

MCKINNEY COMMUNITY DEVELOPMENT CORPORATION

NOVEMBER 16, 2023

The McKinney Community Development Corporation met in regular session in the City Hall Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on Thursday, November 16, 2023, at 8:00 a.m.

Board Members Present: Chair Angela Richardson-Woods, Vice Chair David Kelly, Secretary David Riche, Treasurer Deborah Bradford, Board Members Kathryn McGill, Mary Barnes-Tilley and Joy Booth, and Board Alternate Chris Wilkes.

Absent: None.

City Council Present: Mayor George Fuller and Councilwoman Geré Feltus.

Staff Present: President Cindy Schneible, City Manager Paul Grimes, Accounting Manager Chance Miller, Assistant Director of Parks and Recreation Ryan Mullins, Cultural District Director Andrew Jones, Visit McKinney Executive Director Aaron Werner, MEDC President Michael Kowski, and MCDC Administrative and Marketing Coordinator Linda Jones.

There were several guests present.

Chair Richardson-Woods called the meeting to order at 8:01 a.m. after determining a quorum was present. She acknowledged Chris Wilkes, Board Alternate, and Councilwoman Geré Feltus, both in attendance. Board Member McGill offered an invocation which was followed by the Pledge of Allegiance.

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

23-0933 Minutes of the McKinney Community Development Corporation Meeting of October 26, 2023.

23-0934 Chair Richardson-Woods called for the Financial Report. Accounting Manager Chance Miller presented preliminary financials for the month of September which is the last month of FY 23. Revenues were \$1.93 million, mostly from sales tax. Total expenses were \$1.6 million including

project expenses of \$81,000 and Parks and TUPPS construction projects totaling about \$1.5 million. This yielded a net increase of approximately \$307,000. Mr. Miller explained that the unrealized loss on investments shown reflects market rates which do not impact our fixed-rate interest earnings. For 2023, the beginning fund balance was \$67 million and is predicted to be just over \$68.7 million at fiscal year-end. September sales tax represented July sales and showed an increase of 7.7% over last year with a year-to-date increase of 6.3%. During the same time period, Allen had a decrease of .1%, Frisco had a decrease of 4.8%, and Plano had an increase of 4.5%. With consideration for audit adjustments, true increases were 5% for McKinney, 4% for Allen, 4.5% for Plano and a decrease of 4.8% for Frisco. Mr. Miller has inquired regarding Frisco's recent decreases. Year-to-date figures indicate that McKinney and all sister cities are trending similarly at an increase of about 6%. Regarding industries, retail trade had an increase of 8% and all other industries are steady. Chair Richardson-Woods called attention to the checks report attached. There were no questions.

23-0935 Chair Richardson-Woods called for Board and Liaison Reports.

Board Chair. Chair Richardson-Woods shared that Board members have been participating in events and representing MCDC in the community. She complimented all who spoke at the State of the City. Board members attended the City Hall topping out ceremony and participated in the Wilson Creek clean-up, an initiative that began when a young resident highlighted the need in a letter to Mayor Fuller. That same day, other projects were happening throughout McKinney as part of Make A Difference Day. Secretary Riche shared that he attended the Veterans Day service at the recently renamed R.D. Foster Veterans Memorial Park. Board Member Booth attended the McKinney Philharmonic Orchestra's Halloween concert and was impressed by the great

musicianship. She encouraged others to attend a concert. Board Member McGill agreed that the orchestra concert was impressive and added that Vice Chair Kelly served as a costume judge for the Parks contest. Chair Richardson-Woods thanked all Board members for their dedication and time spent serving McKinney.

City of McKinney. City Manager Paul Grimes shared that there will not be a Council meeting next week due to the holiday. On November 28 at 5:30 p.m., Council will convene a Special Meeting to hear presentations from the three development teams who are finalists for the Downtown redevelopment project. Residents and other interested parties will have an opportunity to share feedback following the presentations. The Bond Committee has concluded its meetings and will report to Council on December 19. Council will vote at or before their first January meeting regarding scheduling a bond election in May. Council will hear a presentation about McKinney National Airport at their regular meeting on December 5. A topping out ceremony for the new City Hall was held November 24 to thank the construction teams. The event included a ceremonial tree raising. Mr. Grimes shared that the City was recently recognized as a top place to work in DFW. Chair Richardson-Woods congratulated Mr. Grimes for the recognition.

