

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

JANUARY 21, 2025

The McKinney Economic Development Corporation met in regular session in the City Hall Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on Tuesday, January 21, 2025, at 8:00 a.m.

Board members Present: Chairman Brian Loughmiller, Vice Chairman Kurt Kuehn, Secretary/Treasurer, Thad Helsley, Mark Denissen, Scott Woodruff, Robert Hamilton, and alternate Chantelle Kadala.

Absent: Julie Williams.

City Council Present: Councilmen Justin Beller and Rick Franklin.

Staff Present: MEDC President Michael Kowski, MEDC Senior Vice President Michael Talley, MEDC Operations Manager Deana Smithee, MEDC Executive Assistant Melanie Molina, MEDC Marketing & Social Media Manager Luke Gajary, MEDC Business Intelligence Analyst Erick Rodriguez, City Manager Paul Grimes, Assistant City Manager Barry Shelton, Director of Airport Kenneth Carley, MCDP President Cindy Schneible, Visit McKinney Assistant Director Alisha Holmberg, Accounting Manager Chance Miller, Chief Financial Officer Mark Halloway, MEDC Attorney Mark Houser, and Audio/Visual Technician Joshua Arias.

There were 2 guests present.

Chairman Loughmiller called the meeting to order at 8:00 a.m. after determining a quorum present.

Chairman Loughmiller called for Public Comments for items on the agenda and there were none.

25-2381 Chairman Loughmiller called for Board and Liaison Updates.

City of McKinney- City Manager Paul Grimes announced all of the departments that are moving into the new City Hall have relocated, however, meetings for City Council have not been relocated yet. The first City Council meeting is slated for February 18th, pending technological progress in the new Council Chambers. Mr. Grimes announced Assistant City Manager Kim Flom will be leaving in early March for a new role as City Manager in Wisconsin. A search for a replacement Assistant City

Manager is underway with 156 applicants. Mr. Grimes noted Ms. Flom has been an asset to the City of McKinney over the last five years. Mr. Grimes announced Director of Public Safety, Greg Conley, is retiring at the end of January. There will be a recognition at 6 PM tonight at the start of the City Council meeting. Trevor Minyard is now an Assistant City Manager, as the Director of Safety position has been reclassified. Mr. Grimes announced we were proud to send four personnel along with Engine 3-33 to California to assist with the wildfires. McKinney is serving on a strike team with the cities of Frisco, Allen, Greenville, and Dallas. The state of Texas has deployed six strike teams to assist California. The strike team arrived in Los Angeles on January 13th.

Community Development Corporation- MCDC President Cindy Schneible announced the McKinney Community Development Corporation Board meeting is this Thursday with a very full agenda. There are 15 promotional grant requests, including three first-time applicants. There will be public hearings on eight project grant requests covering a broad range of projects in McKinney. Retail infrastructure grant applications will be accepted through the end of this month and the next cycle will not be until July. Ms. Schneible announced there were some great nominations for the MCDC quality of life award both for individuals and organizations. The MCDC Board will review the nominations and make a decision on Thursday.

Visit McKinney- Visit McKinney Assistant Director Alisha Holmberg announced the Professional Pickleball Association (PPA) will be hosting their Texas Open at the Courts of McKinney on March 12th-16th. Top pickleball professionals will be there, with 1,000 to 1,500 players anticipated. The event is also open to amateurs, and there will be camps to work with professionals. Visit McKinney will be working with the International Girls Cup of McKinney. This is a youth soccer event put together by U9C Sports. The group will be using the Craig Ranch facility

as well as other McKinney facilities for the event. The group will utilize eight McKinney hotels. The group is hosting their opening ceremonies on Tuesday, April 15th at Tupps Brewery, buying out the facility. Previous attendance for the opening ceremony was 3,500 people.

MEDC Committee Updates:

Marketing Committee- Alternate Board member Kadala announced the Marketing Committee did not meet.

Real Estate Committee- Secretary/Treasurer Helsley announced the Real Estate Committee met last week and has items to discuss in Executive Session today.

Finance Committee- Vice Chairman Kuehn announced the Finance Committee met and has items to discuss in Executive Session today.

Innovation Fund Committee- Board member Denissen announced there was a Zoom call regarding an applicant.

Governance Committee- Chairman Loughmiller announced there will be an item to discuss in Executive Session today.

