

MCKINNEY COMMUNITY DEVELOPMENT CORPORATION

MAY 23, 2024

The McKinney Community Development Corporation met in regular session in the City Hall Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on Thursday, May 23, 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 Mary Barnes-Tilley, and Board Alternate Markus Lloyd.

Absent: Board Member Chris Wilkes.

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

Staff Present: President Cindy Schneible, City Manager Paul Grimes, Accounting Manager Chance Miller, Director of Parks and Recreation Amy Kinkade, Assistant Director of Parks and Recreation Ryan Mullins, Visit McKinney Executive Director Aaron Werner, MEDC President Michael Kowski, Director of Cultural District Andrew Jones, Assistant City Manager Barry Shelton, Director of Engineering Gary Graham, Assistant Director of Engineering Shelley Lang, and MCDC Grant Program and Marketing Manager 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. She welcomed Board Alternate Markus Lloyd to the dais. Pastor Michael Gamble of The Garden Church offered an invocation which was followed by the Pledge of Allegiance.

24-1558 Chair Richardson-Woods called for an update on 2024 McKinney Board and Commission Member Appointments. Deputy City Secretary Tenitrus Bethel shared that applications for Boards and Commissions are open with a deadline to apply of June 21, 2024. All Board members whose term is ending but who have not reached the maximum number of years for MCDC should reapply if they wish to continue serving. She reminded the Board that MCDC members can serve up to three consecutive two-

year terms. Council will conduct interviews in July and August. All new and reappointed members will be required to complete Open Government training by or before October 1.

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

- 24-1545** Minutes of the McKinney Community Development Corporation Meeting of April 25, 2024.
- 24-1546** Minutes of the McKinney Community Development Corporation TUPPS Subcommittee Meeting of April 30, 2024.
- 24-1547** Chair Richardson-Woods called for the Financial Report. Accounting Manager Chance Miller presented the April financials. Revenues were \$1.8 million primarily from sales tax. Expenses were \$732,000, including \$277,000 in project expenses, resulting in a net increase of \$1.1 million for the month. Regarding sales tax, April numbers apply to February sales. McKinney saw an increase of 13% compared to a 3.6% decrease for Allen, a 15.4% increase for Plano, and a 11.1% increase for Frisco. McKinney's year-to-date increase is 8.3%. Compared to our sister cities, McKinney continues to trend higher in percentage growth and actual dollar amount. Regarding the industry break out, sales taxes were relatively even with no industry standing out. Regarding packaged liquor sales, the City is currently collecting about \$25,000 per month from sixteen taxpayers. Liquor tax has been collected since 2023, and It is expected that the City will see significant growth from liquor sales in one to two more years. Chair Richardson-Woods asked about saturation in the liquor industry. Mr. Miller referenced historical data of other cities which indicates exponential growth occurring within two to three years

after liquor sales passage. There were no questions on the Checks Issued report.

24-1549 Chair Richardson-Woods called for Board and Liaison Reports.

Board Chair. Chair Richardson-Woods thanked Mary Barnes-Tilley for six years of service to the Board and for the positive impression she leaves on our community. She has served as Board Secretary and faithfully served on almost every committee, including our new Affordable Housing subcommittee. Chair Richardson-Woods presented Ms. Barnes-Tilley with gifts including the traditional MCDC travel bag, a framed photo of the Board, and some added small “Ted Lasso” themed items. Ms. Barnes-Tilley thanked Council for the opportunity to serve and expressed appreciation for the recognition. Chair Richardson-Woods shared that the Board has been participating in community events since the last Board meeting including Empty Bowls, Airport FBO Open House, Cornerstone Ranch event, ManeGait LIVE, R&B Music Festival, Chestnut Square Boogie Wonderland, LoveLife Women in Service Lunch, Woodside Community Mother’s Day events, and the CJ Cup Byron Nelson.

