

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

JUNE 18, 2024

The McKinney Economic Development Corporation met in regular session in the City Hall Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on Tuesday, June 18, 2024, at 8:00 a.m.

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

Absent: Mark Denissen.

City Council Present: Mayor George Fuller, Councilmen Justin Beller and Rick Franklin.

Staff Present: President Michael Kowski, Director of Business Retention & Workforce Development Madison Clark, MEDC Operations Manager Deana Smithee, MEDC Executive Assistant Melanie Molina, City Manager Paul Grimes, MEDC Attorney Mark Houser, Accounting Manager Chance Miller, Audio/Video Technician Joshua Arias, and Visit McKinney Executive Director Aaron Werner.

There were 2 guests present.

Chairman Loughmiller called the meeting to order at 8:03 a.m. after determining a quorum present.

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

24-1676 Chairman Loughmiller called for the Minutes of the McKinney Economic Development Corporation Meeting of May 21, 2024.

Board members unanimously approved the motion by Vice Chairman Kuehn, seconded by Board member Woodruff, to approve the Minutes of the McKinney Economic Development Corporation Meeting of May 21, 2024.

24-1677 Chairman Loughmiller called for Board and Liaison Updates.

City of McKinney- City Manager Paul Grimes announced last week June 12th was the second of four scheduled meetings of the charter review commission. Mr. Grimes noted Chairman Bill Cox and Vice Chairman Marianne Radley did a nice job facilitating the meeting. The meeting

was about the future composition of City Council, how many seats, how many districts, how many at large, if any. The final decision will be made at the last meeting which is currently scheduled for July 10th. The next meeting is next week, June 26th, and will discuss compensation matters related to future City Council members. The July 10th meeting will be a wrap up and final recommendation. The charter review commission will report to the City Council at a work session on July 23rd. This will be an advisory opinion and the City Council will decide whether to call an election. Mr. Grimes announced every June there is discussion about potential homestead or senior and elderly disabled exemptions. The current exemption is \$85,000. This information is reviewed in June because the City must report any plans to adopt an increase in exemptions to the Collin Central Appraisal District. Mr. Grimes announced the Building Inspections department received a two-point improvement in their International Organization for Standardization (ISO) ratings. Residential multifamily and single family and nonresidential. Mr. Grimes announced the Communications department attends the Texas Association of Municipal Information Officers conference (TAMIO) every year. TAMIO is an affiliate of the Texas Municipal League and every year they host the "TAMI" awards. The City of McKinney won in seven categories at the event in San Antonio a few weeks ago.

Visit McKinney- Visit McKinney Executive Director Aaron Werner announced we had a 96% occupancy rate on May 25th of this year, only a 0.8% increase from the same day a year ago. Thursdays, Fridays, and Saturdays in McKinney are consistently seeing over 90%, upwards of 96% occupancy. Mr. Werner noted this is an example of the numbers they are seeing. A lot of this comes from the sports market. A week and a half ago, Mr. Werner and Visit McKinney Sales Manager Marie Woodard traveled to Mesa, Arizona for an event called "The Invitational". It was a conference with one-on-one meetings with sports planners and

tournament providers from across the country. Mr. Werner noted this is the second sports conference the Visit McKinney staff has attended since he joined the team. Mr. Werner noted McKinney was the talk of the entire conference, being present there, the facilities we have, the events we already host in McKinney and the fact we are new to being face-to-face with these planners was a huge opportunity. Mr. Werner noted Visit McKinney will continue to attend these events and hopefully bring some big names back. Mr. Werner announced he is anticipating a major announcement on July 1st for a once in a lifetime opportunity for McKinney to host a significant event in November. Mr. Werner noted he spoke with Arch Street this week and they fully anticipate Hotel Denizen to be open and operating come October barring any significant construction issues. Mr. Werner announced this coming Friday is “Make Music Day” at Visit McKinney. There will be about 45 harmonicas available for kids and people of all ages. Jon Christopher Davis will be on site to teach anyone who attends how to play the harmonica.

MEDC Committee Updates

Marketing Committee- Board member Williams announced the Marketing Committee met. Ms. Williams noted there is a new McKinney Momentum podcast episode. Ms. Williams asked everyone to “like” and “share” MEDC posts as it is a great way to show the community what MEDC is all about.

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

Finance Committee- Vice Chairman Kuehn announced the Finance Committee met and you will see the findings of that meeting shortly in the budget report.

Innovation Fund Committee- Chairman Loughmiller announced there was nothing to report.

Governance Committee- Chairman Loughmiller announced the Governance Committee did not meet, but President Kowski is working on a document for Governance review in July and a report will be made to the Board.