Board Chairman- Chairman Loughmiller announced the new year has been busy. All the closing documents have been executed for VENU. Chairman Loughmiller thanked President Kowski and his team for their work.

25-2382 Chairman Loughmiller called for MEDC Monthly Reports.

Organizational Report- President Kowski announced he would like to introduce our new Business Intelligence Analyst, Erick Rodriguez. Mr. Rodriguez came from the private sector and joined the MEDC last week. There were hundreds of applications and Mr. Rodriguez rose to the top. He has been a great cultural fit and we are looking forward to him enhancing our data analysis.

KPI Report- Senior Vice President Talley announced there are a total of 28 in the active project pipeline, with 21 traditional and seven Innovation Fund projects. Mr. Talley noted there are about 168 applications, and

these will be audited for the Annual Report. Mr. Talley announced we are trying to show a better understanding of what is happening with projects. President Kowski noted creating an automated dashboard is one of the top projects Mr. Rodriguez will work on for MEDC.

Marketing Report- MEDC Marketing & Social Media Manager Luke Gajary announced the email open rate is at 40.8% and continues to exceed industry standards. There is a spike in website visitor traffic, 15,308. This time three years ago the number was about 1,500 website visitors. Instagram followers are at 2,001 and YouTube subscribers are at 500. In December there were 21.25 hours watched on YouTube.

25-2383 Chairman Loughmiller called for Final September 2024 Financials. Accounting Manager Chance Miller announced these are the final numbers for fiscal year 24 after year-end audit adjustments. The year-end income statement finished at \$23.8 million in sales tax. Total revenue for MEDC for fiscal year 24 was \$26.7 million. For expenditures, there was close to \$3.2 million in operational expenses, \$5.8 million in project expenses, and \$4.5 million in non-departmental expenses. Total expenses for fiscal year 24 were \$13.4 million.

Board members unanimously approved the motion by Vice Chairman Kuehn, seconded by Board member Denissen, to Approve the Final September 2024 Financials.

25-2384 Chairman Loughmiller called for McKinney National Airport Presentation. The presentation for agenda item 25-2384 posted on the agenda is included in this document as *Exhibit A: McKinney National Airport Presentation*.

25-2385 Chairman Loughmiller called for Cannon Beach Update. President Kowski announced this will be a mixed-use project with a water feature at the center, surrounded by a resort hotel, office space, restaurants, and so on. 35.4 acres is part of Phase I, and 23.5 acres could be part of Phase II. This is a \$200 million investment in the City of McKinney, 700

jobs, and 300,000 people engaging with the project on an annual basis.

President Kowski noted this project aligns with the AGILE (Attract, Grow, Innovate, Lead, Engage) pillars MEDC has adopted. President Kowski noted we target high-impact industries (family entertainment, hotels), activating MEDC land, putting it back on the tax rolls, it is being utilized. President Kowski announced a letter of intent (LOI) has been signed, the agreement and design plan are being finalized, and on Thursday morning the MCDC Board will hear from Cole Cannon, the developer, requesting a \$4 million infrastructure grant. The grant would be paid out at the final Certificate of Occupancy (CO) of the surf lot. There is a joint meeting slated for February with City Council to discuss other aspects of the incentives package. President Kowski announced Mr. Gajary does a great job of tracking the impressions and website traffic received from project announcements. President Kowski noted there is interest and excitement across the metroplex for a surf-related development.

25-2386 Chairman Loughmiller called for Consider/Discuss/Act on Chamber of Commerce Awards Based on Nominations. Chairman Loughmiller announced based on votes, the BRE/Encore Wire Award winner is Company A, the New Corporate Business Award Winner is Company A, and the Workforce Development Award winner is Company B.

Board members unanimously approved the motion by Vice Chairman Kuehn, seconded by Secretary/Treasurer Helsley, to Approve the Chamber of Commerce Awards Based on Nominations.

Chairman Loughmiller called for public comments regarding matters not on the agenda and there were none.

Chairman Loughmiller recessed the meeting into Executive Session at 8:58 a.m.

Chairman Loughmiller reconvened the meeting into open session at 10:43 a.m.

Board members unanimously approved the motion by Board member Woodruff, seconded by Secretary/Treasurer Helsley, to Approve Project Mathewson as discussed in Executive Session.

