

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

MAY 16, 2023

The McKinney Economic Development Corporation met in regular session in the City Hall Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on Tuesday, May 16, 2023, at 8:00 a.m.

Board members Present: Chairman Brian Loughmiller, Vice Chairman Kurt Kuehn, Secretary/Treasurer Thad Helsley, Julie Williams, Mark Denissen, and alternate Board member Scott Woodruff.

Absent: Mohamed Kacem.

City Council Present: Mayor Pro Tem Rainey Rogers, and Councilman Rick Franklin.

Staff Present: President Peter Tokar, Senior Vice President Michael Talley, MEDC Operations Manager Deana Smithee, MEDC Executive Assistant Melanie Molina, MEDC Marketing & Social Media Manager Luke Gajary, MEDC Special Projects & Events Manager Emily Beck, City Manager Paul Grimes, MEDC Attorney Mark Houser, Accounting Manager Chance Miller, MCDC President Cindy Schneible, and Visit McKinney Executive Director Aaron Werner.

There was 1 guest present.

Chairman Loughmiller called the meeting to order at 8:00 a.m. after determining a quorum present.

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

23-0397 Chairman Loughmiller called for the Minutes of the McKinney Economic Development Corporation Meeting of March 21, 2023.

23-0398 Chairman Loughmiller called for the Minutes of the McKinney Economic Development Corporation Meeting of April 18, 2023.

Board members unanimously approved the motion by Secretary/Treasurer Helsley, seconded by alternate Board member Woodruff, to approve both the March 2023 and April 2023 Minutes.

23-0399 Chairman Loughmiller called for Board and Liaison Updates.

City of McKinney- City Manager Paul Grimes announced the local election for City Council has been certified. Current Council members Patrick Cloutier (District 2) and Rick Franklin (District 4) were re-elected, and Michael Jones will be sworn in as Council member At Large 2 at the City Council meeting at 6:00 p.m. today. Mr. Grimes noted we will also bid farewell to Mayor Pro Tem Rainey Rogers after eight years of service. Mr. Grimes announced the airport bond failed, and City Council will discuss the future of the airport and look at other options. Mr. Grimes announced next Tuesday, May 23rd during City Council Work Session, there will be public discussion on new vendors for recycling processing and waste and recycling collection.

Chamber of Commerce- McKinney Chamber of Commerce President Lisa Hermes announced the Chamber is relaunching their McKinney Online website. The new title will be McKinney Today. The soft launch will be in about three weeks. After work is complete on McKinney Today, work will begin on the McKinney Chamber of Commerce website. Ms. Hermes announced the Chamber is working with the Collin College Corporate Campus to put together a training program which can be used by small businesses or larger companies. There will be a survey to see what topics are most popular. A cohort of about six different training sessions will be put together. Companies can pay for the whole training package or individual sessions. Ms. Hermes announced MISD hired a new Superintendent, and the Chamber will put together a welcome reception for him to allow the business community to come out and show support for the school district. The date for this event is to be determined. There will also be a hail and farewell to welcome those coming in and thanking those leaving for their service. The date for this event is to be determined.

Community Development Corporation- MCDC President Cindy Schneible thanked Visit McKinney, Main Street, the City of McKinney

communications department, the City Manager's office, MCDC, and MEDC for their work during the Byron Nelson. Ms. Schneible announced MCDC will meet a week from this Thursday and consider funding applications from four entities. Two applications are for affordable housing, one from McKinney Housing Authority for renovation of two of their remaining properties that have not been renovated, and one for Palladium McKinney, an apartment complex on Virginia Street. The other two applications are for the construction of a facility for the Heard Wildlife Museum and infrastructure support for Hotel Denizen. Ms. Schneible announced Tupps Brewery is still moving towards a June Temporary Certificate of Occupancy and substantial completion by the end of July. A full Certificate of Occupancy is anticipated by the end of August or early September. The MCDC subcommittee had the opportunity to tour the Tupps Brewery construction site last week and view the progress. Ms. Schneible reminded everyone MCDC is currently accepting promotional grant applications through the end of this month.

Visit McKinney- Visit McKinney Executive Director Aaron Werner announced it was neat to walk around the Byron Nelson setup and the actual event and see what was happening. Mr. Werner announced last week was also National Travel and Tourism Week. Last year in 2022 there was \$260 million spent by visitors in McKinney. To put that in perspective, every McKinney resident would need to spend an extra \$1,200 or so to make the difference up in what visitors come in and spend. Mr. Werner announced we want to keep that number growing, as those dollars go back into the community and help with our quality of life projects and with MCDC and MEDC's work. Mr. Werner announced the day after the Byron Nelson completed, the National Junior College Athletic Association Division I Men's National Tennis Tournament arrived in McKinney.

MEDC Committee Updates:

Marketing Committee- Board member Williams announced we just came off the largest marketing event and it went great. Ms. Williams gave kudos to MEDC staff and noted at the next marketing committee meeting there will be a postmortem to discuss what worked and what can be improved upon.

Real Estate Committee- Secretary/Treasurer Helsley announced there are exciting and innovative topics for discussion in Executive Session today. The Consultant Connect group met with the Real Estate committee last week. They brought site selectors from around the country to visit McKinney and look at MEDC's operations. Secretary/Treasurer Helsley noted high praise was received from the site selectors.

Finance Committee- Vice Chairman Kuehn announced the Finance Committee met and discussed the initial budget, changes from last year, what is anticipated for next year, items that will be taken away, and items that will be added. There are some questions awaiting clarification, and once all the information is gathered, it will be brought before the Board for approval of the budget.

Governance Committee- Board member Denissen announced he had nothing to report.

