business and social impact leaders.	April 30, 2016	Letter Submitted
Junior League of Collin County	All types of non-profits in Collin County	February, 2017	TBD

The McKinney WERX Grant Pipeline Report: 07/13/2016

Grant Agency	Interest Area	Date Accepted	Project Idea
Department of Commerce I6 Funding	\$13 million total for 2016, \$500,000 limit per grant. Designed to increase entrepreneurship that results in new jobs and businesses, driven by innovations, ideas, intellectual property and applied research through the process of technology commercialization. May be used for personnel, program development, facilities personnel and equipment but not construction costs. Funding will be provided to invest in the development, creation, or expansion of proof-of-concept and commercialization programs that accelerate innovation-led economic development in pursuit of a vibrant innovative economy and economic growth. Projects should aim for impact in the following areas: cultures of innovation, growing the number of entrepreneurs, connecting the community of economic development and commercialization, and projects that convert ideas, research or prototypes into viable products or services.	June 28, 2016	World Class Maker Space for Innovation and Training in partnership with Collin College and local corporations.

The McKinney WERX Grant Pipeline Report: 07/13/2016

Grant Agency	Interest Area	Date Accepted	Project Idea
Department of Commerce Seed Fund Grant	\$2 million total, \$250,000 limit per grant. The SFS Grants will provide funding for technical assistance, feasibility studies or marketing related to the operation of new or existing equity based seed funds. The grant requests should focus on Equity-based investments in new businesses (generally less than three years old and less than a million in annual revenue) that are commercializing or using innovative technologies or other intellectual property in the development of delivery of their products or services. Seed funds should include sustainability plans based on taking equity stakes in the businesses in which the program invests. Seed funds must build and maintain ties into the community. EDA Funds cannot capitalize a seed fund (i.e. EDA funds or matching funds cannot be used to invest in startups or any other companies.	June 28, 2016	Create a methodology for vetting investments in startups (similar to Tech Wildcatters' Gauntlet). Design accelerator program and document rules and responsibilities. Partner with Collin College and corporations.
Texas Workforce Grants	Grants for training for small businesses		

Key: Submitted

The McKinney WERX Grant Pipeline Report: 07/13/2016

Plans

- Research State and Federal Grants - Ongoing
- Participate in May 3-4 \$99 Grantstation Promotion to update list of possible Granting Agencies – Complete. Purchased one year of Granstation.
- Submit grants due April – June and open grants - Ongoing
- Planning session for new development plan 2017-2020 to help define funding area for grants.

16-720



TITLE: Executive Vice President Report

SUPPORTING MATERIALS:

[Executive Vice President Report](#)

[SELECT USA Photos](#)



Economic Development Highlights Executive Vice President Liu July 2016

Economic Development

- Staff attended the 3rd Select USA Investment Summit in Washington DC on June 19-21. It is an event organized by US Department of Commerce and hosted by Secretary of Commerce, Penny Pritzker. Over 3,000 participants from 70+ countries were represented with business delegates at the Summit. President Barack Obama was the keynote speaker. Staff joined Team Texas with 20+ statewide Economic Development Offices including Office of the Governor to attend the Summit. Staff attended the Summit programs as well as worked on Team Texas booth to assist prospects from the globe.
- Staff organized and attended the second meeting with Collin County Commissioner Duncan Webb to discuss the potential County incentives for projects in McKinney on July 14. Interim City Manager Muehlenbeck and Staff attended the first meeting with Commissioner Webb last August. President Auterson and Director Walker also joined us at this meeting to discuss Collin County potential incentives for the current and future McKinney projects.

Marketing & Promotion

- Staff met with the business manager at BISNOW Event to encourage BISNOW to have a real estate broker event in McKinney on January 8. The business manager was concerned for the brokers' attendance level for an event location held north of LBJ Freeway. During the meeting, the business manager was highly encouraged to consider to bring this 200+ real estate agents/brokers attendance event to McKinney as the 121 Corridor has experienced a tremendous growth.

Five months after our January meeting, staff is pleased that "The 121 Corridor Expansion" event will be held in McKinney on August 25. The Raw Space Sponsorship agreement was signed in June and it will take place at the McKinney Sheraton Hotel. Please mark your calendar to join us.

Date: 7:30 am-10:30 am, Thursday, August 25, 2016
Location: Sheraton Hotel
Speaker: Mayor Brian Loughmiller (Opening Remarks)

- Staff worked with the reporter from Elite Report (in collaboration with Newsweek Magazine) to schedule an interview for Mayor Loughmiller and President Auterson. The interview took place on July 6th and has potential to be covered through the printed or online edition of Special Texas Report.

Projects Compliance

- Raytheon – Staff met with Senior Financial Service Manager Mathis on July 1st to review the projects compliance documents submitted by Raytheon. Staff followed up with Raytheon staff to request additional information after our discussion. Waiting for the additional information to proceed for the compliance of Raytheon Loan Agreement.

New/Expansion Projects Updates

- Project 3S – Will be discussed in Executive Session.
- Project Sticky Phase II - Will be discussed in Executive Session.

SELECT USA-WASHINGTON DC-JUNE 19-21, 2016



PRESIDENT OBAMA — KEYNOTE SPEAKER



**LEFT: DEPUTY SENIOR COMMERCIAL OFFICER MARK LEWIS,
AMERICAN INSTITUTE IN TAIWAN**

RIGHT: ABBY LIU, MEDC EXECUTIVE VICE PRESIDENT

16-721



TITLE: President's Report

SUPPORTING MATERIALS:

[President Report](#)



Economic Development Highlights President Auterson July 2016

Economic Development

- **Participated in meetings with four different developer groups**

Operational/Outreach Meetings

- **Meetings with City Manager, Mayor, MEDC Board Members, City Council**
- **Participated in Newsweek interview with Mayor Loughmiller**
- **Meeting with City Internal Controller**
- **Participated in meeting with County Commissioner Duncan Webb**
- **Attended Directors Agenda meeting**
- **Meeting with City Attorney**
- **Attended transportation projects update meeting**
- **Attended benefits orientation**
- **Observed MEDC Board candidate interviews**
- **Toured McKinney National Airport**

16-619



TITLE: Consider/Discuss/Act on May Financials

SUPPORTING MATERIALS:

[May Transmittal Letter](#)

[May Financials](#)

[May Checks Issued](#)

May Monthly Financial Report

June 16, 2016

Each month, city staff provides a financial report to the McKinney Economic Development Corporation's board to apprise them of the financial status of the corporation. In an effort to continue providing meaningful financial updates, this transmittal letter includes links to the interactive online financial tool for the month of May. The following is a brief analysis of each section of the corporation's financials.

May Analysis

MEDC Revenue-

Revenue of the McKinney Economic Development Corporation is above budget YTD by 9.21%. Sales tax figures came in 6.18% above last year's collection through May. Below is a link to the current year-to-date revenue of the MEDC:

[MEDC Revenues – YTD through May](#)

MEDC Expenditures-

Expenditures of the McKinney Economic Development Corporation are significantly under budget due to savings in rebate expenditures paid out for various incentives. MEDC had relatively low expenditures for the month. The Werx agreement, payments to Strategic Government Resources for executive search consulting, and payments to Conway Data Inc. associated with the March site selection activities accounted for 46% of checks issued in May. Below is a link to the current year-to-date expenses of the MEDC:

[MEDC Expenditures – YTD through May](#)

Sales Tax Analysis-

Below are three links that show some unique analysis for the sales tax of the McKinney Economic Development Corporation and the City of McKinney at large. The first two links relate directly to the sales tax performance, and the third is a picture of the city's collection by industry:

[FY2016 Monthly Sales Tax Comparison](#)

[MEDC – Historic Monthly Sales Tax Comparison](#)

[City of McKinney – Sales Tax by Industry](#)

Project Details-

Project details for the McKinney Economic Development Corporation are provided as an attachment.

Checks Issued-

Below is a link to the checks that were issued by the McKinney Economic Development Corporation during the month of May:

[MEDC May Checks Issued](#)

Conclusion-

The information included in the interactive monthly financial report is intended to provide a status update on the operations of the McKinney Economic Development Corporation. Staff is available to answer any additional questions you may have.

Sincerely,

Mark Holloway

Acting Chief Financial Officer

City of McKinney

McKinney Economic Development Corporation

Summary Operating Statement

May 2016 (67% of FY Complete)

Revenues	FY16 Adopted Budget	Monthly Actual	YTD Actual	Remaining Budget	Budget Received	Monthly Comparison		YTD Comparison	
						Monthly Budget	Monthly Variance	YTD Budget	YTD Variance
Sales Tax	\$ 10,250,000	\$ 1,114,575	\$ 7,526,321	\$ 2,723,679	73.4%	\$ 854,167	\$ 260,408	\$ 6,833,333	\$ 692,987
Interest Income	23,000	11,520	55,395	(32,395)	240.8%	1,917	9,603	15,333	40,061
Total Revenues	\$ 10,273,000	\$ 1,126,095	\$ 7,581,716	\$ 2,691,284	73.8%	\$ 856,083	\$ 270,011	\$ 6,848,667	\$ 733,049
Expenditures	FY16 Adopted Budget	Monthly Actual	YTD Actual	Remaining Budget	Budget Spent	Monthly Budget	Monthly Variance	YTD Budget	YTD Variance
MEDC Operations									
Personnel	\$ 951,800	\$ 45,660	\$ 405,474	\$ 546,326	42.6%	\$ 79,317	\$ 33,657	\$ 634,533	\$ 229,059
Supplies	58,000	1,221	20,622	37,378	35.6%	4,833	3,613	38,667	18,045
Maintenance	29,000	-	3,885	25,115	13.4%	2,417	2,417	19,333	15,448
Services/Sundry	816,276	74,051	403,030	413,246	49.4%	68,023	(6,028)	544,184	141,154
Total MEDC Operational Exp.	\$ 1,855,076	\$ 120,932	\$ 833,011	\$ 1,022,065	44.9%	\$ 154,590	\$ 33,658	\$ 1,236,717	\$ 403,706
Projects									
Committed Projects	\$ 7,114,806	\$ 94,334	\$ 1,455,153	\$ 5,659,653	20.5%	\$ 592,901	\$ 498,567	\$ 4,743,204	\$ 3,288,051
Other Project Expenses	210,000	405	4,969	205,032	2.4%	17,500	17,095	140,000	135,032
Total Project Expenses	\$ 7,324,806	\$ 94,739	\$ 1,460,122	\$ 5,864,684	19.9%	\$ 610,401	\$ 515,662	\$ 4,883,204	\$ 3,423,082
Non-Departmental									
Other - Adm Fee	\$ 230,000	\$ 19,167	\$ 153,333	\$ 76,667	66.7%	\$ 19,167	\$ -	\$ 153,333	\$ -
MEDC I & S Fund	2,396,937	199,745	1,597,958	798,979	66.7%	199,745	-	1,597,958	-
Downtown Redevelopment	25,000	2,083	16,667	8,333	66.7%	2,083	-	16,667	-
Total Non-Departmental Expenses	\$ 2,651,937	\$ 220,995	\$ 1,767,958	\$ 883,979	66.7%	\$ 220,995	\$ -	\$ 1,767,958	\$ -
Total Expenses	\$ 11,831,819	\$ 436,666	\$ 4,061,091	\$ 7,770,728	34.3%	\$ 985,985	\$ 549,319	\$ 7,887,879	\$ 3,826,788
Net	\$ (1,558,819)	\$ 689,429	\$ 3,520,625			\$ (129,902)	\$ 819,331	\$ (1,039,213)	\$ 4,559,837
FY16 Beginning Fund Balance	\$ 25,372,200								
Add FY16 Budgeted Revenue	10,273,000								
Less FY16 Budgeted Expense	(11,831,819)								
FY16 Proj. End Fund Balance	\$ 23,813,381								

