

MCKINNEY COMMUNITY DEVELOPMENT CORPORATION

APRIL 23, 2026

The McKinney Community Development Corporation met in regular session in the City Hall Council Chambers, 401 E. Virginia Street, McKinney, Texas, on Thursday, April 23, 2026, at 8:00 a.m.

Board Members Present: Chair George Fuller, Vice Chair David Riche, Secretary Deborah Bradford, Treasurer Chris Wilkes, Board Members Angela Richardson-Woods, Joy Booth, and AJ Micheletto.

Absent: Board Alternate Markus Lloyd.

City Council Present: Councilmen Michael Jones and Rick Franklin.

Staff Present: President Cindy Schneible, Assistant City Manager Trevor Minyard, Assistant Director of Finance Chance Miller, Director of Parks and Recreation Amy Kinkade, Visit McKinney Executive Director Aaron Werner, Director of Cultural District Andrew Jones, City Secretary Empress Drane, MCDC Attorney Jeff Moore, Assistant Director of Parks and Recreation Robert Gaylor, Audio Visual Technician Joshua Arias, MCDC Grant Program and Marketing Manager Linda Jones, and MCDC Administrative and Marketing Coordinator Anahi Vega.

There were many guests present.

Chair Fuller called the meeting to order at 8:00 a.m. after determining a quorum was present. Attendees stood for the Pledge of Allegiance.

Chair Fuller called for public comments regarding matters not on the agenda, and there were none.

Chair Fuller recognized Treasurer Wilkes and Vice Chair Riche for their recent birthdays. Treasurer Wilkes shared that MCDC is celebrating its 30-year anniversary this month. MCDC presented a video highlighting impact across the City.

26-0342 Chair Fuller called for an update on 2026 McKinney Board and Commission Member Appointments. Secretary Empress Drane shared that more than 200 residents serve on over 17 boards and commissions throughout the City. She encouraged those interested in serving to learn more about the available boards and commissions online and to apply.

Applications are being accepted now through June 19 for those who are interested. Incumbents whose current terms expire must submit an application to be considered for continued service. For MCDC, those whose terms are expiring but are eligible for appointment to another term are David Riche, Chris Wilkes, and Joy Booth. Interviews will be held in July, and appointments made by Council on August 25. Ms. Drane thanked Board members for their service and recognized the value of their contributions to the community.

26-0343 Chair Fuller called for a Community Partner Spotlight from Heritage Guild of Collin County and Chestnut Square. DeAnna Stone shared that McKinney's population grew by 871% between 1875 and 1973. In 1973, a group of women came together with the strong conviction that the community's history should be treasured and preserved, helping make Chestnut Square possible. Ms. Stone shared that in 1977, the women of the Heritage Guild established the organization as a nonprofit 501(c)(3). By 1981, the group had become a strong advocate for historic preservation and helped encourage local leaders to establish the McKinney Commercial Historic District. Ms. Stone shared that MCDC has invested more than \$2.5 million in Chestnut Square through both Project grants and Promotional and Community Event grants. MCDC investments at Chestnut Square include renovations to the chapel, improvements to the Bevel House including a major expansion, and porch improvements throughout the property to enhance guest safety. Ms. Stone shared that Chestnut Square spans two city blocks. Dulaney House and Dulaney Cottage were the first homes in Chestnut Square, and both were purchased in 1973. Additional homes on the property include the Faires House, Johnson House, Bevel House, and Taylor Inn. McKinney Farmers Market is ranked as the number one farmers' market in Texas for the third year. The market accommodates up to 100 vendors

and welcomes between 200,000 and 400,000 guests annually. She added that for every \$1 spent at the market, an estimated \$0.48 is reinvested into the community. Chestnut Square's Village Museum, tours, exhibits, and youth camps welcome between 5,000 and 10,000 guests annually. Ms. Stone shared that celebrations at Chestnut Square host between 8,000 and 12,000 guests annually and serve more than 20 nonprofit organizations. Ms. Stone presented a video highlighting farmers market vendors and events at Chestnut Square. She thanked MCDC for its partnership and continued support.

