

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

JANUARY 17, 2023

The McKinney Economic Development Corporation met in regular session in the City Hall Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on Tuesday, January 17, 2023, at 8:00 a.m.

Board members Present: Chairman Brian Loughmiller, Vice Chairman Kurt Kuehn, Mark Denissen, Julie Williams, Michael Jones, Joe Minissale.

Absent: Secretary/Treasurer Thad Helsley, and Alternate Mohamed Kacem.

City Council members present: Mayor Pro Tem. Rainey Rogers, Councilman Rick Franklin.

Staff present: President Peter Tokar, Senior Vice President Michael Talley, Director of Business Retention, Expansion & Workforce Madison Clark, MEDC Operations Manager Deana Smithee, MEDC Executive Assistant Melanie Molina, Marketing and Social Media Manager Luke Gajary, City Manager Paul Grimes, MEDC Attorney Mark Houser, Financial Compliance Manager Chance Miller, MCDP President Cindy Schneible, and Visit McKinney Director Aaron Werner.

There were 2 guests present.

Chairman Loughmiller called the meeting to order at 8:01 a.m. after determining a quorum present.

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

22-1226 Chairman Loughmiller called for the Minutes of the McKinney Economic Development Corporation Meeting of November 15, 2022.

Board members unanimously approved the motion by Board member Denissen, seconded by Board member Minissale, to approve the Minutes.

22-1227 Chairman Loughmiller called for the Board and Liaison Updates.

City of McKinney- City Manager Paul Grimes announced with all the redevelopment on the East side of McKinney, City Council has directed staff to look at the impacts on the residential areas. A consultant will be presenting findings and recommendations to City Council. The Citizen

Bond committee for the McKinney National Airport will also be presenting their findings and summary of their recommendation to City Council. The next action, if Council chooses, will be to place that item on the May 2023 election ballot. Both the Neighborhood Preservation Plan and Citizen Bond Committee presentations can be seen during the City Council Work Session at 3:00 p.m. today. Mr. Grimes announced the Social Media analytics have been summarized by the city marketing team. Visit McKinney, McKinney Community Development Corporation, and McKinney Economic Development Corporation, Library, Parks, Police, Fire, City, and McKinney Main Street. Total impressions for 2022 were 53.3 million, (the industry average is 3.2 million). 63,000 posts combined (1,300 industry average). 41,300 new followers (3,200 industry average). Total engagement is 17.4 million (191,000 industry average). Mr. Grimes noted social media activity as a city is very active, and the trusted institution for information. Mr. Grimes announced the January 1, 2023, population estimate is 211,397, compared to 164,000 when he first arrived to McKinney in August 2016.

Chamber of Commerce- McKinney Chamber of Commerce President Lisa Hermes announced you can now purchase liquor in McKinney, with McKinney Wine Merchant selling packaged liquor. Ms. Hermes noted there will be more vendors to come, bringing with them an uptick in sales tax. Ms. Hermes announced the Chamber's Annual Business Meeting will be January 31st, with Dr. Ray Perriman speaking on the 12-month economic forecast. Ms. Hermes announced February 9th will be the first CEO Series. In the CEO Series, the Chamber of Commerce invites a speaker from the C Suites to speak on their career experiences. On February 9th, the Chamber is partnering with the Collin County Black Chamber of Commerce to co-host the event. Derrick Evers is the featured CEO. Ms. Hermes announced later the same evening, the Chamber of Commerce, MCDC and MEDC will be hosting a joint open

house from 4:00 p.m. to 6:00 p.m. at the District 121 building. Ms. Hermes noted this is also an opportunity to showcase the building as there is lots of space left available and many amenities offered. Ms. Hermes announced Collin County Days in Austin is March 28th and 29th, and registration is live.

MCDC- MCDC President Cindy Schneible gave an update on the MCDC Board meeting for January 26th. The MCDC Board will act on 13 promotional grant requests. Out of the 13, two were first-time applicants, and the total amount requested is a little more than budgeted, leaving the Board with difficult decisions to make. Ms. Schneible announced there were three project grant applications during the December application period. McKinney Roots is within the SEED Project Foundation and was an applicant. McKinney Roots raises produce and eggs and donates it to community food pantries and restaurants that serve the hungry. Last year, they donated 36,000 eggs and 12,000 pounds of produce. The McKinney Flour Mill and Heard Craig House also applied for grants. Ms. Schneible gave an update on the Tupps Brewery construction. Tupps Brewery is planning on a March 1st date of occupation of the brewery and the start of production of brewing. The plan is to phase construction, so the brewery is completed while the rest of the site is constructed. The full opening is planned for April.

Visit McKinney- Visit McKinney Executive Director Aaron Werner announced this past weekend was the McKinney Bridal Show, hosted by Main Street and MPAC. There was a record-breaking attendance, with over 500 people registered. Visit McKinney had a booth at the event, and just during the three hours Mr. Werner was there, about 60 different people left their contact information with them regarding needing room blocks for their wedding. The Bridal Show was a great economic impact for McKinney. Mr. Werner announced the group incentive package mentioned previously is out for approval with different departments.

