

MCKINNEY COMMUNITY DEVELOPMENT CORPORATION

AUGUST 24, 2023

The McKinney Community Development Corporation met in regular session in the City Hall Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on Thursday, August 24, 2023, at 8:00 a.m.

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

Absent: None.

City Council Present: Mayor George Fuller, Councilman Patrick Cloutier, 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 Senior Vice President Michael Talley, Affordable Housing Administrator Cristel Todd, and MCDC Administrative and Marketing Coordinator Linda Jones.

There were several guests present.

Chair Richardson-Woods called the meeting to order at 8:00 a.m. after determining a quorum was present. Deborah Bradford, Board Secretary and Associate Pastor of New Jerusalem Baptist Church, offered an invocation which was followed by the Pledge of Allegiance.

Chair Richardson-Woods called for public comments on non-public hearing items, and there were none.

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

23-0673 Minutes of the McKinney Community Development Corporation Meeting of July 27, 2023.

- 23-0674** Minutes of the McKinney Community Development Corporation Special Meeting of July 17, 2023.
- 23-0675** Minutes of the McKinney Community Development Corporation Promotional and Community Events Subcommittee Meeting of July 17, 2023.
- 23-0676** Chair Richardson-Woods called for the Financial Report. Accounting Manager Chance Miller presented financials for the month of July. Total revenues for July were \$1.9 million including \$1.7 million sales tax and just over \$160,000 in related interest income. Total expenses for July were \$6.7 million including project expenses of about \$3 million, TUPPS construction of about \$1.9 million and debt service payments of \$1 million. July represented May sales and showed an increase of 7.7%, which corrects last month's decrease, and a true annual increase of 6.4%. During the same time period, Allen had an increase of 11.1%, Frisco had a decrease of 3.1% and Plano had an increase of 10.1%. McKinney is trending a little behind our sister cities for sales tax this year. However, over a two-year span, all are trending consistently at an increase of about 6%. Last month, retail trade broke even, but July showed a 17% increase, which puts the City back on track for a steady 7% increase. There was a \$500,000 decrease in wholesale trade, and staff has reached out to the state comptroller's office for more information about that data. Vice Chair Kelly asked for examples of wholesale trade, and Mr. Miller shared that there are a few large wholesalers in McKinney, one of which showed a \$450,000 decrease this time period, so they are seeking clarity from the comptroller about that specific data. There were no questions on the checks issued report.
- 23-0677** Chair Richardson-Woods called for Board and Liaison Reports.

Board Chair. Chair Richardson-Woods reported that Board members and staff have participated in a number of events including Farmers Markets, Night Markets and SBG Sips of Summer since the last meeting. Additionally, most attended the Chamber Development Update. Board Member Riche and Secretary Bradford commended President Schneible, Assistant City Manager Kim Flom and MEDC Senior Vice President Michael Talley for their presentations at the Chamber Development Update. Board Member Barnes-Tilley commented that the McKinney Parks Foundation 5K was a great event, adding that the trails at Gray Branch are beautiful.

City of McKinney. City Manager Paul Grimes added his thanks to President Schneible, Assistant City Manager Kim Flom and MEDC Senior Vice President Michael Talley for representing the City well at the Chamber Development Update. The budget process is well underway with a public meeting scheduled for September 5 to provide an opportunity for public input. Budgeted revenue reflects an effective rate plus 2.35% (less than half the rate of inflation) and record increase in values for appreciation and new value, which allows the City to decrease the property tax assessment rate by three cents. The new rate recommended rate is 42.7 cents per \$100 assessed valuation. City Council made Board and Commission appointments earlier this week for terms that begin October 1. Mr. Grimes expressed appreciation for the commitment of all those who serve on the Boards and Commissions. Mr. Grimes shared that Council approved two new contracts related to waste hauling following a bidding process that began about a year ago. After review of all submitted competitive bids, Frontier Waste Solutions will be the new solid waste hauler beginning October 1, 2024. Balcones Recycling will be the new recycling hauler with the goal of improving waste avoidance and recycling diversion. Mr. Grimes thanked Waste Connections for their partnership with McKinney for twenty years. Mr.

Grimes stated that Council will discuss a potential bond election at their September 4 Work Session. He reminded Board members that the last bond election was 2019, and the goal was to spend those funds within five years. These are general purpose bonds for projects related to streets, roads, facilities and parks. If Council chooses to move forward with a bond election, a committee will be formed, and an election will likely be May 2024.