26-0344 Chair Fuller called for a motion on the Minutes of the McKinney Community Development Corporation Meeting of March 26, 2026. Board members unanimously approved a motion by Board Member Richardson-Woods, seconded by Board Member Micheletto, to approve the minutes.

26-0345 Chair Fuller called for the Financial Report. Assistant Director of Finance Chance Miller presented the February financials. Revenues were \$2.9 million, primarily from sales tax. Expenses were \$1.7 million, including \$700,000 in project expenses. Regarding sales tax, February numbers apply to December, which is historically the highest sales tax collection month of the year. Mr. Miller reported that McKinney broke even on a net payment basis due to an audit adjustment. Excluding that adjustment, the true period-over-period increase was 3.8%. McKinney saw an increase of 0.02% compared to an 83.3% increase for Allen, 7.3% increase for Plano, and a 13.4% increase for Frisco. McKinney's year-to-date increase is 3.6%. Regarding the industry break-out, retail trade growth decreased to 3.3%, and Mr. Miller anticipates a return to a 4% increase in the coming months. He shared that an audit collection adjustment impacted the construction industry and caused a decrease in that category. Excluding that adjustment, the industry showed a small

increase of 2%. Mr. Miller clarified that although the funds are collected in February, they apply to December sales, which is why February sales tax reflects a higher amount.

26-0346 Chair Fuller called for Board and Liaison Reports.

City of McKinney. Assistant City Manager Trevor Minyard thanked MCDC for its continued support and service. He shared that the City is hosting council members and executive staff from Novi, Michigan, for a visit to learn more about our City. The City launched the Engage McKinney online platform to gather community input. The budget feedback form is available on the City website and will remain open throughout the budget process. Mr. Minyard recognized the success of the McKinney Affordable Housing Summit. In recognition of Earth Day, the City is hosting community cleanups throughout the month and encouraged residents to visit the City website for upcoming cleanup events.

Visit McKinney. Executive Director Aaron Werner congratulated MCDC on its 30-year anniversary and recognized the partnership between Visit McKinney and MCDC. The McKinney Historic Half Marathon welcomed participants from 28 states and four countries, with more than 4,100 runners and over 8,000 attendees. Upcoming events include the U.S. Senior Pickleball Tournament at the Courts of McKinney on April 24–26. Plans are being finalized for World Cup activities, with TUPPS Brewery serving as a community watch party location. TUPPS has expanded its viewing capacity by adding seven large televisions throughout the site. Visit McKinney Sales Manager Tony Adamo is attending the Sports ETA Showcase and has scheduled more than 40 one-on-one meetings with tournament providers and vendors.

McKinney Main Street/MPAC. Director Andrew Jones recognized Chestnut Square for its continued partnership. Arts in Bloom was a

successful event featuring interactive art, a demo stage, and an art competition stage. Nine additional trees will be added to Downtown McKinney. Art in the Hall and the Juried Art Show are on display in City Hall. The Old City Hall and Development Services buildings are being prepared for demolition. Upcoming events include Empty Bowls on April 24 at TUPPS, Bubbles and Brunch Wine Walk on May 16, and Texas Music Revolution on June 5–6. Mr. Jones added that the Texas Music Revolution documentary is being shown at three Alamo Drafthouse locations throughout the DFW area.

McKinney Parks and Recreation. Director Amy Kinkade highlighted the International Girls Cup, which saw 25% growth from last year with a total of 142 teams. Party on the Patio at the Recreation Center at Towne Lake hosted four evenings and averaged 60 to 65 attendees each week. Staff preparations for the summer season include pool maintenance and staff training. The Parks and Recreation Department is fully staffed for the summer, and five interns will join the department this season. Grady Littlejohn improvement project will be presented to City Council in May. Erwin Park has reopened for bids and will be presented to City Council in June. Bob Tomes Dog Park will be presented to the PROS Board in May and to City Council on June 2. North Apex continues to move forward, and staff has begun the feasibility study with Parkhill. Ms. Kinkade added that she is looking forward to the joint PROS and MCDC meeting in May.

