



**DESOTO ECONOMIC DEVELOPMENT CORPORATION  
BOARD MEETING MINUTES  
MARCH 26, 2018**

The DeSoto Economic Development Corporation Board met at **9:00 a.m. on Monday, March 26, 2018** in the Council Conference Room located in City Hall at the DeSoto Town Center, 211 East Pleasant Run Road, DeSoto Texas 75115.

**Present:** Belinda May, Board President  
Bobby Waddle, Board Treasurer  
Perry Holloway, Board Director

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

**Also Present:** Peter G. Smith – Attorney, Nichols, Jackson, Dillard Hager & Smith, LLP  
Laura Terhune – President, DeSoto Chamber of Commerce  
Letitia Shelton – Director of Finance, City of DeSoto  
Melissa Adams – Budget Analyst, City of DeSoto  
The Honorable Rachel Proctor - Mayor Pro-Tempore, City of DeSoto, City Council Liaison  
Dr. Tarron Richardson – City Manager, City of DeSoto  
Terry Toomey – Executive Director, Industry HUB, Inc.  
Derrius Montgomery – Vice President of Member Engagement, DeSoto Chamber of Commerce  
Terrence Maiden – Executive Vice President of Corinth Properties.

**Absent:** Stephanie Bowers, Board Secretary  
Curtis Krohn, Board Vice President  
Monte Anderson – Options Real Estate

**At 9:02 a.m., Board President Belinda May called the meeting to order and acknowledged the presence of a quorum.**

**A. REGULAR SESSION – CALL TO ORDER**

1. Invocation was given by Board Treasurer Bobby Waddle.

**B. CONSENT AGENDA**

1. Minutes and income and expenses:
  - a. Consideration and approval of the February 19, 2018 DeSoto Economic Development Corporation (DEDC) Board Meeting Minutes.
  - b. Consideration and approval of the DEDC January 31, 2018 income and expenses.

- c. Consideration and approval to authorize DEDC staff to promote and advertise the upcoming Spring Fling unveiling of the Incubator Project and expending marketing funds up to \$30,000.
- d. Consideration and approval for advertising in the State of Texas Official Economic Development Guide which includes the editorial content and the display ad in the amount of \$14,000.

**Motion by Board President Belinda May is to approve the consent agenda items A, B, and D as presented, omitting item C (the advertising of the Spring Fling Incubator Project expending marketing funds up to \$30,000), and tabling item C for a future meeting. Motion seconded by Board Treasurer Bobby Waddle. Motion approved by Board members Belinda May, Bobby Waddle, and Perry Holloway.**

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

- 1. City Council Liaison's update regarding city events, meetings, etc. by the Honorable Rachel Proctor:  
The Honorable Rachel Proctor's update included:
  - a. The council has been working on DeSoto's transportation and she would like to update you on things shared as recently at the last meeting. Getting public transportation for our city has been on the city's work plan for a while.
    - i. Phase I of this program is taxi services. We were able to fund 38 citizens to receive credit for taxi services with a community development block grant. But this is not enough to serve the needs of our city.
    - ii. Phase II of this program is in conjunction with the Star Transit pilot program. The council approved us to move forward with the pilot program starting on April 1, 2018. Demand response services for citizens throughout city as well as an internal circulator that will link to key areas within the city during the morning and the evening. They added on the Dart, UNT station and possibly the Amazon Hub as well. This will meet the needs of our citizens who may have had some challenges traveling back and forth to work. This is a pilot program that will be running up to September 30, 2018, the end of the fiscal year. Star Transit will analyze the data to determine if any changes should be made. They have access to up to 6 other Dart stations, so after looking at the data they will determine what is needed the most for the city of Desoto.
  - b. The City of DeSoto purchased properties with the 2014 bond for land acquisitions. The City of DeSoto has purchased six properties throughout the city so far.
    - i. Most recently, the city has purchased the property at 834 North Hampton which is a Corinth Property site that will be the future site of the Baskin Robins, Sprint and Dunkin Donuts.
    - ii. Other properties were: West Pleasant Run Rd, 609, 611 North Hampton Road - south of Dalton Road, 501 North Hampton Road which is the corner of Lynette and it connects the professional and medical corridor. Also a property at 105 Barrow's Place which is the future site of the DeSoto Skilled Nursing and Rehab facility due to be completed in the Spring of 2019. Lastly, the first property purchased was 1001 North Hampton Road, where we removed a blighted building from that site.
  - c. The CDCG Block Grant was more than \$200,000; however, we were only able to use a portion of that money due to the cost of the transportation service programs and the administration cost of managing the fund.

