



**DESOTO ECONOMIC DEVELOPMENT CORPORATION
BOARD MEETING MINUTES
APRIL 22, 2019**

The DeSoto Economic Development Corporation Board met at **9:00 a.m. on Monday, April 22, 2019** in the Council Conference Room located in City Hall at the DeSoto Town Center, 211 East Pleasant Run Road, DeSoto Texas 75115.

Present: Perry Holloway, Board President
Curtis Krohn, Board Vice President
Michelle Jordan, Board Secretary/Treasurer
Bobby Waddle, Board Director

Staff Present: Joe Newman – Chief Executive Officer
Vanessa Barrios – Research and Business Development Manager
Cynthia Noble – Administrative Assistant

Also Present: Melissa Adams — Accounting Manager, City of DeSoto
Tracy Cormier — Director of Budget, City of DeSoto
Tracie Hlavinka — Assistant City Manager
Pete Smith — Attorney, Nichols, Jackson, Dillard, Hager & Smith, LLP
Terry Toomey — Executive Director, The Industry HUB
Shmara Punch — Director of Member Relations, DeSoto Chamber of Commerce
Monte Anderson — Owner, Options Real Estate
Dalila Thomas — Public Relations Consultant, Grow DeSoto Market Place
Brandon Moore — Social Media Consultant, Grow DeSoto Market Place
Marikay Dewberry — City Council Candidate, Place 4
Patricia Russell-Harrison, EdD — Dynamic DeSoto
Rena Edwards — Citizen

Absent: Dr. Delva King, Board Director
Dr. Tarron Richardson — City Manager, City of DeSoto
The Honorable Rachel Proctor — Mayor Pro-Tempore, City of DeSoto, City Council Liaison

At 9:10 a.m., Board President Perry Holloway called the meeting to order and acknowledged the presence of a quorum.

A. REGULAR SESSION – CALL TO ORDER

1. Invocation was given by Board Vice President Curtis Krohn.

B. CONSENT AGENDA

1. Minutes and income and expenses:

- a. Consideration and approval of the March 22, 2019 Special Called Meeting – Board Retreat meeting Minutes.
- b. Consideration and approval of the March 25, 2019 DEDC Board Meeting Minutes.
- c. Consideration and approval of the DEDC February 28, 2019 income and expenses.

Motion by Board Director Bobby Waddle to approve the consent agenda items as presented.

Motion seconded by Board Vice President Curtis Krohn. Motion approved by Board members Bobby Waddle, Perry Holloway, and Curt Krohn. Board Director Dr. Delva King and Board Secretary/ Treasurer Michelle Jordan were not present for the motion.

C. REGULAR AGENDA - NEW BUSINESS

1. City Council Liaison's update regarding city events, meetings, etc. by the Honorable Rachel Proctor.

Board President Perry Holloway tabled item 1 since the Honorable Rachel Proctor was not present at the meeting.

2. Grow DeSoto Incubator finish out and financial status report. Presentation by Monte Anderson, Options Real Estate.
 - a. Monte Anderson presented the financial statement from the Grow DeSoto Market Place.
 - b. Mr. Anderson informed the Board of Directors the rent from DEDC was not included on the financial statement since the rent was paid from DEDC funds and not from the Grow DeSoto Market Place account. He also explained that the increased marketing items were not included in the financial statement as it was paid to Ms. Terry Toomey, Executive Director, The Industry Hub, from DEDC funds.
 - c. Mr. Anderson said that currently they are showing a profit. However, he said they are still collecting past due tenant rent, and they made arrangements with those who are behind.
 - d. Mr. Joe Newman, CEO, concurred that the rent for the DEDC and the newly increased marketing budget items were paid from DEDC funds.
 - e. Mr. Anderson said the tenants will present their updated marketing plans to the committee, and the purpose is to get them focused. He emphasized that they should be able to tell us what they do in five words or less. Likewise, he said he will ask them, "What is the one thing that you are legendary for?"
 - f. Mr. Anderson exclaimed there will be a new Asian Food restaurant coming soon that will have an experienced chef in it.
 - g. Lastly, Mr. Anderson reported the Grow DeSoto Market Place's occupancy level as nearly 90 percent.
3. DeSoto Chamber of Commerce Update – Dr. Tarron Richardson, City Manager, City of DeSoto. Shmara Punch, Director of Member Relations, presented the report due to Dr. Tarron Richardson's absence.
 - a. MEMBER SERVICES:
 - i. Member Networking are as follows:
 1. Good Morning DeSoto will be held on Tuesday, May 7, 2019 at 8:00 a.m. at the Holiday Inn Express located at 1310 E. Wintergreen, DeSoto, Texas, 75115.