26-0347 Chair Fuller called for the President's Report. President Schneible recognized Margaret Li and the Housing and Community Development team, the McKinney Front Porch Collaborative team, Linda Jones, Anahi Vega, and Secretary Bradford for their efforts and support on the McKinney Affordable Housing Summit. She also recognized Treasurer Wilkes and Board Member Booth for attending. The summit welcomed

more than 300 attendees, including developers, funders, and nonprofit organizations. President Schneible reminded Board members that the deadline for applying to the McKinney Chamber for the 2027-28 Leadership McKinney program is May 1. She directed Board members to the reports attached to the agenda, including the grants awarded report and marketing report.

26-0349 Chair Fuller called for a Public Hearing and consideration/discussion/action on a project grant application submitted by Habitat for Humanity of Collin County (4B26-06) in the amount of eight hundred thousand and NO/100 dollars (\$800,000.00) to support construction of two multi-family residential buildings (one five-plex and one six-plex) in the Cotton Groves development located on Kings Row in East McKinney, and for preparation of two currently vacant lots for two new homes located on Canal Street. The request represents 48.5% of total project cost. CEO Stephannie Krunglevich noted that Habitat for Humanity of Collin County was founded in 1992 and provides affordable homeownership opportunities, home repair modifications, and neighborhood revitalization services. The organization has built over 200 homes, completed more than 1,200 home repairs, and served Collin County for over 30 years. This project request includes two new townhome complexes in Cotton Groves on Kings Row and two single-family homes on Canal Street. The Kings Row development will include one six-plex and one five-plex, both designed as affordable multifamily townhomes for families earning between 30% and 60% of Area Median Income (AMI). The Canal Street project includes one vacant lot that will be subdivided into two parcels for construction of two single-family homes. The project timeline includes construction of the six-plex on Kings Row beginning in May 2026, with completion expected in November 2026. Construction of the five-plex on Kings Row and the two single-family

homes on Canal Street is expected to begin in early 2027. Of the \$800,000.00 request, \$640,000.00 is allocated to infrastructure and construction costs. The remaining \$160,000.00 is designated for indirect costs. Phases I and II of Cotton Groves on Kings Row are complete. Phase III has recently broken ground, and a five-plex is already underway. The Canal Street property totals 0.2385 acres and will be subdivided into two parcels. Habitat's organizational capacity has been strengthened through new CEO leadership, expanded construction capacity, operational improvements, and stronger administrative support. Ms. Krunglevich noted that Root Policy findings identified a shortage of 4,442 affordable housing units in McKinney for households earning below 60% AMI. The project is expected to house an additional 13 new low-income families, expand the tax base, revitalize neighborhoods, support economic activity, strengthen workforce stability, and advance the City's affordable housing goals. Treasurer Wilkes asked whether the request would require City Council consideration of a budget variance, and President Schneible clarified that flexibility remains within the budget. Board members unanimously approved a motion by Board Member Richardson-Woods, seconded by Secretary Bradford, to close the public hearing.

26-0350 Chair Fuller called for a Public Hearing and consideration/discussion/action on a project grant application submitted by Hugs Café, Inc. (4B26-08) in the amount of six hundred eighty-two thousand four hundred sixty-seven and NO/100 dollars (\$682,467.00) for expansion and site improvements including entry gate, security, driveway, added heaters in work barn, relocation of septic system, three new greenhouses, one new propagation house, irrigation, propane tank, and walkways, at Hugs Greenhouse located at 1151 East Cottage Hill Parkway in the McKinney ETJ. The request represents 58.6% of total project cost. Chair Fuller