Debt Service / Project Details

May 2016

Debt Service Payments	Project Code	FY16 Adopted Budget	FY16 Budget Transfers	Monthly Actual	YTD Actual	Remaining Budget	YTD Budget Spent
Gateway	E00010	939,765	-	78,314	626,510	313,255	66.7%
University Park	E97030	824,159	-	68,680	549,439	274,720	66.7%
Replacement Runway	n/a	633,013	-	52,751	422,009	211,004	66.7%
Total Debt Service Payments		\$ 2,396,937	\$ -	\$ 199,745	\$ 1,597,958	\$ 798,979	66.7%

Committed Projects		FY16 Adopted Budget	FY16 Budget Transfers	Monthly Actual	YTD Actual	Remaining Budget	YTD Budget Disbursed
Traxxas	E09006	400,000	-	-	-	400,000	0.0%
Perfectly Green	E12019	110,000	-	-	-	110,000	0.0%
Raytheon	E13005	1,530,000	-	-	-	1,530,000	0.0%
Popular Ink	E12022	34,986	-	-	-	34,986	0.0%
O'Hara Flying Service	E14003	120,000	-	-	-	120,000	0.0%
Hisun	E13011	36,000	204,000	-	-	240,000	0.0%
Experian	E06021	596,877	-	-	212,902	383,975	35.7%
Barclays	E14001	400,000	-	-	-	400,000	0.0%
Playful	E14016	-	225,000	75,000	150,000	75,000	66.7%
Lawton Mechanical	E14007	87,500	-	-	-	87,500	0.0%
Project Brown - UPS	E14009	300,000	305,000	-	605,000	-	100.0%
Project Geo	E14010	20,000	-	-	-	20,000	0.0%
AIM	E14021	69,000	-	-	-	69,000	0.0%
Wright IMC	E15007	108,000	-	-	-	108,000	0.0%
Accent Care	E15008	-	460,110	-	291,090	169,020	63.3%
Blount Fine Food Corp	E16001	-	510,000	-	-	510,000	0.0%
Undesignated FY 16		2,240,000	(1,704,110)	-	-	535,890	0.0%
Total Committed Projects		\$ 6,052,363	\$ -	\$ 75,000	\$ 1,258,992	\$ 4,793,371	20.8%

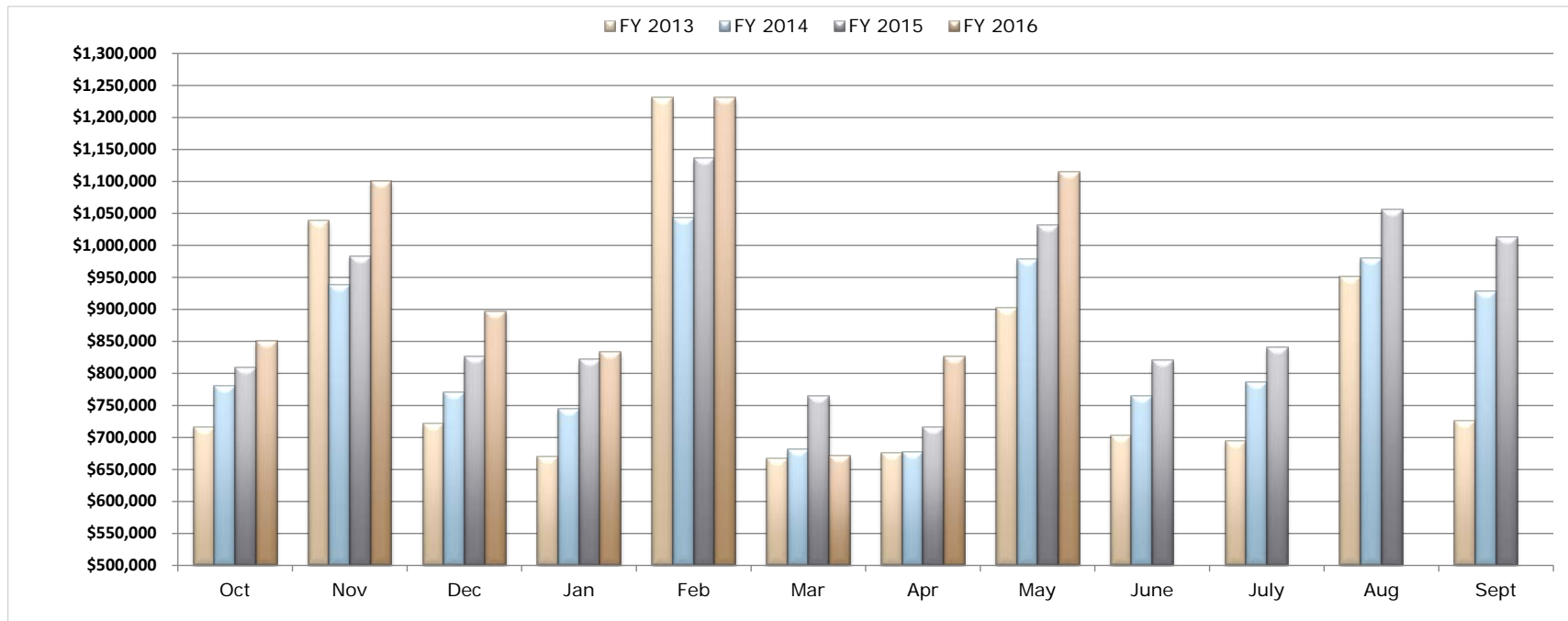
Emerging Technologies		FY16 Adopted Budget	FY16 Budget Transfers	Monthly Actual	YTD Actual	Remaining Budget	YTD Budget Disbursed
Sureshot Media	E14005	17,877	210	-	18,088	-	100.0%
Adelphoi LLC	E14013	2,065	1,770	-	3,835	-	100.0%
Munzee	E14015	-	50,000	4,167	29,167	20,833	58.3%
Werx in McKinney Inc,	E15001	150,000	-	11,000	88,000	62,000	58.7%
Boss Fight Entertainment	E15003	15,448	-	-	12,503	2,945	80.9%
Pest Routes	E15006	50,000	-	-	15,400	34,600	30.8%
Health Quest Alliance II	E15009	41,670	-	4,167	29,169	12,501	70.0%
Undesignated FY 16		785,383	(51,980)	-	-	733,403	0.0%
Total Emerging Technologies		\$ 1,062,443	\$ -	\$ 19,334	\$ 196,161	\$ 866,282	18.5%
Total Projects		\$ 7,114,806	\$ -	\$ 94,334	\$ 1,455,153	\$ 5,659,653	20.5%

McKinney Economic Development Corporation

Sales Tax Revenue

May 2016

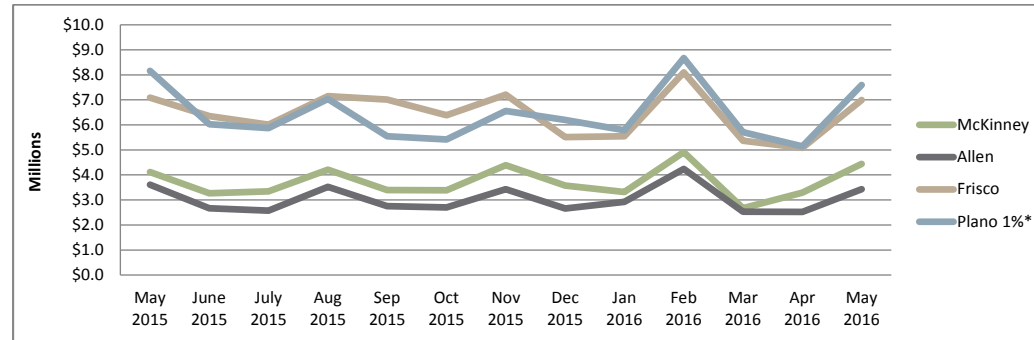
Month Received	FY 2011 Received	FY 2012 Received	FY 2013 Received	FY 2014 Received	FY 2015 Received	FY 2016 Received	Difference to FY 2015	Variance to FY 2015	% of Budget
October	\$618,027	\$677,019	\$716,718	\$780,694	\$809,613	\$851,178	\$41,564	5.1%	8.3%
November	782,350	788,763	1,039,163	938,090	982,351	1,101,106	\$118,755	12.1%	19.0%
December	596,953	590,569	722,045	770,221	826,009	897,304	\$71,295	8.6%	27.8%
January	635,746	652,773	669,397	744,988	821,731	833,503	\$11,773	1.4%	35.9%
February	913,054	900,507	1,231,993	1,043,205	1,136,044	1,231,183	\$95,139	8.4%	47.9%
March	551,228	582,592	666,620	681,914	764,445	671,518	(\$92,927)	-12.2%	54.5%
April	564,781	563,639	676,334	677,086	716,258	825,953	\$109,695	15.3%	62.6%
May	802,920	837,767	903,002	978,399	1,031,572	1,114,575	\$83,003	8.0%	73.4%
June	607,652	646,007	703,897	765,309	820,908				
July	625,389	678,542	694,500	787,000	840,355				
August	767,331	845,911	951,437	980,251	1,055,774				
September	635,984	995,666	725,552	928,323	1,013,186				
Total	\$8,101,418	\$8,759,753	\$9,700,659	\$10,075,479	\$10,818,246	\$7,526,321	\$438,297	6.2%	73.4%



TOTAL SALES TAX COLLECTED

Sister City Comparison

May 2016	McKinney	Allen	Frisco	Plano (1%)*
Diff to LY	\$331,819	-\$178,259	-\$94,998	-\$569,263
Var to LY	8.1%	-4.9%	-1.3%	-7.0%
Year To Date	McKinney	Allen	Frisco	Plano (1%)*
Diff to LY	\$1,749,605	\$894,011	-\$844,218	-\$2,790,784
Var to LY	6.2%	3.8%	-1.7%	-5.2%



Year-to-Date Collections

FY 2015	McKinney	Allen	Frisco	Plano 1% *
Oct 2014	\$3,224,215	\$2,609,274	\$5,904,836	\$6,191,498
Nov 2014	3,915,144	3,135,352	6,820,782	7,062,280
Dec 2014	3,289,692	2,602,597	5,877,112	5,713,086
Jan 2015	3,272,569	2,952,971	6,059,107	5,997,871
Feb 2015	4,529,724	3,958,728	8,487,636	9,696,211
Mar 2015	3,043,330	2,405,289	5,675,812	5,514,098
Apr 2015	2,850,523	2,258,329	5,137,766	5,525,585
May 2015	4,111,728	3,605,740	7,090,777	8,164,578
FY 2015 Total	\$28,236,926	\$23,528,279	\$51,053,829	\$53,865,208

FY 2016	McKinney	Allen	Frisco	Plano 1% *
Oct 2015	\$3,389,959	\$2,697,390	\$6,390,476	\$5,419,975
Nov 2015	4,389,632	3,428,833	7,212,966	6,559,191
Dec 2015	3,574,431	2,655,217	5,508,523	6,194,708
Jan 2016	3,319,142	2,920,196	5,550,315	5,785,538
Feb 2016	4,909,813	4,240,249	8,100,618	8,671,921
Mar 2016	2,671,190	2,530,504	5,368,411	5,706,034
Apr 2016	3,288,815	2,522,420	5,082,521	5,141,742
May 2016	4,443,548	3,427,481	6,995,779	7,595,316
FY 2016 Total	\$29,986,530	\$24,422,290	\$50,209,610	\$51,074,423

