



**DESOTO ECONOMIC DEVELOPMENT CORPORATION  
BOARD MEETING MINUTES  
AUGUST 26, 2019**

The DeSoto Economic Development Corporation (DEDC) Board met at **9:00 a.m. on Monday, August 26, 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  
Dr. Delva King, Board Director

**Staff Present:** Joe Newman — Chief Executive Officer  
Vanessa Barrios — Research and Business Development Manager  
Meredith Carter — Administrative Assistant

**Also Present:** Melissa Adams — Accounting Manager, City of DeSoto  
Tracy Cormier — Director of Finance, City of DeSoto  
Renee Johnson — Interim City Manager, City of DeSoto  
Andre` Byrd, Sr. — Councilmember, City Council Liaison, City of DeSoto  
Kenneth Govan — Board Chairman-Elect, DeSoto Chamber of Commerce  
Joe Gorfida — Attorney, Nichols, Jackson, Dillard, Hager & Smith, LLP  
Monte Anderson — Owner, Options Real Estate  
Terry Toomey — Executive Director, The Industry HUB  
Tamika Jones — Owner, Sheer Elegance  
Charles Denton — Owner, Chas Fragrances  
Jackie Denton — Owner, Chas Fragrances  
Alwyn Dowell — Owner, Albra Dewyn  
Gregory Peterson — Dynamic DeSoto, Citizen  
Patricia Russell-Harrison — Dynamic DeSoto, Citizen  
Arbin Harrison III — Dynamic DeSoto, Citizen

**At 9:05 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 Curtis Krohn.

## **B. CONSENT AGENDA**

1. Minutes and income and expenses:
  - a. Consideration and approval of the July 22, 2019 DEDC Board Meeting Minutes.
  - b. Consideration and approval of the DEDC June 30, 2019 income and expenses.

**Motion by Board Vice President Curtis Krohn to approve the consent agenda items as presented. Motion seconded by Board Secretary/Treasurer Michelle Jordan. Motion approved by Board members Bobby Waddle, Perry Holloway, and Dr. Delva King.**

## **C. REGULAR AGENDA - NEW BUSINESS**

1. City Council Liaison's update regarding city events, meetings, etc. by councilmember Andre' Byrd, Sr., City Council Liaison.
  - a. Councilman Andre' Byrd, Sr., City Council Liaison gave an update on the Capital Improvement Program per Board Director Bobby Waddle's concern for potential infrastructure issues resulting from the new subdivision and the Loop 9 placement area and the need for the cities of Cedar Hill, Glenn Heights, and DeSoto to come together for a solution for upcoming growth in the region.
  - b. Mr. Byrd, Sr. said there are no immediate plans to expand that portion of Cockrell Hill Road in between E. Parkerville Road and E. Bear Creek Rd. Councilman Byrd, Sr. said the City is in the planning stages of the Hampton Road corridor in between Pleasant Run Road and Belt Line Road. They are 65 percent through with the planning stages of the Pleasant Run Road corridor between Westmoreland Road and Cockrell Hill Road. There will be a public hearing regarding the Pleasant Run Road extension on Thursday, August 29, 2019.
2. Grow DeSoto Market Place Incubator financial status report. Presentation by Monte Anderson, Options Real Estate.
  - a. Monte Anderson, Options Real Estate, said the DEDC will be receiving \$30,000 in incubator tenant rent in the next day or so. Mr. Anderson said it was business as usual and shared that there are three new pitches today. Also, that a new organic yoga and artist will be moving into the incubator soon and that the occupancy rate is pretty high with lots of leads received all the time by the DEDC and Options Real Estate. Board President Holloway asked if he was still running at high occupancy numbers. Mr. Anderson answered yes. Mr. Anderson said that most of the big spaces are filled up but the tiny ones are not. Board President Holloway asked if the \$24,000 rent income is consistent every month. Mr. Anderson answered yes.
  - b. Mr. Anderson recognized the recent graduation of Albra Dewyn Skin, Scalp & Hair Emporium from the incubator into another brick and mortar location at the DeSoto Market Place.
  - c. Peace, Love and Eatz have renewed their lease and are now planting a garden besides the building to grow herbs and food for their restaurant.
3. The Industry HUB's Activity Summary Report for July 2019 presented by Ms. Terry Toomey, Executive Director of the Industry HUB.
  - a. Terry Toomey, Executive Director of The Industry HUB, asked the Board of Directors if they had any questions on the written report she submitted prior to the meeting.
  - b. Ms. Toomey said that Brandon Moore is no longer doing social media and Dalila Thomas has resigned as well. She has hired a new group on a month to month basis to see if the