2. Presentation of the Auditor's Report to the DEDC Board of Directors. **Motion by Board Treasurer Bobby Waddle to approve the Auditor's Report of Basic Financial Statements for September 30, 2017 as presented by Patrick Simmons, CPA and Audit Manager of Whitney Penn. Seconded by Board President Belinda May. Motion approved by Board members Belinda May, Bobby Waddle, and Perry Holloway.**
  
3. Grow DeSoto Incubator finish out and financial status report. Presentation by Monte Anderson. Due to Monte Anderson's absence, Board President Belinda May, Chief Executive Officer Joe Newman and the Executive Director of the Industry HUB, Terry Toomey gave an update to the Board on the Grow DeSoto Incubator finish out and financial status report.
  - a. Belinda May states: In an email on March 20, 2018, Joe Newman asked Monte Anderson about the building inspector and obtaining a Certificate of Occupancy. The email from Mr. Anderson said, "The sewer and water taps will be going in this Thursday and Friday. After the building inspector says it is good, then we should be on the go for the retail and office space. Each restaurant will need its' own Certificate of Occupancy. All the work to the restaurants should be finished by April 1, 2018. The tenants will be responsible for installing their own equipment. After they install their equipment, they should be able to get a Certificate of Occupancy"
  - b. Ms. May said that she visited the Incubator and it seems to be much more complete than on previous visits.
  - c. Mr. Newman emphasized that the restaurants take a longer time to get a Certificate of Occupancy (CO) because the equipment takes time to come in.
  - d. Mr. Newman provided the Board members with a layout of the building that showed the available spaces. There were approximately ten retailers and six restaurants occupied from a total of forty spaces. However, Ms. Toomey did note that the spaces rent at different rates; therefore, the ratio of 16 out of 40 does not reflect the possible revenue.
  - e. The Board members agreed that Mr. Newman will obtain a budget and current financial statements from Mr. Anderson for the Incubator Project and present it at the next meeting.
  
4. DeSoto Chamber of Commerce Update - Laura Terhune, President.
  - a. MEMBER SERVICES:
    - i. Good Morning, DeSoto is the first Tuesday of each month which will be held in the Incubator during April, May, and June. We will look for restaurants that can provide breakfast.
    - ii. The Happy Hour Networkers are as follows:
      1. Frost Bank will be held on Thursday, March 15, 2018 at Pappadeaux.
      2. Young Professionals will be held on Tuesday, March 27, 2018 at Atkinson Toyota.
    - iii. The Ribbon-Cutting Ceremonies are as follows:
      1. Helping Hands for Obesity will be held on Tuesday, April 3, 2018 at the Incubator. (immediately following Good Morning DeSoto).
      2. Home2Suites Thursday, April 12, 2018 from 5:00 p.m. to 10 p.m. including open house at Home2Suites.
  - b. ECONOMIC/ BUSINESS DEVELOPMENT/BREP/SHOP LOCAL:
    - i. DeSoto Living! Festival will be held on Saturday, April 7, 2018, from 10:00 a.m. to 4:00 p.m. at East Middle School. As of today, there are 168 vendors pre-registered.
    - ii. Best Southwest R.E.D. Luncheon will be held on Thursday, March 22, 2018 from 9:00 a.m. to 1:00 p.m. at the Hilton Garden Inn.