* 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

Balance Sheet

May 2016

	MEDC Operations	Interest and Sinking	Reserve Fund	Long-Term Debt	General Fixed Assets	Total
Assets						
Cash and Cash Equivalents	\$ 433,746	\$ 1,317,840	\$ 14,788	\$ -	\$ -	\$ 1,766,374
Investment Pools	26,600,388	-	1,580,674	-	-	28,181,062
Accounts Receivable/Other Taxes & Franchise Fees	1,948,586	-	-	-	-	1,948,586
Deposits/Security Deposits	5,528	-	-	-	-	5,528
Deferred Charges/Prepaid Items	3,287	-	-	-	-	3,287
Land	-	-	-	-	15,007,272	15,007,272
Land Improvements (Net of Depreciation)	-	-	-	-	29,001	29,001
Machinery & Equipment (Net of Depreciation)	-	-	-	-	1,973	1,973
GASB 68 TMRS/Investment	-	-	-	16,486	-	16,486
GASB 68 TMRS/Contributions	-	-	-	71,518	-	71,518
Total Assets	\$ 28,991,535	\$ 1,317,840	\$ 1,595,462	\$ 88,004	\$ 15,038,245	\$ 47,031,086
Other Debits						
Amount Available for Debt Service	\$ -	\$ -	\$ -	\$ 1,592,827	\$ -	\$ 1,592,827
Amount Provided for Retirement of Long-term Debt	-	-	-	14,642,265	-	14,642,265
Total Other Debits	\$ -	\$ -	\$ -	\$ 16,235,092	\$ -	\$ 16,235,092
Total Assets and Other Debits	\$ 28,991,535	\$ 1,317,840	\$ 1,595,462	\$ 16,323,096	\$ 15,038,245	\$ 63,266,178
Liabilities						
Vouchers Payable	\$ 98,711	\$ -	\$ -	\$ -	\$ -	\$ 98,711
Compensated Absences Payable	-	-	-	38,359	-	38,359
Accrued Interest Payable	-	-	-	47,925	-	47,925
Note Payable to Primary Government	-	-	-	3,215,841	-	3,215,841
Bonds Payable	-	-	-	12,720,000	-	12,720,000
TMRS Pension Liability	-	-	-	285,026	-	285,026
TMRS Actuarial Experience	-	-	-	15,944	-	15,944
Total Liabilities	\$ 98,711	\$ -	\$ -	\$ 16,323,096	\$ -	\$ 16,421,806
Fund Balances/Equity						
Reserve for Encumbrances	\$ 106,855	\$ -	\$ -	\$ -	\$ -	\$ 106,855
Unreserved Fund Balance	28,785,969	1,317,840	1,595,462	-	-	31,699,272
Investment and Capital Assets	-	-	-	-	15,038,245	15,038,245
Total Fund Balances/Equity	\$ 28,892,824	\$ 1,317,840	\$ 1,595,462	\$ -	\$ 15,038,245	\$ 46,844,371
Total Liabilities and Fund Balances	\$ 28,991,535	\$ 1,317,840	\$ 1,595,462	\$ 16,323,096	\$ 15,038,245	\$ 63,266,178

McKINNEY ECONOMIC DEVELOPMENT CORPORATION

Checks Issued: May 2016

DATE	NUMBER	DESCRIPTION	AMOUNT	FPO #	PO #
5/2/2016	716	The WERX (Proj# E15001) Loan Agreement	\$11,000.00		160139
5/2/2016	717	PestRoutes, LLC (Proj# E15006) Rent Reimbursement (Mar/Apr'16)	\$2,800.00		160616
5/2/2016	718	John Valencia Mileage Reimbursement (April)	\$269.72	F30438	
5/4/2016	719	HealthQuest Alliance (Proj# E15009)	\$4,167.00		160495
5/4/2016	720	Foliage Designs (Office Plant Care)	\$95.00		161173
5/9/2016	721	Ricoh USA (Color print overages)	\$251.74	F30493	
5/9/2016	722	D Magazine (Spring'16 DRC Real Estate Ad)	\$1,351.00	F30492	
5/9/2016	723	Mark Goldstucker (P&A Legal Fees)	\$113.04	F30491	
5/9/2016	724	4D Property Maintenance (MEDC grounds maintenance)	\$648.00		160926
5/13/2016	725	IAMC (Annual membership dues)	\$1,645.00	F30531	
5/13/2016	726	IEDC (Annual membership dues)	\$585.00	F30532	
5/13/2016	727	Korean Journal (Full page ad-6 publications)	\$1,500.00	F30533	
5/13/2016	728	TEDC (Great State Summit Sponsorship)	\$5,000.00	F30536	
5/16/2016	729	Strategic Government Resources (President Search)	\$7,653.84		160842
5/16/2016	730	Strategic Government Resources (President Search)	\$9,518.07		160842
5/19/2016	731	Abby Liu Mileage Reimbursement (April)	\$174.95	F30577	
5/19/2016	732	McKinney Chamber of Commerce (QTRLY Luncheon)	\$125.00	F30566	
5/19/2016	733	Integra Realty Resources (MEDC owned land appraisal)	\$3,500.00	F30567	
5/19/2016	734	Munzee, Inc. (Proj#E14015) Rent Reimbursement	\$4,166.67		160912
5/19/2016	735	Brown & Hofmeister (Horizon Data)	\$112.00	F30585	
5/19/2016	736	Brown & Hofmeister (Cookies N Milk)	\$75.00	F30586	
5/19/2016	737	Brown & Hofmeister (Modular Power)	\$208.00	F30587	
5/19/2016	738	Brown & Hofmeister (Manner Plastics)	\$32.00	F30589	
5/19/2016	739	Brown & Hofmeister (Encore Wire)	\$64.00	F30588	
5/19/2016	740	Brown & Hofmeister (PestRoutes)	\$405.00	F30590	
5/19/2016	741	Brown & Hofmeister (Blount Fine Foods)	\$1,056.00	F30591	
5/23/2016	742	Brown & Hofmeister (General)	\$2,431.65	F30607	
5/23/2016	743	Brown & Hofmeister (General)	\$592.00	F30608	
5/23/2016	744	Brown & Hofmeister (Raytheon)	\$224.00	F30609	
5/23/2016	745	Brown & Hofmeister (P&A Graphics)	\$64.00	F30610	

5/23/2016	746	Brown & Hofmeister (Hisun)	\$784.00	F30611	
5/23/2016	747	Brown & Hofmeister (TPUSA)	\$32.00	F30612	
5/23/2016	748	Brown & Hofmeister (ShineRayTek)	\$352.00	F30613	
5/23/2016	749	SignARama (Info signs for MEDC property)	\$1,178.40		161246
5/23/2016	750	Standard Coffee Service	\$33.46		160268
5/23/2016	751	Conway Data (Site Selection Magazine Ad)	\$7,400.00	F30602	
5/23/2016	752	Conway Data (TX Wide Open For Business Ad)	\$6,600.00	F30603	

16-722



TITLE: Consider/Discuss/Act on June Financials

SUPPORTING MATERIALS:

[June Transmittal Letter](#)

[June Financials](#)

[June Checks Issued](#)

June Monthly Financial Report

July 19, 2016

Each month, city staff provides a financial report to the McKinney Economic Development Corporation's board to apprise them of the financial status of the corporation. In an effort to continue providing meaningful financial updates, this transmittal letter includes links to the interactive online financial tool for the month of June. The following is a brief analysis of each section of the corporation's financials.

June Analysis

MEDC Revenue-

Revenue of the McKinney Economic Development Corporation is above budget YTD by 8.60%. Sales tax figures came in 6.35% above last year's collection through June. Below is a link to the current year-to-date revenue of the MEDC:

[MEDC Revenues – YTD through June](#)

MEDC Expenditures-

Expenditures of the McKinney Economic Development Corporation are significantly under budget due to savings in rebate expenditures paid out for various incentives. However, during the month of June MEDC paid \$114,000.00 to Hisun Motors Corp USA for a portion of their incentive agreement. Below is a link to the current year-to-date expenses of the MEDC:

[MEDC Expenditures – YTD through June](#)

Sales Tax Analysis-

Below are three links that show some unique analysis for the sales tax of the McKinney Economic Development Corporation and the City of McKinney at large. The first two links relate directly to the sales tax performance, and the third is a picture of the city's collection by industry:

[FY2016 Monthly Sales Tax Comparison](#)

[MEDC – Historic Monthly Sales Tax Comparison](#)

[City of McKinney – Sales Tax by Industry](#)

Project Details-

Project details for the McKinney Economic Development Corporation are provided as an attachment.

Checks Issued-

Below is a link to the checks that were issued by the McKinney Economic Development Corporation during the month of June:

[MEDC June Checks Issued](#)

Conclusion-

The information included in the interactive monthly financial report is intended to provide a status update on the operations of the McKinney Economic Development Corporation. Staff is available to answer any additional questions you may have.

Sincerely,

Mark Holloway

Acting Chief Financial Officer

City of McKinney

McKinney Economic Development Corporation
Summary Operating Statement
June 2016 (75% of FY Complete)

Revenues	FY16 Adopted Budget	Monthly Actual	YTD Actual	Remaining Budget	Budget Received	Monthly Comparison		YTD Comparison	
						Monthly Budget	Monthly Variance	YTD Budget	YTD Variance
Sales Tax	\$ 10,250,000	\$ 884,501	\$ 8,410,822	\$ 1,839,178	82.1%	\$ 854,167	\$ 30,335	\$ 7,687,500	\$ 723,322
Interest Income	23,000	11,832	67,226	(44,226)	292.3%	1,917	9,915	17,250	49,976
Total Revenues	\$ 10,273,000	\$ 896,333	\$ 8,478,048	\$ 1,794,952	82.5%	\$ 856,083	\$ 40,249	\$ 7,704,750	\$ 773,298
Expenditures	FY16 Adopted Budget	Monthly Actual	YTD Actual	Remaining Budget	Budget Spent	Monthly Budget	Monthly Variance	YTD Budget	YTD Variance
MEDC Operations									
Personnel	\$ 951,800	\$ 45,684	\$ 451,158	\$ 500,642	47.4%	\$ 79,317	\$ 33,633	\$ 713,850	\$ 262,692
Supplies	58,000	1,067	21,689	36,311	37.4%	4,833	3,766	43,500	21,811
Maintenance	29,000	-	3,885	25,115	13.4%	2,417	2,417	21,750	17,865
Services/Sundry	816,276	36,725	439,755	376,521	53.9%	68,023	31,298	612,207	172,452
Total MEDC Operational Exp.	\$ 1,855,076	\$ 83,476	\$ 916,487	\$ 938,589	49.4%	\$ 154,590	\$ 71,113	\$ 1,391,307	\$ 474,820
Projects									
Committed Projects	\$ 7,114,806	\$ 125,000	\$ 1,580,153	\$ 5,534,653	22.2%	\$ 592,901	\$ 467,901	\$ 5,336,105	\$ 3,755,951
Other Project Expenses	210,000	924	5,893	204,108	2.8%	17,500	16,576	157,500	151,608
Total Project Expenses	\$ 7,324,806	\$ 125,924	\$ 1,586,046	\$ 5,738,760	21.7%	\$ 610,401	\$ 484,477	\$ 5,493,605	\$ 3,907,559
Non-Departmental									
Other - Adm Fee	\$ 230,000	\$ 19,167	\$ 172,500	\$ 57,500	75.0%	\$ 19,167	\$ -	\$ 172,500	\$ -
MEDC I & S Fund	2,396,937	199,745	1,797,703	599,234	75.0%	199,745	-	1,797,703	-
Downtown Redevelopment	25,000	2,083	18,750	6,250	75.0%	2,083	-	18,750	-
Total Non-Departmental Expenses	\$ 2,651,937	\$ 220,995	\$ 1,988,953	\$ 662,984	75.0%	\$ 220,995	\$ -	\$ 1,988,953	\$ -
Total Expenses	\$ 11,831,819	\$ 430,395	\$ 4,491,486	\$ 7,340,333	38.0%	\$ 985,985	\$ 555,590	\$ 8,873,864	\$ 4,382,378
Net	\$ (1,558,819)	\$ 465,938	\$ 3,986,562			\$ (129,902)	\$ 595,839	\$ (1,169,114)	\$ 5,155,677
FY16 Beginning Fund Balance	\$ 25,372,200								
Add FY16 Budgeted Revenue	10,273,000								
Less FY16 Budgeted Expense	(11,831,819)								
FY16 Proj. End Fund Balance	\$ 23,813,381								

