McKinney Economic Development Corporation

Agenda

Tuesday, June 20, 2017 | **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.

17-610 Minutes of the McKinney Economic Development Corporation Meeting of May 16, 2017

Attachments: Minutes

REPORTS

17-611 Board and Liaison Updates

- Board Chairman
- City of McKinney
- Chamber of Commerce
- Main Street/MPAC
- MCVB

Attachments: MCDC Report
MCVB Report

17-612 Consider/Discuss MEDC Staff Monthly Reports

Attachments: President Report
Executive Vice President Report
Director of BREP Report

DISCUSSION ITEMS

17-613 Consider/Discuss a Proposed FY18 Budget for Submission to the City Manager for Review

Attachments: Proposed FY18 Budget

17-614 Consider/Discuss TIRZ Overlay Incentive Opportunities

REGULAR AGENDA

17-615 Consider/Discuss/Act on May Financials

Attachments: May Financials

May Checks Issued

17-616 Consider/Discuss/Act on an Amendment to Articles V and VI and Related Sections on the Sixth Amended Bylaws of the McKinney Economic Development Corporation to Modify the Operational/Supervisory Relationship Between the President and the City Manager

Attachments: MEDC Sixth Amended Bylaws

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
-Spec Light Industrial RFP Update

C. Section 551.087. Deliberation Regarding Economic Development Matters
-Gateway
-Project A144-Red River
-Project A164-Fox III
-Project A169-Smart
-Project A174-Lilly
-Project A175-Flying Eagle 25
-Wistron McKinney Technology Campus

ACTION ON EXECUTIVE SESSION

ADJOURN

Posted in accordance with the Texas Government Code, Chapter 551, on the 15th day of June, 2017 at or before 6:00 p.m.

_____
Abby Liu
Executive Vice President

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

17-610

TITLE:	Minutes of the McKinney Economic Development Corporation Meeting of May 16, 2017

SUPPORTING MATERIALS:

Minutes

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

MAY 16, 2017

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

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

Council members Present: Travis Ussery

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

There were two guests present.

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

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

17-513 Chairman Burress called for the Board and Liaison Updates.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Board member Clark returned to the dais.

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

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JASON BURRESS
Chairman

17-611

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

SUPPORTING MATERIALS:

MCDC Report
MCVB Report

June 12, 2017

TO: MEDC Board

FROM: Cindy Schneible, MCDC

RE: Update

Project Grants
The MCDC board approved the following project grant requests at the meeting on May 25th:

- Request by the McKinney Armed Services Memorial Board to amend the grant award for the construction of a Gold Star Memorial in Veterans Memorial Park to increase funding by an amount not to exceed $20,000. Bids for the construction were higher than anticipated. The Armed Services Memorial Board continues to raise funds for the project. Total funding from MCDC for the project will be a maximum of $165,000.

- Request by the McKinney Rotary Foundation to amend the grant awarded for construction of an All Abilities Playground in Bonnie Wenk Park to increase funding by an amount not to exceed $75,000. Rotary continues to raise funds from individuals, foundations and companies in the community for the project – and reported a pledge for $17,000 had been received since the April MCDC board meeting. Total funding from MCDC for the project will be a maximum of $275,000.

- Request submitted by the Collin County Historical Society for $7,062 for the purchase of museum display cases.

The MCDC board tabled the following project grant request to the June meeting – in order to provide time for the developer to finalize financing arrangements, which impact the terms of the loan agreement from MCDC:

- Request submitted by the City of McKinney for support of the Craig Ranch Resort Hotel. If approved, MCDC support would include a loan in the amount of $5 million, to be repaid in a maximum of eight years, with three percent interest. Additionally, MCDC would provide a grant in the amount of $3 million when the certificate of occupancy is issued for the hotel.

A ribbon cutting to celebrate the completion of the restoration and updates to the Dulaney House at Chestnut Square is scheduled for Tuesday, June 20th from 8:30 to 11:00 a.m. This project was funded by MCDC in the amount of $175,000 and will facilitate use of the house for community events, art/history displays and meetings.

Update on the Apex Centre
Teresa Thomason, manager of Apex, provided an update to the board on the performance of the facility since opening on March 1, 2017. Highlights include:

- Membership as of 5/17/2017
    - Grand total: 3,634
    - Annual: 58%
    - Monthly: 42%
- Percentage of nonresident members = 6%
- Total classes offered each week – 67
- Total participants during April – 3,432 (1,758 Land Classes; 764 Water; 910 Spin)
- 285 employees – 11 full time; 274 part time

MCDC funded a Summer Kick-off Celebration at Apex on Saturday, May 27th. The event featured a live remote with KLAK; give-a-ways; use of and tours of the facility; variety of food/food truck vendors. Approximately 2,000 visited that day.

Promotional and Community Event Grants
MCDC received applications for Promotional and Event Grants from the following organzations for the second and final cycle of P&CE grants this year:

Crape Myrtle Trails Run	$ 7,780
Main Street – Oktoberfest	$15,000
McKinney Rotary Foundation – Christmas Parade of Lights	$ 5,000
Mission Regan Golf Tournament	$ 5,000
Volunteer McKinney – Santa on the Square	$ 5,000
Embrace Texas – Child to Family Event	$ 5,000
McKinney Art Studio Tour	$ 7,000
NCCHFH – Birthday Bash and Monster Mash	$ 4,000
Collin County Master Gardeners – 2018 Spring Garden Show	$10,000
Chestnut Square – Farmers Market (fall), Ghost Walk, Holiday Tour of Homes	$10,000

Total Requested: $71,280; Amount Available: $50,000

FY 17 Grants
The final FY 17 cycle for Project Grants will open June 1st. Project grant applications will be accepted through June 30, 2017.

MEDC-MCDC-MAIN ST.

Talking Points June 2017 for May 2017

MCVB Update:

MCVB Board approved to allow E.D. Guerra to have the city attorney execute a lease with The McKinney Shop for the retail space in the MCVB at 200 W. Virginia. They will begin setting up in late June and we will have a full launch the first week of July.

MCVB Room Nights Generated: 421 TTL Room Nights; TTL Revenue: $46,615

WEDDINGS COMPLETED in May 2017 - TTL Room Nights: 260 TTL Rev: $29,450

- Apodaca/Rodrigues Wedding (Springs) – Hampton Inn: TTL Room: 56, TTL Rev: $6384
- Allison Ennis Wedding (The Springs) – Hampton Inn: TTL Rooms:22, TTL Rev: $ 2508
- Max Pippin Wedding (The Springs) – Hampton Inn: TTL Rooms: 8, TTL Rev: $912; Holiday Inn: TTL Rooms: 6, TTL Rev: $694
- Tracey Gayle Wedding (The Springs) – Hampton Inn: TTL Rooms: 9, TTl Rev $1026
- J Barton Wedding (The Springs) – Hampton Inn: TTL Rooms: 12, TTL Rev: $1368; Holiday Inn: TTL Rooms: 31, TTL Rev: $3289
    - Caitlyn Gilliam Wedding (The Springs) – Holiday Inn: TTL Rooms: 9, TTL Rev: $ 732, Towne Place Suites: TTL Rooms: 21, TTL Rev: $2289
- Knuth/Lagrow Wedding (Cotton Mill) – Holiday Inn: TTL Rooms: 3, TTL Rev: $327
- Rachel Herhold Wedding (The Springs) – Hampton Inn: TTL Rooms: 6, TTL Rev: $684; Holiday Inn: TTL Rooms: 14, TTL Rev: $1732
- Hagelin/Buccino Wedding – Holiday Inn: TTL Room: 27, TTL Rev $2673
- Hirt/Hendrickson Wedding – Grand Hotel: TTL Room: 14, TTL Rev: $2216
- White/Lydic Wedding (Rusty Barn) – Holiday Inn: TTL Rooms: 22, TTL Rev: $2616
- Lorde Wedding – Sheraton, no block made, guests used rooms. No pick up. Provided 15 bags, assuming pick up would have been around $1785
- Rachel Wilson Wedding – no pick up
- Josh Bautista Wedding (The Springs) – no pick up

ASSOCIATION/CORPORATE/SMERF COMPLETED in May 2017: TTL Room nights: 139 TTL Revenue: $ 14,877

- Gorden Funeral – Towne Place Suites: TTL Rooms: 14, TTL Rev; $2086
- Clayton Homes – Grand Hotel: TTL Rooms: 92, TTL Rev: $9108; 23 attendees, 4 nights each @$99
- Tom Pierce Corp: Grand Hotel: TTL Rooms: 20, TTL Rev: $2380; 7 attendees, 3 nights (avg)
- Emerson 5/23-25/17 (Holiday Inn)- 13 rooms at $101=$1,313

SPORTS: TTL Rooms: 22 TTL Rev: $2288

- Strikes Against Cancer: Sheraton, no pick up, Holiday Inn: TTL Rooms: 22, TTL Rev: $2288
- USTA- No Pick Up

MEDC-MCDC-MAIN ST.

