

MCKINNEY COMMUNITY DEVELOPMENT CORPORATION

JUNE 27, 2019

The McKinney Community Development Corporation met in regular session in the Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on June 27, 2019 at 8:00 a.m.

Board members Present: Chairman Kurt Kuehn; Vice Chairman Dave Clarke; Secretary Jackie Brewer; Treasurer Rick Glew; Board Members Mary Barnes-Tilley, Kathryn McGill and Angela Richardson-Woods.

Absent: None.

City Council Members Present: Mayor George Fuller, Councilman Scott Elliott and Councilman Frederick Frazier.

Staff Present: MCDC President Cindy Schneible; City Manager Paul Grimes; Assistant Director of Parks and Recreation Ryan Mullins; Senior Financial Analyst Chance Miller; MPAC/Main Street Director Amy Rosenthal; Main Street Program Coordinator Aaron Werner; MPAC Marketing and Development Specialist Jakia Dudley-Faine; MCVB Sales Manager Vanesa Rhodes; Chief Financial Officer Mark Holloway; Assistant City Manager Barry Shelton; and MCDC Administrative and Marketing Coordinator Linda Jones.

There were several guests present.

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

- 19-0526** Chairman Kuehn called for action on the minutes of the McKinney Community Development Corporation Meeting of May 23, 2019. Board members unanimously approved a motion by Board member Barnes-Tilley, seconded by Secretary Brewer, to approve the minutes of the McKinney Community Development Corporation Meeting of May 23, 2019.

19-0527 Chairman Kuehn called for the Financial Report. Chance Miller, City of McKinney Financial Analyst, reported that revenues for May were close to \$1.4 million with expenses of about \$240,000 resulting in a net increase of about \$1.2 million, which brings the year-to-date net increase to \$8.2 million. Sales tax for the month of May was 2.6% higher than May 2018 with year-to-date sales tax collections at 4.7% over 2018. Mr. Miller asked for questions, and there were none. Chairman Kuehn asked for questions on the checks issued report, and there were none.

19-0528 Chairman Kuehn called for Board and Liaison Updates. Chairman Kuehn welcomed Frederick Frazier and Scott Elliott as MCDC's new City Council liaisons, and extended thanks to Mayor Fuller for his continued support for MCDC.

City of McKinney. City Manager Paul Grimes announced that Dynacraft (a division of PACCAR Corporation) will be relocating its corporate headquarters to McKinney from Washington state. This relocation brings 40 employees to McKinney. Dynacraft offices will be located on 80 acres on Redbud just north of University. PACCAR currently has a Peterbilt and Kenworth facility in Denton. Mr. Grimes announced that the two new City Council members are completing their final orientation today. Mr. Grimes asked for questions, and there were none.

McKinney Convention and Visitors Bureau. Vanesa Rhodes, MCVB Sales Manager, thanked the City of McKinney Marketing and Communications department for working with MCVB and submitting the MCVB website that was awarded a bronze medal at this year's Telly awards for advertising. They believe using Crowd Riff was a bonus. Ms. Rhodes acknowledged Frances LaRue from Marketing and Communications for her work on the "Ask a Local" campaign which launched June 1 and has received great feedback. Ms. Rhodes announced that TxDOT will be showing Chet Garner's Daytripper video

of his visit to McKinney at all twelve of the Travel Information Centers in Texas. Ms. Rhodes reported that National Tourism Week was a huge success, and they hosted over 115 first responders. MCVB also set up a display at the Gainesville/Denison Travel Center and saw many visitors especially from Oklahoma. Ms. Rhodes asked for questions. Chairman Kuehn congratulated MCVB on its agreement to host the NCAA Division II Championship games, and Ms. Rhodes mentioned that the Board has an economic impact study for this event to review.

McKinney Economic Development Corporation. President Schneible called attention to the MEDC report attached to the agenda and informed board members that MEDC President Peter Tokar and his wife, Melissa, welcomed a new, healthy baby boy to the family yesterday.