Board Chairman- Chairman Loughmiller announced there is a lot happening this summer in McKinney. Chairman Loughmiller noted he had a lot of family visiting and a comment he repeatedly heard was that this was the best downtown they had ever been to.

24-1678 Chairman Loughmiller called for the MEDC Monthly Reports.

Organizational Report- President Kowski announced Marketing & Social Media Manager Luke Gajary and Senior Vice President Michael Talley are both out so he will take the lead on sharing reports today.

KPI Report- President Kowski announced we have modified the project pipeline graphic and will continue to refine it over the coming months. The graphic is currently showing leads, active projects, how many projects are in legal review, how many have been sent an offer letter, and year-to-date projects won. Overtime we are going to add the dollar figures associated. President Kowski noted the Innovation Fund graphic has also been updated and will continue to be refined.

Marketing Report- President Kowski announced the marketing report is a new graphic Luke designed to separate the pipeline numbers with the marketing and activities. President Kowski concluded the email marketing open rate is still growing, and everything Board member Williams said he supports 100%, please forward, "like", and do what you can to push out our messaging.

24-1679 Chairman Loughmiller called for Business Retention and Expansion Survey Results. Director of Business Retention and Workforce Development Madison Clark announced the intent of this survey was to get a full understanding of what the business community in McKinney is saying about doing business in McKinney. This encompasses everything

from housing to zoning to roadways to everything that makes business happen here. Ms. Clark announced Deloitte out of Canada performed the survey. McKinney is the first community to employ Deloitte to perform a survey in the US. Ms. Clark announced there were 103 businesses surveyed. We sent a list to Deloitte with small to large employers. The survey was conducted via telephone or email. Ms. Clark noted there is about a 9% margin of error as with any survey results, but it is generally accurate data. View the full presentation here [Jun 18, 2024 McKinney Economic Development Corporation - McKinney, TX \(swagit.com\)](https://www.swagit.com/recordings/2024/06/18/2024-06-18-McKinney-Economic-Development-Corporation-McKinney-TX).

24-1680 Chairman Loughmiller called for the May 2024 Financials. Accounting Manager Chance Miller announced we collected close to \$2.2 million in sales tax revenue. Interest income was a little over \$50,000, miscellaneous revenue was about \$30,000. Total revenue for the month of May was slightly over \$2.2 million. For expenditures, May was an active month due to Byron Nelson expenses. Total operational expenses were about \$610,000, \$87,000 of which was personnel, \$3,000 was supplies, and \$520,000 for services and sundry (which Byron Nelson falls under). There was about \$1.1 million in project expenses, and \$237,000 in non-departmental (mainly for the debt-service transfer). Total expenses were \$1.9 million, resulting in a net increase of \$308,000. May sales tax applies to the month of March. We had a 2.3% increase, Allen had a 4.8% increase, Frisco had a slight decrease, and Plano broke about even. Year-to-date we are up to 7.4% and trending well above budget. For sales tax by industry, compared to last year retail trade is up 4%.

Board members unanimously approved the motion by Secretary/Treasurer Helsley, seconded by Board member Williams, to approve the May 2024 Financials.

24-1681 Chairman Loughmiller called for the FY24-25 MEDC Budget. President Kowski announced he spent time over the past few months going over each line item of the MEDC budget. Mr. Kowski noted he is not

recommending any major changes to our budget overall, only fine-tuning certain aspects. President Kowski noted the staffing plan at 11 approved positions with three open positions. Mr. Kowski noted he is not requesting any new personnel this year. In June or July, we will post the jobs for a Marketing/Special Events support member, a Business Retention and Expansion (BRE) support member, and an Analyst.

Board members unanimously approved the motion by Vice Chairman Kuehn, seconded by Secretary/Treasurer Helsley, to approve the FY24-25 MEDC Budget.

Chairman Loughmiller called for Public Comments for items not on the agenda and there were none.

Chairman Loughmiller called for Board comments and there were none.

Chairman Loughmiller recessed the meeting into Executive Session at 8:49 a.m.

Chairman Loughmiller reconvened the meeting into open session at 9:08 a.m.

Board members unanimously approved the motion by Board member Williams, seconded by Board member Hamilton, to approve terms for Project Pita as discussed in Executive Session.

Board members unanimously approved the motion by Secretary/Treasurer Helsley, seconded by Board member Woodruff, to approve terms for Project Inspector Gadget as discussed in Executive Session.

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

Chairman Loughmiller adjourned the meeting at 9:09 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: July 16, 2024.

SIGNED:

BRIAN S. LOUGHMILLER
Chairman

THAD HELSLEY
Secretary/Treasurer