

MCKINNEY COMMUNITY DEVELOPMENT CORPORATION

MAY 28, 2026

The McKinney Community Development Corporation met in regular session in the City Hall Council Chambers, 401 E. Virginia Street, McKinney, Texas, on Thursday, May 28, 2026, at 8:00 a.m.

Board Members Present: Chair George Fuller, Vice Chair David Riche, Secretary Deborah Bradford, Board Members Angela Richardson-Woods and AJ Micheletto, and Board Alternate Markus Lloyd.

Absent: Treasurer Chris Wilkes and Board Member Joy Booth.

City Council Present: Mayor Bill Cox and Councilman Rick Franklin.

Staff Present: President Cindy Schneible, City Manager Paul Grimes, Assistant City Manager Jennifer Arnold, Assistant Director of Finance Chance Miller, MEDC President Michael Kowski, Director of Parks and Recreation Amy Kinkade, Visit McKinney Digital Communications Coordinator Emily Myrick, Director of Cultural District Andrew Jones, Assistant Directors of Parks and Recreation Robert Gaylor and Erica Lyght, MEDC Operations Manager Deana Smithee, MEDC Director of Strategy and Operations Glynnis Wooldridge, MEDC Marketing and Social Media Manager Luke Gajary, MEDC Director of Business Retention and Expansion Madison Clark, MEDC Marketing and Special Events Coordinator Shannon Roberts, MEDC Economic Development Specialist Miranda Estrada, MEDC Project Manager Paula Date, Audio Visual Technician Joshua Arias, MCDC Grant Program and Marketing Manager Linda Jones, and MCDC Administrative and Marketing Coordinator Anahi Vega.

There were many guests present.

Chair Fuller called the meeting to order at 8:00 a.m. after determining a quorum was present. Attendees stood for the Pledge of Allegiance.

Chair Fuller called for public comments regarding matters not on the agenda, and there were none.

Chair Fuller called for public comments regarding matters on agenda items. Hugs Café staff members Kit Marchal and Lauren Smith spoke in support of the Hugs project and highlighted its potential to expand employment opportunities for individuals with

intellectual and developmental disabilities while enhancing the organization's impact on the community.

26-0482 Chair Fuller called for a Community Partner Spotlight from the McKinney Economic Development Corporation. President Michael Kowski shared that hosting guests during the CJ CUP Byron Nelson provides a valuable opportunity to showcase McKinney to business leaders, site selectors, and prospective investors while sharing the community's story. MEDC's role is to grow economic opportunities, while MCDC's role is to help ensure that opportunity is rooted in a community where people want to live, work, and invest. Mr. Kowski highlighted national recognition received by McKinney, including rankings among the best cities for jobs, retirement, affordability, and quality of life. The McKinney Farmers Market at Chestnut Square has also been recognized as the best farmers market in Texas for the third consecutive year. Mr. Kowski shared that the relocation of Globe Life to McKinney in 2006 was the result of a collaborative effort between MEDC and MCDC. He added that partnerships with major employers, including Raytheon, have helped bring high-quality jobs to the community. Raytheon currently employs more than 4,000 people in McKinney. Mr. Kowski highlighted several projects that demonstrate the longstanding partnership between MEDC and MCDC. District 121 was made possible through a joint effort, with MCDC funding the public park and MEDC funding the parking structure. The Sunset Amphitheater is another collaborative effort that is expected to open in 2027 and represents a \$300 million investment in the community. Cannon Beach will expand McKinney's hospitality, retail, dining, and entertainment offerings. Mr. Kowski expressed appreciation to MCDC for its partnership in supporting projects that enhance the visitor experience and contribute to McKinney's quality of life, including TUPPS Brewery and the Sheraton McKinney Hotel. McKinney National Airport commercial passenger service is anticipated to begin in

November 2026, and both MEDC and MCDC have played important roles in supporting the airport's growth and long-term vision. The McKinney advantage includes controlled growth, ecosystem building, connectivity, future infrastructure, workforce development, and livability. Mr. Kowski and Board Member Richardson-Woods attended the Smart City Expo World Congress in Barcelona to learn about ideas that could support McKinney's future growth. Chair Fuller commended Mr. Kowski for his leadership.