McKinney Main Street/MPAC. McKinney Main Street/MPAC Director Amy Rosenthal announced "Hail and Farewell" tonight at MPAC, which is an opportunity to welcome new Council members and thank outgoing members for their service. Ms. Rosenthal highlighted the upcoming events which include a concert tonight at Davis at the Square, Classics on the Square this Saturday morning (June 29), the July 4th parade next Thursday, and the Gatlin Brothers on Saturday, July 6. Ms. Rosenthal thanked Treasurer Glew for volunteering to judge parade floats. Chairman Kuehn called for questions, and there were none.

McKinney Parks and Recreation. Assistant Director of Parks and Recreation Ryan Mullins stated that Bonnie Wenk Phase II is officially open, and the grand opening was a huge success with about 1,000 people attending. He thanked the Board for its contributions and reported that the All Abilities Playground has been very well received. George Webb Park should be completed by mid-August, and dedication event will be set after it is complete. Brinkley Sargent Wiginton has been selected for the expansion design of the Apex Centre. Their recommendation will include the type and size of expansion and will also

address the timeframe of adding another facility. Old Settler's Recreation Center Phase I is underway with the remodel of the North section, so all operations are currently moved to the South section. This will switch when remodeling of the South section begins. The South section remodel will include enclosing the sports pavilion, creating a new fitness area, adding some meeting rooms and creating a new main entrance. Jammin' in June features World Piano Man, Martyn Lucas, tonight at 7:30 p.m. at Bonnie Wenk Amphitheater. Mr. Mullins also stated that Parks Bingo is going on and more than 1,000 people are playing. He reminded the Board that Red, White and Boom includes the Downtown Parade, and evening festivities at Craig Ranch that begin at 5:30 p.m. with Sunny Sweeney on stage at 8:00 p.m. There will be a lot of food options, expanded family activities and fireworks at 9:45 p.m. Mayor Fuller will speak and Maylee Thomas-Fuller will sing the National Anthem. Mr. Mullins suggested that attendees bring cash, because credit card options are not reliable; however, he stated that they are working with some vendors to expand cell coverage in the area. Chairman Kuehn asked about the prizes for Park Bingo, and Mr. Mullins stated that prizes include baskets of goodies. He added that this is the third year for Parks Bingo, and the goal is to encourage residents to visit the different parks. He added that they serve popsicles in the park every Friday from 1-3 p.m. at the Parks and Recreation office (Carey Cox Memorial Park) and attendance has been record-breaking already this year.

- 19-0529** Chairman Kuehn called for the President's Report. President Schneible encouraged the Board to review the items attached to the agenda, specifically the Empty Bowls report. Tomorrow (June 28) at 5:00 p.m. is the deadline for Project Grant applications. The next project grant cycle will open December 1. Applications for the next Retail Development grant cycle will open July 1, and grant applicants will present at the

August meeting. Ms. Schneible reminded the Board of two upcoming events that benefitted from the Promotional and Community Events grants, the Salsa Fest on July 4 and the Ice Cream Crank-off on July 21. She added that Chairman Kuehn will be judging at the Ice Cream Crank-off. Ms. Schneible asked for questions, and there were none.

- 19-0530** Chairman Kuehn called for a Public Hearing and consideration/discussion/action on Amended Project #17-04, submitted by the City of McKinney for an MCDC Loan to Craig Ranch Hotel, LLC in the amount of eight million, two hundred fifty thousand dollars (\$8,250,000) and an MCDC grant to Craig Ranch Hotel, LLC in the amount of three million dollars (\$3,000,000) for partial funding for the construction of a resort hotel; estimated project cost is one hundred twenty-two million three hundred thousand dollars (\$122,300,000); the amount requested represents 9.2% of the total estimated project cost. President Schneible reminded the Board that this is a Public Hearing and informed them that Mark Fabel will be providing an update to the Board with respect to the amended request. She added that the Board initially approved the project in 2017. Mark Fabel, Executive VP of Development with McGough Development, stated that City staff and President Schneible have been phenomenal to work with. He stated that David Craig and the City of McKinney have done a great job of creating a beautiful infrastructure around Craig Ranch. Mr. Fabel reviewed some of the components that have changed from the initial design, including angling the parking structure and wrapping conference and group space around a pre-function space, and the main drop-off is just off Collin McKinney if entering the site from the West. Mr. Fabel showed updated design images for the café off the lobby, the pre-function/outdoor conference patio, stairs to the pool area from the pre-function patio, pool area and brick oven pizza bar, and the sunken lazy river and landscaping. He

