



**DESOTO ECONOMIC DEVELOPMENT CORPORATION
BOARD MEETING MINUTES
FEBRUARY 25, 2019**

The DeSoto Economic Development Corporation Board met at **9:00 a.m. on Monday, February 25, 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
Kevin Laughlin — Attorney, Nichols, Jackson, Dillard, Hager & Smith, LLP
The Honorable Rachel Proctor — Mayor Pro-Tempore, City of DeSoto, City Council Liaison

Terry Toomey — Executive Director, The Industry HUB
Shmara Punch — Director of Member Relations, DeSoto Chamber of Commerce
Matt Smith — Communications Manager
Matt McWhorter — Executive Integrated Media Manager, Livability Media
Brandon Moore — Social Media Consultant
Dalila Thomas — Public Relations and Media Consultant

Absent: Dr. Delva King, Board Director
Dr. Tarron Richardson — City Manager, City of DeSoto
Monte Anderson — Owner, Options Real Estate

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 Board Director Bobby Waddle.

B. CONSENT AGENDA

1. Minutes and income and expenses:

- a. Consideration and approval of the January 28, 2019 DeSoto Economic Development Corporation (DEDC) Board Meeting Minutes.
- b. Consideration and approval of the February 11, 2019 DEDC Board Meeting Minutes.
- c. Consideration and approval of the DEDC December 31, 2018 income and expenses.
- d. Consideration and approval to advertise in the Dallas Regional Chamber's Economic Development Guide discussed during the DEDC Board meeting held on February 11, 2019 with a cost reduction from the amount of \$20,000 down to the amount of \$5,000.

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

Motion seconded by Board Secretary/Treasurer Michelle Jordan. Motion approved by Board members, Bobby Waddle, Michelle Jordan, and Perry Holloway. Board members Curt Krohn and Dr. Delva King 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.
 - a. The Honorable Rachel Proctor announced the 70th Birthday Celebration of the City's incorporation will be held on Saturday, March 2, 2019 from 10:00 a.m. to 12:00 p.m. at City Hall in the DeSoto Town Center. Also, she explained that in conjunction with the Happy 70th Birthday Celebration at City Hall, there will be similarly themed events and activities held afterwards on the same day from 1:00 p.m. to 4:00 p.m. at the Grow DeSoto Market Place.
 - b. Hon. Proctor reported that DeSoto Independent School District (DISD) will be showing a viewing of Part 1 of their documentary, "DeSoto Rising: How Did We Get There?" on Thursday, March 8, 2019 at 7:00 p.m. at Cinopolis Luxury Cinemas Victory Park.
 - c. Hon. Proctor announced the Black History Program will be held Tuesday, February 26, 2019 at 10:00 a.m. at the Corner Theater.
 - d. Lastly, Hon. Proctor announced the First Responder's luncheon will be held on March 6, 2019 from 11:00 a.m. to 1:00 p.m. at Methodist Charlton Medical Center. She suggested that everyone contact the DeSoto Chamber of Commerce for tickets to this event.
2. Grow DeSoto Incubator finish out and financial status report. Presentation by Monte Anderson. Board President Perry Holloway tabled item # 2 since Monte Anderson was not present to give the report.
3. Consideration and action to approve advertising in the Best Southwest publication with the DeSoto Independent School District and the DeSoto Chamber of Commerce. Presentation by Matt McWorter, Executive Integrated Media Manager, Livability Media.
 - a. After Matt McWorter presented to the Board of Directors, Board Treasurer Michelle Jordan inquired whether there were any testimonials which related to the return of investment (ROI) for the publication, who receives the publication and how often does it printed.
 - b. In response, Mr. McWorter explained that he has many examples of testimonials; the distribution of the publication is annual and targeted to top employers, visitors' bureaus, independent school districts, and decisions makers for economic development purposes. He said they will publish 12,000 copies and oftentimes, the advertisers will use it to promote their digital magazines.
 - c. Mr. McWhorter reported that DEDC spent about \$4000 last year for their portion of the advertisement. Joe Newman, CEO, pointed out that last year DEDC did a three page spread