Board Chairman- Chairman Loughmiller announced he would like to thank MEDC staff for a tremendous job on the Byron Nelson. Chairman Loughmiller noted it was very evident the effort that was given to make sure the visitors not only had a good time but had the opportunity to learn about McKinney, the business community, and the environment we have here for bringing business in. Chairman Loughmiller thanked MCDC President Schneible and the MCDC Board for their collaboration and attendance at an MEDC event on Friday night. Chairman Loughmiller announced over the course of the four days of the Byron Nelson there were 20 different visitors including 11 site selectors from out of state,

including New York, Illinois, and the Nashville area. There were also several brokers and developers from the local area. Attendees included 33 guests from existing McKinney companies, guests from at least two new projects with international ties, guests from one local expansion project, guests from three new development opportunities, and guests from one possible Innovation Fund project. Chairman Loughmiller noted one of the people he met was brought by a former Board member. The visitor is from another country and turned a three week visit to McKinney into a much longer stay, looking to possibly move a business here. Chairman Loughmiller noted there was also a follow-up from a company President Tokar met in Germany. Chairman Loughmiller announced in the very near future the Salesmanship Club will be hosting a debrief of the statistics such as the ad value, number of viewers worldwide from TV markets, dollars raised for the Salesmanship Club charity and tournament, and so on. Chairman Loughmiller noted as that information is received we will be sure to share it.

23-0400 Chairman Loughmiller called for the MEDC Monthly Reports. President Tokar announced last Wednesday, May 10th was MEDC's 30th birthday. Now that the Byron Nelson has passed, MEDC is putting together a 30th Anniversary marketing blitz. President Tokar noted the Byron Nelson is a Herculean task for MEDC, with over 520 tickets to allocate every year, suites to set up, guest lists, parking, and so on. President Tokar announced MEDC Special Projects & Events Manager Emily Beck is only two months into her time on staff but came in and did a fantastic job. President Tokar announced there is \$49 million in signed contracts, \$6 million pending. Everything else is on track with project pipeline activity. Several new projects received as a direct result of the Byron Nelson will be added to the data for next month. President Tokar noted marketing is on track and we are looking at launching a community forum in the summertime and then again in the fall.

23-0401 Chairman Loughmiller called for the March 2023 Financials. Accounting Manager Chance Miller announced the month of March was a relatively quiet month. Total revenue was \$1.7 million, made up mostly of the \$1.54 million of sales tax revenue. There was \$258,000 in operational expenses, \$237,000 in non-departmental expenses (the monthly transfer for debt service payments that are made twice a year). Collections for the month of March applies to January sales. There was a 2.6% increase over last year, Allen had a 6.8% increase, Frisco had a 6.1% increase, and Plano had a 14.5% increase. There were audit collections, so our true period-to-period increase is 5.95%. Year-to-date is 8.4%. For sales tax by industry, retail trade saw a 7% increase while construction was down 65%, but last month it was up close to 41%. Mr. Miller noted some of those industries will fluctuate on a month-to-month basis, so he isn't worried about it.

Board members unanimously approved the motion by Vice Chairman Kuehn, seconded by Board member Williams, to approve the March 2023 Financials.

23-0402 Chairman Loughmiller called for the 2023-2026 MEDC Strategic Plan. President Tokar announced everyone was provided the Strategic Plan, with some comments received from Board members Williams and Denissen. President Tokar noted we will get the requested information to Board members William and Denissen. President Tokar noted there were no comments received for major edits. This will be our guiding principals and the only item that will change over the next three years is how we evaluate different KPIs and the city council's strategic priorities. Board member Denissen announced the MEDC Board had a productive joint meeting with City Council and continues to get alignment with where city council would like to see economic development go. Board member Denissen noted MEDC is working every day to make that happen, and the joint meeting was a good first step. Chairman Loughmiller announced even though the Strategic Plan says 2023-2026, MEDC bylaws provide

for adopting a Strategic Plan on an annual basis. Chairman Loughmiller noted this does not mean we have to rewrite the plan every year, but it gives us an opportunity to review, make modifications and vote annually on changes. Chairman Loughmiller noted sometimes the targeted business sectors are market-driven and can change based on what is happening with the city or city council directive.

Board members unanimously approved the motion by Vice Chairman Kuehn, seconded by Secretary/Treasurer Helsley, to approve the 2023-2026 MEDC Strategic Plan.

23-0403 Chairman Loughmiller called for a Resolution Appointing MEDC Standing Committees. Chairman Loughmiller announced the proposed changes would be to add Board member Kacem to the Finance and Innovation Committees, add alternate Board member Woodruff to the Real Estate Committee, and add himself to the Marketing Committee.

The Governance Committee would remain the same.

Board members unanimously approved the motion by Secretary/Treasurer Helsley, seconded by Vice Chairman Kuehn, to approve a Resolution Appointing MEDC Standing Committees.

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 8:38 a.m.

Vice Chairman Kuehn reconvened the meeting into open session at 9:44 a.m.

Board members unanimously approved the motion by Secretary/Treasurer Helsley, seconded by alternate Board member Woodruff, to amend and extend the agreement for Project Terrigen as discussed in Executive Session.

Board members unanimously approved the motion by Secretary/Treasurer Helsley, seconded by Board member Denissen, to amend the agreement for Himalayan Ventures, LP as discussed in Executive Session.

23-0404 Vice Chairman Kuehn called for Sales Tax Type A Training.

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MEDC Attorney Mark Houser introduced his partner Jeff Moore would be giving the required sales tax training presentation. Mr. Moore presented the training.

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

Vice Chairman Kuehn adjourned the meeting at 10:01 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: June 20, 2023

BRIAN S. LOUGHMILLER
Chairman

Thad Helsley
Secretary/Treasurer