reviewed food and beverage options including live chef kitchen and specialty cocktails. Work completed to date includes: design development which is 100% complete; market study is updated and continues to support financial projections; major subcontractors are selected and design build work is initiated; land was purchased in December 2018; and City of McKinney has approved the site plan and plats. The final construction price is being finalized. In addition, Marriot Autograph branding will be unique to this site and has been approved, building and interior designs have been approved, and food and beverage branding has been approved. The construction timeline is on schedule for construction to begin Fall 2019 with an opening date in early 2021. Mr. Fabel explained that at the time of the initial grant request, documents were at a conceptual level and pricing was estimated based on general rules of thumb. With the information available today now that the project is at 100% design development, the guaranteed maximum price contract is almost complete. They are asking for additional subsidy based on the following: Project costs have increased a total of \$21 million, because of design modifications to building size, building quality, escalation of construction costs and interest reserves due to the rise of interest rates since the start of this project. Additionally, since the start of the project, interest rates have increased approximately 1% and senior debt levels have decreased from 60% to 65% loan to cost to 45% to 50% loan to cost, which impacts how much equity must be raised. These are the main components that have created a negative financial draw on returns that the equity partner requires to proceed, and the reason they are now asking for additional subsidy. Mr. Fabel expressed his appreciation to the Board and asked for questions. President Schneible reminded the Board that the \$3,000,000 grant would be awarded at certificate of occupancy and the loan would be at 3% simple interest to be repaid in a maximum of eight years. Chairman Kuehn stated that

these changes keep MCDC in a fiscally responsible position. He thanked Mr. Fabel for the thorough update, and stated that the Board is excited to see a more concrete timeline. Treasurer Glew asked if Mr. Fabel could share the name of the hotel. Mr. Fabel stated that they have a working name that is being used, but the official name has not been finalized. Mr. Glew expressed that he would like to see either "McKinney" or "Craig Ranch" referenced in the title. Mr. Fabel stated that Marriot's goal is to be unique with each hotel in the Autograph collection, but he assured Mr. Glew that those ideas are on the table. Chairman Kuehn asked for additional public comments, and there were none. Chairman Kuehn called for a motion to close the Public Hearing. Board members unanimously approved a motion by Secretary Brewer, seconded by Vice Chairman Clarke, to close the Public Hearing. Chairman Kuehn called for a motion to approve item #19-0530. Board members unanimously approved a motion by Board member Barnes-Tilley, seconded by Treasurer Glew, to approve Amended Project #17-04, submitted by the City of McKinney for an MCDC Loan to Craig Ranch Hotel, LLC in the amount of \$8,250,000 and an MCDC grant to Craig Ranch Hotel, LLC in the amount of \$3,000,000 for partial funding for the construction of a resort hotel; estimated project cost is \$122,300,000; the amount requested represents 9.2% of the total estimated project cost.

- 19-0531** Chairman Kuehn called for consideration/discussion on a Promotional and Community Event Grant application submitted by The Heritage Guild of Collin County (PC #19-09) in the amount of \$12,500 for the advertising, marketing and promotion of Historic McKinney Farmers Market, Legends of McKinney Ghost Walk, Murder Mystery Production and 2019 Holiday Home Tour. Treasurer Glew recused himself from the presentation and discussion on Agenda Item #19-0531. Heritage Guild Executive Director Jaymie Pedigo stated that their grant request for

