

## **MCKINNEY COMMUNITY DEVELOPMENT CORPORATION**

**JULY 3, 2025**

The McKinney Community Development Corporation held a Special Meeting at the MCDC offices, 7300 SH 121 SB, Suite 200, McKinney, Texas, on Monday, July 3, 2025, at 8:30 a.m.

**Board Members Present:** Vice Chair David Riche, Secretary Deborah Bradford, Treasurer Chris Wilkes, Board Members Joy Booth and AJ Micheletto, and Board Alternate Markus Lloyd.

**Absent:** Chair Angela Richardson-Woods.

**Council Present:** Councilman Michael Jones.

**Staff Present:** MCDC President Cindy Schneible, City Manager Paul Grimes, City Attorney Mark Houser, MCDC Grant Program and Marketing Manager Linda Jones, and MCDC Administrative and Marketing Coordinator Anahi Alvarez.

Vice Chair Riche called the meeting to order at 8:32 a.m. after determining a quorum was present.

Vice Chair Riche called for public comments on non-public hearing agenda items, and there were none.

Vice Chair Riche recessed the meeting into executive session at 8:34 a.m. in accordance with the Texas Government Code. Deliberation regarding economic development matters including Project 4B 17-04 (Craig Ranch Resort Hotel), Project 4B24-15 (Sanchez Charities NeighborHub), and Project 4B25-04 (Invited).

Vice Chair Riche reconvened the meeting at 9:11 AM.

**25-2924** Vice Chair Riche called for consideration/discussion/action on MCDC Strategic Priorities for FY 2026. President Schneible briefly reviewed the current MCDC Vision, Mission, Guiding Principles, and Strategic Priorities. Ms. Schneible shared a summary of FY24 grant funding of \$18.8 million by strategic priority with the following breakouts. Totals do not include debt service for Apex (\$1.72 million) or Roadway Infrastructure (\$1.7 million).

- Parks, Recreation and Open Spaces -- \$6.5 million (Erwin Park, Gabe Nesbitt Park practice field);
- Collaborative projects -- \$6.55 million (Airport, LifePath Systems, Roadway Infrastructure, and Sanchez Charities Neighborhood);
- Mixed-use/entertainment – \$3.57 million (VENU Sunset Amphitheater, Cami Cakes, Venezia Sepori, and MPAC operations);
- Affordable housing -- \$500,000 (Sphinx 380 Villas);
- Cultural District/East McKinney – \$922,384 (Chestnut Water Tower, Harvest at the Masonic, Hope Hardware Building, Flour Mill, Kelly’s Art Shack, The Cotton Mill, Antique Company, Hamm’s, Main Street holiday decor); and
- Community gathering space -- \$773,499 (East McKinney Learning Garden, ManeGait Beacon Project, Boys & Girls Club electronic and traditional games, and McKinney YMCA playground).

Ms. Schneible stated that, thus far this fiscal year, \$18.97 million has been awarded for project grants. She shared a summary of FY25 grant funding to date by strategic priority (adding a category that highlights economic development) with the following breakouts:

- Parks, Recreation and Open Spaces -- \$7.24 million (Erwin Park improvements, McKinney Parks Foundation, and Apex Centre debt service);
- Collaborative Projects -- \$1.5 million (ClubCorp/Invited);
- Mixed-use/Entertainment -- \$4.2 million (Cannon Beach and Heard Wildlife Museum);
- Affordable Housing -- \$411,455 (Habitat for Humanity);

- Historic Cultural/East McKinney -- \$556,956 (MPAC Operations, Collin County History Museum, and Chestnut Square);
- Community Space -- \$500,000 (Direction 61:3); and
- Economic Development -- \$4.55 million (Airport Debt Service, Hugs Café HQ, Cotton Mill, Samaritan Inn InnStyle retail store, and Roadway Infrastructure).

