

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

JANUARY 15, 2019

The McKinney Economic Development Corporation met in regular session in the Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on January 15, 2019 at 8:00 am.

Board members Present: Chairman Jason Burress, Vice Chairman Paul Merritt, Secretary/Treasurer Brian Loughmiller, Patrick Cloutier, Kenneth Sipiora, and Michael Jones.

Absent: Joe Minissale

Staff Present: President Peter Tokar, Executive Vice President Abby Liu, Director of Business Retention & Expansion and Emerging Technology John Valencia, Director of Business Development Bruce Coleman, Business Development Specialist Madison Clark, Administrative Assistant Deana Smithee, MEDC Temporary Administrative Assistant Joanne Isom, MCDC President Cindy Schneible, Councilman Scott Elliott, Mayor George C. Fuller, Mayor Pro Tem Tracy Rath, City Manager Paul Grimes, Chief Financial Officer Mark Holloway, MCVB Executive Director Dee-dee Guerra, and MEDC Attorney Mark Houser

There was 1 guest present.

Chairman Burress called the meeting to order at 8:00 am after determining a quorum present.

Chairman Burress called for the Minutes of the McKinney Economic Development Corporation Meetings of December 18, 2018 and Joint Meeting of November 5, 2018. Board members unanimously approved the motion by Secretary/Treasurer Loughmiller, seconded by Vice Chairman Merritt, to approve the following consent items:

- 19-0021** Minutes of the McKinney Economic Development Corporation Meeting of December 18, 2018
- 19-0022** Minutes of the McKinney Economic Development Corporation Joint Meeting of November 5, 2018
- 19-0023** Chairman Burress called for Board and Liaison Updates.

City of McKinney: City Manager Paul Grimes announced that beginning on January 15th, City Council meetings will no longer follow the format of a work session held on Monday and Council Meeting held on Tuesday. The new format will have the work session and Council meeting on same day. The last Bond Committee meeting was held on January 9, 2019. Brian Loughmiller serves on this committee and will present a summary of the Bond Committee work tonight at the City Council meeting. The item will be on the February 5th agenda to act on whether or not to call an election for May 2019. City Council is working closely with Jennifer Pope, the Regional Census Bureau Representative, to ensure every citizen in McKinney is counted for in the 2020 Census. The Census is mandated by the US Constitution and plays an important role in allocating representation as well as financial and other resources.

Chamber of Commerce: President Lisa Hermes announced the Annual Business meeting is coming up on January 31, 2019. The topic will be Transformational Leadership. The next Leadership class will be held on January 24th. The class will be an exercise on a Simulated Society. The next Business Development Update will be on February 12, 2019. Paul Bettner and Lance Black will be on the panel and Peter Tokar will be the moderator. Ms. Hermes also announced the Community Award's Celebration will take place on February 22, 2019.

Convention & Visitors Bureau: Executive Director Dee-dee Guerra reported on November and December, 2018. In November, McKinney received great advertising for the Day Tripper. This was a Co Op done with the MCVB, City Communications, MCDC, and Main Street. Influencers with Texas Travel Talk visited in November. In December, McKinney ISD, MCVB and the McKinney Chamber all came together to host the Division II football game and it was a great success. We are working on tracking the hotel stays from the event and will have final numbers next month.

Community Development Corporation: President Cindy Schneible reported that the Pilot Grant Program for Retail Development Infrastructure opened January 1st, 2019. The grants will primarily help downtown land mark retail in an area that coincides with the cultural district designation. The grants will support infrastructure developments exterior to a building (utilities, water, drainage and sewer improvements) of up to 50% of the project cost, with a max of \$25,000 per grant and a match from the property/ business owner.

19-0024 Chairman Burress called for the Consideration/Discussion of the MEDC Staff Monthly Report.