\$12,500 represents 52% of anticipated advertising and promotion for fall and winter events and will be used for advertising in McKinney Community Impact, StarLocal Media, Stonebridge Ranch Magazine, Edible Dallas, a billboard on Central at Eldorado, Creekside Living, KLAK Radio and printed materials for each event. Ms. Pedigo shared that the Murder Mystery event will be expanded to include a matinee, lunch, dinner, and evening shows. In addition, the Ovation Academy will be partnering with the productions this year. Murder Mysteries always sell out, so they will be hosting in the chapel this year giving them the ability to seat twice as many people. Ms. Pedigo informed the Board that the Legends of McKinney Ghost Walk will be held October 25 and 26 and will include a Ghost Hunting Tour, a Spooky Scavenger Hunt, and hysterical historical dramas. This event will be back at Chestnut Square and will be expanded to multiple events throughout the weekend. Guests can choose all or some of the events, each of which is limited to about 40 guests and some are less family friendly. Ghost hunting events are hosted almost once a month at 10:00 p.m. In October, ghost hunting is every Saturday, and they will host two each evening during the Legends weekend. Ms. Pedigo reminded the Board that the Farmers Market is back at Chestnut Square and has spread out along Chestnut Street and on Chestnut Square proper providing more space between booths, which has proven to be helpful in managing the crowds especially with strollers, scooters and pets. Vendor feedback has been very positive. Ms. Pedigo added that with the help of the MCDC grant, last year's Holiday Tour of Homes welcomed record-breaking attendance. The addition of *Christmas on Chestnut*, a family-friendly event, brought in \$3,000 in additional revenues and 100 visitors who did not go on the tour. Plans for 2019 include adding a Candlelight Walk which will include a designer showcase. Ms. Pedigo asked for questions. Chairman Kuehn inquired about Heritage Guild's efforts to address McKinney's changing

demographics and advertise to new residents. Ms. Pedigo has already started talking to residents who weren't aware of everything Chestnut Square has to offer, and is considering ways to broaden their promotional reach. Vice Chairman Clarke congratulated Ms. Pedigo on the very positive *Dallas Morning News* article about the Farmers Market. Board member McGill gave compliments on all the updates to Chestnut Square. Vice Chairman Clarke also asked if there is a wait list for market vendors, and Ms. Pedigo stated that there is not a wait list, but there are often spots for those who want to come every other week or less often. Chairman Kuehn thanked Ms. Pedigo for sharing with the Board. Treasurer Glew returned to the dais after the presentation and discussion of this item.

- 19-0532** Chairman Kuehn called for consideration/discussion on a Promotional and Community Event Grant application submitted by Crape Myrtle Trails of McKinney Foundation (PC #19-11) in the amount of \$15,000 for the advertising, marketing and promotion of the 2019 Crape Myrtle Run and Festival. Phil Wheat, President of Crape Myrtle Trails Foundation, opened with a photo of the student who won last year's pig costume contest. He reminded the Board that coaches and administrators from schools with the most runner registrants get to kiss Myrtle the Pig. Mr. Wheat reminded the Board that the run is the Foundation's only fund-raising event, and MCDC is their major sponsor. Last year, they were able to donate \$14,000 to MISD students, with about \$5,000 of that going to PE departments who receive \$5 for every student who registers. The remaining \$11,000 was used to purchase a one gallon crape myrtle for every MISD fifth grade student to take home for Mother's Day. Mr. Wheat spoke compassionately about the Mother's Day program, stating that about one-third of the students don't have a father at home to take them Mother's Day shopping. He added that City Manager Paul Grimes