- ii. The Upcoming Ribbon-Cutting Ceremonies and Ground Breaking Ceremonies are as follows:
 - 1. The Texas Restoration and the Futuristic Services combined Ribbon Cutting was held on Thursday, April 18, 2019 from 12:00 p.m. to 1:00 p.m. at Texas Restoration in the Industrial Park.
 - 2. SMB Massage Ribbon Cutting will be held on Tuesday, April 23, 2019 from 12:00 p.m. to 1:00 p.m.
 - iii. Small Business Workshop:
 - 1. The classes with Goldman Sachs that will be held at Dallas County Community College are pending. We are looking at times that do not conflict with the time of the workshops provided at the Grow DeSoto Market Place.
 - 2. We are considering having Mr. Calvin Golden, Franchise Owner, Wing Stop, be the first to do the "Lunch and Learn" program for the small businesses.
 - iv. Group Health Insurance is now available to the DeSoto Chamber of Commerce members only.
 - 1. Benafix Solutions is providing medical, life, dental, vision, short term disability and life insurance. We started promoting this opportunity to all the DeSoto Chamber of Commerce members. This gives a small business the opportunity to become a larger group in order to qualify for more benefits and a more affordable benefits package.
- b. ECONOMIC/ BUSINESS DEVELOPMENT/BREP/SHOP LOCAL:
 - i. The Revolving Loan Program is no longer available.
- c. COMMUNITY EVENTS (leading, assisting, or promoting):
 - i. The Grow DeSoto Small Business Training Classes will be held every Tuesday and Thursday from 7:30 a.m. to 8:30 a.m. at the Grow DeSoto Market Place.
- d. TOURISM ACTIVITIES:
 - i. Print Publication(s):
 - ii. DeSoto's "Livability" advertisement with the BSW Partnership Magazine is moving forward. We are in the phase of designing the graphics.
 - iii. Reunion / Groups:
 - 1. There were no requests this month.
 - iv. Advertising Campaigns:
 - 1. There were no campaigns at this time.
- e. FUNDRAISING/ BUDGET:
 - i. The EDC Luncheon – Economic Update will be held on May 7, 2019 from 11:00 a.m. to 1:00 p.m. the location is not yet determined. The speakers will be Jeff McLain, Manager of DC Operations, Kohler, and Joe Newman, CEO, DEDC.
 - ii. Foreign Travel:
 - 1. The 2019 foreign travel destination is a Tuscany Trip. For DeSoto Chamber of Commerce members only, the early bird cost of the trip will be \$2799.
 - 2. The Destination Presentation held on Tuesday, April 9, 2019 at 11:30 a.m. and at 5:30 p.m. went well. Many people were interested.
 - iii. DeSoto Living Festival:
 - 1. The DeSoto Living Festival was held on Saturday, April 13, 2019 from 10:00 a.m. to 4:00 p.m. at DeSoto East Middle School. It was a great success with lots of support despite the weather. Due to the weather, it was moved

inside the school and included the City's Easter Eggstravaganza that was scheduled on that day as well.

iv. Sales Campaign:

1. We are developing new marketing materials for sponsorships for all of the events for this year.
2. We are developing the new website.

v. Top Golf Tournament:

1. The Top Golf Tournament will be held on Thursday, June 6, 2019 from 6:00 p.m. to 9:00 p.m. at Top Golf at 8787 Park Lane, Dallas, TX 75231

vi. Monthly Payment Options:

1. The DeSoto Chamber of Commerce will be accepting monthly payments from small businesses to make memberships more affordable.

f. ADDITIONAL INFORMATION AND SITE VISITS:

- i. Ms. Punch included in the Board Packet the Business Retention Visits Report for the Board of Directors to review.
- ii. Ms. Punch talked about her site visit with Kohler, and she was excited that Mr. Jeff McLain from Kohler will be speaking at the EDC luncheon.
- iii. Ms. Punch had a visit with Calvin Golden, Franchise Owner, Wingstop. He is working to get more marketing and promotional ideas that will bring more traffic to his area in the Town Center.
- iv. Ms. Punch spoke to Atmos Energy who said they want to sponsor more events with the DeSoto Chamber of Commerce. They realized they have not been a part of many events recently, and they decided to change it.
- v. Ms. Punch said lately their focus has been on retention as well as on acquiring new members. However, the strategy has been to reestablishing the former members who have dropped more than acquiring new members, since they already are familiar with some of the benefits of being a member. Also, she said we are able to offer them new added benefits such as healthcare.