City of McKinney. City Manager Paul Grimes thanked Mary Barnes-Tilley for her service and contributions to McKinney. He reported that four of the five bond proposals passed, and with respect to the one proposal that failed, the City will investigate ways to finance the Municipal Court updates. The City of McKinney Finance Department is one of only two municipalities in Texas to earn the sixth star with Texas State Comptroller for financial transparency. McKinney was the first municipality to earn five stars a few years back. Additionally, the City’s Human Resources Department and individual employees Michelle Holt and Corey Hendon were recognized with the 2024 Impact Award. Vice Chair Kelly verified with Mr. Grimes that the Public Works bond did pass by two votes after canvassing of provisional ballots. Board Member Booth asked about the voter turnout for

the bond election, and Mayor Fuller reported that turnout was about 4% or 6,000 residents.

Visit McKinney. Executive Director Aaron Werner added his appreciation for Mary Barnes-Tilley's service. He shared that it is National Travel and Tourism Week stating that travel is the foundation of a thriving America, strengthening every industry, creating jobs and injecting revenue into our communities, ultimately improving the quality of life for residents. In 2023, McKinney generated \$283 million in direct visitor spending, an 8% increase over 2022. This generated local taxes of \$32.9 million. Per geolocation and spend data, 28% of spending in McKinney was from visitors outside of a 50 mile radius of the City with an average spend of \$249 per person. Tourism and hospitality accounts for about 2,100 jobs in McKinney. Top points of interest for visitors were our sports fields and facilities followed by restaurants. Visit McKinney is publishing special social media posts promoting tourism week including a viral video highlighting a "you pick it" farm in McKinney. Board Member Booth asked about the 28% visitor spending data. Mr. Werner explained that the data represents visitors who come from greater than a 50-mile radius and stay for at least two hours and visit a point of interest in the City, which does not include quick stops for those driving through. He added that this data is from geolocation and spend data, layered from credit card and cell phone location. Mr. Werner added that McKinney's visitor to resident ratio is less than other cities.

McKinney Economic Development Corporation. President Michael Kowski added his appreciation for Mary Barnes-Tilley's service. He shared that the Byron Nelson was a great event and thanked Vice Chair Kelly and other Board members for their intentional conversations with MEDC suite guests and prospective partners. Yesterday's Plug and Play event at the Sheraton hosted 200 guests from around the country and showcased innovative product concepts. Mr. Kowski congratulated MEDC Senior Vice President Michael Talley for being recognized by Consultant Connect as one of North

America's Top 50 Economic Developers. Vice Chair Kelly shared that Mr. Kowski will be one of McKinney Education Foundation's models for their Purses with Purpose event in October. Others participating are Councilwoman Geré Feltus and Amanda Baker Talley, and there are opportunities to vote online. Mr. Kowski encouraged everyone to watch the recent McKinney Momentum Podcast interview with Sheila Due, the Foundation's new Executive Director. Mr. Kowski was the emcee for the Foundation's scholarship program which recognized 380 students.

McKinney Main Street/MPAC. Director Andrew Jones added his thanks to Mary Barnes-Tilley for her MCDC service. He announced upcoming events including blues artists Mike Ferris (May 24) and Jax Hollow (May 31). The McKinney Night Market scheduled for May 23 is rescheduled for May 30 and will feature live music and more than 30 artists. Location for Night Markets will rotate around Downtown. Texas Music Revolution, June 7-8, will feature major headliners Lyle Lovett and Lucas Nelson. The TMR documentary will be shown at MPAC both days at noon. Regarding the Downtown trolley, they are waiting on tags from the County, and will be testing routes soon. They will host a public ribbon cutting event in mid-June. Mr. Jones thanked the Board for their support for the trolley. Vice Chair Kelly requested a trolley "tour" for the Board. Secretary Riche congratulated Mr. Jones on his graduation from Leadership McKinney.

McKinney Parks and Recreation. Director Amy Kinkade added her thanks to Mary Barnes-Tilley for her service. The summer schedule has begun, and all City pools open this weekend. Summer camps start May 28. The Apex pool opened this past week to celebrate four years since opening, and the event hosted 200 guests. Parks is hosting a Memorial Day event this Saturday. Apex membership fees increase June 1, but current members can renew until June 1 at the current rate. National Trails Appreciation Day is June 1, and Parks will host celebration at Bonnie Wenk Park that day. Additionally, the Havana concert is June 1 at Bonnie Wenk.