consistently helps pass out these crape myrtles to students. Mr. Wheat stated that in 2018, the return on investment was more than 275.5%, and they hope to increase that for 2019. Their goal is to increase registrations by 10% by reaching beyond Texas. Since the run is the weekend of Oktoberfest, they plan to work with Main Street to cross-promote the run and Oktoberfest by providing some special Oktoberfest promotions including food/beverage tickets and local hotel discounts to each runner under the theme of a "Run, Stay & Play" campaign. In addition to the financial benefits, the World Collection Park and Crape Myrtle Trails attract visitors from a broad geographic area and continues to receive notoriety as international attractions. He reported that McKinney has been named "America's Crape Myrtle City" by the U.S. Congress. A new logo has been created and a video of the park is being created to celebrate this distinction. Mr. Wheat expressed his gratitude to city staff and management, including MCDC and the Parks Department and City Council, for their heart and soul. Mr. Wheat reminded the Board that the Crape Myrtle Run contributes to McKinney's business development, culture, tourism and family tradition, and that promoting McKinney as America's Crape Myrtle City adds to the recognition of McKinney as being Unique by Nature. Mr. Wheat asked for questions. Chairman Kuehn asked about how much advertising is done directly to MISD and other districts. Mr. Wheat replied that much of their promotion has been done via one-on-one relationships with MISD's athletics staff. Treasurer Glew asked about the amount of the grant awarded last year and what will be done differently this year. Mr. Wheat stated that they were awarded \$8,000 last year. Treasurer Glew asked if 1,100 was a true estimate of the number of runners, and Mr. Wheat clarified that 1,100 runners will bring in three times that in actual attendees. Mr. Kuehn acknowledged that this is a strong event that includes residents from all

over McKinney. Chairman Kuehn thanked Mr. Wheat for his presentation.

19-0533 Chairman Kuehn called for consideration/discussion on a Promotional and Community Event Grant application submitted by Direction 61:3 (PC #19-12) in the amount of \$5,000 for the advertising, marketing and promotion of the 2019 Christmas Mosaix Concert. Executive Director Myron Wilson stated that Direction 61:3 is a non-profit organization with two homes in McKinney that helps kids who age out of foster care to keep from being homeless and trafficked in sex trade. He added that he is also a professional musician. For the past two years, Direction 61:3 has conducted a production at The Guitar Sanctuary which included participation from George and Maylee Fuller. They are seeking to have an event that would showcase local professionals, the Texas State Honor Choir and a combined church gospel choir. They are working with MISD to host the event at the new MISD Performing Arts Complex. Plans are to host two concerts, a matinee and an evening concert. The program would include ads from local businesses. Mr. Wilson is confident they can achieve maximum attendance of 2,000 for each of the two concerts. The plan is for this to be an annual event that attracts people from all over the Metroplex. Mr. Wilson asked for questions, and there were none. Chairman Kuehn thanked Mr. Wilson for his presentation.

19-0534 Chairman Kuehn called for consideration/discussion on a Promotional and Community Event Grant application submitted by McKinney Rotary Foundation (PC #19-13) in the amount of \$7,500 for the advertising, marketing and promotion of the 2019 Rotary Parade of Lights. Rotarian and Parade Co-Chair Rob Thomas stated that this year's parade will be on December 14, and the theme is *A Hometown Christmas*. He added that the parade promotes McKinney and draws people from all over North Texas who dine and shop while here for the parade. The 2017

parade had 68 floats plus marching groups and hosted between 10,000 and 15,000 attendees. The 2018 numbers were down because of rescheduling due to weather. He stated that even with the weather and rescheduling last year, the profit of \$6,927 was higher than previous years. For the 2019 parade, they have set a contingency date of December 21. Mr. Thomas stated that the plan for this year is to increase marketing and advertising to generate an even better net profit going forward. Marketing strategy is to start advertising earlier this year and expand efforts, particularly social media, towards the entire Metroplex. Promotional plans include radio, newspaper, posters, yard signs, social media and MPAC banners. Cost of the 2019 will be around \$11,000, and the Rotary Club will solicit local businesses to assist with fund-raising, but they look forward to the 20th Annual Parade of Lights sponsored by the MCDC. Mr. Thomas asked for questions. Chairman Kuehn complimented the Rotary Club on the fantastic job they do every year on this event, and Treasurer Glew stated his appreciation of their established plans to include a back-up date on the calendar. Chairman Kuehn thanked Mr. Thomas for his presentation.

