

## **MCKINNEY ECONOMIC DEVELOPMENT CORPORATION**

**FEBRUARY 19, 2019**

The McKinney Economic Development Corporation met in regular session in the Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on February 19, 2019 at 8:00 am.

Board members Present: Chairman Jason Burress, Vice Chairman Paul Merritt, Secretary/Treasurer Brian Loughmiller, Kenneth Sipiora, Joe Minissale, and Michael Jones.

Absent: Board member Patrick Cloutier

Staff Present: President Peter Tokar, Executive Vice President Abby Liu, Director of Business Retention & Expansion and Emerging Technology John Valencia, Business Development Specialist Madison Clark, Office Supervisor Deana Smithee, Administrative Assistant Joanne Isom, Councilman Scott Elliott, Mayor George C. Fuller, Mayor Pro Tem Tracy Rath, City Manager Paul Grimes, MEDC Attorney Mark Houser, Chief Financial Officer Mark Holloway, and MCVB Executive Director Dee-dee Guerra.

There was one guest present.

Chairman Burress called the meeting to order at 8:02 am after determining a quorum present.

Chairman Burress called for the Minutes of the McKinney Economic Development Corporation Meeting of January 15, 2019. Board members unanimously approved the motion by Vice Chairman Merritt, seconded by Secretary/Treasurer Loughmiller, to approve the minutes.

**19-0145** Chairman Burress called for Board Updates.

Board Chairman – Chairman Burress stated they have had a very busy month with meetings. Chairman Burress shared a successful lunch meeting celebrating the Chinese New Year with Mayor Fuller, City Manager Grimes, President Tokar, EVP Liu, and Chinese business leaders in the City of McKinney.

City Of McKinney - City Manager Paul Grimes reported the City

completed the randomly selected scientific portion of the survey by the National Research Center out of Boulder CO. This was a written survey the City sent out to the citizens and it examines a whole battery of local services. The survey is now closed and the online survey is open. Anyone in the community can go online to the citizen survey through February 22, 2019 and give feedback on various services. Mr. Grimes also reported there is an election coming up on May 4, 2019 that will consist of three major components. First, there will be the Council Elections that will have three seats competed for. Second, there will be a bond election that will have five different propositions comprising of \$350 million in total. And last, there will be a charter amendment updating the language on the recall provisions. Mr. Grimes noted there will be a City Council meeting tonight to discuss budget guidelines. Late March or early April the City will go to the Council and have another meeting to receive public input prior to the budget process. The City has had their strategic goal setting meeting with City Council which informs staff on priorities for the coming fiscal year. Deputy City Manager Jose Madrigal, Airport Director Ken Carley, and Assistant to the City Manager Trevor Minyard were in Austin on February 14<sup>th</sup>-15<sup>th</sup> for a series of meetings. Some meetings were aviation related, meeting with TxDot and the Governor's office for funding for a runway extension at McKinney National Airport. The City would like to increase the runway to 8500 feet from 7000 feet. This extension would support more aircraft and open the door for additional uses.

Chamber of Commerce: President Lisa Hermes expanded on City Manager Grimes' comments on the bond election by stating the Chamber is working closely with community leaders to advocate for the five different proposals on the ballot. The Chamber believes the projects are important to the growth of the community and will be working very hard to educate voters. To engage the community, the

Chamber is using social media outlets, will soon have signs posted, and currently has a website ForMyMcKinney.com. There is a calendar on the website that will list dates for Town Hall meetings and scheduled speaking opportunities at various civic organizations. President Hermes announced they will be participating in Collin County Days in Austin. She thanked the MEDC for being a sponsor. In this program, the Council will pair up with sister cities to go to Austin and advocate for issues that are important to Collin County, such as transportation and education. President Hermes noted the Council will have a joint venture with the City of McKinney called the McKinney Development Committee which will kick off on March 20, 2019. This will consist of Commercial Development, Commercial Real Estate, Commercial Architects as well as McKinney's City Planning Department, City Council Liaisons, and the MEDC. This committee will provide great feedback on the process of developing in McKinney, as well as, communicate the City's needs and ordinances. Lastly, President Hermes reminded the board that the Community Awards Celebration is Friday, February 22, 2019 and is looking forward to celebrating the best of McKinney.

Convention & Visitors Bureau: Executive Director Dee-dee Guerra reported on January Events. The CVB hosted "A Night of Artists and Chefs" at The Gather with 275 people attending over the four day weekend. Special thanks given to the chefs that participated: Taylor Rause from Rye, Aaron Thomas from Éclair Bistro, and Jason Ferraro from Sugarbacon. Ms. Guerra also thanked the artists involved, Anne Royer, Melissa Patrello, Kim Guthrie, James and Barbara Mason, Teresa Kruger, and Leo Malbeof. Ms. Guerra thanked Guy Giersch from the Historic Preservation Office and the GIS office for creating a new user friendly map for the Historic Walking Tour. Ms. Guerra noted she and Vanesa Rhodes will be leaving for Austin on February 20<sup>th</sup> to

attend the Unity Dinners & Converge on the Capital. Lastly, Ms. Guerra shared the economic impact for the NCAA event. McKinney expected 177,000 and received 157,000. Total Impact expected was 250,000, received 316,000. Ms. Guerra noted the value of the publicity McKinney received on ESPN. McKinney Independent School District has submitted their request for proposal (RFP) for a three year contract and will know Thursday, February 21<sup>st</sup> if McKinney won the bid.