new company fits with the Grow DeSoto Market Place (GDMP) profile. She received more than three bids for the group that will be replacing Brandon Moore and Dalila Thomas. Ms. Toomey stated “these social media people just have such unreasonable ideas of how valuable they are; it’s just a challenge to get really good qualified people to accomplish our mission.”

- c. Ms. Toomey shared Hispanic Heritage month runs from September 15 to October 15 and that Hispanic Day is the first Saturday in October at the GDMP. She is working with a client of hers who is Mexican who will be bringing in other culturally related groups to have an event at GDMP such as mariachis, kids who are learning those instruments; bring in the native dress, etc. The rest of the month of October will focus on Breast Cancer Awareness featuring a fun run on the last Saturday of the month cosponsored by the City of DeSoto Parks & Recreation Department and DeSoto ISD at Zeiger Park; the after party will be at GDMP and all the proceeds will go to Breast Cancer Awareness. In November, the focus will be American Indian Heritage. They are reaching out to all the tribes in the area to get them to come in to see what events they’d like to do at the GDMP. Ms. Toomey is working with the owner of Edylicious, a GDMP tenant, for a black history month focus in February.
- d. Joe Newman asked the Board of Directors to look at the Grow DeSoto Market Place website Google search results and stressed the importance of social media. He also reminded the Board of Directors that Ms. Toomey’s contract renewal will be on the agenda packet in September.
- e. Ms. Toomey spoke about the social media results for the month of July and said she spent \$191.56 on social media advertising for the month with good results. Board President Holloway asked if the amount spent on social media converted into sales or increased traffic at the GDMP. Ms. Toomey says she can see consistent growth in their sales numbers, and that only one tenant didn’t see this increase between June and July.
- f. Board President Holloway asked Ms. Toomey if the extra money the DEDC invested into marketing worked. Ms. Toomey answered they could always use more but yes it did. She said all she can do is gauge on the tenant’s sales numbers, and the numbers indicate they are growing so yes, the investment worked.

**Attorney Joe Gorfida arrived at 9:38 a.m.**

- 4. DeSoto Chamber of Commerce Update – Kenneth Govan, Board Chairman Elect, DeSoto Chamber of Commerce.
  - a. MEMBER SERVICES:
    - i. Member Networking are as follows:
    - ii. Good Morning DeSoto will be held on September 10, 2019 at 8:00 a.m. at the Glo by Best Western Hotel, in DeSoto, Texas.
  - b. The Ribbon-Cutting Ceremonies and Ground Breaking Ceremonies were as follows:
    - i. Geekletes was held on August 17, 2019.
  - c. New Members
    - i. Geekletes became a new DeSoto Chamber member.
    - ii. Luby’s became a new DeSoto Chamber member.
    - iii. Global Industrial Distribution, Inc. became a new DeSoto Chamber member.
  - d. Group Health Insurance is now available to the DeSoto Chamber of Commerce members.