- 19-0535** Chairman Kuehn called for consideration/discussion on a Promotional and Community Event Grant application submitted by SBG Hospitality (PC #19-14) in the amount of \$15,000 for the advertising, marketing and promotion of the 2019 McKinney Wine and Music Festival. SBG Event Coordinator Brittney Brister announced that the third annual McKinney Wine & Music Festival will be October 19 from noon to 5:00 p.m. at Adriatica Village. Ms. Brister reminded the Board that SBG Hospitality is a McKinney-based event production company that drives traffic to venues, promotes tourism, showcases local businesses, gives back to local nonprofits and provides fun, free, family-friendly activities. SBG partners with restaurants, artisans, boutiques and larger businesses to

increase their brand awareness and sales. This year's festival will feature three bands, more than 25 wineries, delicious food, 100 McKinney artists and businesses, a play zone for kids, culinary experience tent, and a grape stomping competition benefiting The Warriors Keep. The festival is free and family-friendly, but food and wine are available for purchase. The event partners with the Love Life Foundation, a McKinney-based non-profit that serves women and children in need, and The Warriors Keep, a McKinney-based veteran organization. Ms. Brister informed the Board that the 2018 festival hosted 4,000 attendees and donated \$3,500 to these two organizations. This year's attendance goal is 4,500. Ms. Brister reminded the Board that this event promotes both tourism and business growth, and they hope to grow this event with the help of MCDC. Advertising plans include print ads, radio, press releases, flyers, social media, a promotional video and the Be McKinney blog. Goals are to showcase McKinney as a unique, fun and cultural destination. The total cost of the festival is projected to be \$45,000, and SBG is asking for \$15,000 from MCDC for advertising and promotions. Success of the event will be measured by attendance, social media following and feedback from attendees, businesses, sponsors, vendors, restaurants, hotels and artists. Chairman Kuehn asked for clarification on the cost and Ms. Brister confirmed that it is free for attendees, with wine and food available for purchase. Treasurer Glew asked for an explanation of the \$5,000 to be spent on impactful social media. Ms. Brister explained that they have 500,000 impressions on the website page with 350,000 engaging on the event page. The \$5,000 for social media would be used for post boosts and ads. Mr. Glew stated that the attendance numbers are large for a relatively new event, and Ms. Brister added that the advertisement budget is crucial to continue to draw a wide range of attendees. Chairman Kuehn asked for additional comments and questions. Secretary Brewer suggested spreading out the wine locations

to decrease the lines. Ms. Brister stated that the new Adriatica venue offers a bigger footprint, and they do plan to have several wine tents scattered throughout the event this year. Chairman Kuehn thanked Ms. Brister for sharing with the Board.

- 19-0536** Chairman Kuehn called for consideration/discussion on a Promotional and Community Event Grant application submitted by McKinney Main Street (PC #19-15) in the amount of \$15,000 for the advertising, marketing and promotion of 2019 Home for the Holidays and activities associated with Small Business Saturday. Main Street Program Coordinator Aaron Werner stated Home for the Holidays is a 39-year tradition, and Retail Coach data records over 100,000 unique visitors making it the busiest week of the year for Downtown McKinney. The event draws on Downtown's best assets for an authentic, nostalgic Christmas celebration of small town America. The event includes Santa, festive foods, a variety of strolling entertainers and many special photo opportunities. Home for the Holidays supports Small Business Saturday. In 2018, *U.S. Consumer* reported \$17.8 billion was generated by individual retailers and restaurants on Small Business Saturday. Home for the Holidays is Downtown McKinney's most important event of the year, and sales often count for 30% of annual sales for local businesses. Mr. Werner stated that the North Texas area offers many high quality Christmas entertainment options, so it is important for McKinney to be marketed as a premier destination for holiday décor and shopping. Cost for the event includes entertainment, attractions, marketing, and décor, and this year's light display will have over 100,000 lights. Mr. Werner reminded the Board that this event draws visitors for the entire Christmas season. This year's entertainment following the tree lighting will feature Emerald City and Asleep at the Wheel, plus they are currently finalizing a contract with another world-class entertainer. This grant from MCDC

will allow McKinney to create the buzz needed to stand out in a crowd of options. The promotional plan includes movie theater ads, radio ads, targeted social media campaigns and other digital platforms. Success of the event will be measured through attendance, feedback from merchants and sales tax data. The holiday season is McKinney's best opportunity to spotlight our town and help fuel the economy. Mr. Werner asked for questions, and Chairman Kuehn complimented him on his presentation and acknowledged the importance of this event for residents and merchants.

