

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

DECEMBER 17, 2019

The McKinney Economic Development Corporation met in regular session in the Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on December 17th, 2019 at 8:00 am.

Board members Present: Chairman Kenneth Sipiora, Vice Chairman Michael Jones, Secretary/Treasurer Brian Loughmiller, Patrick Cloutier, Dr. Gere' Feltus, Joe Minissale, Tracy Rath, and alternate Bill Krueger.

Absent: None

Staff Present: President Peter Tokar, Executive Vice President Abby Liu, Senior Vice President Danny Chavez, Technology and Infrastructure Specialist Michael DePaola, MEDC Office Supervisor Deana Smithee, MEDC Administrative Assistant Joanne Isom, Mayor George C. Fuller, Mayor Pro Tem Rainey Rogers, Councilman Scott Elliott, City Manager Paul Grimes, MEDC Attorney Mark Houser, Chief Financial Officer Mark Holloway, Financial Compliance Manager Chance Miller, Visit McKinney Executive Director DeeDee Guerra, and McKinney Community Development Corporation President Cindy Schneible.

Absent: Project Manager Madison Clark

There were 2 guests present.

Chairman Sipiora called the meeting to order at 8:02 am after determining a quorum present.

Chairman Sipiora Called for Public Comments for items on the agenda and there were none.

19-1056 Chairman Sipiora called for the Minutes of the McKinney Economic Development Corporation of November 19, 2019. Board members unanimously approved the motion by Board member Feltus, seconded by Board member Cloutier, to approve the minutes.

19-1050 Chairman Sipiora called for Board and Liaison Updates. Chairman Sipiora noted the MEDC Christmas dinner and commended the staff and the Board for the work accomplished in 2019.

City of McKinney - City Manager Grimes noted Kim Flom, the new Assistant City Manager, will start on January 2, 2020. City Manager Grimes noted there will be reorganization within the City Manager's office and a new organizational chart will be posted on the website. City Manager Grimes reported the John and Judy Gay Library is currently under construction for a new addition. There will be a cross access lane connected to Nesbit Park proper from the Library. The Library will be closed January 6th – 13th due to construction.

Chamber of Commerce – President Hermes reported the Chamber office will move on December 30th. The Chamber will locate to 1700 North Redbud Street in the First United Bank Building on the 1st floor. There will be a ribbon cutting ceremony on January 29th at 4:30 pm – 6:00 pm. President Hermes also noted the Annual Business Meeting is scheduled for January 28th at the Sheraton in McKinney. President Hermes noted the Chamber is continuing joint Business, Retention, and Expansion visits with the MEDC and Visit McKinney. They have met with Dynacraft and have meetings scheduled with Aramark and Globe Life. President Hermes noted they are looking to redesign the Chamber's Website and will utilize Centipede Digital. President Hermes announced the first quarter sales results reflect the McKinney Chamber of Commerce in first place in the nation for new member sales. President Hermes also reported the Dallas Business Journal ranked the McKinney Chamber the fifth largest chamber in the Dallas region in terms of the operating budget and third largest in the number of members.

Community Development Corporation – President Schneible noted the CDC completes three cycles of project grants. They have 1.4 million allocated and are accepting applications for the first cycle through December 31st. President Schneible noted they are also accepting applications for the CDC Annual Quality-of-Life awards. The CDC

Board will award an individual and an organization. Nominations will be accepted through Friday, January 3rd. The awards will be presented at the McKinney Chamber Community Award Celebration on February 28th.

Visit McKinney - Executive Director Guerra noted Visit McKinney awarded two grants last month for promotional and advertising purposes. One grant was awarded to the Ovation Academy for the musical "Chaplain", in the amount of \$11,595.00. The other grant was awarded to the Odysseus Chamber Orchestra for \$1,700.00. Executive Director Guerra reported round two has opened for the grant cycle and the deadline is February 3rd. Presentations will be heard by the Board on February 25th and grants will be awarded on March 24th. Executive Director Guerra noted the DII football game with Minnesota State versus West Florida will be on Saturday, December 21st.