Visit McKinney. Executive Director Aaron Werner stated that it has been a busy tourism summer for McKinney which broke records for occupancy, average daily rates and other categories. He acknowledged the partnership of all City entities including MCDC. He announced that the re-grand opening for the Visitor Center will be September 7 with a ribbon-cutting at 4:30 p.m. and appetizers from the new LOYO Burger and treats from Mary Mountain Cookies. He acknowledged and thanked the Visit McKinney staff for their extra work in making the renovations happen. Mr. Werner stated that he was able to attend Connect Marketplace in Minneapolis and meet directly with some NCAA D3, D2 and smaller D1 leaders. Visit McKinney's Sales Manager Marie Woodard is continuing to meet with other sports planners including NJCAA. Visit McKinney is opening the bid portal soon for those events. They are excited to work with Parks to determine what events McKinney wants to bid for the upcoming years.

McKinney Economic Development Corporation. Senior Vice President Michael Talley reported that MEDC has 31 projects, \$3.7 billion in their current project pipeline and \$45 million in closed projects for 2023. The project team is back to normal staffing level. Staff is participating in several conferences including Interface Industrial DFW, Global Consortium of Entrepreneurial Centers in Richardson (typically held in London), North Central Texas Industrial, Red News Collin County Update, Biznow in McKinney and various smaller trade shows. Mr. Talley

shared that President and CEO Peter Tokar announced his resignation last week after five years with MEDC. Mr. Talley will serve as Interim President and CEO. Vice Chair Kelly asked if there was a timeline for hiring a new President, and Mr. Talley stated that he did not know the Board's timeline. Secretary Bradford asked about the Dallas event today. Mr. Talley stated that MEDC Director of Business Retention and Workforce Development Madison Clark is speaking today at Interface Industrial Dallas, which is a regional economic update similar to the Chamber Update event.

McKinney Main Street/MPAC. Cultural District Director Andrew Jones shared that they are currently filming a series of "tiny" ribbon cuttings with Mayor Fuller for the Tiny Door project launching this week. He invited Board members to the launch event on Friday. Main Street is partnering with McKinney Police to offer security training for Downtown property and business owners on September 15. Upcoming events include Pam Tillis on September 1, Mystical Market in Mitchell Park on September 1, Angel White on September 8, and Jim Messina on September 28. The Main Street team is planning for Oktoberfest, September 22-24, which be ticketless again this year. Events will include Police vs. Fire Beer Stein Challenge. This year introduces the new VIP Biergarten sponsored by BlueBox. Vice Chair Kelly asked about the Mystical Market. Mr. Jones shared that this smaller event hosted by two Downtown businesses is held several times a year and hosts vendors from around the metroplex with various products and services like yoga and handicrafts. Board Member Riche sought clarification about the Tiny Door project, and Mr. Jones shared that the doors are permanent art installations with additions and replacements over time. Board Member Barnes-Tilley complimented them on the Tiny Door Launch invitation and verified the dates of Oktoberfest.

McKinney Parks and Recreation. Assistant Director of Parks and Recreation Ryan Mullins shared that summer has been busy for their department as well. July was National Parks and Recreation Month. They celebrated with RecQuest, National Trails Day, Mary Will Craig Park improvements, "Top Gun" showing for Movies in the Park series, and the opening of the Indoor Tennis facility, adding that pickle ball lines are being painted. Mr. Mullins shared that there were over 1,200 kids in summer camps, about 2,500 adults and kids in swim lessons, and about 250,000 visitors to recreation centers and pools this summer. The Greens Park and Trails should go out for bid soon, the Towne Lake dog park and light walk are both under design, the road connection between Al Ruschhaupt Phase 1 and 2 is under design, restrooms and improvements for Erwin Park are under design, and construction contract for renovations at E.A. Randles will go to Council on September 5. Board Member Booth complimented the Apex team for their summer programming and congratulated the Parks team on the opening of the beautiful indoor tennis facility.

23-0678 Chair Richardson-Woods called for the President's Report. President Cindy Schneible referred to the marketing report stating that we are now above the 4,000 follower threshold for Facebook. She added that it's interesting to note that though our followship is mostly under age 55, those who are most engaged in our content are 55-64. She thanked Linda Jones for her work with our social media platforms. Ms. Schneible referred to Chestnut Square final report for Spring events, highlighting that this grant covered 25 events, adding that the report details budget and attendance for each event. She reminded the Board that Farmers Market draws over 1,000 visitors to the Downtown area every Saturday. Ms. Schneible extended her compliments to McKinney Parks Foundation for their work on the trails at Gray Branch. She added that they have

several upcoming workdays including Erwin Park on September 9, McKinney Greens on September 22 and Gray Branch on October 21. TUPPS continues to work towards their TCO and is working through the final punch list. Full CO is targeted for late October or early November.