4. Financial Status Report. Presentation by Ms. Melissa Adams, Accounting Manager, City of DeSoto. The Financial Status Report included: A General Fund Balance Sheet, Summary of Revenues and Expenditures, and Details of Revenues and Expenditures as of March 31, 2019. Ms. Adams discussed the updates to the February 28, 2019 Financial Status Report placed in the consent agenda.

Board Treasurer/Secretary Michelle Jordan arrived at 9:29 a.m.

5. The Industry HUB's Activity Summary Report for March 2019 presented by Ms. Terry Toomey, Executive Director of the Industry HUB.
 - a. Ms. Terry Toomey, Executive Director, The Industry HUB, explained she includes any problems that they encounter in the report.
 - b. Ms. Toomey said she is seeing an increase of customers in the incubator, but it is not yet where she wants it to be. Therefore, we are becoming more aggressive with public relations (PR) and social media marketing.
 - c. Ms Toomey reviewed the number of events in March, upcoming events in April, and the long term events.

- d. Ms. Toomey said one of the largest PR events is "Taking Root" which consists of the six vegan chefs featured in D Magazine on April 6, 2019. This event will be covered by D Magazine and hosted by Peace Love & Eatz.
 - e. Ms. Toomey explained we are preparing a press release for The Pit Fitness and Rehab Center and the Pit Event center.
 - f. Dalila Thomas, Public Relations Consultant, Grow DeSoto Marketplace, gave a presentation on the latest PR and Social media results.
 - g. Ms. Thomas talked about the marketing material she will use at the "Taking Root" event.
 - h. Ms. Thomas reported that Tiger House Hat Shop has an article that will come out in D magazine in June that will feature all of the shops and promote the Tiger House Hat Shop's Father's Day event. Also, she has inquired about having the DJ who teaches DJ classes for schools in DeSoto ISD to teach DJ classes at the Grow DeSoto Market Place as a free event. In addition, she said they had a "Sip and Shop" where the marketing photo's featured Delightful Sweets, Edylicous, and Peace, Love and Eatz in April. In conclusion, she said Peace, Love & Eatz acquired a feature on NBC's community segment as well.
 - i. Brandon Moore, Social Media Consultant, Grow DeSoto Market Place, gave a report on the social media marketing statistics.
 - j. Mr. Moore reported that there is a significant increase in the Instagram followers. He exclaimed that we hit 1000 followers in a very short amount of time.
 - k. Mr. Moore said people like to see actual news in DeSoto. Therefore, he is doing an "At the Market Place Series" on Instagram that will have the events on it. He pointed out that showing people the videos and posting information on the International Women's Day received many of the engagements.
 - l. Mr. Moore said many people go into Grow DeSoto Market Place, but they only go to the one place they are focused on. He asked, "Once they come into the Grow DeSoto Market Place, how do we get them to view the other shops and spend money there?" He continued to ask, "How do we make them continue to come back, and what type of promotions or events do we have in order to make them want to return?" Finally, he suggested a loyalty program or coupon which could allow for tracking of how many customers come in and shop.
6. Consideration and action to approve the SEW Eurodrive Incentive Grant payment in the amount of \$250,000 which was approved last fiscal year. **Motion by Board Vice President Curtis Krohn to approve the SEW Eurodrive Incentive Grant payment in the amount of \$250,000 which was approved last fiscal year. Motion seconded by Board Treasurer/Secretary Michelle Jordan. Motion approved Board members Perry Holloway, Michelle Jordan, Curtis Krohn, and Bobby Waddle. Board Director Dr. Delva King was not present for the motion.**

D. WORK SESSION

1. Consideration and approval of the DeSoto Economic Development Corporation Five Year Strategic Plan 2019. **Motion by Board Vice President Curtis Krohn to approve the DeSoto Economic Development Corporation Five Year Strategic Plan 2019. Seconded by Board Treasurer/Secretary Michelle Jordan. Motion approved by Board members Perry Holloway, Curtis Krohn, Bobby Waddle, and Michelle Jordan. Dr. Delva King was not present for the motion.**
2. Consideration and discussion of "The Texas Economic Development Sales Tax, a Primer for Local Officials".