19-1052/ Chairman Sipiora called for the consideration/discussion/action on
19-1053 September and October 2019 Financials. Financial Compliance Manager Miller reported on September and October 2019 financials. Finalized September fiscal year 2019 numbers and the sales tax collected was \$50,000 higher than budgeted. Financial Compliance Manager Miller noted October's sales tax was 7.8 percent higher than last year. There was \$4.4 million in project expenditures, to include Independent Bank and McKinney Industrial Center. Financial Compliance Manager Miller noted due to Independent Bank and McKinney Industrial paying out in fiscal year 2020 instead of fiscal year 2019, there will be a reappropriation presented to the board. Board members unanimously approved the motion by Board member Cloutier, seconded by Secretary/Treasurer Loughmiller, to approve the September and October 2019 Financials.

19-1054 Chairman Sipiora called for the consideration/discussion/action on the Chamber of Commerce Awards based on nominations. President Tokar

noted there are three companies nominated by staff for the Encore Wire Award and are listed in the packet provided as A, B, or C. Board members unanimously approved the motion by Vice Chairman Jones, seconded by Secretary/Treasurer Loughmiller, to approve Company A as the winner for the Encore Wire Award. Chairman Sipiora noted there are two companies nominated by staff for the Corporate Business Award and are listed in the packet provided as A and B. Board members unanimously approved the motion by Secretary/Treasurer Loughmiller, seconded by Vice Chairman Jones, to approve Company A as the winner for the Corporate Business Award. The winners will be announced at the McKinney Chamber Community Awards Celebration on February 28th.

19-1055

Chairman Sipiora called for the consideration/discussion/action on Gazelle Software Agreement. President Tokar reported the Gazelle Software is being presented to the board by Senior Vice President Chavez. The annual cost of the software is \$15,000.00. Senior Vice President Chavez introduced Gazelle as a software platform that resources thousands of data points to make informed business decisions based on lead generation. Gazelle is back ended by ROI, a company that produces lead generation for marketing trips for economic development organizations. Senior Vice President Chavez noted Gazelle is the only platform that features trained algorithms to index companies based on their likelihood to expand. Senior Vice President Chavez noted that Gazelle heat maps at the state and county levels across 900 six digit NAICS industries. These heat maps allow users to discover density and growth based on employment, total salaries, net sales, gross profits, establishments, and average salaries. Senior Vice President Chavez noted the software will enable associates to identify growing companies in emerging industries through blended search engines. Gazelle's research team performs

over 120,000 executive interviews per year. The interviews are designed to uncover companies planning an expansion initiative within a 36-month timeframe. Senior Vice President Chavez explained Gazelle allows users to create lists of companies based on the location of the headquarters operations, as well as the location of affiliated subsidiary and branch operations. President Tokar noted the MEDC is not currently using any software that assists in lead generation. President Tokar noted the cost of Gazelle is affordable based on the competitor software and can be canceled after a year. Secretary/Treasurer Loughmiller and Board member Feltus both noted they would be interested in feedback on the software from other economic development organizations. Board members unanimously approved the motion by Board member Feltus, seconded by Secretary/Treasurer Loughmiller, to approve the Gazelle Software Agreement.

Chairman Sipiora called for Citizen Comments and there were none.

Chairman Sipiora called for Board Comments. Secretary/Treasurer Loughmiller noted the MEDC presence on social media but would like to see a presence in non-digital media. Board member Minissale requested a monthly dashboard to show trended performance metrics. Senior Vice President Chavez reported the MEDC will generate monthly dashboard reports through Salesforce beginning in January.

Chairman Sipiora recessed the meeting into Executive Session at 8:49 am.

Chairman Sipiora reconvened the meeting to open session at 9:58 am

Board members unanimously approved the motion by Board member Cloutier, seconded by Secretary/Treasurer Loughmiller, to approve Project Axe as discussed in Executive Session.

Board members unanimously approved the motion by Board member Rath, seconded by Board member Feltus, to adjourn the meeting.

Chairman Sipiora adjourned the meeting at 10:00 am.

Kenneth T. Sipiora
Chairman