Debt Service / Project Details

June 2016

Debt Service Payments	Project Code	FY16 Adopted Budget	FY16 Budget Transfers	Monthly Actual	YTD Actual	Remaining Budget	YTD Budget Spent
Gateway	E00010	939,765	-	78,314	704,824	234,941	75.0%
University Park	E97030	824,159	-	68,680	618,119	206,040	75.0%
Replacement Runway	n/a	633,013	-	52,751	474,760	158,253	75.0%
Total Debt Service Payments		\$ 2,396,937	\$ -	\$ 199,745	\$ 1,797,703	\$ 599,234	75.0%

Committed Projects		FY16 Adopted Budget	FY16 Budget Transfers	Monthly Actual	YTD Actual	Remaining Budget	YTD Budget Disbursed
Traxxas	E09006	400,000	-	-	-	400,000	0.0%
Perfectly Green	E12019	110,000	-	-	-	110,000	0.0%
Raytheon	E13005	1,530,000	-	-	-	1,530,000	0.0%
Popular Ink	E12022	34,986	-	-	-	34,986	0.0%
O'Hara Flying Service	E14003	120,000	-	-	-	120,000	0.0%
Hisun	E13011	36,000	204,000	114,000	114,000	126,000	47.5%
Experian	E06021	596,877	-	-	212,902	383,975	35.7%
Barclays	E14001	400,000	-	-	-	400,000	0.0%
Playful	E14016	-	225,000	-	150,000	75,000	66.7%
Lawton Mechanical	E14007	87,500	-	-	-	87,500	0.0%
Project Brown - UPS	E14009	300,000	305,000	-	605,000	-	100.0%
Project Geo	E14010	20,000	-	-	-	20,000	0.0%
AIM	E14021	69,000	-	-	-	69,000	0.0%
Wright IMC	E15007	108,000	-	-	-	108,000	0.0%
Accent Care	E15008	-	460,110	-	291,090	169,020	63.3%
Horizon Data Center	E15010	-	256,000	-	-	256,000	0.0%
Blount Fine Food Corp	E16001	-	510,000	-	-	510,000	0.0%
Undesignated FY 16		2,240,000	(1,960,110)	-	-	279,890	0.0%
Total Committed Projects		\$ 6,052,363	\$ -	\$ 114,000	\$ 1,372,992	\$ 4,679,371	22.7%

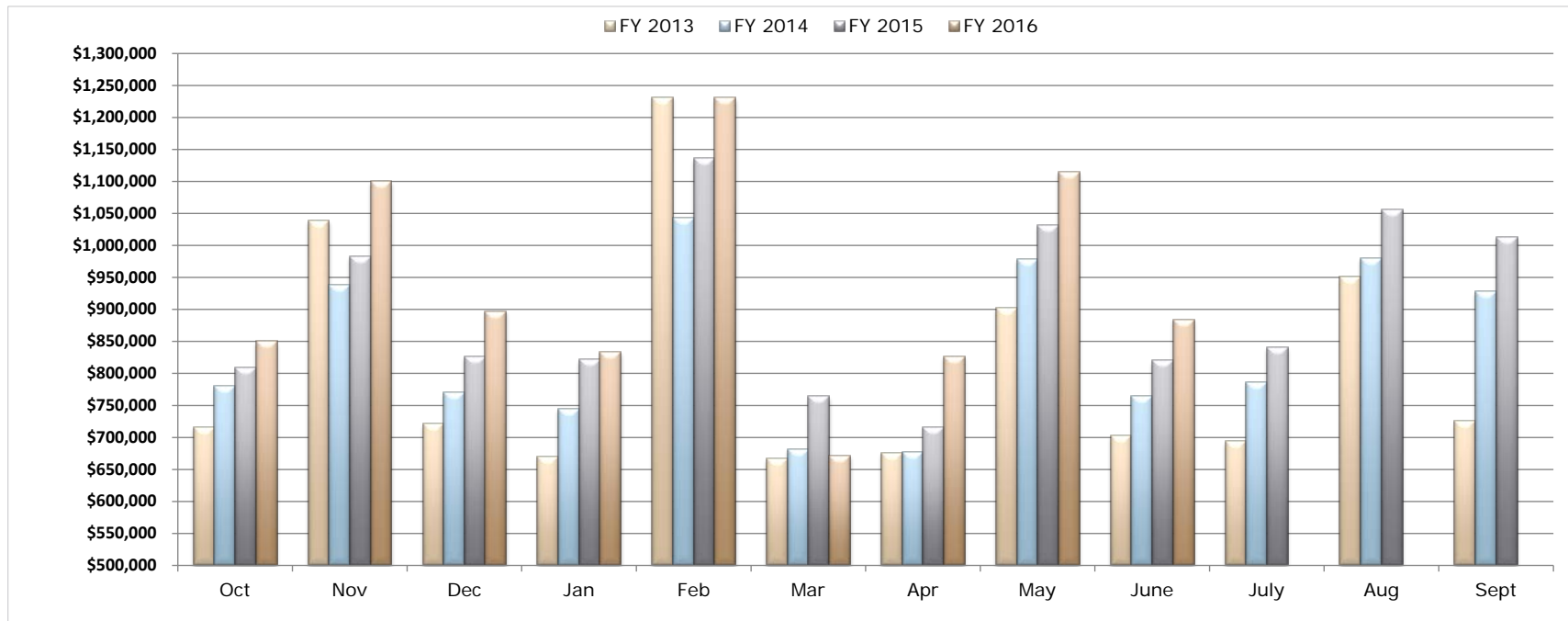
Emerging Technologies		FY16 Adopted Budget	FY16 Budget Transfers	Monthly Actual	YTD Actual	Remaining Budget	YTD Budget Disbursed
Sureshot Media	E14005	17,877	210	-	18,088	-	100.0%
Adelphoi LLC	E14013	2,065	1,770	-	3,835	-	100.0%
Munzee	E14015	-	50,000	-	29,167	20,833	58.3%
Werx in McKinney Inc,	E15001	150,000	-	11,000	99,000	51,000	66.0%
Boss Fight Entertainment	E15003	15,448	-	-	12,503	2,945	80.9%
Pest Routes	E15006	50,000	-	-	15,400	34,600	30.8%
Health Quest Alliance II	E15009	41,670	-	-	29,169	12,501	70.0%
Undesignated FY 16		785,383	(51,980)	-	-	733,403	0.0%
Total Emerging Technologies		\$ 1,062,443	\$ -	\$ 11,000	\$ 207,161	\$ 855,282	19.5%
Total Projects		\$ 7,114,806	\$ -	\$ 125,000	\$ 1,580,153	\$ 5,534,653	22.2%

McKinney Economic Development Corporation

Sales Tax Revenue

June 2016

Month Received	FY 2011 Received	FY 2012 Received	FY 2013 Received	FY 2014 Received	FY 2015 Received	FY 2016 Received	Difference to FY 2015	Variance to FY 2015	% of Budget
October	\$618,027	\$677,019	\$716,718	\$780,694	\$809,613	\$851,178	\$41,564	5.1%	8.3%
November	782,350	788,763	1,039,163	938,090	982,351	1,101,106	\$118,755	12.1%	19.0%
December	596,953	590,569	722,045	770,221	826,009	897,304	\$71,295	8.6%	27.8%
January	635,746	652,773	669,397	744,988	821,731	833,503	\$11,773	1.4%	35.9%
February	913,054	900,507	1,231,993	1,043,205	1,136,044	1,231,183	\$95,139	8.4%	47.9%
March	551,228	582,592	666,620	681,914	764,445	671,518	(\$92,927)	-12.2%	54.5%
April	564,781	563,639	676,334	677,086	716,258	825,953	\$109,695	15.3%	62.6%
May	802,920	837,767	903,002	978,399	1,031,572	1,114,575	\$83,003	8.0%	73.4%
June	607,652	646,007	703,897	765,309	820,908	884,501	\$63,594	7.7%	82.1%
July	625,389	678,542	694,500	787,000	840,355				
August	767,331	845,911	951,437	980,251	1,055,774				
September	635,984	995,666	725,552	928,323	1,013,186				
Total	\$8,101,418	\$8,759,753	\$9,700,659	\$10,075,479	\$10,818,246	\$8,410,822	\$501,890	6.3%	82.1%

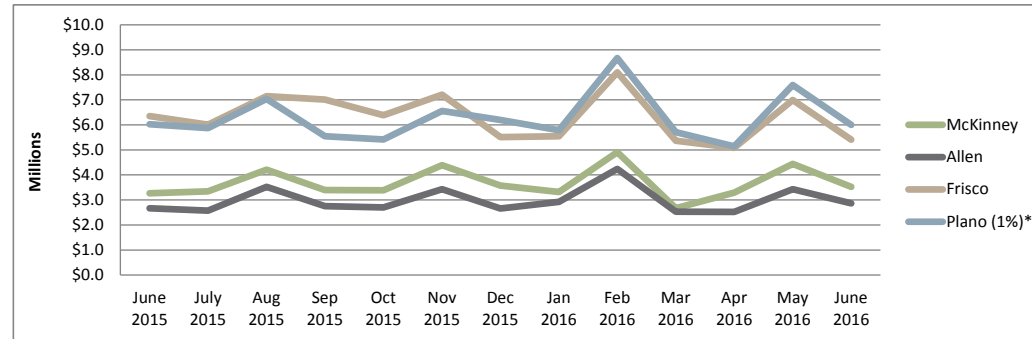


TOTAL SALES TAX COLLECTED

Sister City Comparison

June 2016	McKinney	Allen	Frisco	Plano (1%)*
Diff to LY	\$253,595	\$193,879	-\$942,244	-\$23,036
Var to LY	7.8%	7.3%	-14.8%	-0.4%

Year To Date	McKinney	Allen	Frisco	Plano (1%)*
Diff to LY	\$2,003,200	\$1,087,889	-\$1,786,463	-\$2,813,820
Var to LY	6.4%	4.2%	-3.1%	-4.7%



