

MCKINNEY COMMUNITY DEVELOPMENT CORPORATION

SEPTEMBER 26, 2024

The McKinney Community Development Corporation met in regular session in the City Hall Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on Thursday, September 26, 2024, at 8:00 a.m.

Board Members Present: Chair Angela Richardson-Woods, Vice Chair David Kelly, Secretary David Riche, Treasurer Deborah Bradford, Board Members Joy Booth and Chris Wilkes, and Board Alternate Markus Lloyd.

Absent: None.

City Council Present: Mayor Pro Tem Geré Feltus and Councilman Michael Jones.

Staff Present: President Cindy Schneible, City Manager Paul Grimes, Accounting Manager Chance Miller, Director of Parks and Recreation Amy Kinkade, MEDC President Michael Kowski, Director of Cultural District Andrew Jones, Visit McKinney Executive Director Aaron Werner, Director of Engineering Gary Graham, CIP Manager Blake Sills, MCDC Grant Program and Marketing Manager Linda Jones, and MCDC Administrative and Marketing Coordinator Anahi Alvarez.

There were several guests present.

Chair Richardson-Woods called the meeting to order at 8:00 a.m. after determining a quorum was present. Pastor Josh Perez of Covenant Church 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 Wilkes, seconded by Secretary Riche, to approve the following consent item:

24-2005 Minutes of the McKinney Community Development Corporation of August 22, 2024.

24-2006 Chair Richardson-Woods called for the Financial Report. Accounting Manager Chance Miller presented financials for the month of August. Revenues were over \$3 million primarily from sales tax revenue, and

\$750,000 related to the TUPPS project. Expenses were just over \$2.7 million, including \$1.15 million in project expenses and \$1.5 million in non-departmental expenses which included debt service payments. Regarding sales tax, August numbers apply to June. McKinney saw an increase of 5.4% compared to a 4.4% increase for Allen, a 4.1% increase for Plano, and a 0.4% increase for Frisco. McKinney's year-to-date increase is 8% which remains higher than budget. McKinney is also higher in total percentage over last year compared to our sister cities. Regarding the industry break-out, year-to-date totals have remained consistent for the past 5 months. Board Member Wilkes asked if the 8% growth is expected to continue. Mr. Miller responded that the best indicator is retail trade, which continues to grow 6% annually. For the next fiscal year, they have budgeted for 4.5%.

24-2007 Chair Richardson-Woods called for Board and Liaison Reports.

Board Chair. Chair Richardson-Woods thanked Vice Chair Kelly for presiding over last month's meeting in her absence. She noted significant board involvement in recent community events highlighting representation at Chestnut Square Farm to Table, Habitat for Humanity Block Party, Collin College Scholarship Reception, Millhouse International Postcard Event, Notes Live/Venu Reception, Texas Job Corps Graduation, East Louisiana Block Party, 9/11 Remembrance at Mitchell Park, and Jurassic Night Out at the Heard Museum. She expressed appreciation to the Board Members for their participation.

City of McKinney. City Manager Paul Grimes shared that staff is preparing for a November discussion with Council on short-term rentals, which will include current laws and programs offered in other cities. Mr. Grimes announced and welcomed two new hires: Phil Hubbard, Director of Code Services, and Margaret Li, Housing and Community Development Director. He congratulated the Communications

Department for awards received from National Association of Telecommunications Officer and Advisors including Best Use of Video and Social Media for a budget under \$250,000 for “God Must Have Spent A Little More Time in McKinney” and an Award of Distinction for “Happy International Women’s Day.” Mr. Grimes announced that John Cunningham, the City’s training administrator, received the 2024 Early Career Leadership Award from ICMA at the national conference. Board Alternate Lloyd asked about the timing of short-term rental discussions, and Mr. Grimes explained that the review is intended to ensure that the City is properly regulating short-term rentals. Vice Chair Kelly asked if there had been any incidents, increases in crime, or complaints linked to short-term rentals, and Mr. Grimes answered that there have been no issues or trends regarding short-term rentals.

Visit McKinney. Executive Director Aaron Werner announced the promotion of Alisha Holmberg to Assistant Director at Visit McKinney. He attended the ICMA Conference, where he spoke about the impact of the City’s solar eclipse events and merchandise. Mr. Werner highlighted that sports has been a major focus for Visit McKinney, adding that the City’s hotels and sports facilities are ideal for mid-size events. On November 16 and 17, the City will host the Billie Jean King Cup playoff match between Ukraine and Austria at our indoor facility with added raised seating to create a championship atmosphere. Mr. Werner thanked the Parks and Recreation team for their partnership, adding that the spring sports season will begin with the International Girls Cup of McKinney in April with over 200 teams and 2,500 attendees expected at the kickoff event. Games will be played at Craig Ranch Soccer Facility, Al Ruschhaupt Park, and in Melissa. He mentioned another large sports event with 1,400 players that will be announced in October. Then, the Byron Nelson tournament is just around the corner starting in late April. Upon invitation from President Schneible, Mr. Werner agreed to provide

an in-depth hotel presentation at the October Board meeting. Chair Richardson-Woods verified the dates of the Billie Jean King tournament as November 16-17, and Mr. Werner added that the ticket link is not yet live.