- i. Benafix Solutions is now meeting with members and local businesses to offer this service as a member benefit.
- e. ECONOMIC/ BUSINESS DEVELOPMENT/BREP/SHOP LOCAL:
  - i. Plans to improve the BREP program for more detailed company and industry information to enhance the company and the DEDC's benefits.
- f. COMMUNITY EVENTS (leading, assisting, or promoting):
  - i. The Grow DeSoto Small Business training classes will be held every Thursday from 7:30 a.m. to 8:30 a.m. at the Grow DeSoto Market Place.
  - ii. Annual Gala will be on November 2, 2019 at Thorntree Golf Club.
- g. TOURISM ACTIVITIES:
  - i. Print Publication(s):
    - 1. DeSoto's "Livability" advertisement with the Best Southwest Partnership Magazine is moving forward. Print Graphics are in the approval phase.
- h. FUNDRAISING/ BUDGET:
  - i. 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. Three members have signed up.
  - ii. Marketing Campaign:
    - 1. We are developing new marketing materials for sponsorships for all of the events for the 2019 -2020 calendar year.
  - iii. We are working on the 90-day plan to decide to cancel the Chamber Nation website hosting service.
  - iv. Top Golf Tournament:
    - 1. The Top Golf Tournament will be held on Thursday, August 29, 2019 from 6:00 p.m. to 9:00 p.m. at Top Golf at 8787 Park Lane, Dallas, TX 75231. Sponsorships are still available.
- i. The Site Visit Report by Kenneth Govan is as follows:
  - i. Mr. Govan would like to bring in an interim CEO to guide the day to day operations. His proposal to the DeSoto Chamber of Commerce board of directors is to bring in Ms. Amanda Skinner, who used to be the President of the Cedar Hill Chamber of Commerce. He wants her to bring in some chamber knowledge back to the chamber i.e. planning events, luncheons, lunch and learns, and financial management, etc.
  - ii. Board President Holloway asked if the board should suspend paying till services start because they haven't received a report in two months. Mr. Newman interjected and said that the number of site visits required per the business retention contract between the DeSoto Chamber of Commerce and DEDC have been met for the year. Board Treasurer Michelle Jordan asked that the contract renewal for site visits should include a monthly visit requirement. Board Director Delva King said she understands that the DeSoto Chamber will have a new person coming in so it will need time to get back on track. Mr. Govan said he would be conducting the site visits himself and will be asking the DeSoto Chamber of Commerce Chair-elect to continue the initiative in the future. Board Vice President Curtis Krohn asked if the DeSoto Chamber has enough funding to hire Ms. Skinner.

Mr. Govan said yes there is funding now and they are trying to work it into their budget.

- iii. Councilman Byrd, Sr. said Mayor Curtistene McCowan has given her full support of the DeSoto Chamber and Mr. Govan and the direction he is going. The DeSoto City Council is considering a change to the structure of funding to make sure they stay viable. The City is prepared to underwrite fundraising events that the Chamber will identify that will take the financial burden off of them but allow them to reap all of the rewards of those functions. The city's ad hoc committee is also looking at direct grants to help with rent and other bills. Councilman Byrd said he wants the DEDC Board to know that the city is committed to supporting the Chamber until they become viable again.

**Interim City Manager Rene Johnson arrived at 9:55 a.m.**

5. 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 July 31, 2019.
  - a. Chief Executive Officer Joe Newman shared one of the things Board President Holloway wanted us to look at the last meeting was a real number on the incubator which is everything not just rent and utilities, advertising and promotions, Ms. Toomey's salary, etc. Also that we will get two more checks in and our goal was to break even which we are close to that.
  - b. Board President Holloway asked for clarification regarding Mr. Anderson mentioning two additional checks coming to the DEDC. Ms. Adams explained that DEDC would receive two more payments of \$30,000 each from Dilbeck Court's Bank of Desoto account which is the operations account for Brook Hollow or the Grow DeSoto Market Place. After the checks are received, they will be deposited into DEDC's Wells Fargo bank account. Ms. Adams continued that the goal for Dilbeck Court was to "sweep" that account and give DEDC all lump sum payments quarterly. Board President Holloway asked if that would wipe their account out. Ms. Adams answered no because they try to keep a minimum operating account of \$20,000 for bill payments.
  - c. Joe Newman mentioned DEDC pays the City of DeSoto \$32,000/year for managing the financials for the Grow DeSoto Market Place and the DEDC.
  - d. Tracey Cormier, Managing Director of Financial Services, City of DeSoto, clarified that the money transferred from Dilbeck Court's Bank of DeSoto account is considered a cash transfer, not revenue. The revenue is already collected monthly when Mr. Monte Anderson, Options Real Estate, gives Ms. Adams the report, but will not increase the revenue. The account that Mr. Anderson holds is a DEDC account so it is one account transferring cash to another.
6. Discussion and possible action to purchase a new office computer for \$1500 per recommendation from city's Information Technology department.  
**Motion by Vice President Krohn to approve the new office computer. Motion Seconded by Board Secretary/Treasurer Michelle Jordan. Approved by Board members Perry Holloway, Curtis Krohn, Delva King, and Bobby Waddle.**