in partnership with the DeSoto Independent School District and the DeSoto Chamber of Commerce. Mr. Newman and Matt Smith explained that if the advertisement will promote a business using the tourism component, there could be more available funding due to the hotel occupancy tax. Mr. Smith explained that for the City of DeSoto last year there was a greater return on investment since the City of DeSoto did not put as much funding into it as the other two partners. Mr. Smith explained that each would need to determine the amount each partner will spend this year. In conclusion, Mr. McWhorter agreed to hold the front page fold in the magazine until the Board makes its' final decision at the Board Retreat on Friday, March 22, 2019.

4. DeSoto Chamber of Commerce Update – Dr. Tarron Richardson, City Manager, City of DeSoto was not present at the meeting, so the report was given by Shmara Punch, Director of Member Relations.

a. MEMBER SERVICES:

- i. Member Networking are as follows:
 - 1. Good Morning DeSoto will be held on Tuesday, March 5, at 8:00 a.m. at TownPlace Suites.
- ii. The Upcoming Ribbon-Cutting Ceremonies and Ground Breaking Ceremonies are as follows:
 - 1. Crescent Medical Lancaster 's Re-Grand Opening will be held on Saturday, Friday, March 1, 2019 from 4:00 p.m. to 7:00 p.m.
- iii. Small Business Workshop:
 - 1. The classes with Goldman Sachs which 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.
- 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. Last month Faith Bible Church signed up saving them \$6000 per employees. 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. For the Revolving Loan Program; no revolving loans are pending.

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. The schedule through April will be in the upcoming newsletter.
 - 1. The 70th Birthday Celebration for our city will be held on Saturday, March 2, 2019 from 10:00 a.m. to 12:00 p.m. at City Hall in the DeSoto Town Center.
 - 2. DeSoto Works Job Fair will be held on Wednesday, April 17, 2019 from 2:00 p.m. to 6:00 p.m. at Disciple Central Community Church. The time period was adjusted to accommodate people who may already be employed to attend as well. Childcare will be provided for this event.

d. TOURISM ACTIVITIES:

- i. Print Publication(s):

1. DeSoto's "Livability" advertisement with the BSW Partnership Magazine is being discussed with Matt Smith and Dr. Tarron Richardson. However, no final decisions have been made at this time.
- ii. Reunion / Groups:
 1. There were no requests this month.
- iii. Advertising Campaigns:
 1. There were no campaigns at this time.
- e. 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.
 2. The Destination Presentation will be held on Tuesday, April 9, 2019 at 11:30 a.m. and at 5:30 p.m.
 - ii. DeSoto Living Festival:
 1. The DeSoto Living Festival will be held on Saturday, April 13, 2019 from 10:00 a.m. to 4:00 p.m. at DeSoto East Middle School. We will have alternative planning for inclement weather; we will have the ability to bring the event inside. We are excited that many people have already signed up.
 - iii. Sales Campaign:
 1. We are developing new marketing materials for sponsorships for all of the events for this year.
 2. All the events from June through December will have the opportunity for sponsors to pre-register for sponsorship packages, since some sponsors prefer to buy sponsorships in a bundle.
 3. This will help the DeSoto Chamber of Commerce to secure sponsorships for future events.
 - iv. Top Golf Tournament:
 1. 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
 - v. 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. The site visits included:
 1. The DeSoto Chamber of Commerce had a tour with the DEDC, City of DeSoto, DISD and Kohler which is committed to joining the Chamber. Subsequently, Kohler will be the speaker for the Economic Development Luncheon in May.
 2. Also, we had a visit with Diab who is expanding and bringing over 300 jobs to DeSoto. We hope they will participate in the next job fair. They said they will create some small business classes and "Lunch and Learns" to help small businesses in the community.
 3. We are working with Glo to create a "Glo After Hour" in order to be able to have the guest tour the rooms, since at the grand opening many people were not aware that there was a tour and were focused primarily on the lobby, bar and meeting space. This will be a small re-grand opening to help them target the specific areas they wanted to target.