Visitors: (October 2016-September 2017)
YTD Total: 1,374
April Total: 307
Out of State: 67
Out of Country: 14
Texas Residents: 20
McKinney Residents: 11
Ticker Count: 307 (195 didn't sign guest book)

RFP's: 4 (1-Association, 0-Corporate, 3-Weddings, 0-Social (0-Religious), 0 -Sports, 0-Day Trips)

Weddings

- Brittani Davidson Wedding (Springs) September 2017
- Jordon Knutson Wedding (Springs) November 2017
- Heisy Servellon Wedding (Springs) January 2018

Associaton: 1

- Taiwanese Chamber of Commerce Association Annual Banquet- The Sheraton 06/24/17- no room nights only banquet. This assocaition has more events that are a possibility to accquire.

Site Visits: 4

- Beau Beasley- Texas Beer & Fly-fishing Tournament 2019 (March)-Myers Park & Hampton Inn.
- Tammy Warren- New Holiday Inn at Craig Ranch & Rosemary Barn
- FarmHouseFresh- Met with Sales Staff and toured the corporate facility
- AZZ Corporation (Ft. Worth Based, potential clients for 2018 or 2019 – officer managers staff, approx 50 attendees)

Advertising: Ads/materials created and submitted:

- Photos of Bike the Bricks
- Photos of Smiles Charity Concert
- Photos of Pecan Grove Memorial Day event
- Submitted photos to Mary Dunklin with Dallas Morning News
- Book Fair Proclamation
- Submitted Fall events to Texas Events Calendar

- MCVB is Sponsoring the 2017 Regional Meeting for the South Central – Georgia – Alabama Motorcoach Associations taking place in Arlington, TX. As part of the event, we will be included during the Early Bird Dinner on Sunday, July 30 and the Icebreaker Dinner on Monday, July 31. This is a unique opportunity to highlight our organization to more than 300 motor coach and tour operators and related industry attendees.

MEDC-MCDC-MAIN ST.

- We received a Facebook message from John Coughlin with CNN Money asking for permission to use a photo from our Facebook photo galleries to accompany an article they're running about McKinney being among the country's fastest growing cities. The CVB submitted a few photos (the raw, full sized files) of what he said they wanted from our FB photo albums.

Free Publicity:

MCVB FY 16-17	**Budgeted Amount**
Adv.	$64,526
Promo.	$88,757
Total	**$153,283**

May 2017 - MCVB Publicity/Free Media Coverage					
Publication	*Article/Topic/Writer*	*Print Value*	*Web Value*	*PR Value*	*Impressions*
BubbleLife Collin County	Shared our blog and web postings 6 times	$0	$ 18,000	$54,000	900,000
TOTALS for Month		0	$ 18,000	$54,000	900,000
FY 16-17 YTD Totals:		$49,769	$ 132,440	$ 410,887	18,176,518

LOST BUSSINESS-1

- 2019 TACVB Annual Conference, Sheraton not large enough to accomodate

17-612

TITLE: Consider/Discuss MEDC Staff Monthly Reports

SUPPORTING MATERIALS:

President Report
Executive Vice President Report
Director of BREP Report

Economic Development Highlights
President Auterson
June 2017

Prospect Activities:

- **An announcement regarding PACCAR's Dynacraft project in McKinney was made in May & activities continue as we work toward a July 12th groundbreaking. The incentive agreement has been fully executed & legal counsel is finalizing the City's 380 agreement.**
- **The KDC Team has refined the preliminary site design concepts for the Gateway site & we currently have two sizeable office prospects evaluating potential locations at the site. KDC will be presenting a formal proposal to one of the prospects in mid-June. The next project team meeting with the KDC Team is scheduled for June 22nd. We are also currently reviewing the first draft of the MDA document.**
- **We recently received an executed agreement for Project Charlie 2016 & will be working with the company to organize an appropriate announcement.**
- **We received five (5) responses to the spec light industrial development RFP on June 1st. Respondents include Hunt Southwest, Sentinel Capital, Dalfen America, Bradford Development & Port Logistics Realty. Our project review team is working with the City's Purchasing Department to upload the proposals into the Bonfire system to perform an evaluation process similar to that done with the Gateway RFQ's. Our plan will focus on inviting finalists to the July MEDC Board Meeting for formal presentations & questioning.**
- **We are working on some major prospect inquiries including Project Flying Eagle 25 for which several community leaders prepared some community video footage to be part of the response package that was submitted on 6/2.**

Business Retention/Expansion Program (BREP) Activities:

- **Working with Projects Fox III & Fishing which are both major expansion projects. Incentive agreements have been finalized & are under company review.**

Entrepreneurial Activities:

- **Have met with the leadership from the WERX & Collin College regarding the status of the RI6 grant. Additional meetings are planned to insure fulfillment of the grant requirements are achievable. MEDC has a financial commitment toward the grant project.**

Marketing/Promotion/Connections Activities:

- **MEDC staff participated in TexasOne's trade mission to Shanghai, China recently as an important component of our Asian international business development strategy. Staff will be attending the IAMC Forum & Tech Week in the UK June 10-17th. MEDC will also be participating in the SelectUSA Summit in Washington, DC June 17-20th.**
- **MEDC staff participated in the Addison Economic Development Luncheon on June 2nd to hear the head of the Dallas Federal Reserve discuss growth trends in Texas. Much was said about the robust economy, particularly here in DFW. Attracting, developing & sustaining the talent pool to fuel our growth was a strong theme in the conversation.**

Research Activities:

- **The MEDC Board approved the 5 year strategic plan at its May meeting & the plan is being presented to the City Council on June 5th.**

Other:

- **Have completed the recruitment process for a new Business Development Director. Our employment offer has been accepted but there remain background checks & drug screening procedures to complete. The candidate is scheduled to join the MEDC Team on July 10th & we will coordinate an announcement soon. Recruiting is underway for the Marketing & Research Director position with a June 9th closing date for applications. We have received over 60 resumes thus far.**
- **Have submitted preliminary FY 2017-18 Budget numbers to the City's Finance Department & currently awaiting a meeting with the City Manager to discuss some supplemental requests for personnel.**

McKINNEY MEDC
Unique by nature.SM

Economic Development Highlights
Executive Vice President Liu
June 2017

Economic Development

- City of McKinney News Release "PACCAR Selects McKinney for Manufacturing Operation" was released on July 17. Dallas Business Journal and Dallas Morning News also had news coverages. Staff is continuously working with PACCAR staff for the planning of Groundbreaking in July. (City of McKinney News Release attached)

- Staff attended TexasOne World Forum for Foreign Direct Investment Business Mission in Shanghai, China. This mission is led by Texas Secretary of State Rolando B.Pablos. The Shanghai Mission is successful in meeting with private businesses and attracted media coverage in China. (Meeting Agenda, News Coverage & Photos attached)

    - Staff made a visit to Project Friends in Kunshan, a city two-hour drive from Shanghai on March 24, prior to the TexasOne Mission. Project Friends Executives visited McKinney on March 24.

    - McKinney is the one and only TexasOne member joining Secretary Pablos and Governor's Office Staff in attendance in Shanghai.

    - Staff attended twenty-seven strategic meetings with Chinese company executives and key government officials.

    - Three one-on-one media interviews by Secretary Pablos were accomplished in Shanghai including a broadcast segment by Secretary Pablos on "Money Talks", one of China's most prominent English-language programs.