Chair Richardson-Woods recessed the meeting into Executive Session at 8:29 a.m. in accordance with the Texas Government Code. Deliberation regarding economic matters include Project 4B 23-10 (McKinney Parks Foundation), Project 4B 23-11 (Heritage Guild of Collin County), Project 4B 23-13 (The Cotton Mill), Project 4B 23-14 (McKinney Main Street), Project 4B 23-15 (Collin County Habitat for Humanity), Project 4B 23-16 (McKinney Boys & Girls Club), Project 4B 23-08 (McKinney Housing Authority - The Remnant), Project 4B 20-09 (TUPPS Brewery and Entertainment Destination), Project 4B 17-04 (Craig Ranch Resort Hotel), Project Bluesky, and Project Vibes.

Chair Richardson-Woods reconvened the meeting of McKinney Community Development Corporation back into regular session at 9:13 a.m.

Chair Richardson-Woods stated that the Board held public hearings for seven project grant applications at the July meeting and will vote on those today.

23-0679 Chair Richardson-Woods called for consideration/discussion/action on a Project Grant application submitted by McKinney Parks Foundation (#23-10) in the amount of twenty-five thousand and NO/100 dollars (\$25,000.00) to fund purchase of a Polaris Texas Edition Ranger Utility Terrain Vehicle to facilitate trail improvement projects. Amount requested represents 100% of total project cost. Board members unanimously approved a motion by Board Member Booth, seconded by Board Member Riche, to approve this item in the amount of \$25,000 as requested.

23-0680 Chair Richardson-Woods called for consideration/discussion/action on a Project Grant application submitted by Heritage Guild of Collin County (#23-11) in the amount of fifty thousand and No/100 dollars (\$50,000.00)

to replace the chimney on the Faires House and to replace porches, stairs and ramps on six historic buildings in Chestnut Square. Amount requested represents 57% of total project cost. Board members unanimously approved a motion by Board Member Riche, seconded by Vice Chair Kelly, to approve this item in the amount of \$25,000 to replace porches, stairs and ramps on six historic buildings in Chestnut Square.

23-0681 Chair Richardson-Woods called for consideration/discussion/action on a Project Grant application submitted by City of McKinney, Housing and Community Development Department (#23-12) in the amount of two hundred thousand and NO/100 dollars (\$200,000.00) for the Property Maintenance Program to provide repairs and improvements to low income, owner-occupied homes in three mobile home parks in McKinney, Texas. Amount requested represents 100% of total project cost. Board members unanimously approved a motion by Secretary Bradford, seconded by Treasurer McGill, to approve this item in the amount of \$200,000 as requested.

23-0682 Chair Richardson-Woods called for consideration/discussion/action on a Project Grant application submitted by The Cotton Mill (#23-13) in the amount of one hundred thirty-five thousand five hundred eighty and NO/100 dollars (\$135,580.00) for new neon signage on the smokestack of The Cotton Mill on the property located at 610 Elm Street, McKinney, Texas. Amount represents 100% of the project total cost. Board members unanimously approved a motion by Board Member Barnes-Tilley, seconded by Treasurer McGill, to approve this item in the amount of \$135,580 as requested.

23-0683 Chair Richardson-Woods called for consideration/discussion/action on a Project Grant application submitted by McKinney Main Street (#23-14) in the amount of one hundred three thousand one hundred thirty-three and

92/100 dollars (\$103,133.92) for the purchase of a new non-electric, 14-passenger, climate-controlled Downtown Trolley for the DASH Program. Amount requested represents 50% of total project cost. Board members unanimously approved a motion by Board Member Booth, seconded by Board Member Barnes-Tilley, to approve this item in the amount of \$103,133.92 as requested.

23-0684 Chair Richardson-Woods called for consideration/discussion/action on a Project Grant application submitted by Habitat for Humanity of Collin County (#23-15) in the amount of four hundred thousand and NO/100 dollars (\$400,000.00) to fund critical home repairs for low-income residents in McKinney, Texas. Amount represents 100% of total project cost. Board members unanimously approved a motion by Board Member Barnes-Tilley, seconded by Secretary Bradford, to approve this item in the amount of \$400,000 as requested.

23-0685 Chair Richardson-Woods called for consideration/discussion/action on a Project Grant application submitted by Boys and Girls Club of Collin County (#23-16) in the amount of seventy-one thousand four hundred seventy-seven and NO/100 dollars (\$71,477.00) for purchase and installation of traditional games and electronic games (Exergame) to encourage physical health and development of youth attending the McKinney Club. Amount requested represents 100% of the total project cost. Vice Chair Kelly stated that he does not support this request, expressing concerns about the longevity and continued interest in the ExerGame component but stating that he would support a partial grant approval for the more traditional game equipment. Board Member Booth expressed agreement with those concerns, adding that she believes these should be donor funded as in-kind contributions. Secretary Bradford expressed consideration for the demographics of the club members, reminding Board members that their parents are taxpayers.

Also considering this equipment will encourage physical health and development, she supports approval of this item. Board members approved a motion by Board Member Barnes-Tilley, seconded by Secretary Bradford, to approve this item in the amount of \$71,477 as requested, with a vote of 4-3-0 with Vice Chair Kelly and Board Members Booth and Riche voting no.