clarified that the ask is \$683,467. Lauren Smith thanked MCDC for its continued support and stated that Hugs continues to grow while demand for mission-based employment opportunities exceeds current capacity. Administrative Coordinator Kit Marshall shared that she began her career with Hugs in April 2022 as a Hugs Greenhouse mission-based associate. She is now the Administrative Coordinator and leads the ambassador program. Hugs Greenhouse is the second program under Hugs Café, Inc. and was established in October 2018 with construction of the original barn and greenhouse and is dedicated to employing individuals with disabilities. The site currently includes a barn, two greenhouses, and three growing pads equipped for propagation and seed germination. Ms. Marshall added that MCDC played an integral role in the expansion of operations by supporting the addition of a greenhouse and multiple growing pads, increasing production capacity. In 2025, Hugs purchased the land on which Hugs Greenhouse operates. The site is now operating at full capacity with nine mission-based employees. The proposed expansion includes construction of three new greenhouses and one propagation house. The expansion is expected to immediately increase production capacity, support growing partnerships, add new wholesale accounts, create 5,600 additional mission-based staff hours, add one new salaried position, create six new mission-based positions, and expand professional development opportunities for staff. Increased infrastructure and growing space are expected to significantly increase production within the year. Ms. Marshall added that wholesale orders currently represent the largest revenue stream, and the expansion will allow Hugs Greenhouse to better serve existing wholesale partners while adding new accounts. The project is also expected to increase volunteer capacity by 1,600 hours annually. Proposed site improvements are intended to enhance efficiency, safety, and scalability of greenhouse operations. Improvements include an entry gate,

improved driveway access, additional heaters in the work barn, relocation of the septic system, installation of three new greenhouses and one propagation house, an upgraded propane tank, improved walkways, and expanded mission-based staff hours. The expansion project is projected to generate an additional \$150,000 in annual revenue. Construction is expected to begin in June and expected to be completed in October. Hugs' investment in the project exceeds \$500,000, with the total project budget exceeding \$1.1 million. Ms. Smith clarified that Hugs serves as both an economic driver and a community engagement driver and remains focused on long-term sustainability. She added that MCDC and the City are strategic partners. Vice Chair Riche asked how much sales tax would be generated from the projected increase in greenhouse revenue. Ms. Smith responded that wholesale revenue represents approximately 40% of the expansion plan, while the remaining 60% contributes to the sales tax base. She clarified that wholesale sales are not subject to sales tax. Board Member Micheletto asked whether the project would move forward without MCDC's full support. Ms. Smith responded that Hugs would explore other funding sources. Treasurer Wilkes asked about the remaining funding sources. Ms. Smith stated that additional funding would come from a combination of foundations and individual donors. Treasurer Wilkes asked about the difference in project request percentage between Hugs Headquarters and the current project. Ms. Smith clarified that this request is limited to strategic infrastructure improvements and does not include programming or administrative expenses. She added that the investment is intended to support growth over the next 10 years. Vice Chair Riche asked whether the project would move forward with a mix of loan and grant funding. Ms. Smith said a loan is possible, but repayment would strain finances and limit resources for programs and staff. She added that avoiding debt would help Hugs operate more effectively and expand

employment opportunities for individuals with disabilities on the waitlist. Board Member Booth asked about the decision to purchase the land where Hugs Greenhouse operates. Ms. Smith explained that Hugs evaluated options to either purchase the property or relocate. Through support from individual donors and foundation partners, the organization secured funding to purchase the land. Board Member Booth asked about current annual revenue. Ms. Smith stated that Hugs Greenhouse currently generates approximately \$200,000 in annual revenue. Board members unanimously approved a motion by Board Member Micheletto, seconded by Vice Chair Riche, to close the public hearing.