Board members unanimously approved the motion by Secretary/Treasurer Helsley, seconded by Board member Hamilton, to Approve Project Ruth as discussed in Executive Session.

Board members unanimously approved the motion by Chairman Loughmiller, seconded by Vice Chairman Kuehn, to Approve (Annual Budget)/President's First Amended Employment Agreement.

Board members unanimously approved the motion by Secretary/Treasurer Helsley, seconded by Board member Woodruff, to Adjourn.

Chairman Loughmiller adjourned the meeting at 10:45 a.m.

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

These minutes were approved by the MEDC members on February 18, 2025.

SIGNED:

BRIAN S. LOUGHMILLER
Chairman

THAD HELSLEY
Secretary/Treasurer

Exhibit A - McKinney National Airport Presentation



Eastside Airport Development Update – McKinney Economic Development Corporation



January 21, 2025

Airport Eastside Development Update

Terminal GO Bond Election failed

Program was reevaluated with a continued interest by the airlines

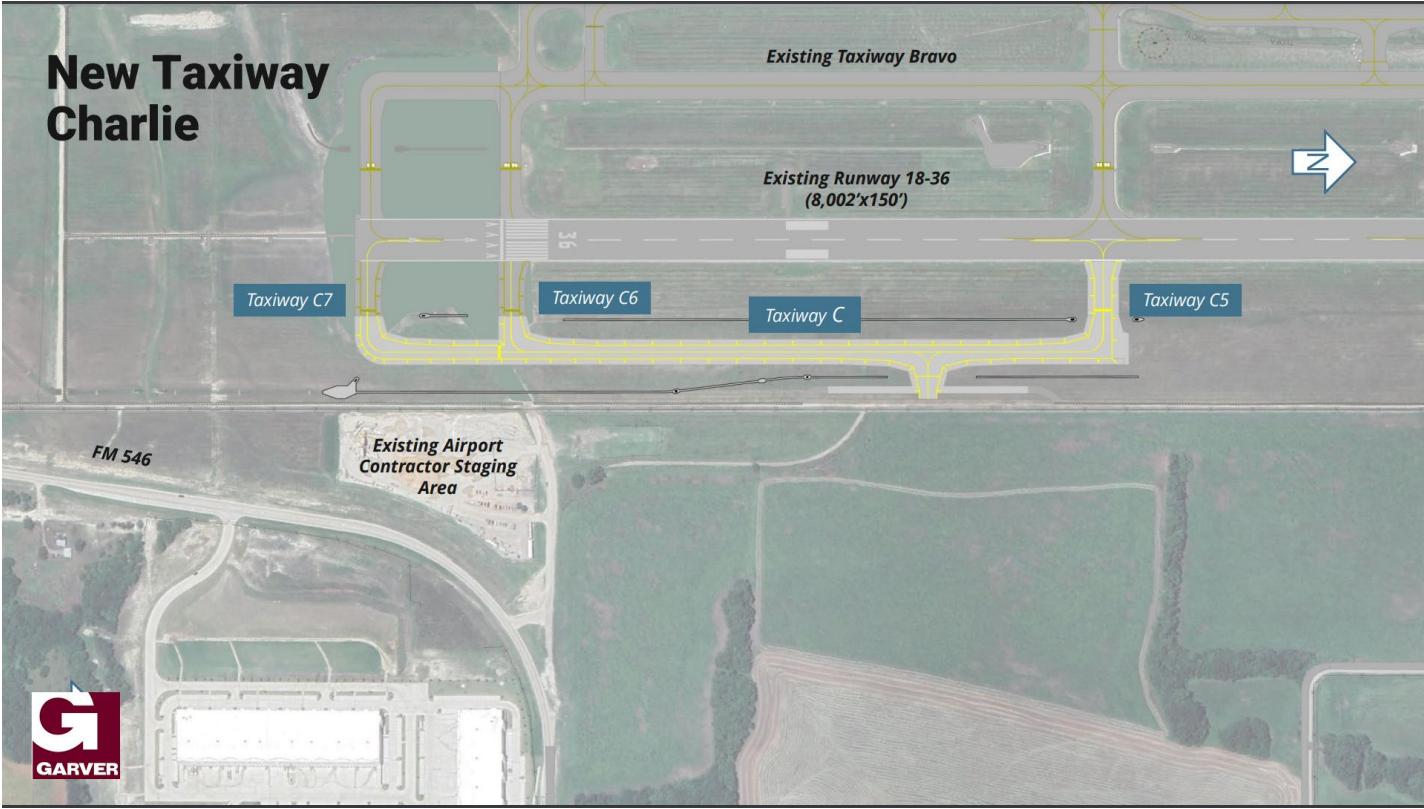
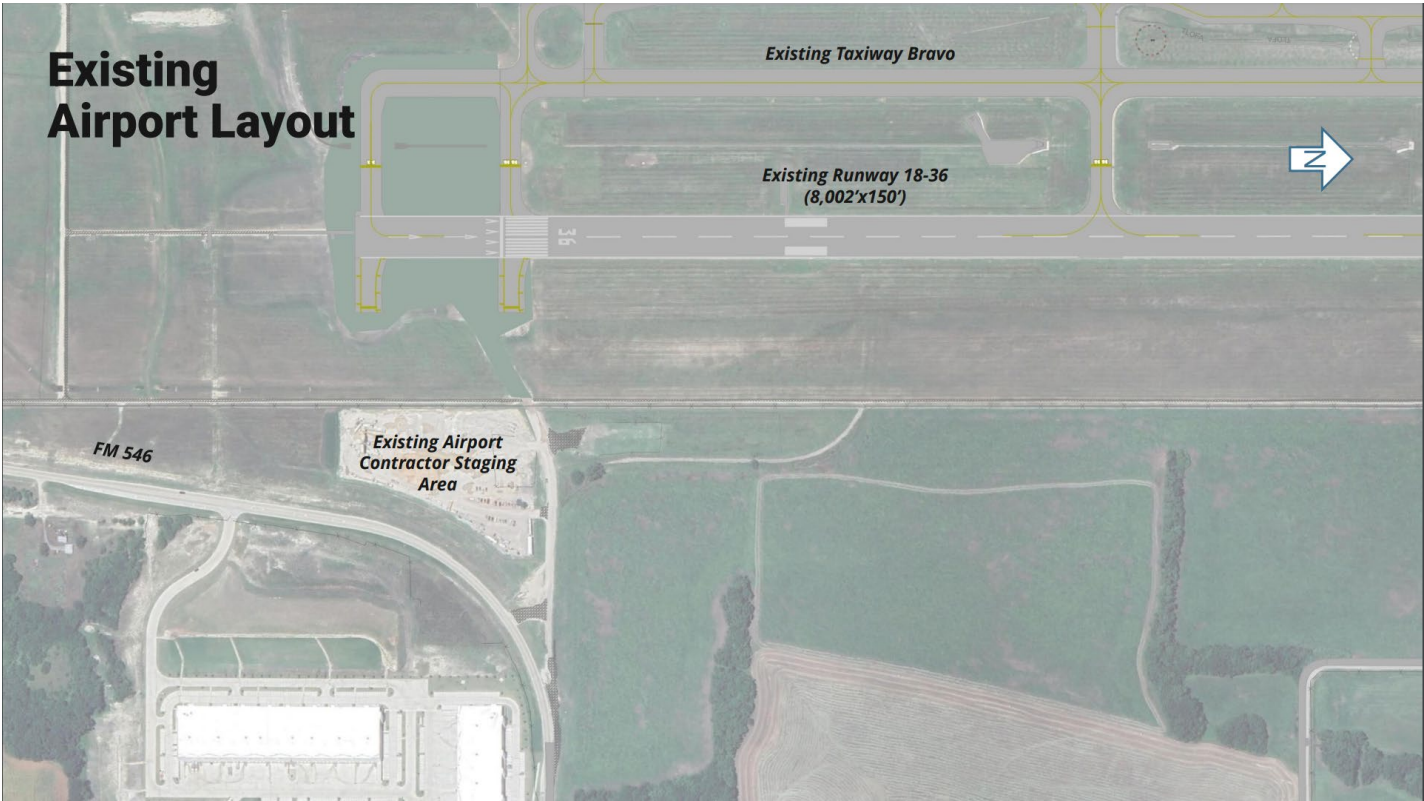
Concurrently, General Aviation development on the west side of the airport is approaching build out