Chair Fuller called for a motion on consent items. Board members unanimously approved a motion by Board Member Richardson-Woods, seconded by Board Member Micheletto, to approve the following consent items:

- 26-0483** Minutes of the McKinney Community Development Corporation Meeting of April 23, 2026.
- 26-0484** Minutes of the McKinney Community Development Corporation Potential Projects Subcommittee Meeting of March 26, 2026.
- 26-0485** Chair Fuller called for the Financial Report. Assistant Director of Finance Chance Miller presented the March financials. Revenues were \$2.2 million, primarily from sales tax. Expenses were \$241,000, including \$108,000 in project expenses. Regarding sales tax, March numbers apply to January sales. Mr. Miller reported that January sales tax collections increased 2.6% compared to last year, adding that a negative audit adjustment impacted this month's collections. The true period-over-period increase was 4.8%. McKinney's year-to-date increase is 3.4%. Mr. Miller shared that the next several months are expected to show strong sales tax collections and are currently trending above the budgeted 3.5% increase. McKinney's increase of 2.6% compares to a 29.4% increase for Allen, 2.7% decrease for Plano, and an 8% increase for Frisco. Regarding the industry break-out, retail trade growth

increased by 3%, and the construction industry decreased due to a negative audit adjustment. Vice Chair Riche asked about Allen's sales tax performance, and Mr. Miller shared that his belief was that Allen's increase was largely attributed to the recent opening of Costco.

26-0486 Chair Fuller called for Board and Liaison Reports.

Board Chair. Chair Fuller shared that Board members have participated in a number of events this month and thanked them for their continued engagement and for representing MCDC in the community. Events included Empty Bowls, Airport Appreciation Lunch, LifePath Celebrate to Elevate, CASA's A Tea of Change, LoveLife Women in Service, Habitat for Humanity groundbreaking, Direction 61:3 Tour of the Farm, McKinney Roots groundbreaking, Burress Foundation Appreciation event, Smiles Charity Boots & Bling, Volunteer McKinney Executive Directors quarterly meeting, McKinney Fire Administration Building ribbon cutting, GraceToChange anniversary celebration, and CJ Cup Byron Nelson. Chair Fuller recognized community organizations for their contributions to McKinney.

City of McKinney. City Manager Paul Grimes thanked the City of McKinney Police Department, Fire Department, Visit McKinney, MEDC, and MCDC for their collaboration and support of the CJ CUP Byron Nelson. He commended the Parks and Recreation Department for coordinating the Memorial Day Ceremony at Corporal RD Foster Veterans Memorial Park. On May 11, the International Air Transport Association approved the McKinney National Airport code change to DTX. TKI will remain the airport identifier, while DTX will be used for passenger airline traffic. The Better Together initiative selected the University of Texas at Dallas as its facilitator and has begun hosting community meetings. A progress update is anticipated in June, with final recommendations and a strategic plan expected this fall. At the June 2

work session, City Council will preview and discuss three potential options for a downtown parking structure in the area identified for redevelopment. At the June regular City Council meeting that day, Council will consider utility relocation design contracts for the US 380 bypass project. The first phase is estimated at \$65 million and the second phase at \$18 million. The project is a partnership with Collin County and includes reimbursement of county bond funds issued in prior years. Other items Council will consider include design work for improvements to Tom Allen Jr. Park, a housing tax credit application, TIRZ 1 items, and a resolution of support for a McKinney Housing Finance Corporation project.

Visit McKinney. Digital Communications Coordinator Emily Myrick shared that plans are being finalized for McKinney's Summer of Soccer activities, with TUPPS Brewery serving as a community watch party location. TUPPS will feature activation spaces for all ages. Ms. Myrick added that the McKinney Experience Summer of Soccer Launch Party is on June 6 and will feature family-friendly activities, including a kid zone. Visit McKinney hosted a sports invitational conference in May, providing an opportunity for sports professionals to connect and collaborate. Ms. Myrick shared that the McKinney Experience booth at the CJ CUP Byron Nelson was successful and provided a space for some meaningful introductions and conversations. She encouraged attendees to visit the Visit McKinney website for information on America 250 events in McKinney.