    - Through the efforts by US Department of Commerce staff, Secretary Pablos hosted a Press Conference at Shanghai American Center. Secretary Pablos delivered a speech to promote the State of Texas; followed by Staff delivered a speech to promote McKinney, Texas.

Secretary Pablos closed the Press Conference with the Q&A session. There were ten Chinese media representatives including a local TV station attended the Press Conference.

- Governor's Office staff indicated this mission generated more than 100 million impressions in Shanghai as well as in Texas and are pleased with the results.

- Staff met with Korea Trade-Investment Promotion Agency (KOTRA) led by Director General Joonhwa Bin on June 1st. KOTRA has established eight agencies in the U.S. including the Dallas location. Staff promoted McKinney to KOTRA executives and expressed McKinney's interests in attracting Korean businesses to the City. (Photo attached)

- City Council Member Tracy Rath, City Council Member Chuck Branch, City Manager Paul Grimes, Assistant to City Manager Trevor Minyard, MEDC Chairman Jason Burress, Board Member Robbie Clark, President Darrell Auterson, Business Retention & Expansion (BREP) Director John Valencia, Business Development Specialist Madison Clark and Staff attended the invited Peterbuilt Denton Plant Tour on June 7th. This Advanced Manufacturing Tour with the robotic operations is impressive.

- Staff worked with Business Development Specialist Clark in responding to Project Flying Eagle 25 Request for Information (RFI). Staff led on the strategy to present the comparative advantage of McKinney in the submission of RFI.

- Staff met with Bryan Daniel, Economic Development Director, Governor's Office in Austin on June 13th. The goal of the meeting is to bring McKinney to more attention of the State-level executive staff and discuss the future collaboration opportunity in international business attraction. (Photo attached)

Marketing and Networking

- MEDC President Auterson and Staff attended the Fourth Annual Economic Development Luncheon hosted by Addison Business Association and Metrocrest Chamber of Commerce on June 2nd. The guest speaker is Robert Kaplan, President/CEO, Federal Reserve Bank of Dallas. Mr. Kaplan's speech on current national and international economy is insightful.

- MEDC Chairman Burress, President Auterson, BREP Director Valencia and Staff hosted at MEDC table at SERVE McKinney at Collin College on June 8th. This annual event is well attended. The volunteer services are highly encouraged to serve on the nineteen Boards and Commissions in McKinney.

- Staff attended Texas Economic Development Corporation Mid-Year Conference in Plano on June 8th.

Upcoming Business Mission

- 2017 SelectUSA Summitt, Washington DC, June 19.
    - ❖ Staff is honored to be invited to attend the Welcome Dinner for 100+ delegates from Taiwan by Taipei Economic and Cultural Representative Office in Washington DC on June 18th.
    - ❖ Staff will attend SelectUSA Conference on June 19th.

New Project Updates

- Project Red River – Will be discussed in Executive Session.
- Project Smart - Will be discussed in Executive Session.
- Project Flying Eagle 25 - Will be discussed in Executive Session.
- Wistron McKinney Technology Campus – Will be discussed in Executive Session.

McKINNEY TEXAS
Unique by nature.

News Release

www.McKinneyTexas.org

City of McKinney News Release
FOR IMMEDIATE RELEASE

PACCAR selects McKinney for manufacturing operation

Fortune 500 company to bring 200 jobs in six years to McKinney

McKinney, Texas (May 17, 2017) – The McKinney Economic Development Corporation (MEDC) has reached an incentive agreement with PACCAR, a Fortune 500 company, to construct a new manufacturing facility for its Dynacraft division in McKinney. The deal is expected to be finalized in the coming weeks. The City of McKinney is also participating in the incentives to the project.

PACCAR will build a 130,000 square foot manufacturing facility located at Wilmeth Road and Redbud Boulevard. Under the agreement, the company will bring 200 jobs to the community in the next six years and make capital investments of over $20 million.

PACCAR is a global technology leader in the design, manufacture and customer support of high-quality light-, medium- and heavy-duty trucks under the Kenworth, Peterbilt and DAF nameplates. PACCAR also designs and manufactures advanced diesel engines, provides financial services and information technology, and distributes truck parts related to its principal business.

"We are very pleased to welcome PACCAR to McKinney as our newest corporate citizen. This will be the start of a mutually beneficial relationship. I believe McKinney will foster an economic environment where Dynacraft's presence in our city will grow well beyond its considerable initial investment," said MEDC Board Chairman Jason Burress.

"We are excited PACCAR has chosen McKinney as the new home for the Dynacraft facility. Our city offers businesses unparalleled quality of life, excellent schools and an array of high-quality housing options that make McKinney an exceptional place to live and work," said Mayor Brian Loughmiller.

"McKinney is an excellent community for Dynacraft's new manufacturing facility," said Anthony Levi, Dynacraft general manager. "We appreciate the outstanding support from the City of McKinney and MEDC."

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About McKinney

McKinney, Texas, is unique by nature. As one of the fastest growing cities in America, McKinney has a current population of more than 168,000. The city was #1 on the list of Best Places to Live in America in 2014, published by *Money* Magazine. Established in 1848, the city is located 30 miles north of Dallas and is the county seat of Collin County. McKinney offers award-winning schools, a vibrant historic downtown, diverse housing options, a robust economy and a uniquely beautiful natural setting, with rolling hills and lush trees. Visit the city's website at www.mckinneytexas.org.

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The WORLD FORUM for Foreign Direct Investment

DELEGATE HANDBOOK

CONWAY

World Forum for FDI and Shanghai Mission

Master Briefing Book

May 22-26, 2017

TEXAS WIDE OPEN FOR BUSINESS®

Itinerary

Sunday, May 21

Various Times	**Delegation Arrives in Shanghai, China**
2:00pm	**Check-in at Le Royal Méridien Shanghai** 789 Nanjing Road East Shanghai, Shanghai, 200001, China
6:30pm	**Texas Delegation Welcome Dinner | Review of Itinerary and Logistics** Location: Ai Mei Chinese Restaurant Le Royal Méridien Shanghai, 8th Floor Restaurant phone: +8621-3318-9999 Ext. 7700 / 7707 *Reservation made for eight under Michael Chrobak.*

Monday, May 22

8:30am-12:00pm	**FDI International Training Seminar** Le Royal Méridien Shanghai • 8:30am – Registration & Breakfast • 9:00am – Welcome • 9:05am – Comparing Investment Agency Performance • 10:00am – Coffee and Connection Break • 10:15am – Data-Driven Lead Generation • 11:00am – Best Practices Session
9:30am-10:00am	**Meeting with Universal Energy and Texas Secretary of State** Location: Le Royal Méridien Shanghai Ai-Mei, 8th Floor - Private Room 26 *Optional for other delegates interested in attending the FDI Training Seminar.*
10:15am-11:00am	**Meeting with Shanghai Municipal Commission of Commerce and Texas Secretary of State** Location: Le Royal Méridien Shanghai Ai-Mei, 8th Floor - Private Room 26 *Optional for other delegates interested in attending the FDI Training Seminar.*
1:00pm-2:00pm	**Meeting with Cushman & Wakefield, Texas Secretary of State and Delegation** Location: Le Royal Méridien Shanghai Ai-Mei, 8th Floor - Private Room 26

3:00pm-4:00pm	**"Money Talks" Interview with Secretary of State** Location: Offsite at studio; address and details TBC *Tractus to scout location prior to interview.*
6:30pm-9:30pm	**World Forum for FDI Welcome Reception & Dinner** Le Royal Méridien Shanghai