19-0025 Chairman Burress called for the Consideration/Discussion/Action on November Financials. Chief Financial Officer Mark Holloway reported on the November Financials. He stated they are a month behind due to audit and next month you will have the December and January financials to approve as well. November financials of note reports revenue up \$1.35 million against expenses of about \$625K which consisted of normal expenses and monthly debt payment that is aggregated over the year. The sales tax is up .9% for November which is September's collections. This put us at about 2.9% for the year. When you see the December report you will see about a 10% decrease year over year, but the February financials will be the key indicator of how the year ended. Board members unanimously approved the motion by Vice Chairman Merritt, seconded by Board member Jones, to approve November Financials.

19-0026 Chairman Burress called for Consideration/Discussion/Action on New Key Performance Indicators. President Tokar presented a draft copy of the Key Performance Indicators for the upcoming year. The 3 goals for the MEDC set forth by City Council are incorporated into the draft which include: 1. Implement local employer newsletter by September 2019. 2. Develop Business Retention and Expansion networking program by September 2019. 3. Assemble core leadership team of local executives

in order to host events. Mr. Tokar reviewed the broad strategic objectives within the plan and will work with the Board to define the metrics that will go with each objective.

19-0027 Chairman Burress called for the Consideration/Discussion/Action on the Incentive Process. President Tokar presented a proposal that will allow the MEDC to present businesses interested in moving to McKinney a conditional set of incentives without requiring an application up front. This process will keep us competitive with the neighboring cities. Once a business has decided to move forward with McKinney, we will require them to complete the application and present a proposal to the Board for final approval. Board members unanimously approved the motion by Board member Cloutier, seconded by Secretary/Treasurer Loughmiller, to approve the Incentive Process.

19-0028 Chairman Burress called for the Consideration/Discussion/Action of the Annual McKinney Chamber of Commerce Community Awards. Criteria for the awards and eligible applicants were provided. President Tokar invited the Board to nominate any candidates that were not included. The Board requested adjusting criteria for the awards in 2020. President Tokar will draft new language and criteria for the awards for the Board's consideration. With a vote of 5-0-1, Board members approved the motion by Secretary/Treasurer Loughmiller, seconded by Board member Cloutier, to approve Moss Construction as the winner of the MEDC Corporate Performance Award. Board members unanimously approved the motion by Vice Chairman Merritt, seconded by Secretary/Treasurer Loughmiller, to approve Playful Corp as the winner of the Encore Wire Award.

Chairman Burress called for Citizen Comments and there were none.

Chairman Burress called for Board comments and there were none.

Chairman Burress recessed the meeting into Executive Session at 9:16 am.

In Accordance with the Texas Government Code: A. Section 551.071 (2). Consultation with General Counsel 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 551.087. Deliberation Regarding Economic Development Matters • Project Parrot • Project Elsa • Project Trumpet • Project Empire • Project Kingdom • Project Sim • Project Fife • Project Window • Hisun Motors Corp., U.S.A. C. Section 551.072. Deliberations about Real Property • Master Development Agreement by and among The City of McKinney, McKinney Economic Development Corporation, McKinney Community Development Corporation, KDC Real Estate Development & Investments, LLC, Columbus Realty Partners, LTD, and M & R Investors, LLC. I do anticipate that we will be taking action on one or more items once we return from Executive Session.

Chairman Burrress reconvened the meeting to open session at 11:14am.

Board members unanimously approved the motion by Vice Chairman Merritt, seconded by Board member Cloutier, to approve Project Parrott as discussed in executive session.

Board members unanimously approved the motion by Vice Chairman Merritt, seconded by Board member Cloutier, to approve Project Trumpet as discussed in executive session.

Board members unanimously approved the motion by Board member Jones, seconded by Vice Chairman Merritt, to approve Project Sim as discussed in executive session.

Board members unanimously approved the motion by Secretary/Treasurer Loughmiller, seconded by Board member Cloutier, to approve the Master Development Agreement as discussed in executive session.

MEDC Attorney Mark Houser informed the Board they will see an agenda posted for the Playful Corp tour taking place on Friday. Everyone is to meet here to call the meeting to order and will adjourn the meeting at Playful Corp.

Board members unanimously approved the motion by Board member Cloutier, seconded by Vice Chairman Merritt, to adjourn. Chairman Burress adjourned the meeting at 11:17 am.

JASON BURRESS
Chairman