Visit McKinney. Executive Director Aaron Werner shared that HOT tax collections were at \$2.9 million for FY 23, a 21% increase over FY 22. Hotels are reaching record occupancy at various times throughout the year and they are excited about upcoming projects that should alleviate some of the stress levels on current properties. Community Impact will be publishing a story in December focusing on the hospitality industry and hotel developments. He reminded Board members of the D2 championship game on December 16 in the morning and FanFest at TUPPS on December 15. The tourism grant applicants will present at their November Board meeting. McKinney and surrounding cities

received a lead through the Dallas Sports Commission for sleeping rooms for the American Junior Golf Association. Using their new Sports Gap incentive packages, Visit McKinney won the business. Mr. Werner is encouraged that the new incentive packages are making McKinney more competitive.

McKinney Economic Development Corporation. President Michael Kowski shared that team members joined Frisco EDC staff at the Smart Cities World Expo in Barcelona to promote our communities internationally. Tonight, MEDC will host Tech and Trucks at Serendipity Labs at HUB 121. This is an opportunity for Innovation Fund recipients to meet with other innovators and potential investors. He added that the economic health of McKinney is strong and energizing. Treasurer Bradford asked what was presented in Barcelona. Mr. Kowski shared that Senior Vice President Michael Talley represented McKinney on a panel to introduce the Innovation Fund as a conduit to help businesses plant roots in McKinney. He stated that MEDC's goal is to grow talent in McKinney so that a two-person innovative company grows into a billion-dollar company. He will share Mr. Talley's recap of the conference with President Schneible.

McKinney Main Street/MPAC. Cultural Director Andrew Jones thanked those who contributed to the community tree and shared that it is being installed today. Main Street's holiday campaign is "Santa Shops Small" and includes billboards, social media, influencers, and a Dallas Morning News wrap. New this year is the installation of holiday lights throughout Mitchell Park. Home for the Holidays will feature the tree lighting on November 24 and Small Business Saturday on November 25. Other upcoming events in Downtown are A Christmas Carol presented by McKinney Repertory Theatre, Santa on the Square, WFAA Santa's Helpers on December 7, Parade of Lights on December 9, and the Menorah Lighting and Gelt Drop at Mitchell Park on December 10.

McKinney Parks and Recreation. Assistant Director Ryan Mullins shared that 19 trees at Erwin Park were unintentionally removed by a developer clearing adjacent property. And, a small portion of the trail was overlapping the developer's property. A short section of the bike trail was destroyed but has already been rerouted, and initial reviews from cyclists are positive. McKinney Parks Foundation has planted about 76 trees along the southern portion of Erwin Park in preparation for creating a buffer from the bypass. Mr. Mullins shared that construction will begin soon on E.A. Randles Park, the final walk-through for Robinson Ridge Park will be scheduled soon, and construction at the Recreation Center at Towne Lake is underway and anticipated to take about one year to complete. He shared that the Veterans Memorial Park has been renamed the Corporal R.D. Foster Veterans Memorial Park. On November 8, the Parks and Rec Department held its EpicCon one-day staff development event at the Sheraton. Mr. Mullins announced that the Texas Recreation and Parks Society (North Region) awarded McKinney the Excellence in Programming Award for Trick or Treat Trails and the Excellence in Park Design Award for Mary Will Craig Park. He reminded everyone that the annual Breakfast with Santa will be held on December 2 at Old Settlers Recreation Center. Chair Richardson-Woods thanked Mr. Mullins for the clarification regarding the Erwin Park situation and congratulated the department on its recent awards. Vice Chair Kelly shared appreciation for staff's quick removal of a tree on the running trails. Mr. Kelly extended a compliment to parks staff maintenance who clearly take pride in their responsibilities. Mr. Mullins added that the MCDC-funded trail sweeper has been a tremendous assistance for trail maintenance.

23-0936 Chair Richardson-Woods called for the President's Report. President Cindy Schneible called attention to reports attached including the FY 23

year-end recap of grants awarded, the monthly marketing report, and the TUPPS update, adding that TUPPS has secured a 30-day TCO and will begin moving equipment to start brewing at the new site. Additionally, MCDC and city staff met with TUPPS to discuss coordination and collaboration on events, as part of the annual requirement of the lease agreement. Ms. Schneible reminded the Board that many of the MCDC grant cycles do not follow the fiscal year calendar; therefore, unused funds are reappropriated to the next fiscal year. Under state law for Type B corporations, unspent promotional funds can be carried forward. The deadline for Cycle 1 of the Promotional and Community Event Grants is November 30, and the first Project Grant Cycle for the year opens December 1 with a December 30 deadline. Ms. Schneible reminded Board members of the District 121 Grand Opening on Saturday.