McKinney Main Street/MPAC. Director Andrew Jones congratulated staff members Graham Myers and Joy Stone on the recent additions to their families. TUPPS Brewery has begun construction on its new pitch in preparation for Summer of Soccer. A downtown passport program is also underway, allowing participants to collect stickers at 30 locations throughout downtown and earn prizes from TUPPS Brewery and ProRel

Soccer Shop. Upcoming events include Texas Music Revolution on June 5-6. America 250 decorations are being installed throughout downtown. The McKinney National Airport art mural project has received more than 50 submissions. A trolley tracking system is currently being tested that will allow riders to view the trolley's location by scanning QR codes at trolley stops. Main Street is partnering with Formed Works to provide retail design consultations for downtown merchants. Board Member Micheletto thanked Mr. Jones and his team for their efforts in Texas Music Revolution.

McKinney Parks and Recreation. Director Amy Kinkade Director Amy Kinkade thanked those who attended the MCDC/PROS joint meeting on May 14. She added that the Memorial Day Ceremony was a success and commended Parks and Recreation staff for their efforts and thanked all who attended the event. Apex Centre reported 202 memberships sold, 707 day-passes, and a 15% increase in revenue compared to last summer. Fence replacement at the Gilda Garcia Garza Aquatic Center is nearing completion and is expected to reopen soon. The dragon inflatable at Juanita Maxfield Aquatic Center has been replaced. On Memorial Day, the Apex Centre welcomed more than 700 visitors during its first two hours of operation. Upcoming events include Splash Into Summer at the Gilda Garcia Garza Aquatic Center, the Juneteenth Celebration on June 13 from 5:00 p.m. to 10:00 p.m. at Finch Park featuring a DJ and live band, and the Fourth of July celebration at Towne Lake Park with a fireworks show. Ms. Kinkade added that the goats have returned and will be working from Towne Lake Park to Al Ruschhaupt through June 20. Board Alternate Lloyd congratulated Ms. Kinkade on her Leadership McKinney graduation, and Ms. Kinkade congratulated him on his graduation as well.

26-0487 Chair Fuller called for the President's Report. President Schneible commended Aaron Werner and the Visit McKinney team for their efforts in creating the McKinney Experience booth at the CJ CUP Byron Nelson and recognized volunteers who staffed it including Linda Jones and Anahi Vega. Lelo's Coffee has received its certificate of occupancy and will announce a grand opening soon. Ms. Schneible shared that MCDC is excited to join as a sponsor of the McKinney Experience Summer of Soccer. She shared that TUPPS Brewery was featured on the CBS streaming program America By Design. Promotional and Community Event Grant applications are due May 29. The final Project Grant cycle will open on June 1. She thanked Michael Kowski and the MEDC team for their collaborative partnership through the years. Upcoming MCDC grant-funded events include ManeGait Live Country Fair on May 30, MillHouse Makers Market on June 13, and the SBG McKinney Craft Beer Walk on June 20.

26-0488 Chair Fuller called for consideration/discussion/action on a project grant application submitted by Habitat for Humanity of Collin County (4B26-06) in the amount of eight hundred thousand and NO/100 dollars (\$800,000.00) to support construction of two multi-family residential buildings (one five-plex and one six-plex) in the Cotton Groves development located on Kings Row in East McKinney, and for preparation of two currently vacant lots for two new homes located on Canal Street. Amount requested represents 48.5% of total project cost. Vice Chair Riche noted that the remaining balance of this fiscal year's affordable housing budget line item is \$500,000. Since the two homes on Canal Street are anticipated to be complete next year, he recommended approval of \$500,000 for the Cotton Groves development at this time. Board Member Richardson-Woods asked whether this would impact the project timeline, and Habitat CEO Stephanie Krunglevich

responded that it fits with their timeline. Chair Fuller clarified that the request falls within the affordable housing allocation and that MCDC is seeking to remain within the available funding allocated for affordable housing. He added that Habitat for Humanity would need to apply for funding for the two Canal Street homes during an upcoming Project Grant cycle for Board consideration at that time. Board members unanimously approved a motion by Vice Chair Riche, seconded by Board Member Richardson-Woods, to approve this agenda item in an amount of \$500,000 for the Cotton Groves development.