McKinney Economic Development Corporation. President Michael Kowski announced that Plug and Play will host its grand opening on October 3 at the Arcade 92 building, another step in the evolution of advancing startups and innovation in McKinney. The MEDC team received two bronze awards from the International Economic Development Council in the 200,000 to 500,000 population categories, one for their Innovation Fund and another for their annual report. They recently closed applications for three new staff positions, receiving a total of 600 applications. One new hire will assist Madison Clark with business retention and expansion, one will work with Luke Gajary on marketing and event planning, and the third will report directly to Mr. Kowski as a data analyst. Mr. Kowski thanked Board members for their attendance at the Notes Live/Venu reception.

McKinney Main Street/MPAC. Cultural Director Andrew Jones expressed excitement for Oktoberfest and highlighted the VIP experience featuring Chef Noah Hester. He expressed his appreciation to the marketing department for refreshing the Oktoberfest brand. October is the start of "Birdtober," an art installation featuring over 31 life-size painted birds throughout Downtown created by local artist, Andrea Holmes. Upcoming Downtown events include the Coffee Crawl on October 12, Cirque de Carre on October 7-9, the Benji 50th anniversary movie screening at MPAC on October 19, Dia de los Muertos on October 19, and Spooktacular Beer Walk on October 26. Board Member Booth asked about the schedule for Oktoberfest, and Mr. Jones shared that the parade kicks off at 5:30 p.m. Friday followed by the keg tapping at 6:00 p.m. Happy hour is Friday from 2:00 to 5:00 p.m. Oktoberfest hours are

until 11:00 p.m. on Friday, 11:00 a.m. to 11:00 p.m. on Saturday, and noon to 5.p.m. on Sunday. Chair Richardson-Woods added that Mayor Pro Tem Geré Feltus will tap the keg this year. Vice Chair Kelly thanked Mr. Jones for hosting the Texas Water Development Board meeting at MPAC last month. Mr. Kelly also asked for clarification about the Oktoberfest “happy hour.” Mr. Jones explained that beer sales will start at 2:00 p.m. to draw traffic to Downtown businesses. Both the VIP experience and carnival will also open at 2:00 p.m. Future plans include opening all Oktoberfest activities at 2:00 p.m.

McKinney Parks and Recreation. Director Amy Kinkade addressed Board Member Booth’s question from last month regarding how many visitors from Stonebridge used Apex during the Stonebridge pool closure. Parks and Rec issued 533 discounted passes to the Stonebridge visitors during that time. The Towne Lake light park bid will reopen this month, because the only bid received last month was over budget. They have spoken to more companies and are confident that they will receive better options. Horizon and Aviator park playgrounds are being replaced, and Horizon’s playground will be donated to another community. Wilson Creek Green Phase I should be complete by the end of the year. The backstops at McKissick and Serenity parks are now complete. Bleachers are being installed at Grady Littlejohn Softball and Baseball Complex. The Towne Lake Recreation Center is scheduled to reopen in early 2025. Old Settlers Park construction bidding will open early 2025. Bidding for McKinney Soccer Complex Phase II will open by the end of this year, and construction is expected to start early next year and finish by 2026. Bidding for Gabe Nesbitt field and signage improvements will open by the end of the year. Additionally, wayfinding designs are in process. An engineering study for the Erwin Park pond was added, but the project is still moving forward. Trick or Treat Trails will be on October 19 from 3:00-7:00 p.m., featuring over 30 vendors and

lots of entertainment. The parks tour with MCDC and PROS boards is scheduled for the morning of November 2. Secretary Riche mentioned that the work at Erwin Park is appreciated by visitors. Ms. Kinkade credited DORBA for their contributions.