Tuesday, May 23

World Forum for FDI Conference Day One

8:00am	**Registration and Breakfast**
8:45am	**Welcome & Opening Remarks**
9:00am	**Panel I – The Next 25 Years** *The last quarter century has seen breathtaking change in the global economy, backed by unprecedented technological advancements and international cooperation. What will the next 25 years bring, and how will we balance industrial growth with sustainable development?*
11:00am	**Meeting with Wison Group, Texas Secretary of State and Delegation** Location: Le Royal Méridien Shanghai Ai-Mei, 8th Floor - Private Room 26 *Optional for delegates interested in attending Panel II.*
11:00am	**Panel II – Navigating Global Disruption: Cybersecurity & Supply Chain** *Securing data and protecting intellectual property has never been more important or more challenging, and protecting global supply chains and investing in industries like agriculture and biotech are vital to our futures. How will companies and governments address these issues so critical to economies across the world?*
12:00pm	**Panel III – One Belt, One Road** *The new Silk Road Economic Belt and the 21st-century Maritime Silk Road could have a massive impact on global trade and investment. A panel of experts will give their predictions on how this might change the world.*
1:00pm	**Lunch with Cameron Werker, Principal Commercial Officer, U.S. Consulate in Shanghai and Scott Tatlock, Director, Office of China, U.S. Department of Commerce** Location: Le Royal Méridien Shanghai, Allure French Cuisine, located in hotel lobby Restaurant phone: +8621-3318-9999 Ext. 7022 *Reservation confirmed for nine people under Michael Chrobak.*

2:30pm	**Panel IV – Rise of the Robots** *Robots and artificial intelligence are replacing traditional workers across myriad industries around the world. What will this mean to future generations, and how can we best prepare for these inevitable changes?*
3:30 pm	**Meeting with Ant Financial Services Group, Texas Secretary of State and Delegation** Offsite Location: 8F Shanghai Tower 501 Tincheng Middle Road, Pudong New District
4:00pm	**Panel V – The Future of FDI** *With emerging economies slowing, China transitioning from low-end manufacturing to knowledge-based industries and a Donald Trump presidency threatening global trade, what will the near and long-term FDI landscape look like? We'll explore how disruptive new technologies and the growth in protectionism, will revolutionize employment, investment attraction and economies around the globe.*
5:00pm-8:00pm	**Alberta Night – Networking Reception** The House of Roosevelt 27 Zhongshan East 1st Rd WaiTan, Huangpu Qu, Shanghai Shi, China, 200002

Wednesday, May 24

World Forum for FDI Conference Day Two

8:30am	**Registration & Breakfast** Venue TBC
9:00am	**Panel VI – Water Wars & Climate Change** *Demand and competition for water is growing, with many experts predicting humanity will exhaust the world's clean water supply before there is a shortage of fossil fuels. Water-intensive industries will address responsible consumption of this precious resource, and discuss environmental issues and sustainable development as demand for agricultural advancement, clean water, and energy production grow across the globe.*
10:00am	**Meeting with Green Road Logistics, Texas Secretary of State and Delegation** Location: Le Royal Méridien Shanghai Ai-Mei, 8th Floor - Private Room 26
11:00am	**Panel VII – Workforce Development & Talent Acquisition** *This panel explores the role of partnerships between industry and education in preparing students and employees for the modern*

	workforce, and how companies and governments attract and retain top talent.
12:00pm	**Panel VIII – China Outbound FDI** *The growth of Chinese outbound FDI has been staggering, with 2015 outflows more than 10 times their 2005 level, making China the third-largest supplier of foreign direct investment in the world. Which countries and sectors are these investments targeting, and will new foreign currency control policies abate this trend? What does the future hold for China's global companies?*
1:00pm	**Meeting with Neo Glory, Texas Secretary of State and Delegation** Location: Le Royal Méridien Shanghai Ai-Mei, 8th Floor - Private Room 26
2:00pm	**Meeting with Pengxin Group/International Mining, Texas Secretary of State and Delegation** Location: Le Royal Méridien Shanghai Ai-Mei, 8th Floor - Private Room 26 *Optional for delegates interested in attending the Governance Lecture.*
2:00-2:30pm	**World Forum Luncheon Address – Governance Lecture**
3:00pm	**Panel IX – Economists & Executives Roundtable** *A group of leading economists, futurists and site selection experts convene for a frank and open discussion on global issues impacting FDI.*
3:30pm	**Meeting with Shanghai Sinooil Energy Holding Corporation, Texas Secretary of State and Delegation** Location: Le Royal Méridien Shanghai Ai-Mei, 8th Floor - Private Room 26 *Optional for delegates interested in attending the World Forum panel.* *Translation will be required for this meeting.*
6:30pm-9:30pm	**California Night** Cruise on the Huangpu River

Thursday, May 25

World Forum for FDI No Longer in Session

9:30am-10:30am	**Meeting with Jiangsu Government Officials, Texas Secretary of State and Delegation** Location: Le Royal Méridien Shanghai Ai-Mei, 8th Floor - Private Room 26
10:30am-12:00pm	**Meeting with Jiangsu Regional Companies, Texas Secretary of State and Delegation** Location: Le Royal Méridien Shanghai Ai-Mei, 8th Floor - Private Room 26
1:00pm	**Media Interview with Shanghai Ta Jian Information Technology Co.** Meeting with Xiaoyan XU ("Pam") and Secretary of State Location: Le Royal Méridien Shanghai Ai-Mei, 8th Floor - Private Room 26 Email: xuxiaoyanpam@126.com Cell: (+86)137-61-991-732 *Questions and bio/headshot requested. Contact information for Sam Taylor and Kirsten Olsen shared with reporter for any on-the-ground issues.*
2:00pm	**Meeting with Greenfield Capital, Texas Secretary of State and Delegation** Location: Le Royal Méridien Shanghai Ai-Mei, 8th Floor - Private Room 26

Friday, May 26

World Forum for FDI No Longer in Session

9:30am	**Media Interview with Ta Kung Pao** Meeting with "Nina" (or colleague TBD) and Secretary of State Location: Le Royal Méridien Shanghai Ai-Mei, 8th Floor - Private Room 26 Email: nimj91@163.com Cell: (+86)15221076847 *Questions and bio/headshot requested. Contact information for Sam Taylor and Kirsten Olsen shared with reporter for any on-the-ground issues.*

11:00am	**Press Conference at U.S. Consulate Shanghai Centre** Suite 532 East Tower Shanghai Centre (in the Portman Ritz-Carlton complex) 1376 Nanjing West Road 200040 Shanghai, China Phone: (86-21) 6279-7662 Contact: Felix Salazar, Information Officer SalazarFJ@state.gov *Media invite list requested.* *Secretary of State and key delegation members to give remarks and participate in photo opportunity; official press release to be distributed in Shanghai and in Texas the following morning.*
1:00pm (TBC)	**Secretary of State to Depart for Airport**
1:00pm	**Lunch Break or Possible Meeting, Texas Delegation** Location: Le Royal Méridien Shanghai
3:00pm	**Possible Business Meeting, Texas Delegation** Location: Le Royal Méridien Shanghai
5:00pm	**Possible Business Meeting, Texas Delegation** Location: Le Royal Méridien Shanghai
7:00pm	**Texas Delegation Wrap-up Dinner Meeting** Location TBD
Saturday, May 27	
Various Times	**Delegation Departs for Texas**
TO BE SCHEDULED	
TBD	**Meeting with NoNo Bank, Texas Secretary of States and Delegation** Location: Le Royal Méridien Shanghai Ai-Mei, 8th Floor - Private Room 26

Abby Liu

From: Sam Taylor <STaylor@sos.texas.gov>
Sent: Tuesday, June 6, 2017 9:24 AM
To: Michael Chrobak; Jordan Robinson; Abby Liu; Rolando B. Pablos
Cc: Robert Allen; Sam Taylor; Patience Fairbrother
Subject: GLOBAL TIMES: Texas Business Delegation Tours Shanghai To Woo Chinese Investors

Just wanted to make sure y'all saw this report from the Global Times:

http://www.globaltimes.cn/content/1050261.shtml

Texas Business Delegation Tours Shanghai To Woo Chinese Investors
By Chen Shasha
Global Times

A business delegation consisting of Texas-based executives, economic developers and government officials recently held a press conference at Shanghai American Center to share their findings and achievements during a week-long trip to China to strengthen economic ties between Shanghai and the American southern state.

Led by Texas Secretary of State Rolando B. Pablos and organized by Texas Economic Development Corporation, in partnership with the Office of Governor Greg Abbott, the trip included a series of meetings, seminars and tours with companies and government bodies in Shanghai. The delegation also attended the World Forum for Foreign Direct Investment to meet with the 300 global investment decision-makers in attendance.