23-0937 Chair Richardson-Woods called for an update on Project 4B 23-08 Submitted by McKinney Housing Authority (MHA) for The Remnant at Greenwood, LP. Executive Director Roslyn Miller shared that the Department of Housing and Urban Development (HUD) administers Federal aid to local housing authorities and MHA manages the housing for low income residents in McKinney. There are two major programs including rental assistance under Section 8 housing and public housing for low-income families. Those who qualify for public housing can pay 30% of their adjustable gross income for housing with the remainder being subsidized. There are three housing authorities in Collin County – Frisco has an official allotment on record of 23 units, McKinney has 812 units and Plano has 983 units. Ms. Miller reviewed the basic income qualifying chart. The breakdown of units in McKinney is 51 for public housing which is the property in transition to The Remnant funded by MCDC; and 150 for rental assistance and 166 low-income tax credit (LIHTC) which are combined in the Merritt Homes and Newsome Homes

developments. Additionally, MHA manages 366 vouchers averaging \$1046 per voucher and serving about 228 households. MHA also manages 74 mainstream vouchers for those with disabilities and 5 veteran vouchers which are funded through Veterans Administration. Ms. Miller shared that demographics of those living in poverty in Collin County and those receiving vouchers indicate that MHA services 130 white and Hispanic families combined and 396 black families. Ms. Miller clarified that MHA manages 812 total units of which 366 are vouchers, 51 are public housing, 5 are veterans, 74 are mainstream, 150 are rental assistance and 166 are LIHTC. Ms. Miller highlighted the strategic priorities for MHA as: increase agency performance status, promote a path to self-sufficiency for clients, plan to meet the needs of clients aging in place, increase opportunities for affordable housing, diversify MHA's revenue base, and enhance MHA's relationships with community partners and stakeholders. They continue to make significant strides forward towards each of these goals. She explained that when HUD opened the opportunity for housing authorities to partner with other public and private groups, they were able to build Merritt Homes and Newsome Homes. Ongoing MHA projects include The Remnant, Housing Choice Voucher Homeownership, and Public Facility Opportunities. MHA is also developing a Foster Youth Voucher Program. Chair Richardson-Woods acknowledged that the need is great in our community and thanked Ms. Miller for the detailed and eye-opening presentation. Vice Chair Kelly agreed that we need more public housing units, then acknowledged the success McKinney has achieved especially in comparison to our sister cities. He applauded all city partners for the progress made to date. Board Member Booth asked about the process for getting on the wait list. Ms. Miller shared that they promote heavily when the wait list will open. Approximately 700 are on the list, and eligibility of applicants is determined as they are able to

assist. It is rare that an applicant is disqualified due to income; most are disqualified for other reasons like criminal issues or debt owed to another housing authority. Board Member Barnes-Tilley asked about the housing choice program. Ms. Miller stated that their goal is 25 compared to sister cities including Dallas that services 10 on average. Board Member Booth sought clarification about the Foster Program, and Ms. Miller clarified that it is federally-funded in partnership with Health and Human Services. Treasurer Bradford thanked Ms. Miller for her contributions and strides made in terms of both collaboration and movement forward. Board Member McGill shared her appreciation for the opportunity to serve alongside others to study and provide substantive solutions that address the complex issues of housing. The group is now called The Front Porch and is currently working on several specific potential solutions. Linda Jones will forward Ms. Miller's presentation from today to the Board.

23-0938 Chair Richardson-Woods shared that Celeste Cox was unable to attend the meeting today, so we will have an update on Project 4B 18-06 submitted by Habitat for Humanity of Collin County for The Cotton Groves Community at the December meeting. President Schneible asked Board members to send questions as they review the presentation, so Ms. Cox can be better prepared to address them when she presents.

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

Chair Richardson-Woods called for additional Board comments and recognized Joy Booth and David Kelly celebrating birthdays in November. Vice Chair Kelly added birthday wishes for Mayor Fuller.

Chair Richardson-Woods recessed the meeting into Executive Session at 9:11 a.m. in accordance with the Texas Government Code. Deliberation regarding economic

development matters include Project 20-09 (TUPPS Brewery and Entertainment Destination), Project Bluesky, Project Vibes, and Project Hemispheres.

Chair Richardson-Woods reconvened the meeting of the McKinney Community Development Corporation back into regular session at 10:32 a.m.

Board members approved a motion by Chair Richardson-Woods, seconded by Secretary Riche, to amend the terms of the TUPPS Brewery Lease Agreement as discussed in executive session, with a vote of 5 - 1 - 0, Vice Chair Kelly voting no.

Chair Richardson-Woods called for a motion to adjourn. Board members unanimously approved a motion by Secretary Riche, seconded by Board Member Booth, to adjourn. Meeting was adjourned at 10:33 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: _____

SIGNED:

ANGELA RICHARDSON-WOODS
Board Chair

ATTEST:

DAVID RICHE
Board Secretary