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 January 31, 2019. Ms. Adams discussed the updates to the December 31, 2018 Financial Status Report placed in the consent agenda.

Perry Holloway called a break at 10:01 a.m. and reconvened at 10:12 a.m.; whereas, afterwards Board Vice President Curtis Krohn arrived at 10:12 a.m. and Board Director Michelle Jordan left at 10:12 a.m.

6. The Industry HUB's Activity Summary Report for January 2019 presented by Ms. Terry Toomey, Executive Director of the Industry HUB.
 - a. Ms. Terry Toomey said her primary focus is on the events to solve the problem of low traffic flow since low foot traffic is the greatest complaint of most tenants. She presented the marketing budget that she proposed for the Board of Directors to consider that will outline any additional expenses. She emphasizes that there is a need to focus on social media instead of print media for marketing, because tracking the data for its effectiveness is both possible and useful. She explained how she has hired Brandon Moore, Social Media Consultant, out of her budget to do the social media marketing on the website, because she believes that most urgently we need to drive foot traffic on a continual and daily basis.
 - b. Ms. Toomey introduced Brandon Moore, Social Media Consultant, who is currently responsible for putting all of the event information on the Grow DeSoto Market Place website. Mr. Moore gave a brief presentation on the importance of social media marketing and how he has created advertisements on the Grow DeSoto Market Place Facebook page. He explained that the relevant score on Facebook is the statistical data measurement that tracks how many people viewed the advertisement so that you can see any correlation between views and increased foot traffic to the incubator. He discussed his efforts to increase the relevant score and his prospective on branding and bringing awareness to the Grow DeSoto Market Place as a relatable millennial.
 - c. Ms. Toomey interjected that she is tracking the foot traffic into the incubator and reported some of the findings to the Board of Directors. She explained the added benefit of having Mr. Moore preform the additional task of handling event information on the website, the social media platforms, television, and the print distribution to the community is that it will assure consistency, accuracy and the development of a brand awareness that we currently lack.
 - d. In addition Ms. Toomey explained how she is investing all of the available resources of the Industry HUB to the training programs (The Grow DeSoto Small Business Training Classes) which will be held on Tuesdays and Thursdays from 7:30 a.m. to 8:30 a.m. starting in April. Furthermore, she points out how this will be open to all the Chambers in the area as well as the larger community.
 - e. Also, Ms. Toomey introduced Dalia Thomas, Public Relations and Media Consultant, who said her role is to focus on pitching events to increase community awareness by focusing the narratives on specific positive brand creating stories, and coordinate events on both the social media and traditional media side. She expounded on how she is a writer who wrote the articles, stories and blogs on Peace Love & Eat, Crazy Potatoes and marketing events like "Thank God It's Vegan" and the positive reactions and traction it received. She included that there are many different facets of marketing to explore. For example, she mentioned

that along with a business partner, she conducts bus tours to Black owned businesses in the area as well. She explained how activities such as this can increase awareness. Ms. Toomey said Ms. Thomas is currently working with the owner of Peace Love & Eat, but she would like to hire her full-time to do public relations and coordinate media for all of the Grow DeSoto Market Place events.

- f. Lastly, Ms. Toomey answered questions from the Board of Directors on how the budget she presented to them will coincide with the DEDC's marketing budget, the tenants invested interest or responsibility, and the Board of Directors' overall marketing vision for the Grow DeSoto Market Place.
- g. The Board of Directors agreed that Ms. Toomey would present a more detailed analysis at the Board Retreat on March 22, 2019 which shows a clearer return of investment regarding the increased budget she proposed. Also, they discussed applying the budget increase on a three month trial basis.