Pablos said that, during their discussion with China's companies, they found many areas where they believe China and Texas can cooperate, particularly in business, academics as well as research and development of new and innovated technologies.

"China's companies expressed interest in exploring opportunities in Texas in the areas of agriculture, energy, hydrocarbon and renewable energy, biotech and financial services," said Pablos. "We are excited to begin the process of connecting China companies with opportunities in Texas for both investment and trade."

According to Pablos, as the headquarter of the about 50 of the top Fortune 500 companies, Texas has competitive advantages in doing business with China. A friendly investment environment is one of them. Texas has one of the lowest tax burdens in the US, with no corporate or personal income tax.

"We developed a pro-business environment that allows businesses to invest in a stable economy with a stable government that has fair regulation and provides fair taxation," said Pablos. "This has allowed us to become one of the top places in the world for investment."

Oil and gas

Geological distance might be a challenging part of business cooperation between Texas and China. However, the southern state claims a well-developed transportation network, including 380 airports, 16 seaports and 32 foreign trade zones to provide timely access to domestic and global markets via air, land and sea.

Two of Texas' largest cities, Dallas and Houston, have daily flights to Shanghai, Beijing and Hong Kong now. "This allows us to be here in 15 hours and ready to engage in trade and investment," said Pablos. He also said

that they would like to bring further delegations to China to explore even more possibilities for doing more business.

Texas also boasts enriched oil and gas resources and is world-renowned for its livestock breeding. In 2016, it exported $10.8 billion in goods to China, making China Texas' third-largest export destination. Oil and gas is at the top of this export list, valued at $1.7 billion last year.

Pablos mentioned that Texas is eagerly awaiting the possibility of being able to trade with China in beef and liquefied natural gas. "We are the No.1 cattle producer and gas producer in the US, so we see tremendous opportunities in cooperation and collaboration in those two particular areas," he said.

One Belt, One Road opportunities

When talking about the "One Belt, One Road" initiative proposed by President Xi Jinping, Pablos said that they are very eager to learn more about this bold initiative and believe that Texas will eventually be part of it due to the American border state's unique experiences in infrastructure, cross-border development and design engineering.

According to Pablos, Texas has historically been focused on developing infrastructure, using the Interstate Highway System introduced by former president Eisenhower in 1956 as an example. It has numerous seaports and ports of entry that open to Mexico, their neighbor to the south, as well as roads leading directly to Canada in the north.

"We have many engineering companies, many experts who understand what it takes to create a transnational trade belt as the one proposed by President Xi," said Pablos. "We would like to add value to the effort if the initiative does what it intends to do, which is to bring prosperity to many nations and ultimately to the rest of the world."

Considering the vast cultural differences between China and the southern region of the US, Pablos believes that the most important part of this planned cooperation is to better understand each other. "We are here to better understand today's environment and what it is that China is going to do in particularly in investment and trade," Pablos said.

Pablos added that, beyond its iconic stereotype of cowboy hats, pickup trucks and oil wells, Texas, as a very progressive economy, is quite developed and diversified in agriculture, medicine, manufacturing and technology. "We encourage you to see that, in addition to the West and East coasts of the United States, we also have a third coast - the Gulf coast of Mexico, where we have our ports."

TexasOne World Forum Business Mission
LED BY TEXAS SECRETARY OF STATE PABLOS

Shanghai, China | May 2017

Texas Secretary of State Rolando B. Pablos and MEDC Executive Vice President Abby Liu
A week-long visit in Shanghai to promote strengthened economic ties between China and Texas.

Texas Secretary of State R. Pablos, MEDC EVP Abby Liu and the Secretary's Staff

The delegation included representatives from Texas Economic Development Corporation, the Office of Secretary of State Rolando B. Pablos and the Office of Governor Greg Abbott and Abby Liu, Executive Vice President of McKinney Economic Development Corporation. The McKinney Economic Development Corporation served as the sole TexasOne member joining the mission in Shanghai.

The team was featured on "Money Talks," a television program, where Secretary Pablos was interviewed to promote the State of Texas.
(https://www.youtube.com/watch?v=jgUGPL_PYwI)

The trip included a series of meetings, seminars and tours with top companies and government bodies. The delegation, pictured above, is at the Texas booth at The World Forum for Foreign Direct Investment.

Both Texas Secretary Pablos and MEDC EVP Abby Liu spoke at the Press Conference at Shanghai American Center for the attendance of ten Chinese local medias including one TV station. The Press Conference is arranged through the efforts by the US Department of Commerce staff in Shanghai. EVP Liu promoted the City of McKinney as well as the State of Texas during her speech.

Korea Trade-Investment Promotion Agency (KOTRA) Meeting

McKinney, TX | June 1, 2017

MEDC Executive Vice President Abby Liu, MEDC and KOTRA Director General Joonhwa Bin & staff

Meeting with Texas Governor's Office Executive

Austin, TX | June 13, 2017

Abby Liu, Executive Vice President, MEDC and Bryan Daniel, Executive Director of the State of Texas Economic Development and Tourism Division

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

June 12, 2017

To: MEDC Board

From: John Valencia

Director of BRE & ET Programs

Subject: June 20, 2017 MEDC Board Meeting; BREP Report/Update

Business Retention & Expansion Program

The following are update:

- Blount continues with their soup cup line installation. They are in the process of a customer run and first delivery, so the last push is on! Schedule is still behind original timeline, but they are pushing. They do have two of their five pound bag lines up and running, with two more on deck. Labor continues to really haunt them in finding workforce.

- Simpson Strong-Tie expansion continues. Phase 2, the new training and office center is up and running and most have moved in. Formal CO is still in the works, but progressing. Phase 3, expanded warehouse/shipping area is under construction now and pad is done. The tilt walls are going up on the NE corner and some steel has been delivered. The CO on this phase is scheduled for November 20th.

- Lone Star Reel continues to be worked on the document side. Still…

- New Retention & Expansion opportunity is in discussion. Initial talks are for a Class A office building in the 80-100K sf range. More to come.

Also here please see http://mckinneytexas.org/1046/Development-Reports to find the McKinney at a Glance Development report for May. This is produced by the Planning Department and is quite comprehensive of what is happening in McKinney. I'm hoping you take a look as it really contains a wealth of information.

New Business / Other Business

Our office staff efforts here continue to share new business opportunities.

Salesforce - As we worked through or strategic planning process it became more and more evident that our Salesforce tool would become invaluable. To this end, Salesforce is now an active, dynamic part of our daily routine. Most activities involve correspondence and actions with our current and future

clients and projects. It's an evolution here in the office, but one that will pay off very well going forward.

CoStar - With our new subscription to CoStar, this too will become an invaluable tool for us. On May 31st we had a training session in our continuing effort to learn all its capabilities. Wow! What a wealth of information we now have at our fingertips. By no means do we know it all, but little by little in using it and more training, it will prove itself here in our office.

Emerging Technology

With the MEDC working on a Strategic Plan with the TadZo Team, this program as we know it is in the discussion stage and under evaluation. It might evolve differently than it is today. We believe that this type of effort and initiative is important in our community, but just how it all plays out, is still being considered.

The Team here continues to work hard in promoting our wonderful community!