The Juneteenth celebration will be June 15 from 4:00 to 9:00 PM at Finch Park, and Ms. Kinkade thanked committee members and staff for their support and work on this event. Contracts have been awarded for McKinney Greens Park and Willson Creek Trail, and construction will start in June. Construction documents for the Towne Lake Dog Park and Play Zone are underway, and this project should open for bids in the Fall. Design is near completion for Grady Littlejohn facility upgrades. Finally, the Erwin Park project should be moving forward soon. Chair Richardson-Woods thanked Ms. Kinkade for her leadership and committee support for Juneteenth. Vice Chair Kelly relayed a question from a community member regarding ownership and plans for the land east of Gabe Nesbitt and south of Gay Library, and Ms. Kinkade will research and share her findings with President Schneible.

24-1548 Chair Richardson-Woods called for the President's Report. President Cindy Schneible expressed her appreciation for Mary Barnes-Tilley's service on the Board. She referred to the marketing report which highlights consistent growth of Facebook followers. Top posts related to the Byron Nelson, solar eclipse, Arts in Bloom, and ManeGait LIVE. Ms. Schneible shared that Chestnut Square used all of its project funds as originally intended. The Chapel ramp and Faires home improvements are 100% complete, and other porch improvements are 15% complete. MillHouse Mural Fest is June 1 and 2. Events at TUPPS continue to be popular including Hippie Fest. Additionally, TUPPS will host bands during Texas Music Revolution. MCDC is currently accepting promotional grant applications until May 29. The final cycle for this fiscal year for Project applications opens June 1 and will close June 28. And the final cycle for Retail Infrastructure applications opens July 1. Ms. Schneible reminded Board members about the Joint meeting with the

Parks Advisory Board on June 13 to discuss proposed plans for the \$5.5 million allocation for the upcoming fiscal year.

24-1550 Chair Richardson-Woods called for consideration/discussion/action on a request for a second funding date extension on Project Grant #23-08, in the amount of one million eight hundred thousand and NO/100 dollars (\$1,800,000.00), awarded to McKinney Housing Authority at the MCDC Board meeting held on May 25, 2023 for the renovation, reconstruction and expansion of the Cockrell Homes and Lloyd Owens properties into The Remnant at Greenwood I and II to a date not later than July 31, 2024. Roslyn Miller, CEO of McKinney Housing Authority, thanked staff and Board for their partnership. She reported that MHA was selected about 10 years ago as a participation in HUD's demonstration program. At that time, MCDC (Cindy Schneible was President and Mayor Fuller was Board Chair) became a funding partner for Newsome Homes. The City has continued to be a key supporter and partner for MHA endeavors. This past Monday, MHA received final approval from HUD for The Remnant. This extension request will allow MHA to finalize the project closing and start the project. The project will increase the number of public housing units from 201 to 412 and will remove all 1950's public housing in the City. Chair Richardson-Woods called for discussion. Board Member Barnes-Tilley and Secretary Bradford expressed appreciation for the project. Board members unanimously approved a motion by Board Member Barnes-Tilley, seconded by Board Member Booth, to approve the extension as requested.

24-1551 Chair Richardson-Woods called for consideration/discussion/action on a Project Grant application submitted by The City of McKinney (4B24-02) in the amount of three million six hundred seven thousand thirty and NO/100 dollars (\$3,607,030.00) for the planning and design of Eastside airport improvements at McKinney National Airport, 1508 Industrial Blvd,

McKinney, TX 75069. Vice Chair Kelly proposed that, if passed, this project would be funded from MCDC's fund balance to preserve the discretionary project budget for other community projects, and to provide Council the opportunity to approve the funding, demonstrating shared commitment to the airport. President Schneible clarified that the current fund balance is approximately \$38 million. She explained that Council would need to approve a budget amendment if the Board votes to fund the project from MCDC's fund balance. Board Member Booth asked about a Board precedent regarding use of the fund balance, and President Schneible shared that the fund balance has been used in the past on large projects that exceeded the discretionary project budget. Board members unanimously approved a motion by Vice Chair Kelly, seconded by Secretary Riche, to approve the item in an amount of \$3,607,030 as requested to be funded from MCDC's fund balance rather than the discretionary project budget.