24-2008 Chair Richardson-Woods called for the President's Report. President Cindy Schneible congratulated TUPPS Brewery for receiving their Certificate of Occupancy for all three buildings. They are planning a major event this weekend to coincide with Downtown McKinney's Oktoberfest. She directed Board members to the attached reports, including detailed final reports from McKinney Repertory Theatre and Marching Music Made in McKinney. Ms. Schneible announced that the East McKinney Learning Garden received a \$100,000 grant from the Sprouts Community Health Foundation, which will help fund their operations for the next three years, the term of their current lease. She shared that Farm to Table Dinner at Chestnut Square was a great event with Chef Noah Hester and his team providing excellent food. Ms. Schneible highlighted the International Postcard Art Exhibit at the Millhouse, a unique event with nearly 800 artists around the world submitting 4x6 postcard-sized artwork. The exhibit continues through October 10, and she encouraged everyone to visit. She mentioned that Dia de los Muertos event is on October 19, and yard signs are available for Board members. The next promotional grant application cycle opens November 1, with presentations in December. In October, Aaron Werner will share an update on the hotel environment in McKinney and Jeff Moore will discuss Type A and Type B corporations. Vice Chair Kelly expressed his gratitude to Ms. Schneible, Brenda Spinelli, Trevor Minyard, and the team for their hard work on the TUPPS project. Chair Richardson-Woods encouraged everyone to attend the International

Postcard Exhibit and emphasized the importance of supporting artists by purchasing their work.

24-2009 Chair Richardson-Woods called for consideration/discussion/action on a Retail Development Infrastructure Grant application submitted by Hope Hardware Building, LLC (RI 24-09) in an amount up to fifty thousand and NO/100 dollars (\$50,000.00) for the installation of a grease trap including necessary plumbing and site work at the Hope Hardware Building Located at 214 E. Louisiana Street, McKinney, Texas. Cleo Meredith thanked Linda Jones for helping with the grant application process and identifying eligible expenses. Their most important issue for the project is having open access on the side of the building for the grease trap. James West, the project architect, is working to ensure that the structure and access are safe. Breaking the wall on Johnson Alley will require soil, utility lines, and plumbing work. The City is helping with utility lines in the alley. Board Member Wilkes shared that the subcommittee (himself and David Kelly) reviewed each of the applications being considered today with consideration given to eligibility of the project (location and project elements), viability of each project, ability of the business to operate without project completion, and the ability of the project to create a new or expanded business. On behalf of the subcommittee, funding in an amount of 75% of total eligible reimbursable expenses up to \$50,000 is recommended. Board members unanimously approved a motion by Board Member Wilkes, seconded by Vice Chair Kelly, to approve the item in an amount of up to \$50,000 as recommended by the subcommittee.

24-2010 Chair Richardson-Woods called for consideration/discussion/action on a Retail Development Infrastructure Grant application submitted by Hester Eats, LLC (dba Hamm's Meat Market) (RI 24-10) in an amount up to fifty thousand and NO/100 Dollars (\$50,000.00) for the installation of a fire

suppression system and site work at 307 W. Louisiana Street, McKinney, Texas. On behalf of the subcommittee, Board Member Wilkes recommended approval of this grant request for \$50,000 of eligible expenses. Board members unanimously approved a motion by Board Member Wilkes, seconded by Board Alternate Lloyd, to approve the item in an amount of up to \$50,000 as recommended by the subcommittee.

24-2011 Chair Richardson-Woods called for consideration/discussion/action on a request from Habitat for Humanity of Collin County to extend the term of the loan agreement executed with McKinney Community Development Corporation for Project 4B 23-15 to March 31, 2025. CEO Shonda Schaefer thanked the Board for considering the request and explained that several projects were delayed because of the leadership transition. Upon approval of the extension, they will restart the projects with an expectation for completion within the six months, extension period. President Schneible clarified for Vice Chair Kelly that all MCDC grants are structured as forgivable loans. Secretary Riche verified from Ms. Schaefer that a March 31 completion is realistic. Board members unanimously approved a motion by Vice Chair Kelly, seconded by Board Member Booth, to extend the agreement to March 31, 2025.

24-2012 Chair Richardson-Woods called for consideration/discussion/action on a request to grant an easement to Oncor Electric Delivery Company LLC on the McKinney Community Development Corporation parking lot, located between Virginia and Louisiana Streets east of the DART Railway, for the Virginia and Throckmorton Infrastructure Improvements (Municipal Complex) Project. CIP Manager Blake Sills explained that this item is related to the ongoing Virginia and Throckmorton infrastructure improvement project near City Hall. Council has directed staff to bury the existing utility lines along Virginia Street from Highway 5 to Throckmorton, where lines are currently on aerial poles. They are