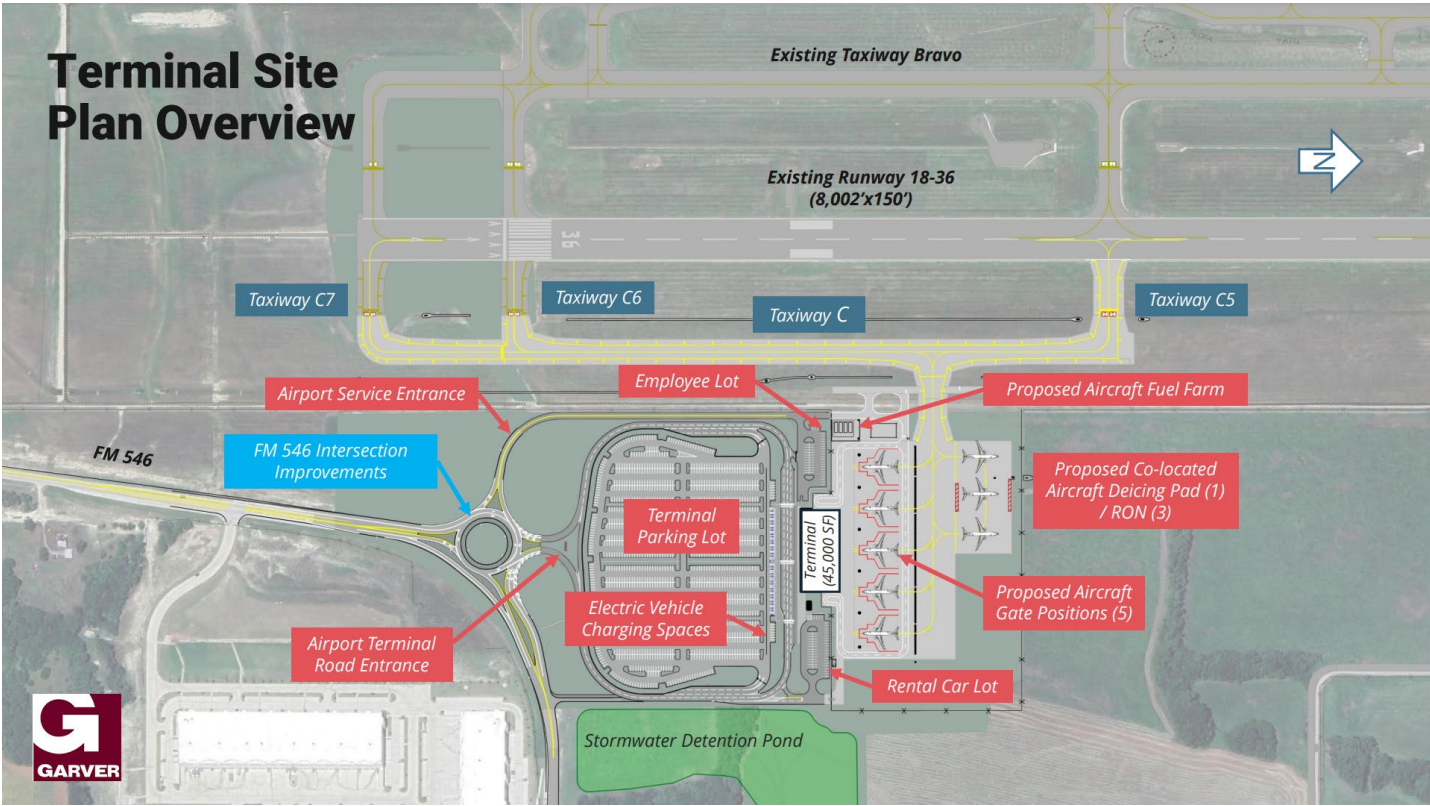
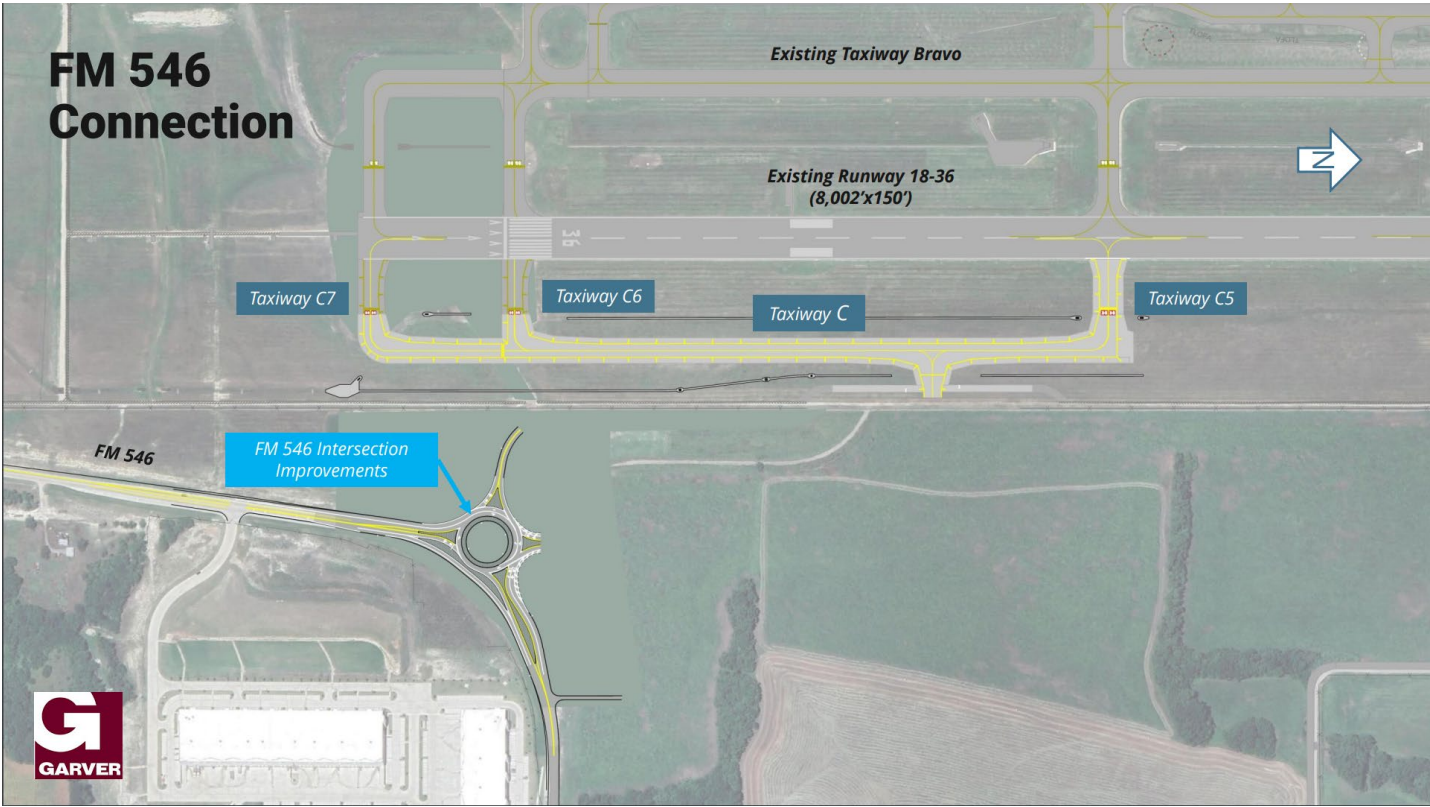
Eastside development focused on providing the backbone infrastructure with a new parallel taxiway and roadway connection