24-1552 Chair Richardson-Woods called for consideration/discussion/action on a Project Grant application submitted by City of McKinney Engineering Department (4B24-03) in an amount of up to five hundred thousand and NO/100 dollars (\$500,000.00) for eligible improvements to Chestnut Elevated Storage Tank including structural repairs, LED lighting improvements, and site improvements including landscape, irrigation and paving repairs at 131 S. Chestnut Street in McKinney, Texas. This request represents 17% of the Total Project Cost. Chair Richardson-Woods called for discussion, and there was none. Board members unanimously approved a motion by Board Member Barnes-Tilley, seconded by Secretary Riche, to approve the item in an amount up to \$500,000 as requested.

24-1553 Chair Richardson-Woods called for consideration/discussion/action on a Project Grant application submitted by Notes Live, Inc. (4B24-04) in an

amount of three million and NO/100 dollars (\$3,000,000.00) for infrastructure costs related to the construction of Sunset Amphitheater McKinney, a 20,000 seat outdoor covered amphitheater located on 46 acres owned by the McKinney Economic Development Corporation located at the Northeast Corner of U.S. 5 and State Highway 121 in McKinney, Texas. Total amount requested is 1% of the Total Project Cost. Chair Richardson-Woods called for discussion, and there was none. Board members unanimously approved a motion by Board Member Booth, seconded by Board Member Lloyd, to approve the item in an amount of \$3,000,000 as requested.

24-1554 Chair Richardson-Woods called for consideration/discussion/action on a Project Grant application submitted by Heard Natural Science Museum and Wildlife Sanctuary (4B24-05) in an amount of up to one hundred forty-three thousand eight hundred ten and NO/100 dollars (\$143,810.00) for blackland prairie restoration to include trail and prairie maintenance equipment, deck replacement at Science Resource Center, and trail washout improvements at the property located at One Nature Place in McKinney, Texas. This request represents 85% of the Total Project Cost. Chair Richardson-Woods called for discussion, and there was none. Board members unanimously approved a motion by Vice Chair Kelly, seconded by Secretary Riche, to deny the grant request.

24-1555 Chair Richardson-Woods called for consideration/discussion/action on a Project Grant application submitted by McKinney Parks Foundation (4B24-06) in an amount of up to two hundred thirty-three thousand four hundred ninety-nine and NO/100 dollars (\$233,499.00) for construction of a learning garden located at MCDC-owned property at 704 Greenville Road in McKinney, Texas. This request represents 49% of the Total Project Cost. Chair Richardson-Woods called for discussion, and there was none. Board members unanimously approved a motion by Board

Member Booth, seconded by Treasurer Bradford, to approve the item in an amount of \$233,499 as requested.

24-1556 Chair Richardson-Woods called for consideration/discussion/action on a Project Grant application submitted by LifePath Systems (4B24-07) in an amount of up to one million and NO/100 dollars (\$1,000,000.00) for exterior infrastructure improvements including storm drainage, fire protection, electrical and site work at a new facility under construction at 2295 Bloomdale Road in McKinney, Texas. This request represents 2% of the Total Project Cost and 20% of the project elements Included in this grant request. Chair Richardson-Woods called for discussion, and there was none. Board members approved a motion by Board Member Lloyd, seconded by Board Member Booth, to approve the item in an amount of \$1,000,000 as requested in a vote of 7-0-1 with Secretary Bradford abstaining.