7. Discussion and possible action to amend the incentives agreement with Global Industrial Distribution Inc. (formerly Project Maverick) and extend dates for employment goals.
  - a. Joe Newman asked the Board of Directors for an amendment to the original contract because it took them longer to get into the building and remodel than they thought it was going to take. Global Industrial is asking to amend their inception date, the jobs creation number, and their projection timeline.

**Motion by Board Secretary/Treasurer Michelle Jordan to approve the incentive agreement with Global Industrial Distribution with the changes as presented with the exception of 4.4c – 60 non-exempt employees. Motion Seconded by Board Director King. Approved by Board members Perry Holloway, Curtis Krohn, and Bobby Waddle.**

Board President Perry Holloway called for a five minute break at 10:25 a.m.; whereas afterwards the Board reconvened into Executive Session at 10:30 a.m.

**D. EXECUTIVE SESSION**

**Texas Government Code, Section 551.087: Economic Development Deliberation.**

1. **Deliberation and Discussion Regarding the Economic Development Incentives for Project Methodist.**
2. **Deliberation and Discussion Regarding the Economic Development Incentives for Project Germany.**
3. **Texas Government Code, Section 551.071: Consultation with Attorney for Advice on Legal Matters: Consultation with General Counsel Regarding a Forensic Audit of DEDC funds.**

Board President Perry Holloway Reconvened into Open Session at 11:46 a.m.

**E. RECONVENE INTO OPEN SESSION**

**F. ACTION AS A RESULT OF EXECUTIVE SESSION**

No Action on Item 1.

No Action on Item 2.

Board Vice President Curtis Krohn moved to authorize the Board President to negotiate and enter into an agreement to conduct a forensic audit of the DEDC not to exceed \$45,000 with Allen Nelson and William Brown of Nelson Forensic & Advisory Services. Seconded by Board Director Bobby Waddle. Approved by Board members Perry Holloway, Dr. Delva King, and Michelle Jordan.

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


- a. Joe Newman, CEO, presented the Board of Directors with his monthly report and Scorecard. He reported that he and Board President Holloway attended the two day DeSoto City Council retreat. He also attended the Diab expansion groundbreaking. Perry and he met with Ms. Patricia Davis of Cedar Valley College regarding the Skills Development Grant funding for Project Germany. Mr. Newman and Interim City of DeSoto Manager Ms. Renee Johnson met with the Weitzman Group regarding the property on the NW corner of Pleasant Run Rd. and Hampton Rd. He forgot to include his quarterly report to the City Council on September 20, 2019. Mr. Newman attended the Retail Live! Expo in Austin, Texas and said he met with Taco Deli, Celebrity Soul Food Restaurant, Studio Movie Grill and many other retailers.

**H. BOARD ANNOUNCEMENTS**

Board Vice President Krohn invited the Board to the Concerned DeSoto Citizens (CDC) 30<sup>th</sup> anniversary celebration on Saturday, September 14, 2019 at the Magnuson Grand Hotel in DeSoto at 7 p.m. Mayor Curtistene McCowan and her husband are being honored along with Ms. Kathy Jones, City of DeSoto Community Relations Manager, and Warren Adams, City of DeSoto Volunteer. Tickets are available for \$40/per person or \$320/table. Former State Representative Helen Giddings and Representative Carl Sherman, Sr. will be speaking as well.

**I. ADJOURNMENT**

With no further business to discuss Board President Perry Holloway adjourned the meeting at 11:52 p.m.

  
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Perry Holloway, Board President

  
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Curtis Krohn, Board Vice President