- 19-0537** Chairman Kuehn called for consideration/discussion on a Promotional and Community Event Grant application submitted by McKinney Lacrosse Club (PC #19-16) in the amount of \$9,400 for the advertising, marketing and promotion of the 2019 Fall Tournament. President Owen Lancaster stated that McKinney Lacrosse Club is a non-profit sports club managed by volunteers and not affiliated with MISD. The TurLaxin' tournament was founded in 2012 and has become the premier fall youth tournament in North Texas. It draws public and private school club teams from across Texas and out-of-state and is held over three weekends. With additional fields available from the expansion of Bonnie Wenk Park, along with the Ruschhaupt fields, they are hoping to expand the number of teams that participate. Mr. Lancaster stated that TurLaxin' will promote McKinney for business and tourism. Past attendance has averaged over 3,000, creating a positive annual economic impact on hotels, restaurants and retail. McKinney recently hosted the Texas High School Lacrosse League State Championship which produced local and statewide media coverage including live-streaming games. Mr. Lancaster added that for past tournaments, marketing has been limited to word-of-mouth, but they believe there is great opportunity, with a grant from MCDC, to expand TurLaxin' team participation to include more teams from outside the

North Texas area, thus drawing even more visitors to McKinney. Chairman Kuehn commended Mr. Lancaster on the great logo design, and Mr. Lancaster responded that the logo does help with t-shirt sales which is a great source of revenue for the club. Mr. Lancaster reviewed the \$9,400 grant request, most of which will go to US Lacrosse for magazine and online ads which provides a format to reach well beyond the immediate North Texas area. Other promotional expenses include creating a website and promotional video, social media, paid word search to target clubs seeking tournaments, and regional marketing and signage. Metrics include participation from non-DFW teams and new participants to the McKinney Lacrosse Club from neighboring communities who don't have a local lacrosse club, like Anna and Melissa. After a short video from the 2018 tournament, Mr. Lancaster asked for questions. Treasurer Glew asked if there's a direct marketing list of clubs within driving distance of McKinney, and Mr. Lancaster replied that they have access to many through past tournaments and through the Texas High School Lacrosse League. There was a brief discussion on how they could create a more complete list. Board member McGill inquired about who they engage as sponsors. Mr. Lancaster replied that sponsors include Crest Cars, Dick's, Team Lax in Frisco, Cotton Hearts, ATM Market, Recover Roofing, Guitar Sanctuary and many more. Parents and board members meet one-on-one with businesses to secure sponsors. He added that they would like to expand the vendor village to include more McKinney-based businesses. Secretary Brewer asked how many additional teams they believe they can bring in with the additional marketing before reaching capacity, and Mr. Lancaster stated that they could likely bring 10 more teams on the youth boys before reaching capacity for that bracket. They are currently hosting up to 80 teams for youth boys and only 12 for high school boys teams, so there's plenty of

room for growth for the high school tournament. Chairman Kuehn thanked Mr. Lancaster for the presentation.