No action.

3. Consideration and discussion of the DeSoto Economic Development Corporation Bylaws.

No action.

Board President Perry Holloway called a 5 minute break at 10:51; whereas afterwards the Board reconvened into Executive Session.

E. EXECUTIVE SESSION

Texas Government Code, Section 551.087: Economic Development Deliberation.

1. Deliberation and Discussion Regarding the Economic Development Incentive Agreement between Project Office Building and the DeSoto Economic Development Corporation.
2. Deliberation and Discussion Regarding the Economic Development Incentive Agreement between Project Housewares and the DeSoto Economic Development Corporation.
3. Deliberation and Discussion Regarding the Economic Development Incentive Agreement between Project Lego TR and the DeSoto Economic Development Corporation.
4. Deliberation and Discussion Regarding the Economic Development Incentive Agreement between Project Maverick and the DeSoto Economic Development Corporation.
5. Deliberation and Discussion Regarding the Economic Development Incentive Agreement between Project Germany and the DeSoto Economic Development Corporation.

Board President Perry Holloway Reconvened into Open Session at 12:12 a.m. Board Director Treasurer/Secretary Michelle Jordan left at 12:00 p.m.

E. RECONVENE INTO OPEN SESSION

F. ACTION AS A RESULT OF EXECUTIVE SESSION

Motion by Board Vice President Curtis Krohn to authorize Joe Newman, CEO, to negotiate and execute the Incentive Agreement with Global Industrial Distribution, Inc. to provide annual incentive of \$100,000 for five years; provided the company leases approximately 489,000 square feet of space in the warehouse distribution building at 2119 North Interstate 35 for 10 years, create year one fifteen exempt and fifty non-exempt jobs, year two seventeen exempt and fifty non-exempt jobs and year three twenty exempt jobs and sixty non-exempt jobs, maintains a minimum taxable value of personal property value of \$6,000,000, maintain eighty jobs from year three through year five. Seconded by Board Director Bobby Waddle. Approved by Board members Perry Holloway, Bobby Waddle, and Curtis Krohn. Board Secretary/Treasurer Michelle Jordan and Board Director Delva King were not present for the motion.

G. BRIEFING BY THE CHIEF EXECUTIVE OFFICER REGARDING THE STATUS OF PENDING DEDC PROJECTS

Joe Newman, CEO, discussed his activity report to outline the DEDC office's activities. He explains

how the Scorecard gives an update on projects the DEDC is currently working on. Mr. Newman briefly mentioned his trip to Germany to meet with a new prospect, the Grow DeSoto Market Place's tenant meetings progress, his anticipation of his participation on a Bill in Austin, and the success of the last Job Fair. He told the Board of Director's the results of the Job Fair were not yet available. He informed the Board of Directors that the update will be given at the next board meeting.

In addition, Mr. Newman said the last month's sales tax was down .11 percent, but this month's sales tax is up .16 percent. Also for the calendar year, sales tax is up 2.56 percent.

Likewise, Mr. Newman said we are still working on the new website. He explained that the current website traffic has increased, but we should see a greater increase once we publicize on the new website. Also, he mentioned he has Kohler and Diab site visits scheduled. Then, he exclaimed DeSoto is featured in the Dallas Business Journal were DeSoto won an award for the 1.3 million square foot building that Prologis did for Kohler for the #1 Industrial Project in the Dallas area last year. He explained that he was in Germany at the time they presented the award.

Furthermore, Mr. Newman reported that the skilled nursing facility is coming along with the creation of 100 jobs. Also, he reported the hotels are doing well. Unfortunately, he said Top 5 BBQ has closed, and currently they are trying to raise funds. He said now they plan to return to serving from food trucks or trailers instead.

Finally, Mr. Newman reported the unemployment rate is constant. He said the challenge for us is to make sure our employees are trained for those new jobs.

H. BOARD ANNOUNCEMENTS

Board Director Bobby Waddle mentioned that on the Dallas ballot the Dallas County Community College is asking for \$1.2 billion. He explained that this will have 3.2 million dollars in the industry category. He said that the Board of Directors should take this into consideration in our support of the college if it passes. Mr. Joe Newman, CEO, added that this will not cause the taxes to increase since they have so much industry that has recently moved into this area.

I. ADJOURNMENT

With no further business to discuss Board President Perry Holloway adjourned the meeting at 12:21 p.m.



Perry Holloway, Board President



Curtis Krohn, Board Vice President