Year-to-Date Collections

FY 2015	McKinney	Allen	Frisco	Plano 1% *
Oct 2014	\$3,224,215	\$2,609,274	\$5,904,836	\$6,191,498
Nov 2014	3,915,144	3,135,352	6,820,782	7,062,280
Dec 2014	3,289,692	2,602,597	5,877,112	5,713,086
Jan 2015	3,272,569	2,952,971	6,059,107	5,997,871
Feb 2015	4,529,724	3,958,728	8,487,636	9,696,211
Mar 2015	3,043,330	2,405,289	5,675,812	5,514,098
Apr 2015	2,850,523	2,258,329	5,137,766	5,525,585
May 2015	4,111,728	3,605,740	7,090,777	8,164,578
June 2015	3,269,101	2,667,427	6,350,732	6,027,506
FY 2015 Total	\$31,506,026	\$26,195,707	\$57,404,560	\$59,892,713

FY 2016	McKinney	Allen	Frisco	Plano 1% *
Oct 2015	\$3,389,959	\$2,697,390	\$6,390,476	\$5,419,975
Nov 2015	4,389,632	3,428,833	7,212,966	6,559,191
Dec 2015	3,574,431	2,655,217	5,508,523	6,194,708
Jan 2016	3,319,142	2,920,196	5,550,315	5,785,538
Feb 2016	4,909,813	4,240,249	8,100,618	8,671,921
Mar 2016	2,671,190	2,530,504	5,368,411	5,706,034
Apr 2016	3,288,815	2,522,420	5,082,521	5,141,742
May 2016	4,443,548	3,427,481	6,995,779	7,595,316
June 2016	3,522,696	2,861,306	5,408,488	6,004,470
FY 2016 Total	\$33,509,226	\$27,283,596	\$55,618,098	\$57,078,893

* 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

Balance Sheet

June 2016

	MEDC Operations	Interest and Sinking	Reserve Fund	Long-Term Debt	General Fixed Assets	Total
Assets						
Cash and Cash Equivalents	\$ 902,165	\$ 1,517,711	\$ 15,583	\$ -	\$ -	\$ 2,435,460
Investment Pools	26,512,144	-	1,580,700	-	-	28,092,844
Accounts Receivable/Other Taxes & Franchise Fees	1,948,586	-	-	-	-	1,948,586
Deposits/Security Deposits	5,528	-	-	-	-	5,528
Deferred Charges/Prepaid Items	3,287	-	-	-	-	3,287
Land	-	-	-	-	15,007,272	15,007,272
Land Improvements (Net of Depreciation)	-	-	-	-	27,926	27,926
Machinery & Equipment (Net of Depreciation)	-	-	-	-	1,883	1,883
GASB 68 TMRS/Investment	-	-	-	16,486	-	16,486
GASB 68 TMRS/Contributions	-	-	-	71,518	-	71,518
Total Assets	\$ 29,371,711	\$ 1,517,711	\$ 1,596,283	\$ 88,004	\$ 15,037,081	\$ 47,610,791
Other Debits						
Amount Available for Debt Service	\$ -	\$ -	\$ -	\$ 1,592,827	\$ -	\$ 1,592,827
Amount Provided for Retirement of Long-term Debt	-	-	-	14,642,265	-	14,642,265
Total Other Debits	\$ -	\$ -	\$ -	\$ 16,235,092	\$ -	\$ 16,235,092
Total Assets and Other Debits	\$ 29,371,711	\$ 1,517,711	\$ 1,596,283	\$ 16,323,096	\$ 15,037,081	\$ 63,845,882
Liabilities						
Vouchers Payable	\$ 12,949	\$ -	\$ -	\$ -	\$ -	\$ 12,949
Compensated Absences Payable	-	-	-	38,359	-	38,359
Accrued Interest Payable	-	-	-	47,925	-	47,925
Note Payable to Primary Government	-	-	-	3,215,841	-	3,215,841
Bonds Payable	-	-	-	12,720,000	-	12,720,000
TMRS Pension Liability	-	-	-	285,026	-	285,026
TMRS Actuarial Experience	-	-	-	15,944	-	15,944
Total Liabilities	\$ 12,949	\$ -	\$ -	\$ 16,323,096	\$ -	\$ 16,336,045
Fund Balances/Equity						
Reserve for Encumbrances	\$ 105,860	\$ -	\$ -	\$ -	\$ -	\$ 105,860
Unreserved Fund Balance	29,252,902	1,517,711	1,596,283	-	-	32,366,896
Investment and Capital Assets	-	-	-	-	15,037,081	15,037,081
Total Fund Balances/Equity	\$ 29,358,762	\$ 1,517,711	\$ 1,596,283	\$ -	\$ 15,037,081	\$ 47,509,838
Total Liabilities and Fund Balances	\$ 29,371,711	\$ 1,517,711	\$ 1,596,283	\$ 16,323,096	\$ 15,037,081	\$ 63,845,882

McKINNEY ECONOMIC DEVELOPMENT CORPORATION

Checks Issued: June 2016

DATE	NUMBER	DESCRIPTION	AMOUNT	FPO #	PO #
6/1/2016	753	The WERX (Proj# E15001) Loan Agreement	\$11,000.00		160139
6/1/2016	754	John Valencia Mileage Reimbursement (May)	\$172.80	F30688	
6/1/2016	755	Hisun Motors (Proj#E13011) Incentive Agreement	\$114,000.00	F30687	
6/1/2016	756	Lake Forest Investors			
		Rent	\$5,039.21		160232
		Electric	\$796.31		160232
6/1/2016	757	Aerial Focus (Cancelled old map order)	\$650.00	F30682	
6/1/2016	758	Playful Corp. (Proj#E14016) Incentive Agreement	\$75,000.00	F30366	
6/2/2016	759	Tadzo Final Invoice (Strategic Planning Facilitator)	\$4,772.10		161178
6/2/2016	760	Abby Liu Mileage Reimbursement	\$103.94	F30695	
6/3/2016	761	Ricoh USA (Copier Rental)	\$584.25		160174
6/3/2016	762	4D Property Maintenance (MEDC owned land)	\$1,476.00		160926
6/8/2016	763	Foliage Designs (office plant care)	\$95.00		161173
6/8/2016	764	Dun & Bradstreet (Search engine QTRLY payments)(April & July)	\$2,276.14		161352
6/8/2016	765	Chad Walker Mileage Reimbursment (April & May)	\$161.04	F30747	
6/8/2016	766	Aerial Focus (map brochures/wall mounted magnetic maps) 50%	\$6,427.50		161339
6/10/2016	767	Sheri Van Slycke Mileage Reimbursement (April & May)	\$83.55	F30760	
6/13/2016	768	Brown & Hofmeister (Cookies N Milk)	\$315.00	F30771	
6/13/2016	769	Greater Dallas Taiwanese Chamber (Annual Board Fee)	\$500.00	F30762	
6/13/2016	770	Brown & Hofmeister (Barclays Termination)	\$524.00	F30763	
6/13/2016	771	Brown & Hofmeister (Hisun)	\$64.00	F30764	
6/13/2016	772	Brown & Hofmeister (Board Meetings)	\$272.00	F30765	
6/13/2016	773	Brown & Hofmeister (General)	\$2,608.00	F30766	
6/13/2016	774	Brown & Hofmeister (Playful)	\$336.00	F30768	
6/13/2016	775	Brown & Hofmeister (TPUSA)	\$176.00	F30769	
6/13/2016	776	Brown & Hofmeister (Modular Power Solutions)	\$110.00	F30770	
6/21/2016	777	John Valencia Mileage Reimbursement (June)	\$118.26	F30820	
6/21/2016	778	Dallas Regional Chamber (Chad Chicago Marketing Trip)	\$357.09	F30819	
6/24/2016	779	Vianco Enterprises (Tumblers/phone holder-swig items)	\$1,969.63		161429



TITLE: Consider/Discuss/Act on the Sixth Amended and Restated Bylaws of McKinney Economic Development Corporation

COUNCIL GOAL: Operational Excellence

MEETING DATE: July 19, 2016

CONTACT: Darrell Auterson, President
Abby Liu, Executive Vice President

RECOMMENDED ACTION: Approve Amended and Restated Bylaws

ITEM SUMMARY:

- At the June 21, 2016 meeting, Chairman Lance Lindsay suggested that the Board consider a requirement for Board members to attend a Type B Training Course.
- The attached Sixth Amended and Restated Bylaws incorporates the following change:
 - “Directors seated as of the Effective Date who have not attended a training course provided under Texas Local Government Code Section 502.102 and all newly-appointed board members shall attend a training course provided under said Section within one (1) year after the Effective Date or one (1) year after their appointment date, as the case dictates. The Board may grant a Director an extension under this subsection for good cause shown. “
- Texas Local Government Code: Sec. 502.101. TRAINING REGARDING OPERATION OF CORPORATION.
 - (a) At least once in each 24-month period, the following persons associated with a corporation shall attend a training seminar regarding the operation of a corporation created under this subtitle:
 - (1) the municipal attorney, administrator, or clerk of the municipality that authorized the creation of the corporation; and

(2) the corporation's executive director or other person responsible for the corporation's daily administration.

(b) The training seminar must provide at least six hours of instruction on topics relating to the legal and proper operation of a corporation created under this subtitle.

(c) The training seminar must be held at least four times each calendar year in a different geographical region of this state.

(d) A corporation may spend corporate revenue to pay for required attendance at the training seminar.

- Texas Local Government Code Sec. 502.102. PROVISION OF TRAINING SEMINAR.

(a) A training seminar under Section 502.101 must be provided by a statewide organization representing corporations created under this subtitle, except that if the economic development office determines that no statewide organization is able to provide a seminar as required by Section 502.101, the office, in conjunction with the attorney general and the comptroller, shall by rule develop the seminar. The office may enter into an agreement for provision of a seminar developed under those rules with a person the office determines is qualified to provide the seminar.

(b) A person providing a training seminar may:

(1) charge a reasonable fee for attending the seminar; and

(2) compensate an individual who provides instruction at the seminar.

- If approved, the Sixth Amended and Restated Bylaws will be forwarded to the City Council for consideration.

SUPPORTING MATERIALS:

[6th Amended Bylaws](#)

[6th Amended Bylaws-Redline](#)

**SIXTH AMENDED BYLAWS OF
MCKINNEY ECONOMIC DEVELOPMENT CORPORATION**

ARTICLE I

- Section 1. **Purpose:** The Corporation is incorporated for the purposes set forth in its Articles of Incorporation, the same to be accomplished on behalf of the City of McKinney, Texas, (the "City") as its duly constituted authority and instrumentality in accordance with the Development Corporation Act of 1979, as amended; Tex. Loc. Gov't. Code Ann., Chapter 501 (the "Act"), as amended, and other applicable laws.
- Section 2. **Powers:** In the fulfillment of its corporate purpose, the Corporation shall be governed by Tex. Loc. Gov't. Code Ann. Chapter 501, and shall have all of the powers set forth and conferred in its Articles of Incorporation, in the Act, and in other applicable law, subject to the limitations prescribed herein

ARTICLE II

OFFICES

- Section 1. **Principal Office:** The principal office of the Corporation in the State of Texas shall be located in the City of McKinney, Collin County, Texas.
- Section 2. **Registered Office and Registered Agent:** The Corporation shall have and continuously maintain in the State of Texas a registered office and a registered agent, whose office is identical with such registered office, as required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be identical with the principal office of the corporation in the State of Texas, and the address of the registered office may be changed from time to time by the Board.