Respectfully Submitted,

John Valencia

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

17-613

TITLE:	Consider/Discuss a Proposed FY18 Budget for Submission to the City Manager for Review

SUPPORTING MATERIALS:

Proposed FY18 Budget

MEDC Budget - FY 17-18		
Revenue	Sales Tax	$ 12,232,271.67
	Interest	$ 275,000.00
	Total Revenue	**$ 12,507,271.67**
Admin & Op Expense	Personnel	$ 1,103,103.00
	Supplies	$ 33,700.00
	Maintenance	$ 29,000.00
	Services/Sundry	$ 493,500.00
	Capital	$ -
	Advertising and Promotion, Marketing, Events, Sponsorship, Recognition	$ 310,000.00
	Other Legal Fees (general & pre-project)	$ 100,000.00
	Information Service Fee	$ 5,219.00
	Total Adm & Ops	**$ 2,074,522.00**
MEDC Non-Departmental	Transfer to MEDC I&S Fund	$ 2,418,187.00
	(2002 & 2011 bonds)	
	Administrative Fee to General Fund	$ 290,000.00
	Transfer to Risk/Ins. Fund (WC/Liab. Ins.)	$ 1,708.00
	Total MEDC Non-Departmental	**$ 2,709,895.00**
Project Costs and Fees	Projects	$ 6,977,486.00
	Ret. Fee/Prof. Service	$ 100,000.00
	Auditing/Accounting Fee	$ 10,000.00
	Other Legal Fees (post-project)	$ 40,000.00
	Total Project Costs & Fees	**$ 7,127,486.00**
	Total Expense	**$ 11,911,903.00**
Net available for grants		**$ 595,368.67**

17-614

TITLE: Consider/Discuss TIRZ Overlay Incentive Opportunities

SUPPORTING MATERIALS:

17-615

TITLE: Consider/Discuss/Act on May Financials

SUPPORTING MATERIALS:

May Financials
May Checks Issued

McKinney Economic Development Corporation

Summary Operating Statement

May 2017 (67% of FY Complete)

Revenues	FY17 Adopted Budget	Monthly Actual	YTD Actual	Remaining Budget	Budget Received	Monthly Comparison: Monthly Budget	Monthly Comparison: Monthly Variance	YTD Comparison: YTD Budget	YTD Comparison: YTD Variance
Sales Tax	$ 10,750,000	$ 1,208,091	$ 8,410,754	$ 2,339,246	78.2%	$ 895,833	$ 312,258	$ 7,166,667	$ 1,244,088
Interest Income	75,300	28,721	173,747	(98,447)	230.7%	6,275	22,446	50,200	123,547
Total Revenues	**$ 10,825,300**	**$ 1,236,812**	**$ 8,584,501**	**$ 2,240,799**	**79.3%**	**$ 902,108**	**$ 334,704**	**$ 7,216,867**	**$ 1,367,635**

Expenditures	FY17 Adopted Budget	Monthly Actual	YTD Actual	Remaining Budget	Budget Spent	Monthly Budget	Monthly Variance	YTD Budget	YTD Variance
MEDC Operations									
Personnel	$ 878,819	$ 53,350	$ 580,992	$ 297,827	66.1%	$ 73,235	$ 19,885	$ 585,879	$ 4,887
Supplies	58,000	891	14,681	43,319	25.3%	4,833	3,943	38,667	23,986
Maintenance	29,000	-	-	29,000	0.0%	2,417	2,417	19,333	19,333
Services/Sundry	871,519	67,298	430,911	440,608	49.4%	72,627	5,329	581,013	150,102
Total MEDC Operational Exp.	**$ 1,837,338**	**$ 121,538**	**$ 1,026,584**	**$ 810,754**	**55.9%**	**$ 153,112**	**$ 31,573**	**$ 1,224,892**	**$ 198,308**
Projects									
Committed Projects	$ 11,817,086	$ 205,000	$ 539,515	$ 11,277,571	4.6%	$ 984,757	$ 779,757	$ 7,878,057	$ 7,338,542
Other Project Expenses	140,000	-	1,994	138,007	1.4%	11,667	11,667	93,333	91,340
Total Project Expenses	**$ 11,957,086**	**$ 205,000**	**$ 541,509**	**$ 11,415,578**	**4.5%**	**$ 996,424**	**$ 791,424**	**$ 7,971,391**	**$ 7,429,882**
Non-Departmental									
Other - Adm Fee	$ 290,000	$ 24,167	$ 193,333	$ 96,667	66.7%	$ 24,167	$ -	$ 193,333	$ -
Bond Issuance Costs	-	-	54,792	(54,792)		-	-	-	(54,792)
Insurance & Risk Fund	1,708	142	1,139	569	66.7%	142	-	1,139	-
MEDC I & S Fund	2,405,887	200,491	1,603,925	801,962	66.7%	200,491	-	1,603,925	-
Total Non-Departmental Expenses	**$ 2,697,595**	**$ 224,800**	**$ 1,853,189**	**$ 844,406**	**68.7%**	**$ 226,883**	**$ 2,083**	**$ 1,798,397**	**$ (54,792)**
Total Expenses	**$ 16,492,019**	**$ 551,338**	**$ 3,421,281**	**$ 13,070,738**	**20.7%**	**$ 1,376,418**	**$ 825,080**	**$ 10,994,679**	**$ 7,573,398**
Net	**$ (5,666,719)**	**$ 685,474**	**$ 5,163,220**			**$ (474,310)**	**$ 1,159,784**	**$ (3,777,813)**	**$ 8,941,033**

FY17 Beginning Fund Balance	**$ 31,518,766**
Add FY17 Budgeted Revenue	**10,825,300**
Less FY17 Budgeted Expense	**(16,492,019)**
FY17 Proj. End Fund Balance	**$ 25,852,047**

Debt Service / Project Details

May 2017

Debt Service Payments	Project Code	FY17 Adopted Budget	FY17 Budget Transfers	Monthly Actual	YTD Actual	Remaining Budget	YTD Budget Spent
Gateway	E00010	946,765	-	78,897	631,177	315,588	66.7%
University Park	E97030	824,159	-	68,680	549,439	274,720	66.7%
Replacement Runway	n/a	634,963	-	52,914	423,309	211,654	66.7%
Total Debt Service Payments		**$ 2,405,887**	**$ -**	**$ 200,491**	**$ 1,603,925**	**$ 801,962**	**66.7%**

Committed Projects		FY17 Adopted Budget	FY17 Budget Transfers	Monthly Actual	YTD Actual	Remaining Budget	YTD Budget Disbursed
Perfectly Green	E12019	110,000	-	-	-	110,000	0.0%
Raytheon	E13005	1,530,000	-	-	-	1,530,000	0.0%
Statlab	E13007	157,500	-	-	-	157,500	0.0%
Hisun	E13011	126,000	-	-	-	126,000	0.0%
Wistron II	E14002	240,000	-	-	-	240,000	0.0%
O'Hara Flying Service	E14003	120,000	-	-	24,000	96,000	20.0%
Ag-Power, Inc	E14004	160,000	-	-	-	160,000	0.0%
Project Brown - UPS	E14009	-	85,000	-	85,000	-	100.0%
Headington Energy	E14010	160,000	-	-	-	160,000	0.0%
Playful	E14016	75,000	-	-	75,000	-	100.0%
Encore Wire	E14017	930,000	-	-	-	930,000	0.0%
AIM	E14021	69,000	-	-	-	69,000	0.0%
Popular Ink II	E15005	24,000	-	-	-	24,000	0.0%
Wright IMC	E15007	108,000	-	-	-	108,000	0.0%
Accent Care	E15008	169,020	-	-	-	169,020	0.0%
Horizon Data Center	E15010	256,000	-	205,000	205,000	51,000	80.1%
Blount Fine Food Corp	E16001	510,000	-	-	-	510,000	0.0%
Cookies-N-Milk	E16002	44,480	-	-	-	44,480	0.0%
Werx (Grant Match)	E17001	-	162,145	-	54,048	108,097	33.3%
SFMC	E17002	-	768,000	-	-	768,000	0.0%
TPUSA	E17003	-	610,000	-	-	610,000	0.0%
Paccar	E17004	-	3,300,000	-	-	3,300,000	0.0%
Cotiviti USA	E17005	-	792,000	-	-	792,000	0.0%
Simpson Strong Tie	E17006	-	467,000	-	-	467,000	0.0%
Undesignated FY 17		6,477,486	(6,184,145)	-	-	293,341	0.0%
Total Committed Projects		**$ 11,266,486**	**$ -**	**$ 205,000**	**$ 443,048**	**$ 10,823,438**	**3.9%**