23-0686 Chair Richardson-Woods called for a public hearing and consideration/discussion/action on Retail Development Infrastructure Grant application submitted by Cocktail Creamery (RI 23-06) in the amount of up to five thousand eight hundred twelve and 50/100 dollars (\$5,812.50) for the purchase and installation of a grease trap required for full operations at their new location at 205 E. Virginia, McKinney. Total requested is 75% of total project cost. Sharyn Lindbald shared that she and her husband have owned Cocktail Creamery in Downtown McKinney for four years and have been sharing space with The Pantry. Their new location opened this past Friday. Ms. Lindbald stated that their business is a unique destination because of their exemplary customer service and unique product of alcohol-infused ice cream made with 18% butterfat to create an extra creamy base. It is a gourmet, super-premium ice cream made onsite. An outdoor grease trap is required by City code. Cocktail Creamery has been featured on Good Morning Texas and in many area publications, establishing itself as a McKinney destination. They are requesting 75% of the \$7,750 cost for the purchase and installation of a new grease trap already installed. Board Member Riche asked about the potential to tap into The Gather's grease trap. Ms. Lindbald explained that there were costs involved including a cost to run the tap line from their location to The Gather, a monthly usage fee, and a shared cost for cleaning several times a year. There were additional concerns shared by

contractors regarding digging the line. They also considered the potential of a new tenant or property owner making changes which could create the need for them to be independent in the future. After considering the cost and practicality of sharing, they chose to install their own grease trap. Ms. Lindbald stated that she did not know the exact cost, but she agreed to share those costs with the Board. She added that the size required for their business was only 30 gallons, which is considered small, and will only need to be cleaned once a year. Vice Chair Kelly asked the reason for this request being made after the work is complete. For Board consideration, he asked if the Board should set clearer expectations regarding rules or guidelines for determining if and when retroactive projects should be considered. President Schneible reminded Board members that they have funded several projects after work was completed, and that decisions have generally been made because some projects, particularly in this grant category, are identified and must be completed outside of the grant cycles. Ms. Schneible added that this is a great time for this discussion because there is a subgroup of the Board currently working on the applications for the next fiscal year. Chair Richardson-Woods agreed that this topic should be considered by the subgroup. Chair Richardson-Woods called for public comments, and there were none. Board members unanimously approved a motion by Board Member Barnes-Tilley, seconded by Treasurer McGill, to close the public hearing.

23-0687 Chair Richardson-Woods called for consideration/discussion/action on a request from Adriatica Master Association to extend the term of the loan agreement executed with McKinney Community Development Corporation for Project #22-06, from September 30, 2023, to October 31, 2023. Al Perry reported that the project is nearly complete. The only thing remaining is to install sod, and the risks are too high to install it in the

temperatures McKinney has been experiencing. He thanked the Board for the grant and informed Board members that the space has already proven to be very popular. Board Member Riche acknowledged that the amphitheater area looks amazing. Vice Chair Kelly asked for clarification from President Schneible that this is a grant versus a loan. Ms. Schneible stated that MCDC project agreements are written as forgivable loans. Board members unanimously approved a motion by Treasurer McGill, seconded by Board Member Riche, to extend the agreement to October 31, 2023.

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 there were none.

Chair Richardson-Woods recessed the meeting into Executive Session at 9:40 a.m. in accordance with the Texas Government Code. Deliberation regarding economic matters include Project 4B 23-10 (McKinney Parks Foundation), Project 4B 23-11 (Heritage Guild of Collin County), Project 4B 23-13 (The Cotton Mill), Project 4B 23-14 (McKinney Main Street), Project 4B 23-15 (Collin County Habitat for Humanity), Project 4B 23-16 (McKinney Boys & Girls Club), Project 4B 23-08 (McKinney Housing Authority - The Remnant), Project 4B 20-09 (TUPPS Brewery and Entertainment Destination), Project 4B 17-04 (Craig Ranch Resort Hotel), Project Bluesky, and Project Vibes.

Chair Richardson-Woods reconvened the meeting of McKinney Community Development Corporation back into regular session at 10:25 a.m.

Board members unanimously approved a motion by Chair Richardson-Woods, seconded by Board Member Barnes-Tilley, to approve an amendment to the second amended and restated lease agreement between McKinney Community Development Corporation and TUPPS Brewery as discussed in Executive Session.

Chair Richardson-Woods called for a motion to adjourn. Board members approved a motion by Board Member Riche, seconded by Vice Chair Kelly, to adjourn, with a vote of 6 - 1 - 0, Secretary Bradford voting no.

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

These minutes approved by the MCDC members on: _____

ANGELA RICHARDSON-WOODS
Chair

DEBORAH BRADFORD
Secretary