Ms. Schneible presented a two-year project grant funding summary of FY24 and FY25 to date by strategic priority as highlighted below, noting that totals do not include Apex debt service or the commitment to Roadway Infrastructure.

- Community Space - \$1,273,499
- Parks & Recreation - \$13,737,589
- Affordable Housing - \$911,455
- Mixed Use/Entertainment - \$7,784,287
- Cultural District/East Side - \$1,479,340
- Collaborative Projects - \$8,049,204
- Economic Development - \$4,551,214

President Schneible directed conversation towards strategic questions submitted by Board members. Board members reaffirmed MCDC's alignment with Council goals/priorities and agreed upon the MCDC strategic priorities, maintaining equal ranking/importance across all. Treasurer Wilkes initiated discussion regarding how the Board pursues projects. President Schneible reminded Board members that one strategy is to budget funds to propel priority projects. An example is how MCDC has encouraged the affordable housing priority. MCDC budgeted funds for the Community Land Trust, and Housing and Community Development has now established more aggressive development priorities for the coming year. Additionally, MCDC initiated the formation of McKinney Front Porch to collaborate and identify funding sources for

affordable housing. She reminded Board members that MCDC funds must be used on units for residents at or below 60% Area Medium Income (AMI), City funds focus on 80% AMI, and McKinney Housing Authority focuses on 30% AMI and below.

- Regarding funding grants in the ETJ, Board members agreed that funding in the ETJ should be selective and reserved for projects that are identified as priorities for MCDC, recognizing that projects in the ETJ often indirectly impact sales tax revenues. Board members expressed a preference for projects within City limits, acknowledging that the cost of annexation is primarily covered by the City. Staff will provide additional information on the annexation process and associated costs. Councilman Jones noted that some developers may avoid annexation to remain exempt from City codes. The Board agreed that applicants who demonstrate a willingness to be annexed should be given priority, but each request may be evaluated based on its unique contribution to the McKinney community. Recommended grant application updates include addressing the following:
  - Is the project located in the ETJ? If yes, is the applicant willing to be annexed?
  - If not willing to annex, how will the project benefit McKinney residents?
  - Based on project location, will the applicant seek and expect financial support from other municipalities who would also benefit from the project?.
- President Schneible shared MCDC's five-year budget forecast highlighting projects that MCDC may consider funding in the future including a potential park as part of the Downtown

redevelopment project, specific-use event space planned at the renovated Hall Library, various potential parks projects, and parks/events space within the lower Highway 5 plaza. She provided clarity on items as Board members had questioned and reminded them that projects awarded in one year are paid out as work is completed over multiple years. Projects approved that are not budgeted in the current fiscal year would be funded from MCDC's fund balance and would require council approval for a required budget amendment. She added that the goal has been to keep debt service at or below 25%.

Line items to correct or those likely to change include:

- Correction to reflect Craig Ranch hotel grant at \$25 million, not \$27 million;
  - Cotton Mill project (if approved) will likely not begin in FY26;
  - Parks line item budget for FY27 and FY28 is shown as \$5.5 million, but will likely be higher;
  - Unspent promotional grant funding that has historically been reappropriated to the next fiscal year's promotional grants will now be rolled into the fund balance. All other unspent funding has always been rolled into fund balance;
  - TUPPS' contribution will likely increase as their business continues to grow; and
  - Interest income is likely to increase over the next few years.
- Board discussed strategies for planning for future parks project funding, acknowledging that funds awarded to parks over the last few years has averaged \$7.5 million, \$2 million beyond the budgeted commitment of \$5.5 million. Parks

projects will be considered as applications are submitted during regular Project Grant cycles. Some discussion centered around evaluating the value of specific elements within a proposed parks project as part of being good stewards of MCDC's budget. Board members discussed that parks projects have been designed to reflect priorities of the Parks Master Plan, have likely been vetted by the Parks Advisory Board and City staff prior to an application being submitted to MCDC. It was emphasized that Parks follows a Master Plan which is approved by both City Council and MCDC.