Highest and best use of the property would develop first

Program Tasks		2022	2023	2024	2025	2026
Pre-Bond	Environmental Assessment					
	30% Programming Documents					
	Bond Election					
	Program Adjustments					

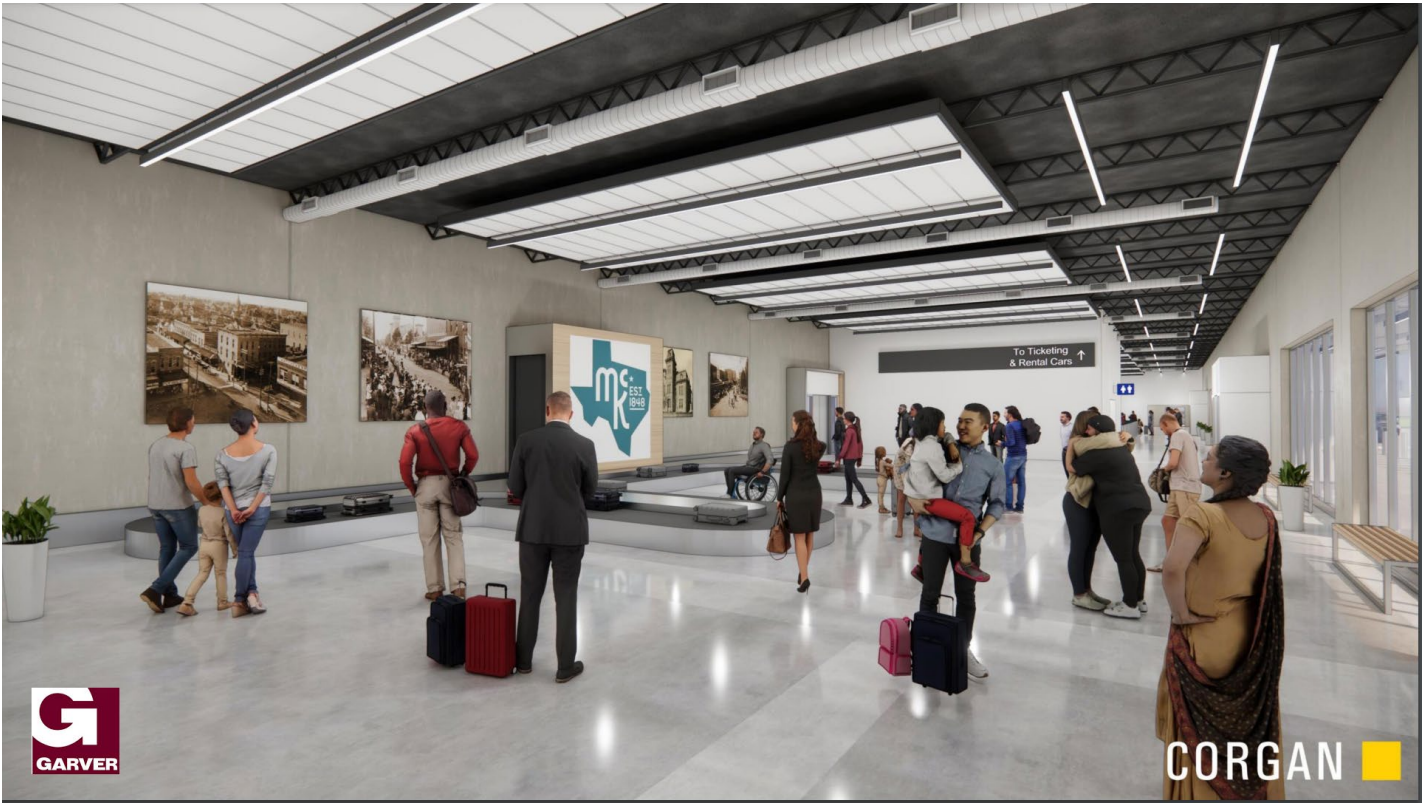












Project Cost

Preliminary estimates for initial airport terminal operation

CMAR will provide refined construction estimates this Spring

Project Elements	Cost Estimate
Terminal Apron Pavement	\$14.0M
Parallel Taxiway C (Phase 1) – Partial Parallel Taxiway to Runway 36 End	\$15.9M
FM 546 Roadway Connection & Loop Roadway	\$10.5M
Parking Lots	\$12.5M
New ARFF Equipment	\$1.6M
New East Side Fuel Farm	\$2.5M
Terminal Building	\$15.0M
Project Total	\$72.0M

Proposed Funding Sources

\$5.3M awarded to date from MEDC and MCDC grants

Funding Sources	Cost Estimate
Estimated Total Cost	\$72.0M
MEDC Grant (awarded)	\$1.7M
MCDC Grant (awarded)	\$3.6M
TIFIA Loan (MCDC) w/ interim financing	\$30.0M
MEDC Grant	\$22.4M
Funding Gap (FAA,TxDOT,TIRZ)	\$14.3M
Project Total	\$72.0M

MEDC Funding Timeline

- | | |
|--------------------------------------|---|
| • January 21 st | Presentation to EDC Board |
| • March 18 th – Joint Mtg | EDC Board and City Council approve parameters ordinance |
| • April 9 th | Price bonds in negotiated sale |
| • April 23 rd | Receive AG approval of bonds |
| • April 30 th | Receive funds |