ARTICLE III

Members: The Corporation shall have no members or stockholders.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. ***Powers, Number and Term of Office.***

- a. The property and affairs of the Corporation shall be managed and controlled by a Board of Directors (the "Board") and, subject to the restriction imposed by law, by the Articles of Incorporation, and by these Bylaws, save and except those functions managed by the City Manager under Article VI, Section 8, the Board shall exercise all of the powers of the Corporation.
- b. The Board shall consist of seven (7) directors, each of whom, as well as each replacement, shall be appointed by the City Council (the "Council") of the City. The City Council shall consider an individual's experience, accomplishments and educational background in appointing members to the Board.
- c. The directors shall serve terms in accordance with City Council policy on Board and Commission Member Appointment and Eligibility.
- d. Any director may be removed from office by the Council, with or without cause.
- e. Unless otherwise provided, terms shall expire on September 30.
- f. Directors seated as of the Effective Date who have not attended a training course provided under Texas Local Government Code Section 502.102 and all newly-appointed board members shall attend a training course provided under said Section within one (1) year after the Effective Date or one (1) year after their appointment date, as the case dictates. The Board may grant a Director an extension under this subsection for good cause shown.

Section 2: ***Meeting of Directors:*** The directors may hold their meetings at such place or places, but in any event within the City, as the Board may from time to time determine; provided, however, in the absence of any such determination by the Board, the meetings shall be held at the principal office of the City.

Section 3. ***Open Meetings Act:*** All meetings and deliberations of the Board shall be called, convened, held and conducted, and notice shall be given to the public, in accordance with the Texas Open Meetings Act, Tex. Gov't Code Ann. Section 551, as amended.

Section 4. ***Notice of Meetings:*** To the extent that the Open Meetings Act conflicts with the provisions of this section, the Open Meetings Act shall govern.

- a. Regular meetings of the Board shall be held without the necessity of written notice to the Directors at such times and places as shall be designated from time to time by the Board. Special Meetings of the Board shall be held whenever called by the Chairman, by a majority of the directors, by the City Manager, by the Mayor of the City, or by the City Council.
- b. The secretary shall give notice to each director for any Emergency Meeting (as defined in the Texas Open Meetings Act) in person or telephone, at least two (2) hours before the meeting. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the Corporation may be considered and acted upon at a Special Meeting. At any meeting at which every director shall be present, even though without any individual notice, any matter pertaining to the purpose of the Corporation may be considered and acted upon consistent with applicable law.
- c. Whenever any notice is required to be given to Board, said notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postage paid wrapper addressed to the person entitled thereto at his or her post office address as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objection to the transaction of any business on the grounds that the meeting is not lawfully called or convened. The business to be transacted and the purpose of any Regular or Special meeting of the Board need be specified in the notice or waiver of notice of such meeting. A waiver of notice in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 5. ***Quorum and Voting:*** A majority of the directors shall constitute a quorum for conducting the official business of the Corporation. The act of a

majority of the directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board and of the Corporation unless the act of a greater number is required by law. However, in no event shall any project or expenditure be approved upon the affirmative vote of less than four (4) directors present at a meeting. A director may not vote by proxy. Directors must be present in order to vote at any meeting. Attendance at the Board meetings is required in accordance with City Council policy on Board and Commission Member Appointment and Eligibility.

Section 6. ***Conduct of Business:***

- a. At the meetings of the Board, matters pertaining to the business of the Corporation shall be considered in accordance with rules of procedure as from time to time prescribed by the Board or the law.
- b. At all meetings of the Board, the Chairman shall preside, and in the absence of the chairman, the Vice Chairman shall exercise the powers of the Chairman.
- c. The Secretary of the corporation shall act as secretary of all meetings of the Board, but in the absence of the Secretary, the presiding officer may appoint any person to act as Secretary of the meeting.

Section 7. ***Compensation of Directors:*** Directors shall not receive a salary or any other compensation for their service as directors. However, directors may be reimbursed for their actual and reasonable expenses incurred in the performance of their duties.

ARTICLE V

PRESIDENT

Section 1. ***Roles and duties of the President:*** The President shall be a compensated employee of the City. Subject to the City Manager's supervision and management of the President under Article VI, Section 8, the President shall be responsible for all daily operations and the implementation of Board policies and resolutions. Unless otherwise provided by a Resolution of the Board, the President and City Manager shall jointly sign, in the name of the Corporation, and/or attest to the

signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments approved by the Board. The President shall attend all called Board meetings and perform those duties and functions as the City Manager shall prescribe. The President of the Corporation shall be hired by the City Manager; however, such hiring shall be subject to the prior notice and consultation with the Board under these Bylaws and with the City Council under the Home Rule Charter. The City Manager shall have the authority to terminate the President; however, such termination shall be subject to the prior notice and consultation with the Board under these Bylaws and with the City Council under the Home Rule Charter. The City Manager shall conduct an annual performance review of the President and provide a copy of the annual review to the Board and the City Council upon its completion.

ARTICLE VI

OFFICERS

Section 1. ***Titles, Duties, and Term of Office:***

- a. The officers of the Corporation shall be a Chairman, a Vice Chairman, a President, a Secretary and a Treasurer, and such other officers as the Board may from time to time elect or appoint. One person may hold more than one office, except that the Chairman shall not hold the office of Vice Chairman or Secretary. Terms of office shall be one (1) year, ending September 30, with the right of an officer to be reelected.
- b. All officers shall be elected by and be subject to removal from office at any time, by a vote of a majority of the entire Board.
- c. A vacancy in the office of any officer shall be filled for the remaining term by a vote of a majority of the entire Board.

Section 2. ***Chairman:*** The Chairman shall be the presiding officer of the Board with the following authority:

- a. Shall preside over all meetings of the Board.
- b. Shall vote on all matters coming before the Board.
- c. Shall have the authority, upon notice to the members of the Board, to call a Special Meeting of the Board when in his or her judgment such a meeting is required.

- d. Shall have the authority to appoint, with Board approval, standing committees to aid and assist the Board in its business undertakings or other matters incidental to the operation and functions of the Board.
- e. Shall have the authority to appoint, with Board approval, ad hoc committees which may address issues of a temporary nature of concern or which have a temporary effect on the business of the Board.
- f. In addition to the above mentioned duties, the Chairman shall jointly sign with the City Manager and any other Board-designated person any deed, mortgage, bonds, contracts, or other instruments which the Board has approved and unless the execution of said document has been expressly delegated to some other officer or agent of the Corporation by appropriate Board resolution, by a specific provision of these Bylaws, or by statute.
- g. In general, the Chairman shall perform all duties incident to the office, and such other duties as shall be prescribed from time to time by the Board.

Section 3. ***Vice Chairman:*** The Vice Chairman shall have such powers and duties as may be prescribed by the Board and shall exercise the powers of the chairman during that officer's absence or inability to act. Any action taken by the Vice Chairman in the performance of the duties of the Chairman shall be presumptive evidence of the Chairman's absence or inability to act at the time such action was taken.

Section 4. ***Treasurer:*** The City's Finance Department shall have the responsibility for the disbursement, custody and security of all funds and securities of the Corporation in accordance with these Bylaws and statutes governing the Corporation formed under the Act. The Treasurer shall maintain the financial reports provided by the City's Finance Department.

Section 5. ***Secretary:*** The Secretary may sign with the President upon the express approval of the Board in the name of the Corporation, and/or attest to the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation, shall have charge of the corporate books, records, documents and instruments, except the papers as the Board may direct, all of which shall at all reasonable time be open to public inspection upon application at the office of the Corporation during business hours, and shall in general perform all duties incident to the office of secretary subject to the control of the Board. The Secretary shall submit a copy of all corporation minutes and

actions to the City Secretary within a reasonable time after a meeting.

Section 6. ***Election of Officers:*** The Chairman, Vice Chairman, Secretary, and Treasurer

shall be elected from among the members of the Board.

Section 7. ***Compensation:*** Officers who are members of the Board shall not receive any salary or compensation for their services, except that they may be reimbursed for their actual and reasonable expenses incurred in the performance of their duties.

Section 8. ***Personnel:*** The Corporation shall establish full-time and/or part-time personnel positions in accordance with this Section 8. Personnel positions so established shall be reflected in the Annual Corporation Budget and approved accordingly, as referenced in Article VII, Section 2 of these Bylaws. Corporation personnel shall be City employees performing work for the MEDC under the supervision and direction of the City Manager, or his or her designee, while retaining their status as City employees.

a. The City, through its City Manager, **shall:**

1. Provide employees ("Loaned Employees") for use by the MEDC. "Loaned Employees" shall include the President and all other employees of MEDC.
2. Provide all City employee benefits, including but not limited to, vacation, sick leave, health insurance, family medical leave and TMRS, for all Loaned Employees.
3. Provide direct supervision, discipline and compensation decision-making for the President. Any compensation decision-making for other Loaned Employees and bonus compensation for all Loaned Employees shall be determined solely by the City Manager.
4. Provide indirect supervision and discipline for the other Loaned Employees through the President's supervisory authority over such other Loaned Employees.
5. Provide the hiring, management, training, and termination functions for all Loaned Employees, subject to the limitations of Article V, Section 1 above.
6. Provide supervisory and management support assistance to MEDC, in the event MEDC has a vacancy in the position of President.

- b. The MEDC, through its Board of Directors or through any Board-authorized subcommittee, **may**:
 - 1. Provide periodic input to the City Manager regarding the supervision (including any performance evaluations performed by the City Manager), compensation, management and discipline of Loaned Employees, including participation in the preparation of the job description and candidate profile for the President.
 - 2. Provide input into the interview process for the President.
 - 3. Notwithstanding the foregoing, any two (2) Board members shall have the right to place an agenda item on any regular or special Board meeting to discuss the performance of the President. The agenda items shall first be placed on a closed session agenda; however the Board may take action resulting therefrom. Any subsequent meeting may include an agenda item on an open session agenda regarding the performance of the President.
- c. The MEDC, through its Board of Directors, **shall**:
 - 1. Pay the actual costs incurred by City for administering TMRS, health insurance and all other benefits for all Loaned Employees.
 - 2. Adhere to all City personnel policies and procedures, including disciplinary appeals, for all Loaned Employees.
 - 3. Provide office space, supplies and a safe working environment for all Loaned Employees.
 - 4. Adhere to City policies and state and federal laws regarding workplace safety, accessibility, family leave and employment discrimination.

Section 9. ***Contracts for Service:*** The Corporation may contract with any qualified and appropriate person, association, corporation or governmental entity to perform and discharge designated tasks which will aid or assist the Board in the performance of its duties. However, no such contract shall ever be approved or entered into which seeks or attempts to divest the City Manager or the Board of its discretion and policy-making functions in discharging the duties herein above set forth in this section or in Section 8 above.

ARTICLE VII

FUNCTIONAL CORPORATE DUTIES AND REQUIREMENTS

Section 1. ***Economic Development Plan:*** The Board shall research, develop, prepare, and submit to the Council for its approval, an economic development plan for the City, which shall include proposed methods and the expected costs of implementation. The plan shall include both short-term and long-term goals for the economic development of the City. Said plan should take into consideration general development plans and policies of the City Council.

Section 2. ***Annual Corporate Budget:*** On or before July 25th of each year, the Board shall adopt a proposed budget, prepared by the City Manager and submitted to the Board for its consideration, including any Board-directed amendments thereto, of expected revenues and proposed expenditures of the next ensuing fiscal year. Upon the Board's adoption of its proposed budget, the Chairman shall forward same to the City Council for its consideration. The budget shall not be effective nor shall expenditures occur until the same has been approved by the Council.