24-1557 Chair Richardson-Woods called for consideration/discussion/action on a Project Grant application submitted by SDC Throckmorton Villas, LP, a Development of Sphinx Development Corporation, a Division of The Sphinx Group, (4B24-08) in an amount of up to one million two hundred thousand and NO/100 dollars (\$1,200,000.00) for infrastructure improvements related to the construction of 380 Villas, a new multi-family, residential development for low income families located at 1003 Throckmorton Street in McKinney, Texas. This request represents 2% of the Total Project Cost. Chair Richardson-Woods called for discussion, and there was none. Board Member Barnes-Tilley shared that the Affordable Housing Subcommittee met to review this request. She added that the project aligns with Board priorities, and the subcommittee recommends supporting some of the unanticipated project costs incurred during construction to help keep it moving forward. Board members unanimously approved a motion by Board Member Barnes-Tilley,

seconded by Vice Chair Kelly, to fund the request in an amount up to \$500,000 for qualified expenses specifically related to the relocation of utility lines and road stabilization. Reimbursements will be made upon CO and after staff determines eligibility of items submitted for reimbursement and upon demonstrating that receipts are valid. Vice Chair Kelly thanked the subcommittee for their thoughtful approach to forming their recommendation. Secretary Riche asked if the project would be able to continue moving forward without the full funding request, and Board Member Barnes-Tilley explained that the subcommittee understands that the project is moving forward, and this funding will help. She and Board Member Booth emphasized that Sphinx will be required to show a CO prior to any reimbursements from MCDC.

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 Barnes-Tilley expressed gratitude for the work and partnership of current and past Board members and shared appreciation for what the MCDC is able to support and accomplish in the City. Board Member Booth expressed appreciation for the wide spectrum of projects considered this grant cycle. Board Member Lloyd shared his appreciation for the impact of MCDC as he learns more about the community and the Board. He shared appreciation for events he attended including the FBO celebration, Empty Bowls, Chestnut Square's 50th event, Chamber Golf Tournament, and the Byron Nelson. Treasurer Bradford commented on the excellence of the Women in Service event, complimenting panel members and congratulating those recognized for contributions including Jerry and Julie Williams and Nancy Cowlshaw. She added appreciation for Visit McKinney and all staff that worked on the Byron Nelson. She reported that the Woodside Village Mother's Day event and boutique was a huge success and thanked Mary Barnes-Tilley, Angela Richardson-Woods, Councilwoman Geré Feltus and several organizations for their support and assistance with the project. Secretary Riche shared that the Cornerstone

Ranch event was impressive, and Hippie Fest was a great family event. Vice Chair Kelly shared that TUPPS is getting closer to its completion. He acknowledged and thanked the TUPPS and SpawGlass teams. He recognized the ongoing huge contributions of Trevor Minyard, President Schneible and Brenda Spinelli for keeping the project moving forward over the years. He recognized Zan Nasser as an upcoming high school leader. Chair Richardson-Woods congratulated Art By Metta on the inaugural R&B Music Festival at TUPPS. She extended congratulations to students graduating and parents of graduates. Chair Richardson-Woods gave celebratory comments to Treasurer Bradford on her upcoming birthday. Additionally, all Board members expressed appreciation and gratitude for Mary Barnes-Tilley's service to the Board, dedication to the work of the Board, and commitment to the community.

Chair Richardson-Woods recessed the meeting into Executive Session at 9:30 a.m. in accordance with the Texas Government Code. Deliberation regarding economic development matters included 4B24-02 (City of McKinney, McKinney National Airport – TKI), Project 4B24-03 (City of McKinney, Engineering Department), Project 4B24-04 (Notes Live), Project 4B24-05 (Heard Natural Science Museum), Project 4B24-06 (McKinney Parks Foundation), Project 4B24-07 (LifePath Systems), Project 4B24-08 (Sphinx Development Corporation), and Project 4B20-09 TUPPS Brewery and Entertainment Destination. There will be action taken after Executive Session.

Chair Richardson-Woods reconvened the meeting of McKinney Community Development Corporation back into regular session at 9:50 a.m.

Board members unanimously approved a motion by Chair Richardson-Woods, seconded by Secretary Riche, to authorize updates of contracts related to the TUPPS Project as discussed in executive session.

Chair Richardson-Woods called for a motion to adjourn. In a vote of 5-1-1, with Secretary Bradford voting no and Chair Richardson-Woods abstaining, Board members approved a motion by Board Member Barnes-Tilley, seconded by Vice Chair Kelly, to adjourn. Chair Richardson-Woods adjourned the meeting at 9:52 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