Motion by Board Director Bobby Waddle to approve the increase to the Grow DeSoto Market Place budget to be used for marketing the Grow DeSoto Market Place (Incubator) as presented by Terry Toomey, Executive Director, The Industry HUB for three months at \$4379.90 per month, with a re-evaluation by the Board of Directors for a possible continuance after three months. Seconded by Board Vice President Curtis Krohn. Approved by Board members Perry Holloway, Curtis Krohn, and Bobby Waddle. Board members Dr. Delva King, and Michelle Jordan were not present for the motion.

- 7. Discussion and possible action regarding continuing the DEDC Revolving Loan Program. Joe Newman, CEO, discussed the outstanding loan accounts, delinquent loan accounts in the Revolving Loan Funds Program and the payment arrangements made for delinquent accounts. Board Vice President Curtis Krohn discussed not having another loan without collateral in the future. **Motion by Board Vice President Curtis Krohn to discontinue the Revolving Loan Program. Seconded by Board Director Bobby Waddle. Approved by Board members Perry Holloway, Curtis Krohn, and Bobby Waddle. Board members Michelle Jordan and Dr. Delva King were not present for the motion.**

Board President Perry Holloway called a 5 minute break at 11:02 a.m.; whereas, afterwards he called the Board Directors into Executive Session at 11:07 a.m.

D. EXECUTIVE SESSION

Texas Government Code, Section 551.087: Economic Development Deliberation.

- 1. **Deliberation and Discussion Regarding the Economic Development Incentive Agreement between Project Housewares and the DeSoto Economic Development Corporation.**
- 2. **Deliberation and Discussion Regarding the Economic Development Incentive Agreement between Project Lego TR and the DeSoto Economic Development Corporation.**
- 3. **Deliberation and Discussion Regarding the Grant Program Application or Revolving Loan Program Application for Sustaita Enterprises, LLC for paving improvements required by the City of DeSoto.**

Board President Perry Holloway Reconvened into Open Session at 12:21 p.m.

E. RECONVENE INTO OPEN SESSION

F. ACTION AS A RESULT OF EXECUTIVE SESSION

No Action

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

Joe Newman, CEO, discussed his activity report and the Scorecard included at the end of his report. First, he discussed his conference call with Project Lego. Then, he said he met with investment prospects on the McGraw Hill building. Also, he informed the Board of Directors that the outstanding loan on the John Gourley and DeSoto Wintergreen property has been repaid. He continued with how Mayor Curtistene McCowan, Dr. Tarron Richardson and he met with the HEB grocery store's representative. He reported that they do not plan to move HEB grocery stores into this area for a couple of years. Furthermore, he mentioned that the State of the City with Mayor McCowan was well attended and that she thanked us for our participation in the slide show. He told them that he went to Austin last week for Leadership Southwest and stayed over for the Texas Economic Development Councils' Conference. In addition, he said that he had bad news regarding sales tax this month. He said for the first time in fifteen months, we had a negative number in sales tax compared to last year's allocation. He explained that when he researched it, he found that there were negative sales for a couple of months that brought us down 11.03 percent. However, he explained that we are still up for the year about three percent, and since we were up last month about 22 percent, it balances out throughout the year. He concluded it was not due to an audit as generally seen in these cases.

Mr. Newman asked the Board of Directors for questions regarding the Scorecard. Vanessa Barrios, Research and Business Development Manager, responded to questions regarding project CI and explained that it is a company from Philadelphia who wants to relocate their entire headquarters. She said that they have our incentive application and they have asked many questions. She explained that they were doing a lot of preliminary work and had interest in a building here. She concludes that we have been corresponding with them through email, but we will need to continue to follow up. In conclusion, Mr. Newman interjected that there are many factors in a company's decision to relocate here, and they go through an elimination process. Finally, he announced to the Board of Directors the days he will be on vacation next month.

H. BOARD ANNOUNCEMENTS

Board Director Bobby Waddle asked Joe Newman, CEO, to report briefly on the Leadership Southwest Conference in Austin last week.

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