working with a consulting engineer and the utility companies to build a duct bank, which is already under construction. The City will install underground pipes, allowing for underground wire installation and the removal of infrastructure utility poles near the future City Hall. Mr. Sills stated that they have consistently collaborated with the facilities construction team on this project. Oncor indicated that a switchgear is required outside the street's right of way. After evaluating several potential locations, they have determined that the only viable spot for the switchgear is in the northwest corner of the MCDC parking lot between Virginia and Louisiana Streets. The switchgear is about ten feet wide, seven feet deep, and four feet tall. This project will require removing three parking spaces from the lot, which currently has 43 spaces. Secretary Riche asked if they would appraise the value of the space. Mr. Sills explained that Oncor is seeking an easement as a grant, which is standard industry practice. If it were a city water or sewer project, they would require an appraisal. For an easement of this minimal size (642 square feet), they would likely rely on data from Collin CAD versus seeking a full onsite appraisal. Per Collin CAD, the land value is approximately \$15 per square foot, a total of about \$10,000. Board Member Wilkes asked if the parking lot was ever intended for anything else, and President Schneible confirmed it was always meant to be a parking lot. Vice Chair Kelly asked for clarification on compensation for the easement. Mr. Sills explained that it would depend on the Board's direction, but they are requesting a dedication with a \$10 consideration to MCDC. Both Vice Chair Kelly and Board Member Booth sought clarification regarding compensation and appraisal. Mr. Sills stated that if compensation was required, the real estate staff would propose an offer based on an appraisal, then that fee would be paid to MCDC by the City. Director of Engineering Gary Graham emphasized the importance of securing the easement now to keep the project on schedule. He

reiterated that they are requesting a donation, since this is a City project.

He added that if compensation is needed, they can work out the details later; however, they are requesting that the Board vote on the easement today to keep the project moving forward. Board Member Booth verified that burying the lines was for aesthetics. Board members unanimously approved a motion by Board Member Wilkes, seconded by Secretary Riche, to approve the item as requested.

- 24-2013** Chair Richardson-Woods called for consideration/discussion/action on a request from City of McKinney Housing and Community Development to extend the term of the loan agreement executed with McKinney Community Development Corporation for Project 4B 23-12 to September 30, 2025. President Schneible shared that an extension is needed to complete their projects. The organization has recently undergone a leadership transition. Currently there are eight projects in the pipeline that will be supported by this grant. Board members unanimously approved a motion by Treasurer Bradford, seconded by Board Member Booth, to extend the term of the agreement to September 30, 2025.

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. Board Member Booth shared that the Jurassic Night Out at the Heard Museum was a great event. She thanked the City staff and commended them for their recent awards, which highlight the City in a positive light. Board Alternate Lloyd also commended the City for their awards. He attended the Habitat for Humanity Block Party for Cotton Groves and was excited to see the amazing homes and expressed appreciation to Ms. Schaefer for her work. Vice Chair Kelly stated that the Farm to Table event at Chestnut Square and the International Postcard Exhibit at Millhouse were exceptional events. He shared that he recently spoke at an event at the Heard Craig Center for the Arts where he met a young woman who formed and manages a charity with her friend. The Sam and Chloe Charity supports the Children's Advocacy Center of Collin County. They host garage sales, with all proceeds

going directly to their charity, and they are making a significant impact in the community. Secretary Riche shared that he attended the Notes Live office reception and expressed his excitement for the project. Treasurer Bradford attended the Mexican Independence Day celebration at Old Settlers and thanked Trish Yanes and her team for organizing a vibrant event. She also attended the Job Corps Graduation, celebrating its 65 anniversary and 60 years of creating careers. She was privileged to hear the impactful testimonies shared at the event. She also attended their block party where she had an opportunity to visit with students and parents. The Job Corps program offers great opportunities and is making a significant difference in people's lives. Board Member Wilkes shared that he attended Jurassic Night Out at the Heard Museum. He also joined other Board Members at the Farm to Table event and gained an understanding of the many projects MCDC has funded at Chestnut Square. He noted that MCDC has contributed a total of \$2.2 million to the Heritage Guild at Chestnut Square for building restorations. Chair Richardson-Woods attended the Collin College Scholarship Awards Dinner with Linda Jones, where they were able to visit with students about their passions and career aspirations. She also attended the International Postcard Exhibit at Millhouse and the Notes Live reception. Chair Richardson-Woods congratulated AJ Micheletto on becoming a new Board Member. She thanked City Council for their efforts in supporting the City's various boards and commissions and expressed gratitude for being considered for another term on the MCDC board. She warmly welcomed Anahi Alvarez to the team.

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 included Project 4B20-09 (TUPPS Brewery and Entertainment Destination), Project RI24-09 (Hope Hardware Building), Project RI24-10 (Hamm's), Notes Live/Venu, Project Hemisphere, and Project Mirage.

Chair Richardson-Woods reconvened the meeting of McKinney Community Development Corporation back into regular session at 10:13 a.m.

Board members unanimously approved a motion by Board Chair Richardson-Woods, seconded by Secretary Riche, to approve an amendment to the Development

Agreement with Notes Live/Venu as discussed in Executive Session, and subject to approval by McKinney Economic Development Corporation and City Council.

Chair Richardson-Woods called for a motion to adjourn. Board members unanimously approved a motion by Secretary Riche, seconded by Board Alternate Lloyd, to adjourn. Chair Richardson Woods adjourned the meeting at 10:14 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
DAVID KELLY
Board Vice Chair

ATTEST:

DAVID RICHE
Board Secretary