- iii. The Job Fair will be held on Wednesday, April 18, 2018 from 9:00 a.m. to 12:30 p.m. at the Disciple Central Community Church. The marketing has started. The goal is 75 businesses (more local businesses), and better follow up and tracking this year.
- iv. Small Business Workshops/Training/Coaching
  - 1. Small Business Week will be held from Monday, April 30, 2018 to Friday, May 4, 2018. The workshops and activities are currently being planned.
  - 2. The Revolving Loan Fund did not have any applications at this time.
- c. COMMUNITY EVENTS:
  - i. First Responders Appreciation Luncheon was held on Thursday, February 22, 2018 from 11:30 a.m. to 1:00 p.m. at Methodist Charleston Hospital. There were 147 attendees.
  - ii. A TXDOT Briefing and Luncheon was held on March 7, 2018 from 11:30 a.m. to 1:00 p.m. at the Magnusson Hotel. There were 61 attendees.
  - iii. The Annual Reader's Choice Awards Reception will be held on Thursday, March 29, 2018 from 6:30 p.m. to 8:30 p.m. at the Town Place Suites. Please take notice that this is a new date and location.
- d. TOURISM ACTIVITIES:
  - i. Print Publication(s):
    - 1. The 2018 Community Guide's advertising sales have been submitted, and we are finalizing the updated content.
    - 2. The 2018 Best Southwest Partnership magazine's advertisement has been delivered.
  - ii. Reunion / Groups: No new events or groups.
  - ii. Advertising Campaigns:
    - 1. As for digital advertising strategies, Brittani Washington, Administrative Assistant, DeSoto Chamber of Commerce is attending a Google workshop to maximize our investment and reach.
    - 2. A Combined Marketing Plan is led by the DeSoto Independent School District with the Chamber of Commerce, the DeSoto Economic Development Corporation, and the City of DeSoto.
      - a. We are working with the City of DeSoto regarding their new Marketing Manager.
      - b. We developed an interim tagline: "Discover the DeSoto Difference."
      - c. We will meet with the APP developer to discuss a potential collaboration.
    - 3. We are developing strategies, creating messaging, and creating themes for business travel marketing.
- e. FUNDRASING:
  - i. A "Trip to China" an all-inclusive, 7 night stay, will be from Thursday, October 4, 2018 through Friday, October 12, 2018. The marketing is underway. A question and answer meeting is planned with the tour company.
  - ii. The Chamber of Commerce Foundation is applying to be a 501 (c) (3) tax exempt organization and is working with Terry Toomey, Executive Director of The Industry HUB, to complete the process.
- f. FACILITIES / OFFICE OPERATIONS:
  - i. New Chamber / CVB building: Mayor Curtistene McCowan says the construction should begin within a year.

- ii. Regarding the interim offices in the Incubator, the Chamber of Commerce moved into the Hampton Road Baptist Church Administration Building on Thursday, March 22, 2018.
    - 1. A letter from Al Molten was received by the DEDC regarding the Chamber of Commerce's decision to not lease the Incubator space in the interim.
    - 2. They are currently waiting to get financing to purchase the Hampton Road Baptist Church Administration Building and lease out the additional offices to other tenants to offset the cost.
    - 3. If financing is not available to them, then they will reconsider the Incubator as an alternative.
  - g. Site Visits:
    - i. Provide a concierge service that delivers for the local restaurants.
    - ii. Frost Bank is expanding into DeSoto.
    - iii. Crab Lounge gave no response to inquiries during the site visits.
5. Financial Status Report. Presentation by Melissa Adams, Budget Analyst, City of DeSoto. The Report included: A General Fund Balance Sheet, Summary of Revenues and Expenditures, and Details of Revenues and Expenditures as of February 28, 2018. Ms. Adams suggested some budget adjustments. In the 2017 budget, \$260,000 was allocated for the Brook Hollow (Incubator) project and the Eagle Hotel Group and only \$40,000 was spent last year since the two projects were not completed in 2017 as anticipated. However, the balance was not carried over from last year's budget, which resulted in only \$6,000 in the capital outlay line item for 2018.
- a. Consideration and action to reallocate budgeted funds for upcoming incentive agreements regarding the Eagle Hotel Group and Brookhollow (Incubator) projects. **Motion by Board President Belinda May to reallocate \$220,000 from the Potential Incentive Grants to the Capital Outlay for the Brookhollow (Incubator) and reallocate \$300,000 from the Potential Incentive Grants to the Eagle Hotel Group (Home2Suites) for a total of \$520,000. Seconded by Board Treasurer Bobby Waddle. Approved by Board members Belinda May, Bobby Waddle, and Perry Holloway.**
6. Consideration and action to authorize the DEDC Chief Executive Officer to negotiate and execute agreements and such other documents that are reasonably necessary to purchase from the City of DeSoto, Texas for the purpose of resale of such property to Corinth Properties and / or assigns the property described as 104 West Pleasant Run Road, DeSoto, Dallas County, Texas with the resale of the property to be subject to restriction agreement requiring a specific development as required by the City. **Motion by Board Director Perry Holloway to authorize the DEDC Chief Executive Officer to negotiate and execute agreements and other such documents that are reasonably necessary to purchase and execute agreements and other such documents that are reasonably necessary to purchase from the City of DeSoto, Texas for the purpose of resale of such property to Corinth Properties and /or assigns the property described as 104 West Pleasant Run Road DeSoto, Dallas County, Texas with the resale of the property to be subject to a restriction agreement requiring a specific development as required by the City of DeSoto. Second by Board Treasurer Bobby Waddle. Approved by Board members Belinda May, Bobby Waddle, and Perry Holloway.**
7. Consideration and action to approve a grant to erect signage in the Dunkin Donuts area on North Hampton Road in the amount of \$7,000 for Corinth. Presented by Terrence G. Maiden, Executive Vice President of Corinth Properties. **Motion by Board Perry Holloway to approve a grant for Corinth**