26-0351 Chair Fuller called for a Public Hearing and consideration/discussion/action on a project grant application submitted by Harvest Seed Project Foundation (4B26-09) in the amount of five hundred seventy-five thousand five hundred ninety-five and NO/100 dollars (\$575,595.00) for infrastructure including underground utilities, dirt work, irrigation, sanitary, and driveway/parking, related to the expansion and relocation of McKinney Roots Farm to Gray Branch Park. The request represents 26% of total project cost. Chair Fuller stated that the application has been withdrawn by the applicant, and no Board action is required.

26-0352 Chair Fuller called for a Public Hearing and consideration/discussion/action on a project grant application submitted by Cotton Mill Partners, LTD (4B26-10) in the amount of thirteen million six hundred twenty thousand eight hundred ninety-six and 11/100 dollars (\$13,620,896.11) for infrastructure improvements related to the development of The Cotton Mill District, located at 610 Elm Street in McKinney, Texas. The request represents 71.3% of total infrastructure cost for the project. Chandler Casey noted that the Cotton Mill is more than 110 years old and has reached its capacity for organic growth due to infrastructure constraints, including undersized pipes and utility systems. The long-term vision for

the district includes more than 50,000 square feet of new development designed to create a vibrant and inclusive destination where residents and visitors can gather, dine, and shop. The proposed project would significantly improve infrastructure throughout the district, which is currently undersized for future development. Mr. Casey explained that the current plan includes infrastructure improvements across the full 30-acre site. The total project cost is \$19 million, with \$5.5 million committed through contributions from the Cotton Mill development group and the City's Capital Improvement Program. The proposed development strategy includes four phases: Phase I consists of core infrastructure and utility improvements, Phase II includes public realm and open space improvements, Phase III features phased retail, dining, and hotel development, and Phase IV includes future office space. Mr. Casey added that with MCDC's investment, the plan includes 1.5 acres of publicly accessible plazas, parks, and open space to be developed over the next six to eight years through a formal development agreement. While privately owned, these spaces will remain open to the public. Mr. Casey presented renderings of proposed improvements to The Cotton Mill District and reviewed the projected economic impact of the development. He shared that an economic impact study projects a total impact of \$826 million over the next 20 years, including \$192 million in tax revenue to McKinney, while creating 2,800 new jobs across construction, operations, and related services. Chair Fuller clarified that there are statutory limitations on what MCDC can fund. He added that East McKinney currently lacks sufficient water infrastructure and noted that the project would support future development throughout East McKinney. Mr. Casey added that the request includes infrastructure extensions along Fowler Street, which would help alleviate traffic along Highway 5. Board Member Booth asked about the partnership with Presidium. Mr. Casey explained that when the partnership was initially

presented, the project faced limitations under MCDC funding guidelines. He added that current utilities are not sustainable for future development and clarified that no housing is currently planned as part of this request. Treasurer Wilkes noted that the project is unique and asked what commitments had been made toward future development. Mr. Casey responded that ownership has continued to invest in the Cotton Mill over the last 30 years and that future development timelines are dependent on MCDC's support. Vice Chair Riche asked what would be considered eligible costs and what additional funding sources had been identified. President Schneible clarified that MCDC Attorney Jeff Moore would address eligible costs during executive session. Mr. Casey added that no additional funding sources have been identified at this time and discussions have taken place with MEDC. Board Member Richardson-Woods and Vice Chair Riche requested clarification on which project components would be eligible for MCDC and TIRZ funding. Chair Fuller clarified that MCDC Attorney Jeff Moore would address eligible costs. Board members unanimously approved a motion by Board Member Richardson-Woods, seconded by Treasurer Wilkes, to close the public hearing.

Chair Fuller recessed the meeting into executive session at 9:26 a.m. in accordance with the Texas Government Code. Deliberation regarding economic development matters included Project 20-09 (TUPPS Brewery & Entertainment Destination), Project Hemispheres, Venu/Notes Live, Project 17-04 (Craig Ranch Resort Hotel), 4B26-06 (Habitat for Humanity of Collin County), 4B26-08 (Hugs Greenhouse), 4B26-09 (Harvest Seed Project Foundation), and 4B26-10 (The Cotton Mill).