26-0489 Chair Fuller called for consideration/discussion/action on a project grant application submitted by Hugs Café, Inc. (4B26-08) in the amount of six hundred eighty-three thousand four hundred sixty-seven and NO/100 dollars (\$683,467.00) for expansion and site improvements including entry gate, security, driveway, added heaters in work barn, relocation of septic system, three new greenhouses, one new propagation house, irrigation, propane tank, and walkways, at Hugs Greenhouse located at 1151 East Cottage Hill Parkway in the McKinney ETJ. Amount requested represents 58.6% of total project cost. Board Member Micheletto commended Hugs Café for its leadership and work serving individuals with intellectual and developmental disabilities. She reminded the Board of their April meeting discussion regarding potentially deferring approximately \$113,000 in project requests as well as the \$33,000 contingency amount. She noted that MCDC provided substantial support for the Hugs Headquarters project in 2025. Ms. Micheletto recommended the Board consider funding the project for a total of \$537,467 through a combination of a \$150,000 grant and a \$387,467 loan, adding that Hugs staff indicated at the April Board meeting that they would be willing to pursue a loan if necessary. She suggested that a three- to five-year loan at a low interest rate would provide the organization with additional time

and opportunity to raise funds for the project. Vice Chair Riche expressed support for the project and agreement with Board Member Micheletto's proposal. Board Member Micheletto clarified the totals in her proposal. Chair Fuller asked how delaying portions of the project would affect the overall project timeline. Lauren Smith explained that the roadway and gate improvements were necessary to support the planned infrastructure expansion and that postponing those components could negatively affect site access, security, and operations. Because delaying those elements would hinder the project's progress, Chair Fuller suggested the Board consider a combination of grant and loan for the full requested amount, consisting of a \$150,000 grant and a \$533,467 loan. Ms. Smith stated that carrying debt could negatively impact future fundraising efforts and limit the organization's ability to secure foundation support. She noted that the current request does not include administrative or programmatic expenses, which Hugs plans to fund through community support. She explained that a traditional loan structure would limit the project's financial viability, particularly because the anticipated annual revenue increase from the project is only approximately \$25,000. Ms. Smith added that the project would likely not move forward at this time if Hugs were required to finance it through a loan. In response to a question raised by the board, President Schneible responded that MCDC is currently earning an interest rate of 3.5% on fund balance. Chair Fuller explained that the intent of the loan structure with a balloon payment, rather than monthly payments, was to provide additional time for fundraising without delaying the project. Ms. Smith reiterated that carrying debt would appear on their balance sheet and could affect fundraising. She noted that requests made to other funding partners would focus on onboarding, training, recruitment and programmatic costs associated with the project -- items MCDC cannot fund. She added that independently raising the full project cost could delay the project by

more than a year and increase construction costs. Board Member Micheletto acknowledged that support from the City and MCDC would strengthen future fundraising efforts but emphasized the Board's responsibility to be good stewards of sales tax dollars. Chair Fuller proposed a funding structure consisting of a \$150,000 grant and a five-year loan that would be interest-free for the first three years, with the potential for loan forgiveness based on future fundraising results. Under this proposal, funds raised by Hugs during the loan term could essentially be matched through forgiveness of the loan balance, creating a funding base for the second phase of the project. In response to a question regarding a delay in board action until June, Ms. Smith confirmed that a one-month delay could be accommodated but would not be preferred. Ms. Smith added that the proposed loan forgiveness component would strengthen the organization's fundraising and donor recruitment efforts. Chair Fuller noted that the Board members had received comments from the community expressing concern about the level of funding requested for the greenhouse project. Board members discussed several alternative funding structures, including various grant-and-loan combinations and a fully forgivable loan with a partial interest-free period. During the discussion, Ms. Smith provided additional clarification regarding the impact of each option on the project timeline. Ms. Smith stated that, including the current request, funding received from MCDC and the City represents approximately 7% of the more than \$19 million raised by Hugs Café since its inception. She added that a matching grant opportunity through a forgivable loan structure would be more favorable than a traditional loan. She requested consideration of a funding package to include a \$263,000 grant, comprised of the proposed \$150,000 grant plus the \$113,000 roadway and gate improvements, with the remaining amount structured as a matching forgivable loan. To allow additional time to consider and discuss all potential options, Board members approved