**19-0146** Chairman Burress called for the Consideration/Discussion of the MEDC Staff Monthly Report. President Tokar reported that currently the MEDC has a very healthy pipeline of projects and receiving RFPs. President Tokar noted that the quality RFP's from the Governor's office and The Dallas Regional Chamber are increasing. President Tokar relates this to the new marketing efforts to brand McKinney a high tech destination and the initiative with 5G technology. President Tokar also attended the trip to Austin on Friday with City Manager Grimes, Deputy City Manager Jose Madrigal, Airport Director Ken Carley, and Assistant to the City Manager Trevor Minyard to meet with legislators to support both Airport initiatives and Economic Development initiatives. President Tokar stated it was a very positive meeting and they were impressed with the direction the MEDC was taking. President Tokar reported meeting with the Senior Staff of the Governor's office of Economic Development and Tourism and gave a presentation on what projects the MEDC are working on and what the strategic outlook was for bringing businesses to McKinney. The Senior Staff of the Governor's office of Economic Development and Tourism are very interested in following up with the MEDC on the 5G initiative. It was mandated last year in legislative session that a 5G infrastructure is going to be a mandatory component to cities moving forward and they are pleased to know McKinney has a strategic initiative in place. The MEDC has a great partnership with the City and has discussed a

business and city wide roll out of 5G and are meeting with providers this month to discuss what the cost structures could potentially be.

**19-0147** Chairman Burress called for the Consideration/Discussion/Action on December 2018 Financials. Chief Financial Officer Holloway reported on December Financials. Mr. Holloway stated next month he will report on January and February, due to audit they are a month behind. The month of December totaled \$1.5 million in revenue with \$1.1 million of that in sales tax and \$400k was sale of land. There were \$1.4 million in expenses with a net increase for the month of \$100,000. Mr. Holloway reported sales tax overall, the December sales tax are actually Octobers collections and were up almost 10% from year over year averages which put us 5% for the year. The projection for the year was 4.4%.

Board members unanimously approved the motion by Vice Chairman Merritt, seconded by Board member Sipiora, to approve December 2018 Financials.

Chairman Burress called for Citizen Comments and there were none.

Chairman Burress called for Board comments. Chairman Burress thanked the board, as well as the members of the two previous boards, that elected him to serve three times as Chairman. He stated it was an honor to serve in this capacity and hopes the citizens of McKinney know he served to the very best of his ability. Chairman Burress stated he will be stepping down as Chairman six months premature and resigning from the MEDC Board altogether at the conclusion of the meeting. Chairman Burress added he is not running for City Council or stepping away due to health or business related issues and stated the reasons are MEDC specific. Chairman Burress noted he will be purposely vague, but felt the board members need to know he is resigning due to the objectiveness and bias in the analysis and presentations of certain projects to our board and to other boards. Chairman Burress also stated he felt there have been radical overnight changes made in plans to major master developments which he believes sends a poor message to the development community. Chairman Burress did take an opportunity to reflect on some of the accomplishments he was a

part of during his tenure such as, changes to the Bylaws, the McKinney Technology Center, bigger projects such as PACCAR, Independent Bank, the strategic plan acquisitions made on 121, and the increase of projects up for consideration. Chairman Buresse stated he was grateful for the relationships formed while serving on the board, from the board members, MEDC Staff, City Council, City Staff, and our Legal counsel. Chairman Buresse noted his recommendation for a replacement as Chairman would be Brian Loughmiller. At the conclusion, each board member took an opportunity to thank Chairman Buresse for his service.

Chairman Buresse recessed the meeting into Executive Session at 8:35 am. In Accordance with the Texas Government Code: A. Section 551.071 (2). Consultation with General Counsel on any Work Session, Special or Regular Session agenda item requiring confidential, attorney/client advice necessitated by the deliberation or discussion of said items (as needed) and legal consultation on the following item(s), if any: B. Section 551.087. Deliberation Regarding Economic Development Matters • Project Parrot • Project Elsa • Project Empire • Project Cloud • Project Todd • Project Globe • Project Spark II • Accent Care

Chairman Buresse reconvened the meeting to open session at 10:17 am. Board members unanimously approved the motion by Board member Sipiora, seconded by Board member Minissale, to approve Project Parrot as discussed in Executive Session.

Board members unanimously approved the motion by Vice Chairman Merritt, seconded by Secretary/Treasurer Loughmiller, to approve Project Cloud as discussed in Executive Session.

Board members unanimously approved the motion by Board member Minissale, seconded by Vice Chairman Merritt to adjourn. Chairman Buresse adjourned meeting at 10:20 am.

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Ken Sipiora  
Chairman