Section 3. ***Books, Records, Audits:***

- a. The Corporation shall keep and properly maintain, in accordance with generally accepted accounting principles, complete books, records, accounts, and financial statements pertaining to its corporate funds, activities, and affairs. Notwithstanding Article VI, Section 4, the Corporation may maintain any financial records solely at the City offices.
- b. The books, records, accounts, and financial statements of the Corporation shall be audited at least once each fiscal year by an outside, independent auditing and accounting firm approved by the Board. Such audit shall be at the expense of the Corporation.

Section 4. ***Deposit and Investment of Corporate Funds:***

- a. All proceeds from the issuance of bonds, notes, other debt instruments ("Debt Obligations") issued by the Corporation shall be deposited and invested as provided in the resolutions, orders, indentures, or other documents authorizing or relating to the issuance.
- b. All other monies of the Corporation shall be deposited, secured, and/or invested in the manner provided for the deposit, security, and/or investment of the public funds of the City. The Board shall designate authorized signatures on all payment authorization and/or check requests of Ten Thousand (\$10,000.00) or more. Unless otherwise provided by Board Resolution, any check request

or other financial instrument for a proposed expenditure totaling less than Ten Thousand (\$10,000.00) Dollars shall require only one signature of either the Treasurer or President of the Corporation. The accounts reconciliation and investment of such funds and accounts may be reviewed by the Finance Department of the City, at the City's expense.

Section 5. ***Expenditures of Corporate Money:*** The monies of the Corporation, including sales and use taxes collected pursuant to Tex. Loc. Gov't Code Ann. Chapter 504, monies derived from the repayment of loans, rents received from the lease or use of property, the proceeds from the investment of funds of the Corporation, the proceeds from the sale of property, and the proceeds derived from the sale of Obligations, may be expended by the Corporation for any of the purposes authorized by the Act, subject to the following limitation:

- a. Expenditures for the proceeds of Obligations shall be identified and described in the order, resolutions, indentures or other agreements submitted to and approved by the City Council prior to the sale and delivery of the Obligations to the purchasers thereof required by Section 6 of this Article.

All other proposed expenditures shall be made in accordance with and shall be set forth in the annual budget required by Section 2 of this Article.

Section 6. ***Issuance of Obligations:*** No Obligations, including refunding Obligations, shall be sold and delivered by the Corporation unless the City Council shall approve such Obligations by action taken no more than sixty (60) days prior to the date of sale of the Obligations.

Section 7. ***Conflicts of Interest:*** A Board member, officer or Loaned Employee of the Corporation, or member of the City Council may not lend money to or borrow money from the Corporation or otherwise transact business with the Corporation.

Section 8. ***Gifts:*** The Board may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes or for any special purposes of the Corporation.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 1. ***Fiscal Year:*** The fiscal year of the Corporation shall be the same as the fiscal year of the City.

- Section 2. **Seal:** The seal of the Corporation shall be determined by the Board.
- Section 3. **Resignation:** Any director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein; or, if no time is specified, at the time of its receipt by the chairman or secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.
- Section 4. **Approval or Advice and Consent by the Council:** To the extent that these Bylaws refer to any approval by the City or the Council or refer to advice and consent by the Council, such approval, or advice and consent shall be evidenced by a certified copy of a resolution, order, or motion duly adopted by the Council.
- Section 5. **Services of City Staff and Officers:** Subject to the approval of the City Manager, the Corporation shall have the right to utilize the services of City personnel for usual and routine matters, provided that the performance of such service does not materially interfere with the other duties of such personnel of the City and may further utilize the services of City personnel for unusual and non-routine matters. The Corporation shall pay reasonable compensation to the City for such services or use of any City personnel.

Section 6. **Indemnification of Directors, Officers and Employees:**

- a. As provided in the Act, the Corporation is, for the purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101, Texas Civil Practices and Remedies Code), a governmental unit and its actions are governmental functions.

Section 6. **Indemnification of Directors, Officers and Employees:**

- a. As provided in the Act, the Corporation is, for the purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101, Texas Civil Practices and Remedies Code), a governmental unit and its actions are governmental functions.
- b. The Corporation shall indemnify a person who was, is or has been threatened to be made a named defendant or respondent in a proceeding because the person is or was a Board member, officer, employee, or agent, but only if the determination to indemnify is made in accordance with the provision of Tex. Bus. Org. Code Ann. Chapter 8, as amended.
- c. The Corporation shall indemnify each and every member of the Board, its officers, its employees, its agents, and each member of the City Council and each employee of the City, to the fullest extent permitted by law and

not otherwise covered by insurance, against any and all actions or omissions that may arise out of the functions and activities of the Corporation.

- d. The Corporation may purchase and maintain insurance on behalf of any Board member, officer, employee or agent of the Corporation, or on behalf of any person serving at the request of the Corporation as a Board member, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against that person and incurred by that person in any such capacity or arising out of any such status with regard to the Corporation, whether or not the Corporation has the power to indemnify that person against liability for any of those acts.
- e. Any indemnification or liability insurance provided under this Section may be obtained through the City's general insurance coverage.

ARTICLE IX

EFFECTIVE DATE, AMENDMENTS

Section 1. ***Effective Date:*** These Bylaws shall become effective upon the occurrence of the following events:

- a. The adoption of these Bylaws by the Board; and
- b. The approval of these Bylaws by the City Council.

Section 2. ***Amendments to Articles of Incorporation and Bylaws:*** The Articles of Incorporation and the Bylaws may be amended or repealed and amended articles of incorporation and bylaws may be adopted by an affirmative vote of at least four (4) Board members present at any regular meeting or at any special meeting, if at least five (5) days written notice is given of an intention to amend or repeal the articles of incorporation and bylaws or to adopt new articles of incorporation and bylaws at such meeting. Any amendment of the articles of incorporation and bylaws will be effective upon approval by the City Council.

Adopted this, the _____ day of _____, 2016.

Chairman of the Board of Directors

Attest:

Corporate Secretary

**SIXTH AMENDED BYLAWS OF
MCKINNEY ECONOMIC DEVELOPMENT CORPORATION**

ARTICLE I

- Section 1. **Purpose:** The Corporation is incorporated for the purposes set forth in its Articles of Incorporation, the same to be accomplished on behalf of the City of McKinney, Texas, (the "City") as its duly constituted authority and instrumentality in accordance with the Development Corporation Act of 1979, as amended; Tex. Loc. Gov't. Code Ann., Chapter 501 (the "Act"), as amended, and other applicable laws.
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- b. The Board shall consist of seven (7) directors, each of whom, as well as each replacement, shall be appointed by the City Council (the "Council") of the City. The City Council shall consider an individual's experience, accomplishments and educational background in appointing members to the Board.
- c. The directors shall serve terms in accordance with City Council policy on Board and Commission Member Appointment and Eligibility.
- d. Any director may be removed from office by the Council, with or without cause.
- e. Unless otherwise provided, terms shall expire on September 30.

~~e-f.~~ Directors seated as of the Effective Date who have not attended a training course provided under Texas Local Government Code Section 502.102 and all newly-appointed board members shall attend a training course provided under said Section within one (1) year after the Effective Date or one (1) year after their appointment date, as the case dictates. The Board may grant a Director an extension under this subsection for good cause shown.

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- a. Regular meetings of the Board shall be held without the necessity of written notice to the Directors at such times and places as shall be designated from time to time by the Board. Special Meetings of the Board shall be held whenever called by the Chairman, by a majority of the directors, by the City Manager, by the Mayor of the City, or by the City Council.
- b. The secretary shall give notice to each director for any Emergency Meeting (as defined in the Texas Open Meetings Act) in person or telephone, at least two (2) hours before the meeting. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the Corporation may be considered and acted upon at a Special Meeting. At any meeting at which every director shall be present, even though without any individual notice, any matter pertaining to the purpose of the Corporation may be considered and acted upon consistent with applicable law.
- c. Whenever any notice is required to be given to Board, said notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postage paid wrapper addressed to the person entitled thereto at his or her post office address as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objection to the transaction of any business on the grounds that the meeting is not lawfully called or convened. The business to be transacted and the purpose of any Regular or Special meeting of the Board need be specified in the notice or waiver of notice of such meeting. A waiver of notice in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 5. **Quorum and Voting:** A majority of the directors shall constitute a quorum for conducting the official business of the Corporation. The act of a

majority of the directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board and of the Corporation unless the act of a greater number is required by law. However, in no event shall any project or expenditure be approved upon the affirmative vote of less than four (4) directors present at a meeting. A director may not vote by proxy. Directors must be present in order to vote at any meeting. Attendance at the Board meetings is required in accordance with City Council policy on Board and Commission Member Appointment and Eligibility.

Section 6. ***Conduct of Business:***

- a. At the meetings of the Board, matters pertaining to the business of the Corporation shall be considered in accordance with rules of procedure as from time to time prescribed by the Board or the law.
- b. At all meetings of the Board, the Chairman shall preside, and in the absence of the chairman, the Vice Chairman shall exercise the powers of the Chairman.
- c. The Secretary of the corporation shall act as secretary of all meetings of the Board, but in the absence of the Secretary, the presiding officer may appoint any person to act as Secretary of the meeting.

Section 7. ***Compensation of Directors:*** Directors shall not receive a salary or any other compensation for their service as directors. However, directors may be reimbursed for their actual and reasonable expenses incurred in the performance of their duties.

ARTICLE V

PRESIDENT

Section 1. ***Roles and duties of the President:*** The President shall be a compensated employee of the City. Subject to the City Manager's supervision and management of the President under Article VI, Section 8, the President shall be responsible for all daily operations and the implementation of Board policies and resolutions. Unless otherwise provided by a Resolution of the Board, the President and City Manager shall jointly sign, in the name of the Corporation, and/or attest to the

signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments approved by the Board. The President shall attend all called Board meetings and perform those duties and functions as the City Manager shall prescribe. The President of the Corporation shall be hired by the City Manager; however, such hiring shall be subject to the prior notice and consultation with the Board under these Bylaws and with the City Council under the Home Rule Charter. The City Manager shall have the authority to terminate the President; however, such termination shall be subject to the prior notice and consultation with the Board under these Bylaws and with the City Council under the Home Rule Charter. The City Manager shall conduct an annual performance review of the President and provide a copy of the annual review to the Board and the City Council upon its completion.

ARTICLE VI

OFFICERS

Section 1. *Titles, Duties, and Term of Office:*

- a. The officers of the Corporation shall be a Chairman, a Vice Chairman, a President, a Secretary and a Treasurer, and such other officers as the Board may from time to time elect or appoint. One person may hold more than one office, except that the Chairman shall not hold the office of Vice Chairman or Secretary. Terms of office shall be one (1) year, ending September 30, with the right of an officer to be reelected.
- b. All officers shall be elected by and be subject to removal from office at any time, by a vote of a majority of the entire Board.
- c. A vacancy in the office of any officer shall be filled for the remaining term by a vote of a majority of the entire Board.

Section 2. *Chairman:* The Chairman shall be the presiding officer of the Board with the following authority:

- a. Shall preside over all meetings of the Board.
- b. Shall vote on all matters coming before the Board.
- c. Shall have the authority, upon notice to the members of the Board, to call a Special Meeting of the Board when in his or her judgment such a meeting is required.