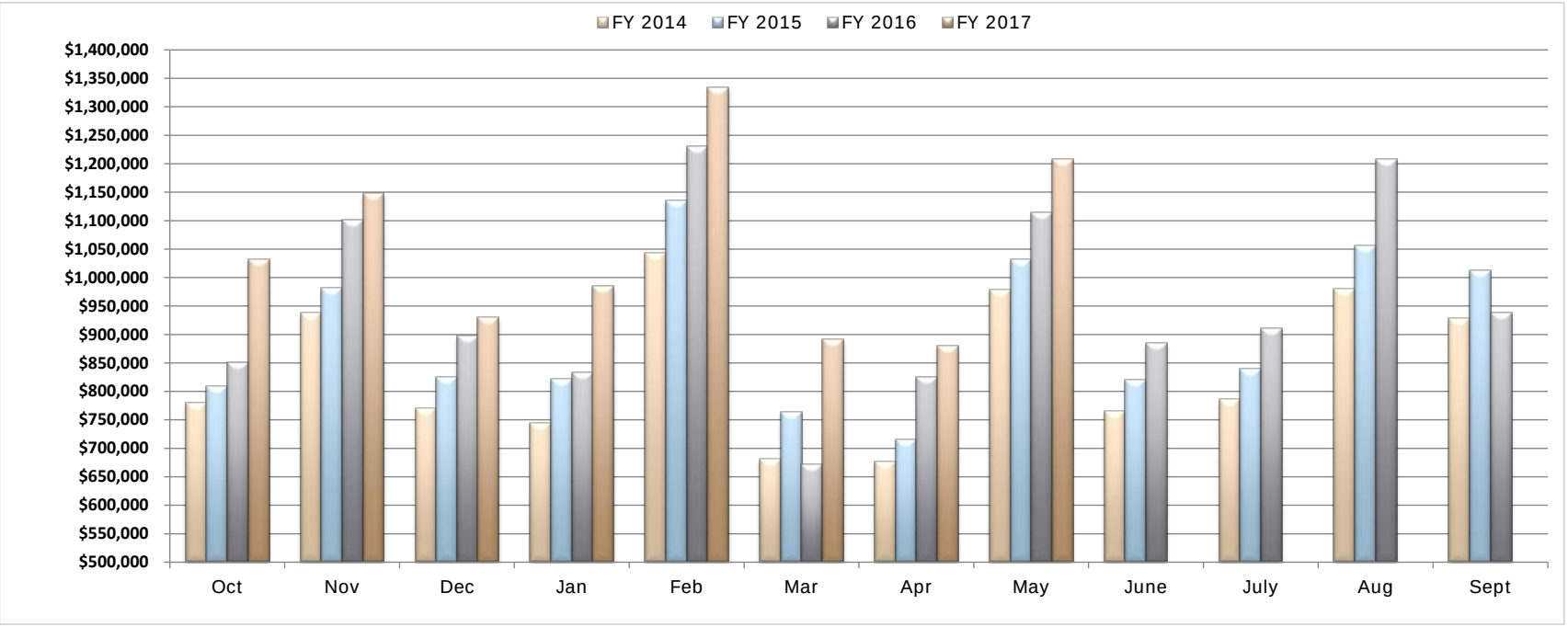
Emerging Technologies		FY17 Adopted Budget	FY17 Budget Transfers	Monthly Actual	YTD Actual	Remaining Budget	YTD Budget Disbursed
Munzee	E14015	-	4,167	-	4,167	-	100.0%
Tupps Brewery	E14019	-	12,500	-	12,500	-	100.0%
Werx in McKinney Inc,	E15001	23,000	47,000	-	70,000	-	100.0%
Pest Routes	E15006	27,600	-	-	9,800	17,800	35.5%
Undesignated FY 17		500,000	(63,667)	-	-	436,333	0.0%
Total Emerging Technologies		**$ 550,600**	**$ -**	**$ -**	**$ 96,467**	**$ 454,133**	**17.5%**
Total Projects		**$ 11,817,086**	**$ -**	**$ -**	**$ 539,515**	**$ 11,277,571**	**4.6%**

McKinney Economic Development Corporation

Sales Tax Revenue

May 2017

Month Received	FY 2012 Received	FY 2013 Received	FY 2014 Received	FY 2015 Received	FY 2016 Received	FY 2017 Received	Difference to FY 2016	Variance to FY 2016	% of Budget
October	$677,019	$716,718	$780,694	$809,613	$851,178	**$1,032,847**	**$181,669**	**21.3%**	**9.6%**
November	788,763	1,039,163	938,090	982,351	1,101,106	**1,148,939**	**$47,832**	**4.3%**	**20.3%**
December	590,569	722,045	770,221	826,009	897,304	**929,699**	**$32,395**	**3.6%**	**28.9%**
January	652,773	669,397	744,988	821,731	833,503	**985,393**	**$151,890**	**18.2%**	**38.1%**
February	900,507	1,231,993	1,043,205	1,136,044	1,231,183	**1,334,043**	**$102,860**	**8.4%**	**50.5%**
March	582,592	666,620	681,914	764,445	671,518	**891,649**	**$220,131**	**32.8%**	**58.8%**
April	563,639	676,334	677,086	716,258	825,953	**880,093**	**$54,139**	**6.6%**	**67.0%**
May	837,767	903,002	978,399	1,031,572	1,114,575	**1,208,091**	**$93,516**	**8.4%**	**68.6%**
June	646,007	703,897	765,309	820,908	884,501				
July	678,542	694,500	787,000	840,355	910,886				
August	845,911	951,437	980,251	1,055,774	1,207,558				
September	995,666	725,552	928,323	1,013,186	938,767				
Total	**$8,759,753**	**$9,700,659**	**$10,075,479**	**$10,818,246**	**$11,468,033**	**$8,410,754**	**$884,434**	**11.8%**	**78.2%**

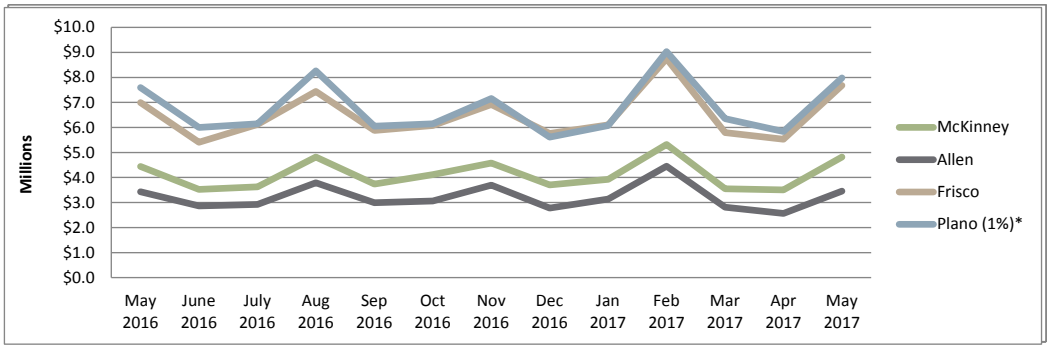


TOTAL SALES TAX COLLECTED

Sister City Comparison

May 2017	McKinney	Allen	Frisco	Plano (1%)*
Diff to LY	$373,241	$27,698	$683,125	$384,269
Var to LY	8.4%	0.8%	9.8%	5.1%

Year To Date	McKinney	Allen	Frisco	Plano (1%)*
Diff to LY	$3,533,364	$1,533,307	$2,394,487	$3,125,837
Var to LY	11.8%	6.3%	4.8%	6.1%



Year-to-Date Collections

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**

FY 2017	McKinney	Allen	Frisco	Plano 1% *
Oct 2016	$4,116,182	$3,061,944	$6,075,708	$6,150,300
Nov 2016	4,580,493	3,694,686	6,916,761	7,160,454
Dec 2016	3,703,478	2,778,371	5,757,723	5,614,224
Jan 2017	3,926,250	3,140,385	6,099,342	6,077,156
Feb 2017	5,320,725	4,451,976	8,750,238	9,031,811
Mar 2017	3,551,101	2,809,013	5,794,852	6,352,638
Apr 2017	3,504,877	2,564,044	5,530,571	5,834,092
May 2017	**4,816,789**	**3,455,179**	**7,678,904**	**7,979,585**
FY 2017 Total	**$33,519,894**	**$25,955,597**	**$52,604,097**	**$54,200,261**