Once approved, it will be shared with local businesses. Mr. Werner noted other cities already have an incentive program, and McKinney is playing catch up, but McKinney will offer a competitive program. Mr. Werner announced Visit McKinney's promotional grant application, which is geared towards tourism-related events is live now, and due February 10th. Mr. Werner encouraged the audience to share this message with people in the community. Mr. Werner announced Visit McKinney's Strategic Planning Session will be February 28th, and invitations to some partners in other departments have been sent out, with participation encouraged. Mr. Werner announced Visit McKinney is getting ready for the 19th Hole campaign for the Byron Nelson, making rounds partnering with new venues and restaurants to be on the 19th Hole list. Mr. Werner announced the McKinney Hospitality Showcase will be at Independent Bank in partnership with MEDC, bringing caterers and other industry partners together. Mr. Werner noted this could be an event that can be done again at other large entities, by bringing the hospitality industry directly to them and showing them how they can keep their money in McKinney.

Board Chairman- Chairman Loughmiller wished everyone a happy New Year and noted everyone on the Board looks forward to a robust 2023. Chairman Loughmiller announced there will be a Governance subcommittee established, made up of himself, Vice Chairman Kuehn, and Board member Denissen. The purpose of the committee is to meet periodically with the MEDC President and see where the EDC is in relation to the Strategic Planning Session goals, allow for more interfacing with the City Manager's office and Council Liaisons, periodically review the MEDC bylaws, and formalize the processes and procedures of the Board. Chairman Loughmiller announced the Board Retreat will be January 24th, where the MEDC strategic goals will be discussed.

22-1228 Chairman Loughmiller called for the MEDC Monthly Organizational Report. President Tokar reiterated the MEDC Strategic Planning Session on January 24th, the MEDC/MCDC/Chamber of Commerce joint Open House on February 9th, and Collin County Days Austin March 28th and 29th. President Tokar thanked McKinney Chamber of Commerce President Lisa Hermes and the Chamber staff for their leadership in getting the packaged liquor sales passed as this will greatly benefit the sales tax base for the city.

22-1229 Chairman Loughmiller called for the MEDC Monthly KPI Metrics Report. President Tokar announced the MEDC Strategic Planning Session on January 24th will reset a lot of the metrics. Capital investment was a struggle for 2022, despite a very robust projects pipeline of \$2.6-\$2.8 billion dollars in process. The email marketing open rate bar was set high at 40% and we are currently at 30%. Due to easing Covid regulations, we can attend a lot more trade shows and events, which is in turn is giving us a lot more leads and project activity. In February, we will present our full 2022 KPI report and reset at our Strategic Planning Session.

22-1230 Chairman Loughmiller called for the November 2022 Financials. Financial Compliance Manager Chance Miller announced revenue was close to \$2 million, in mainly sales tax revenue. Operational expenses were \$168,000, project expenses were \$396,000, non-departmental expenses (mostly monthly INS debt service payments) were \$237,000. September sales tax McKinney had a 10.4% increase, Allen had a 10% increase, Frisco had a 16.7% increase, and Plano had a 2% decrease. True indicators are McKinney was 10.5%, Allen was at 12.5% increase, Frisco was a 14.5% increase, and Plano saw an increase of 3%, but had a large audit adjustment. Year-to-date, McKinney has a 12.9% increase. By industry, retail trade only went up by 3%, construction brought an increase of 64%. Minor categories saw a 58% increase. Mr. Miller

announced if retail trade shows a 3-4% increase, that would be expected moving forward. Construction fluctuates a lot, but the main indicator is retail trade, which makes up most of McKinney's sales tax revenue.

Board members unanimously approved the motion by Vice Chairman Kuehn, seconded by Board member Jones, to approve the November 2022 Financials.

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 8:26 a.m.

Chairman Loughmiller reconvened the meeting into open session at 9:42 a.m.

Board members unanimously approved the motion by Board member Minissale, seconded by Board member Denissen, to approve Project Lodge as discussed in Executive Session.

Board members unanimously approved the motion by Board member Jones, seconded by Board member Williams, to approve Project Compass as discussed in Executive Session.

Board members unanimously approved the motion by Board member Williams, seconded by Vice Chairman Kuehn, to approve Project Cookies-n-Milk as discussed in Executive Session.

22-1231 Chairman Loughmiller called for the Consideration/Discussion/Action on the Chairman's Appointment of a Standing Governance Committee Including Any Assigned Tasks and Responsibilities for Such Committee Pursuant to Section 11 of the MEDC Bylaws.

Board members unanimously approved the motion by Vice Chairman Kuehn, seconded by Board member Denissen, to approve the Chairman's Appointment of a Standing Governance Committee Including Any Assigned Tasks and Responsibilities for Such Committee Pursuant to Section 11 of the MEDC Bylaws.

Board members unanimously approved the motion by Board member Minissale, seconded by Board member Williams, to Adjourn.

Chairman Loughmiller adjourned the meeting at 9:46 a.m.

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

These minutes approved by the MEDC members on: February 21, 2023

BRIAN S. LOUGHMILLER
Chairman

THAD HELSLEY
Secretary / Treasurer