- 19-0538** Chairman Kuehn called for consideration/discussion on a Promotional and Community Event Grant application submitted by McKinney ISD Department of Athletics (PC #19-17) in the amount of \$15,000 for the advertising, marketing and promotion of the 2019 NCAA Division II Championship Game. Event Committee Member Angie Bado began the presentation for the request with a reminder to the board that the NCAA Division II Championship Game will be played in McKinney on December 21, 2019. Ms. Bado stated that this event is a great opportunity to showcase McKinney and its unique charm and true Texas hospitality. This event is a partnership between the City, MISD, MCVB, the Chamber of Commerce, the business community and residents. The goal of the event this year is to positively impact McKinney's tourism and economy by promoting more aggressively to out-of-state fans. Last year, time was limited because they only had eight weeks to prepare. Ms. Bado reminded the Board that out-of-state travelers stay longer and spend more money than visitors from the area. She presented that travelers spend about \$150 per day, so the addition of only 1,000 more attendees would generate a \$150,000 positive economic impact. An economic impact study shows that this one game could bring in over \$1,000,000 to the area, much of which would come from outside of McKinney. The goal is keep most of those dollars in McKinney. The weekend includes a number of events hosted by the committee including a shop and dine excursion; a fan fest; and a Tacos, Tequila and Cerveza event which allows local restaurants to feature special tacos and allows fans to vote on their favorite taco. Ms. Bado stated that digital marketing will be used to expand marketing efforts including content sharing and ads via social media channels. A grant from MCDC will provide the ability to expand

digital targeted marketing reach, generate greater digital ad presence, advertising on The Ticket, and website updates to include a “plan your trip” section. Ms. Bado added that according to the Texas Travel Industry Association, for every dollar spent on marketing you can expect to get seven dollars back on economic gain. They believe there is a potential for a \$2,000,000 positive economic impact over the period of the multi-year contract. Treasurer Glew asked who funded the advertising for this event last year, and Ms. Bado stated there was a limited amount of funding from NCAA and they anticipate receiving that again this year. Vice Chairman Clarke inquired whether ESPN will be here again this year, and Ms. Bado replied that ESPN 3 will be here. Secretary Brewer asked how far in advance they will know the teams who are playing. Ms. Bado stated that they only know the final two teams one week in advance, so they will market heavily to the final eight cities, then the final four, then an even heavier push to the final two areas. She added that there are many local marketing efforts through the schools and the City, and that all MISD families receive information about the event. Treasurer Glew commented that there were few McKinney residents at last year’s game, and that there is a huge opportunity to promote McKinney to McKinney with this event. Ms. Bado stated that they are already working with MISD and City marketing departments to promote to McKinney residents. Chairman Kuehn acknowledged that they did a great job last year even with the short timeframe. Ms. Bado added that they will be inviting the fine arts departments to participate as well. Chairman Kuehn thanked Ms. Bado for sharing the grant application with the Board.

Chairman Kuehn recessed the meeting into Executive Session at 9:48 a.m. in accordance with the Texas Government Code. Items to be discussed under Texas Government Code Section 551.072 regarding real property and Section 551.087 regarding economic development matters are:

- Project #17-04 Craig Ranch Resort Hotel & Conference

- Sheraton McKinney Hotel
- Project Elsa

Chairman Kuehn reconvened the meeting of the McKinney Community Development Corporation back into regular session at 10:23 a.m.

19-0539 Chairman Kuehn called for consideration/discussion/action regarding approval to execute the Contract of Purchase and Sale of the Sheraton McKinney Hotel Unit, McKinney Gateway Condominium, by and between the McKinney Community Development Corporation and McKinney Hotel Fee Owner LLC, a Delaware LLC. Board members unanimously approved a motion by Treasurer Glew, seconded by Vice Chairman Clarke, to execute the Contract of Purchase and Sale of the Sheraton McKinney Hotel Unit, McKinney Gateway Condominium, By and Between the McKinney Community Development Corporation and McKinney Hotel Fee Owner LLC, a Delaware LLC, as discussed in Executive Session and subject to the City Attorney's approval of documents prepared for closing.

Chairman Kuehn called for citizen comments, and there were none.

Chairman Kuehn called for Board and Commissioner comments, and there were none.

Chairman Kuehn called for a motion to adjourn. Board members unanimously approved a motion by Vice Chairman Clarke, seconded by Board member Barnes-Tilley, to adjourn. Chairman Kuehn adjourned the meeting at 10:25 a.m.

KURT KUEHN
Chairman