** 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 2017

	MEDC Operations	Interest and Sinking	Reserve Fund	Long-Term Debt	General Fixed Assets	Total
Assets						
Cash and Cash Equivalents	$ 738,030	$ 1,528,450	$ 9,880	$ -	$ -	$ 2,276,360
Investment Pools	33,775,986	-	1,523,626	-	-	35,299,611
Accounts Receivable/Other Taxes & Franchise Fees	2,177,970	-	-	-	-	2,177,970
Deposits/Security Deposits	5,528	-	-	-	-	5,528
Deferred Charges/Prepaid Items	8,023	-	-	-	-	8,023
Land	-	-	-	-	15,007,272	15,007,272
Land Improvements (Net of Depreciation)	-	-	-	-	16,111	16,111
Machinery & Equipment (Net of Depreciation)	-	-	-	-	897	897
GASB 68 TMRS/Actuarial	-	-	-	15,101	-	15,101
GASB 68 TMRS/Investment	-	-	-	110,441	-	110,441
GASB 68 TMRS/Contributions	-	-	-	69,624	-	69,624
Total Assets	**$ 36,705,537**	**$ 1,528,450**	**$ 1,533,506**	**$ 195,166**	**$ 15,024,280**	**$ 54,986,938**
Other Debits						
Amount Available for Debt Service	$ -	$ -	$ -	$ 1,600,637	$ -	$ 1,600,637
Amount Provided for Retirement of Long-term Debt	-	-	-	13,022,385	-	13,022,385
Total Other Debits	**$ -**	**$ -**	**$ -**	**$ 14,623,021**	**$ -**	**$ 14,623,021**
Total Assets and Other Debits	**$ 36,705,537**	**$ 1,528,450**	**$ 1,533,506**	**$ 14,818,187**	**$ 15,024,280**	**$ 69,609,959**
Liabilities						
Vouchers Payable	$ 23,551	$ -	$ -	$ -	$ -	$ 23,551
Compensated Absences Payable	-	-	-	66,549	-	66,549
Accrued Interest Payable	-	-	-	44,383	-	44,383
Note Payable to Primary Government	-	-	-	2,423,840	-	2,423,840
Bonds Payable	-	-	-	11,820,000	-	11,820,000
TMRS Pension Liability	-	-	-	449,979	-	449,979
TMRS Actuarial Experience	-	-	-	13,436	-	13,436
Total Liabilities	**$ 23,551**	**$ -**	**$ -**	**$ 14,818,187**	**$ -**	**$ 14,841,738**
Fund Balances/Equity						
Reserve for Encumbrances	$ 46,739	$ -	$ -	$ -	$ -	$ 46,739
Unreserved Fund Balance	36,635,247	1,528,450	1,533,506	-	-	39,697,203
Investment in Capital Assets	-	-	-	-	15,024,280	15,024,280
Total Fund Balances/Equity	**$ 36,681,986**	**$ 1,528,450**	**$ 1,533,506**	**$ -**	**$ 15,024,280**	**$ 54,768,221**
Total Liabilities and Fund Balances	**$ 36,705,537**	**$ 1,528,450**	**$ 1,533,506**	**$ 14,818,187**	**$ 15,024,280**	**$ 69,609,959**

McKINNEY ECONOMIC DEVELOPMENT CORPORATION

Checks Issued: May 2017

DATE	NUMBER	DESCRIPTION	AMOUNT	FPO #	PO #
5/1/2017	1078	Foliage Design (Monthly Plant Service)	$105.00		170049
5/1/2017	1079	TadZo Consulting Service (Strategic Planning Facilitator)	$8,000.00		170947
5/1/2017	1080	J. Valencia (April Mileage Reimbursement)	$209.19	F33110	
5/2/2017	1081	OfficeTeam (S Coleman Temp Services)	$693.00		171234
5/2/2017	1082	Mileage (A. Liu)	$83.32	F33123	
5/2/2017	1083	OfficeTeam (S Coleman Temp Services)	$693.00		171234
5/3/2017	1084	OfficeTeam (S Coleman Temp Services)	$693.00		171234
5/4/2017	1085	Intrn'l Economic Development Coucil (A. Liu Annual Membership)	$5,250.00	F33136	
5/9/2017	1086	NTCAR Exhibit Booth	$2,500.00	F331666	
5/9/2017	1087	IAMC Membership (DA/AL/JV/MC)	$1,645.00	F33167	
5/12/2017	1088	Brown & Hofmeister LLP (Project 3-Tab)	$1,022.00	F33199	
5/12/2017	1089	Brown & Hofmeister LLP (Project UV II)	$32.00	F33198	
5/12/2017	1090	Brown & Hofmeister LLP (Project Sticky Phase II)	$128.00	F33196	
5/12/2017	1091	Brown & Hofmeister LLP (Project Charlie 2016)	$256.00	F33195	
5/12/2017	1092	Brown & Hofmeister LLP (General)	$1,552.00	F33192	
5/12/2017	1093	Brown & Hofmeister LLP (Board Meetings)	$592.00	F33191	
5/12/2017	1094	Brown & Hofmeister LLP (Project Fox III)	$976.00	F33190	
5/12/2017	1095	Brown & Hofmeister LLP (Project Red River)	$3,792.00	F33189	
5/12/2017	1096	Brown & Hofmeister LLP (Project Fishing)	$80.00	F33188	
5/12/2017	1097	Kimley Horn & Assoc (Hydrologic/Hydraulic Analysis)	$18,020.00		170745
5/12/2017	1098	OfficeTeam (S Coleman Temp Services)	$783.83		171234
5/16/2017	1099	4-D Property Maintenance (MEDC Land Maintenance)	$3,744.00		170924
5/16/2017	1100	OfficeTeam (S Coleman Temp Services)	$615.04		171234
5/19/2017	1	TEDC Workshop - K. Sipiora	$175.00	F33247	
5/19/2017	2	TEDC Workshop - S. Denny	$175.00	F33246	
5/19/2017	3	TEDC Workshop - P. Merritt	$175.00	F33245	
5/19/2017	4	MCK Chamber of Commerce (Advertising)	$3,200.00	F33244	
5/19/2017	5	Standard Coffee	$64.48		170140
5/22/2017	6	TadZo Consulting Service (Strategic Planning Facilitator)(Final)	$6,850.00		170947
5/22/2017	7	Horizon Data Center Solutions (Project #E15-010)	$205,000.00	F33261	
5/23/2017	8	Lake Forest McKinney Investors			
		Rent	$5,103.00		170165
		Electric	$362.92		170165
5/24/2017	9	OfficeTeam (S Coleman Temp Services)	$693.00		171234
5/24/2017	10	M. Clark (10/1/2016 - 12/31/2016 Mileage Reimbursement)	$137.68	F33277	
5/24/2017	11	M. Clark (1/1/17 - 4/30/17 Mileage Reimbursement)	$155.07	F33278	
5/31/2017	12	CoStar Realty Information	$2,745.00		171119

17-616

TITLE:	Consider/Discuss/Act on an Amendment to Articles V and VI and Related Sections on the Sixth Amended Bylaws of the McKinney Economic Development Corporation to Modify the Operational/Supervisory Relationship Between the President and the City Manager

SUPPORTING MATERIALS:

MEDC Sixth Amended Bylaws

RESOLUTION NO. 2016-09-131 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF McKINNEY, TEXAS, APPROVING THE SIXTH AMENDED AND RESTATED BYLAWS OF THE McKINNEY ECONOMIC DEVELOPMENT CORPORATION; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council, by this Resolution, desires to approve the Sixth Amended and Restated Bylaws of MEDC.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF McKINNEY, TEXAS, THAT:

Section 1. The City Council of the City of McKinney, Texas hereby approves of the Sixth Amended and Restated Bylaws of the McKinney Economic Development Corporation attached hereto as Exhibit A.

Section 2. This Resolution shall be in full force and effect from and after its passage and adoption.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF McKINNEY, TEXAS, ON THE 6th DAY OF SEPTEMBER, 2016.

CITY OF McKINNEY, TEXAS

BRIAN LOUGHMILLER
Mayor

ATTEST:

SANDY HART, TRMC, MMC
City Secretary
DENISE VICE, TRMC
Assistant City Secretary

APPROVED AS TO FORM:

MARK S. HOUSER
City Attorney

EXHIBIT A

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 <u>or through</u> 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 19th day of July, 2016.

Chairman of the Board of Directors

Attest:

Corporate Secretary