Chair Fuller reconvened the meeting of McKinney Community Development Corporation back into regular session at 10:38 a.m.

26-0348 Chair Fuller called for consideration/discussion of the status of Project 4B24-15, awarded to Sanchez Charities, LLC and Catholic Charities of

Dallas for construction and management of the Collin County NeighborHub at McKinney, located at 2000 W. White Avenue, McKinney, Texas. Dave Woodyard reported that project milestones achieved include closing on the land, securing governance approvals, reaching 79% of the campaign funding goal, and completing construction documents, which are now out for bid. He shared that the original site plan has been expanded through pending acquisition of the adjacent property to the west, with the appraisal expected soon. He added that transfer of ownership of the adjacent alleyway is anticipated through a future claims process. Final easements are underway. Additionally, the project will have access to additional parking through an agreement with Grace Presbyterian Church. Mr. Woodyard added that they have placed the former Heritage Medical building under contract to support potential future expansion of the NeighborHub project. The original NeighborHub site will include a two-story building with a minimum of 35,000 square feet. The projected timeline includes groundbreaking by mid-summer and a grand opening in summer 2027. President Schneible asked whether the newly acquired building would serve as a medical clinic. Mr. Woodyard responded that a medical clinic may be included within the building, but the full building is not planned for medical use. Board Member Booth asked about outreach to additional tenants. Mr. Woodyard shared that outreach is ongoing and interest has been expressed by several nonprofit organizations. Treasurer Wilkes commended the partnership between Sanchez Charities and Catholic Charities of Dallas.

26-0353 Chair Fuller called for consideration/discussion/action on a request from Habitat for Humanity of Collin County for a third extension of the term of the loan agreement executed with McKinney Community Development Corporation for Project 4B23-15 to December 31, 2026. Stephanie

Krunglevich reported that construction is underway on the five-plex at Kings Row and is expected to be completed before April 30, 2026. Board members unanimously approved a motion by Treasurer Wilkes, seconded by Board Member Micheletto, to approve the extension as requested.

26-0354 Chair Fuller 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 4B25-05 to January 31, 2027. Board members unanimously approved a motion by Treasurer Wilkes, seconded by Board Member Micheletto, to approve the extension as requested.

26-0355 Chair Fuller called for consideration/discussion/action on a request from Habitat for Humanity of Collin County to amend Project 4B25-15 to reallocate \$45,000, originally designated for home repairs for 305 Lively Hill, to support home repairs at 1304 Garcia Street, McKinney, Texas. Stephannie Krunglevich explained that there were homeowner-related issues and that the need for repairs was greater than originally anticipated and exceeded the requested amount. She added that Habitat is preparing to break ground on the home on Garcia Street. Board members unanimously approved a motion by Treasurer Wilkes, seconded by Board Member Micheletto, to approve the amended agreement.

Chair Fuller called for board comments. Chair Fuller shared that Board members have participated in several community events this month, including the Heard-Craig Masquerade Ball, LoveLife Leave Your Hat On, Volunteer McKinney Spirit Awards, Chamber Development Update, Affordable Housing Summit, Samaritan Inn INN Bloom Luncheon, Serve McKinney, tour of Roy and Helen Hall Memorial Library, tour of TPC Craig Ranch renovations, Serenity High School fundraiser, and Children's Advocacy Center Gala. He added that Board Member Richardson-Woods represented MCDC on a

community development panel at Texas A&M's Government Symposium. Board Member Richardson-Woods shared that she enjoyed the Texas A&M Government Symposium and thanked the Board for the opportunity to represent MCDC.

Chair Fuller called for a motion to adjourn. Board members unanimously approved a motion by Vice Chair Riche, seconded by Board Member Richardson-Woods, to adjourn. Meeting was adjourned at 10:54 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:

GEORGE FULLER
Board Chair
DAVID RICHE
Board Vice Chair

ATTEST:

DEBORAH BRADFORD
Board Secretary