Vice Chair Riche recessed the MCDC meeting for a brief break at 10:15 a.m. and reconvened the meeting at 10:22 a.m.

- Regarding Promotional grants, the Board discussed total budget and per grant maximum, as well as consideration for increasing the reach of advertising for grants. Additional discussion included improving the evaluation guidelines of promotional grant applications based on more specific elements (per capita spend on advertising and promotional plan, funding levels based on reach and/or attendance, new versus proven events, etc.) and increasing transparency and basis for Board decisions on funding.
- Board members discussed procedures to ensure financial due diligence when evaluating grant applications. President Schneible shared that Assistant Director of Finance Chance Miller is a CPA and is willing to review financial documents provided with applications. The Board agreed that relying on Mr. Miller's expertise on a case by case basis would be beneficial.

- Board members discussed establishing clearer defined gateways for Retail Development Infrastructure Grants. Considering the goal of the grant is re-development, President Schneible shared a proposed map of gateways indicating the following: North (380 - mostly east of Hardin), West (Custer Road), South (Eldorado), East (Highway 5), plus intersections along 75 (including Eldorado, Virginia, and White) and the Historic District. She reminded Board members that in the past they have considered projects within a half mile of gateway boundaries. Board members reaffirmed the goal of the grant to be redevelopment not new construction. The Retail Infrastructure subcommittee will consider evaluation guidelines including minimal contribution percentage (maybe some require a larger match), benefit to residents/City not just the applicant, and considerations regarding code compliance.
- Regarding Affordable Housing funding, \$4 million was allocated in the current year's budget for affordable housing with \$1 million of that dedicated to Community Land Trust. Ms. Schneible reminded Board members that affordable housing is a Council priority and EDC cannot fund such projects. She explained that funds allocated to affordable housing remain part of the project line item and may be reallocated to other projects if there is no eligible opportunity for housing funding during a specific budget cycle. The McKinney Front Porch has made some strides in collaboration efforts and will be hosting a community workshop to educate potential partners and identify funding sources. Board members agreed to continue to keep \$4 million as an affordable housing line item. MCDC may consider inviting McKinney Front Porch to present at an upcoming meeting.

- President Schneible addressed a question raised regarding using MCDC funds for promotional support of parks, airport, MPAC (renovation and rebrand to Courtyard Theatre), and Library (renovation). The Board agreed that when it supports the success of MCDC project investments, it is appropriate to assist in promoting their efforts. Additional discussion focused on enhancing how MCDC tells the MCDC story regarding funded projects more effectively. Board members agreed to budget \$100,000 for these efforts.
- President Schneible shared a potential opportunity for MCDC to collaborate with MEDC, City, and the Chamber regarding workforce development initiatives. She added that MCDC can fund training of newly created permanent positions within a specific company and could define specific terms within individual agreements. MEDC is developing a test project that may result in collaborative opportunities.
- Board members discussed opportunities to partner with MISD regarding use of event space and creating programs that would benefit McKinney residents and businesses especially where career preparation and workforce retention is an issue (culinary curriculum and training).
- Board members discussed whether MCDC should be more proactive regarding development initiatives. Discussion focused on how MCDC can expand our knowledge of how other communities are addressing housing and other strategic priorities. For example, while MCDC can fund workforce development, we are not seeking solutions or raising awareness of funding opportunities we could offer. The Board agreed that collaborating with other City entities could be



impactful. President Schneible noted that few other CDCs have a portfolio of projects that are as collaborative and broad-reaching as McKinney's CDC.

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

Board members unanimously approved a motion by Treasurer Wilkes, seconded by Secretary Bradford, to adjourn. Vice Chair Riche adjourned the meeting at 12:04 p.m.

These minutes approved by the MCDC members on August 28, 2025.

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ANGELA RICHARDSON-WOODS  
Chair  
DAVID RICHE  
Vice Chair

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DEBORAH BRADFORD  
Secretary