**Properties for the installation and acquisition of a sign with the City Logo in an amount up to \$10,200 for Corinth Properties. Seconded by Board Treasurer Bobby Waddle. Approved by Board members Belinda May, Bobby Waddle, and Perry Holloway.**

8. The Industry HUB's Activity Summary Report for March 2018. Presented by Terry Toomey, Executive Director of the Industry HUB. The report was included in the Board packet for review and any questions. Ms. Toomey discussed a concierge service, an event planner service, a mentoring programs, grant opportunities, and sponsorships to build out the training room. She discussed training to help businesses get government contracts.

**Board President Belinda called a recess at 10:48 a.m.; the Board reconvened into Executive Session at 10:58 a.m.**

#### **D. EXECUTIVE SESSION**

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

1. Toronto Project: Economic Development Negotiations and Agreement.
2. Grow DeSoto Incubator Project:
  - Lease termination with Luke's Soul Food Kitchen
  - Second Amendment to the Lease Agreement between Dilbeck Court, LLC and the DeSoto Economic Development Corporation with a finish-out date of March 1, 2018.

**Texas Government Code Section 551.074: Personnel:**

3. The Annual Performance Evaluation of the DeSoto Economic Development Corporation's Attorney.

#### **E. RECONVENE INTO OPEN SESSION**

**The Board reconvened into open session at 11:34 a.m.**

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

**Motion by Board Treasurer Bobby Waddle to authorize the DEDC to negotiate and execute an incentive agreement with Label Craft Products, Ltd or assigns to provide a grant up to \$125,000 for infrastructure to be paid upon completion of construction contingent on the company purchasing the real property and improvements located at 2112 Jo Drive DeSoto, Texas. Seconded by Board Director Perry Holloway. Motion approved by Board members Belinda May, Perry Holloway and Bobby Waddle.**

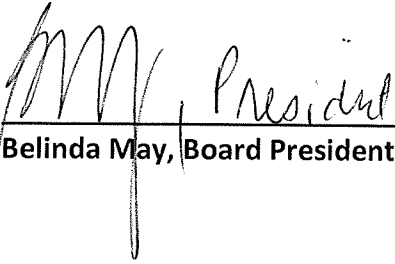
#### **G. BRIEFING BY INTERIM EXECUTIVE OFFICER REGARDING STATUS OF PENDING DEDC PROJECTS**

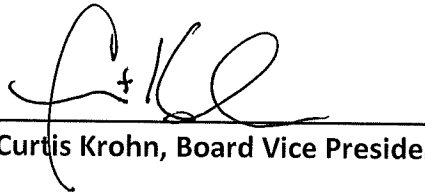
The Board Retreat follow up is tentatively set for Monday, June 4, 2018. For the Home2Suites grand opening to be held on Thursday, April 12, 2018 from 5:00 p.m. to 10:00 p.m.; we asked them to possibly put up a sign for the DEDC's incentive grants. Mr. Newman presented the gifts from the Boards and Commissions Banquet to the Board members who did not attend. On March 24, 2018, Mr. Newman met with Lora Stallings, Assistant City Manager, regarding the transportation taskforce to consider the incubator as a stop for the bus route. Sales tax allocations are up in DeSoto 5.45% over last March, and 13.81% for the calendar year.

H. BOARD ANNOUNCEMENTS

I. ADJOURNMENT

With no further business to discuss Board President Belinda May adjourned the meeting at 11:43 am.

  
Belinda May, Board President

  
Curtis Krohn, Board Vice President