- d. Shall have the authority to appoint, with Board approval, standing committees to aid and assist the Board in its business undertakings or other matters incidental to the operation and functions of the Board.
- e. Shall have the authority to appoint, with Board approval, ad hoc committees which may address issues of a temporary nature of concern or which have a temporary effect on the business of the Board.
- f. In addition to the above mentioned duties, the Chairman shall jointly sign with the City Manager and any other Board-designated person any deed, mortgage, bonds, contracts, or other instruments which the Board has approved and unless the execution of said document has been expressly delegated to some other officer or agent of the Corporation by appropriate Board resolution, by a specific provision of these Bylaws, or by statute.
- g. In general, the Chairman shall perform all duties incident to the office, and such other duties as shall be prescribed from time to time by the Board.

Section 3. ***Vice Chairman:*** The Vice Chairman shall have such powers and duties as may be prescribed by the Board and shall exercise the powers of the chairman during that officer's absence or inability to act. Any action taken by the Vice Chairman in the performance of the duties of the Chairman shall be presumptive evidence of the Chairman's absence or inability to act at the time such action was taken.

Section 4. ***Treasurer:*** The City's Finance Department shall have the responsibility for the disbursement, custody and security of all funds and securities of the Corporation in accordance with these Bylaws and statutes governing the Corporation formed under the Act. The Treasurer shall maintain the financial reports provided by the City's Finance Department.

Section 5. ***Secretary:*** The Secretary may sign with the President upon the express approval of the Board in the name of the Corporation, and/or attest to the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation, shall have charge of the corporate books, records, documents and instruments, except the papers as the Board may direct, all of which shall at all reasonable time be open to public inspection upon application at the office of the Corporation during business hours, and shall in general perform all duties incident to the office of secretary subject to the control of the Board. The Secretary shall submit a copy of all corporation minutes and

actions to the City Secretary within a reasonable time after a meeting.

Section 6. **Election of Officers:** The Chairman, Vice Chairman, Secretary, and Treasurer

shall be elected from among the members of the Board.

Section 7. **Compensation:** Officers who are members of the Board shall not receive any salary or compensation for their services, except that they may be reimbursed for their actual and reasonable expenses incurred in the performance of their duties.

Section 8. **Personnel:** The Corporation shall establish full-time and/or part-time personnel positions in accordance with this Section 8. Personnel positions so established shall be reflected in the Annual Corporation Budget and approved accordingly, as referenced in Article VII, Section 2 of these Bylaws. Corporation personnel shall be City employees performing work for the MEDC under the supervision and direction of the City Manager, or his or her designee, while retaining their status as City employees.

a. The City, through its City Manager, **shall:**

1. Provide employees ("Loaned Employees") for use by the MEDC. "Loaned Employees" shall include the President and all other employees of MEDC.
2. Provide all City employee benefits, including but not limited to, vacation, sick leave, health insurance, family medical leave and TMRS, for all Loaned Employees.
3. Provide direct supervision, discipline and compensation decision-making for the President. Any compensation decision-making for other Loaned Employees and bonus compensation for all Loaned Employees shall be determined solely by the City Manager.
4. Provide indirect supervision and discipline for the other Loaned Employees through the President's supervisory authority over such other Loaned Employees.
5. Provide the hiring, management, training, and termination functions for all Loaned Employees, subject to the limitations of Article V, Section 1 above.
6. Provide supervisory and management support assistance to MEDC, in the event MEDC has a vacancy in the position of President.

- b. The MEDC, through its Board of Directors or through any Board-authorized subcommittee, **may**:
 - 1. Provide periodic input to the City Manager regarding the supervision (including any performance evaluations performed by the City Manager), compensation, management and discipline of Loaned Employees, including participation in the preparation of the job description and candidate profile for the President.
 - 2. Provide input into the interview process for the President.
 - 3. Notwithstanding the foregoing, any two (2) Board members shall have the right to place an agenda item on any regular or special Board meeting to discuss the performance of the President. The agenda items shall first be placed on a closed session agenda; however the Board may take action resulting therefrom. Any subsequent meeting may include an agenda item on an open session agenda regarding the performance of the President.
- c. The MEDC, through its Board of Directors, **shall**:
 - 1. Pay the actual costs incurred by City for administering TMRS, health insurance and all other benefits for all Loaned Employees.
 - 2. Adhere to all City personnel policies and procedures, including disciplinary appeals, for all Loaned Employees.
 - 3. Provide office space, supplies and a safe working environment for all Loaned Employees.
 - 4. Adhere to City policies and state and federal laws regarding workplace safety, accessibility, family leave and employment discrimination.

Section 9. **Contracts for Service:** The Corporation may contract with any qualified and appropriate person, association, corporation or governmental entity to perform and discharge designated tasks which will aid or assist the Board in the performance of its duties. However, no such contract shall ever be approved or entered into which seeks or attempts to divest the City Manager or the Board of its discretion and policy-making functions in discharging the duties herein above set forth in this section or in Section 8 above.

ARTICLE VII

FUNCTIONAL CORPORATE DUTIES AND REQUIREMENTS

Section 1. ***Economic Development Plan:*** The Board shall research, develop, prepare, and submit to the Council for its approval, an economic development plan for the City, which shall include proposed methods and the expected costs of implementation. The plan shall include both short-term and long-term goals for the economic development of the City. Said plan should take into consideration general development plans and policies of the City Council.

Section 2. ***Annual Corporate Budget:*** On or before July 25th of each year, the Board shall adopt a proposed budget, prepared by the City Manager and submitted to the Board for its consideration, including any Board-directed amendments thereto, of expected revenues and proposed expenditures of the next ensuing fiscal year. Upon the Board's adoption of its proposed budget, the Chairman shall forward same to the City Council for its consideration. The budget shall not be effective nor shall expenditures occur until the same has been approved by the Council.

Section 3. ***Books, Records, Audits:***

- a. The Corporation shall keep and properly maintain, in accordance with generally accepted accounting principles, complete books, records, accounts, and financial statements pertaining to its corporate funds, activities, and affairs. Notwithstanding Article VI, Section 4, the Corporation may maintain any financial records solely at the City offices.
- b. The books, records, accounts, and financial statements of the Corporation shall be audited at least once each fiscal year by an outside, independent auditing and accounting firm approved by the Board. Such audit shall be at the expense of the Corporation.

Section 4. ***Deposit and Investment of Corporate Funds:***

- a. All proceeds from the issuance of bonds, notes, other debt instruments ("Debt Obligations") issued by the Corporation shall be deposited and invested as provided in the resolutions, orders, indentures, or other documents authorizing or relating to the issuance.
- b. All other monies of the Corporation shall be deposited, secured, and/or invested in the manner provided for the deposit, security, and/or investment of the public funds of the City. The Board shall designate authorized signatures on all payment authorization and/or check requests of Ten Thousand (\$10,000.00) or more. Unless otherwise provided by Board Resolution, any check request

or other financial instrument for a proposed expenditure totaling less than Ten Thousand (\$10,000.00) Dollars shall require only one signature of either the Treasurer or President of the Corporation. The accounts reconciliation and investment of such funds and accounts may be reviewed by the Finance Department of the City, at the City's expense.

Section 5. **Expenditures of Corporate Money:** The monies of the Corporation, including sales and use taxes collected pursuant to Tex. Loc. Gov't Code Ann. Chapter 504, monies derived from the repayment of loans, rents received from the lease or use of property, the proceeds from the investment of funds of the Corporation, the proceeds from the sale of property, and the proceeds derived from the sale of Obligations, may be expended by the Corporation for any of the purposes authorized by the Act, subject to the following limitation:

- a. Expenditures for the proceeds of Obligations shall be identified and described in the order, resolutions, indentures or other agreements submitted to and approved by the City Council prior to the sale and delivery of the Obligations to the purchasers thereof required by Section 6 of this Article.

All other proposed expenditures shall be made in accordance with and shall be set forth in the annual budget required by Section 2 of this Article.

Section 6. **Issuance of Obligations:** No Obligations, including refunding Obligations, shall be sold and delivered by the Corporation unless the City Council shall approve such Obligations by action taken no more than sixty (60) days prior to the date of sale of the Obligations.

Section 7. **Conflicts of Interest:** A Board member, officer or Loaned Employee of the Corporation, or member of the City Council may not lend money to or borrow money from the Corporation or otherwise transact business with the Corporation.

Section 8. **Gifts:** The Board may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes or for any special purposes of the Corporation.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 1. **Fiscal Year:** The fiscal year of the Corporation shall be the same as the fiscal year of the City.

- Section 2. **Seal:** The seal of the Corporation shall be determined by the Board.
- Section 3. **Resignation:** Any director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein; or, if no time is specified, at the time of its receipt by the chairman or secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.
- Section 4. **Approval or Advice and Consent by the Council:** To the extent that these Bylaws refer to any approval by the City or the Council or refer to advice and consent by the Council, such approval, or advice and consent shall be evidenced by a certified copy of a resolution, order, or motion duly adopted by the Council.
- Section 5. **Services of City Staff and Officers:** Subject to the approval of the City Manager, the Corporation shall have the right to utilize the services of City personnel for usual and routine matters, provided that the performance of such service does not materially interfere with the other duties of such personnel of the City and may further utilize the services of City personnel for unusual and non-routine matters. The Corporation shall pay reasonable compensation to the City for such services or use of any City personnel.

Section 6. **Indemnification of Directors, Officers and Employees:**

- a. As provided in the Act, the Corporation is, for the purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101, Texas Civil Practices and Remedies Code), a governmental unit and its actions are governmental functions.

Section 6. **Indemnification of Directors, Officers and Employees:**

- a. As provided in the Act, the Corporation is, for the purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101, Texas Civil Practices and Remedies Code), a governmental unit and its actions are governmental functions.
- b. The Corporation shall indemnify a person who was, is or has been threatened to be made a named defendant or respondent in a proceeding because the person is or was a Board member, officer, employee, or agent, but only if the determination to indemnify is made in accordance with the provision of Tex. Bus. Org. Code Ann. Chapter 8, as amended.
- c. The Corporation shall indemnify each and every member of the Board, its officers, its employees, its agents, and each member of the City Council and each employee of the City, to the fullest extent permitted by law and

not otherwise covered by insurance, against any and all actions or omissions that may arise out of the functions and activities of the Corporation.

- d. The Corporation may purchase and maintain insurance on behalf of any Board member, officer, employee or agent of the Corporation, or on behalf of any person serving at the request of the Corporation as a Board member, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against that person and incurred by that person in any such capacity or arising out of any such status with regard to the Corporation, whether or not the Corporation has the power to indemnify that person against liability for any of those acts.
- e. Any indemnification or liability insurance provided under this Section may be obtained through the City's general insurance coverage.

ARTICLE IX

EFFECTIVE DATE, AMENDMENTS

Section 1. ***Effective Date:*** These Bylaws shall become effective upon the occurrence of the following events:

- a. The adoption of these Bylaws by the Board; and
- b. The approval of these Bylaws by the City Council.

Section 2. ***Amendments to Articles of Incorporation and Bylaws:*** The Articles of Incorporation and the Bylaws may be amended or repealed and amended articles of incorporation and bylaws may be adopted by an affirmative vote of at least four (4) Board members present at any regular meeting or at any special meeting, if at least five (5) days written notice is given of an intention to amend or repeal the articles of incorporation and bylaws or to adopt new articles of incorporation and bylaws at such meeting. Any amendment of the articles of incorporation and bylaws will be effective upon approval by the City Council.

Adopted this, the _____ day of _____, 2016.

Chairman of the Board of Directors

Attest:

Corporate Secretary