a motion by Board Member Richardson-Woods, seconded by Vice Chair Riche, to table the item to the June 25 meeting, in a vote of 4-2-0, with Markus Lloyd and George Fuller voting no.

26-0490 Chair Fuller called for consideration/discussion/action on a project grant application submitted by Cotton Mill Partners, LTD (4B26-10) in the amount of thirteen million six hundred twenty thousand eight hundred ninety-six and 11/100 dollars (\$13,620,896.11) for infrastructure improvements related to the development of The Cotton Mill District, located at 610 Elm Street in McKinney, Texas. Amount requested represents 71.3% of total infrastructure cost for the project. Chair Fuller stated that the request exceeded the amount MCDC could fund and that not all project elements are eligible for MCDC funding. He added that discussions had occurred regarding potential participation from the City, MEDC, and TIRZ to holistically support the project. Though there may be eligible components, current priorities and project timing limit funding availability from MEDC and TIRZ. He added that infrastructure is necessary to support future development within the district. He recommended that MCDC match the City's anticipated CIP participation in the amount of up to \$3.5 million for infrastructure to be reimbursed as eligible projects required to activate the space are submitted. Chair Fuller acknowledged that development at The Cotton Mill will likely not move forward without major City investments in infrastructure. Chandler Casey with Cotton Mill and Josh Eames with Presidium asked for clarification regarding which project components would qualify for MCDC funding. Chair Fuller stated that MCDC would work with its attorney to provide a list of eligible infrastructure improvements. He added that eligible items that would likely be considered would include off-site infrastructure improvements that support economic development including roadwork, stormwater and sewer. Chair Fuller explained that, though eligible, items

related to a public park may not be viewed as priority until development of retail and office space brings density to the area. Mr. Eames informed the Board that Cotton Mill Partners is currently working with the City regarding CIP funding. Additionally, they have applied to TIRZ requesting a boundary expansion to include the Cotton Mill district. They have also applied for impact fee waivers through Planning and Zoning. Mr. Eames added that the team would continue evaluating which infrastructure improvements could be completed in the near term while pursuing additional funding opportunities. Chair Fuller stated that he will continue to advocate for the area's development but emphasized that its timing must align with the City's other ongoing projects. Vice Chair Riche asked whether any portions of the project could qualify for MEDC participation, and Chair Fuller shared that MEDC is prioritizing projects that are ready to proceed and added that future office development within the Cotton Mill District could present opportunities for MEDC participation in the future. Board members approved a motion by Chair Fuller, seconded by Vice Chair Riche, to approve the item in an amount of up to \$3.5 million for eligible infrastructure projects that support economic development and are recommended for approval by a committee of the board, within a two-year timeline.

Chair Fuller called for board comments. Vice Chair Riche commented on the success of the CJ CUP Byron Nelson tournament. Chair Fuller wished Secretary Bradford a happy birthday and thanked her for her service to the Board and the community.

Chair Fuller called for a motion to adjourn. Board members unanimously approved a motion by Vice Chair Riche, seconded by Board Member Richardson-Woods, to adjourn. Meeting was adjourned at 9:55 a.m.

A video recording of this meeting is available through the City of McKinney meeting archive.

These minutes approved by the MCDC members on: June 25, 2026.

SIGNED:

GEORGE FULLER
Board Chair
DAVID RICHE
Board Vice Chair

ATTEST:

DEBORAH BRADFORD
Board Secretary