



**DESOTO ECONOMIC DEVELOPMENT CORPORATION  
BOARD MEETING MINUTES  
MAY 21, 2018**

The DeSoto Economic Development Corporation Board met at **9:00 a.m. on Monday, May 21, 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  
Curtis Krohn, Board Vice 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:** Kevin Laughlin – Attorney, Nichols, Jackson, Dillard Hager & Smith, LLP  
Laura Terhune – President, DeSoto Chamber of Commerce  
Letitia Shelton – Director of Finance, City of DeSoto  
Tracy Cormier – Interim Director of Budget, City of DeSoto  
Melissa Adams – Budget Analyst, City of DeSoto  
The Honorable Rachel Proctor - Mayor Pro-Tempore, City of DeSoto, City Council Liaison  
Monte Anderson – Owner, Options Real Estate

**Absent:** Stephanie Bowers, Board Secretary

**At 9:04 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 Vice President Curtis Krohn.

**B. CONSENT AGENDA**

1. Minutes and income and expenses:
  - a. Consideration and approval of the April 23, 2018 DeSoto Economic Development Corporation (DEDC) Board Meeting Minutes.
  - b. Consideration and approval of the April 26, 2018 DeSoto Economic Development Corporation (DEDC) Board Meeting Minutes.

- c. Consideration and approval of the May 14, 2018 DeSoto Economic Development Corporation (DEDC) Board Meeting Minutes.
- d. Consideration and approval of the DEDC March 31, 2018 income and expenses.
- e. Consideration and approval of the annual sponsorship of all the DeSoto Parks and Recreation Department's special events in the amount of \$1500.

**Motion by Board Vice President Curtis Krohn is to approve the consent agenda items as presented. Motion seconded by Board President Belinda May. Motion approved by Board members Belinda May, Bobby Waddle, Perry Holloway and Curtis Krohn.**

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

**Item # 1 was tabled until after item #3 since the Honorable Rachel Proctor, Mayor Pro Tem, City Council Liason had not yet arrived.**

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 City Council conducted the DEDC Board Director interviews held on Monday, May 14, 2018 at 211 E. Pleasant Run Road in the Council Conference Room at 6:15 p.m. Some of the Board Directors were present for the interviews. The DeSoto City Council selected a new Board member, Ms. Michelle Jordan; who has submitted all of her information for processing and verification. After the vetting process is complete, she will be confirmed at the next City Council meeting in June.
  - b. Regarding the postponement of the DEDC and DeSoto Chamber of Commerce's new facility, the Honorable Rachel Proctor reiterated Laura Terhune's update where she reported that the DeSoto City Council postponed the construction due to the increase in cost.
  - c. Furthermore, the Honorable Rachel Proctor explained that the construction of the structure alone was approximately \$5,000,000. Also, she noted that this price did not include the land donated from Solar Turbines.
  - d. Joe Newman inquired about whether the land could be sold to an interested developer. In response to Mr. Newman's question, the Honorable Rachel Proctor indicated that the land had some deed restrictions which might prevent a re-sale of the property for any potentially interested prospects.
  - e. Board Treasurer Bobby Waddle suggested to the Honorable Rachel Proctor that the ten acre property at the Heliport could be considered by the City Council as a potential site for the New DEDC and the DeSoto Chamber of Commerce facility or any other interested developer.
2. Grow DeSoto Incubator finish out and financial status report. Presentation by Monte Anderson.
  - a. Monte Anderson supplied the Board with a site plan as requested by Board President Belinda May so that it could be reviewed during their discussion.
  - b. Board President May informed the Board that the DEDC's attorney negotiated with Mr. Anderson's attorney for 3 restaurants: KayBee Cakes, Peace Love Eat, and Delightful Sweets to have the green kitchens, and the other 4 restaurants: Empanada Shack, Crazii Potatoez, Alana's Tex Mex, and Piping Hot to have kitchens with type 1 vent hoods. Furthermore in this proposed negotiation, the DEDC agreed to pay the \$7,000 difference per vent hood totaling the amount of \$28,000. Board President May recommended that further negotiation and

discussion occur during the executive session. Lastly, these changes would allow the retail spaces to open and KayBee Cakes to meet the deadline of it's government contract.

- c. Mr. Anderson suggested that the type 2 vent hoods be put in the kitchens instead of the type 1 vent hoods in order to save money. He said that the type 1 vent hood would take longer to install due to engineering concerns such as differences in the AC system needed to properly run them. He indicated that he would do any of the future conversions to the type 1 vent hoods as the needs of future tenants dictated, since he previously installed the gas lines for them in expectation that someone might need them.
- d. Mr. Anderson explained that most of the restaurants were happy with this modern technology which he said, "would put DeSoto on the map". However, the bakeries would use their own ovens, and they currently would not need the type 1 vent hoods.
- e. Mr. Anderson said we may risk losing some of the tenants if there was any further delay while changing to the type 1 vent hoods. He said the changes necessary to install only the type 2 vent hood would take at least 4 to 6 weeks, as well as, any other engineering concerns which might take additional time to install.
- f. In conclusion, Mr. Anderson would provide written bids to the Board for the cost differences of the changes as requested. The Board would contact him with their decisions on the changes after the Board had the opportunity to discuss them in executive session.

**3. DeSoto Chamber of Commerce Update - Laura Terhune, President.**

**a. MEMBER SERVICES:**

- i. Good Morning DeSoto will be the first Tuesday of each month. It will be held at the Incubator at 324 E. Beltline Road, DeSoto, TX, 75115 from 8:00 a.m. to 9:00 a.m. for the month of August and the month of September.
- ii. Recent or Upcoming Ribbon-Cutting Ceremonies are as follows:
  - 1. Big Al's Cellular Repair was held on May 5, 2018
  - 2. Sweetsie Bakery will be held on June 8, 2018

**b. ECONOMIC/ BUSINESS DEVELOPMENT/BREP/SHOP LOCAL:**

- i. DeSoto Living! Festival has a new date, and it will be held on Saturday, June 23, 2018, from 10:00 a.m. to 4:00 p.m. at East Middle School.
  - 1. There are 170 vendors registered. We lost about 8-9 vendors, but we replaced them with new vendors.
  - 2. We are still seeking sponsors to re-rent tents, bounce houses, and other items. This will cause the event to make less money this year for the DeSoto Chamber of Commerce.
  - 3. However, it still will be one of the largest fundraisers of the year for the DeSoto Chamber of Commerce.
  - 4. We are working to get a good crowd there. We will not consider it a success unless the businesses feel that they had the opportunity to make a customer acquisition.
- ii. Best Southwest Education Luncheon will be held on Thursday, May 24, 2018 from 11:00 a.m. to 1:00 p.m. at the Hilton Garden Inn.
- iii. Small Business Workshops/Training/Coaching:
  - 1. The Small Business Summit was postponed. Only four or five people registered. So Terry Toomey, Executive Director, The Industry HUB, and Laura Terhune, President, DeSoto Chamber of Commerce, will work together to change the summit's model to either once a week for three to four weeks or once a month

for three to four months. Utilizing this model would help keep the small businesses from being absent from their businesses for three consecutive days.

- iv. The Revolving Loan Fund did not have any applications at this time.
- c. COMMUNITY EVENTS (leading, assisting, or promoting):
  - i. The District 109 Run-Off Candidates Forum was held on Saturday, April 28, 2018 at Home2 Suites.
  - ii. The Sizzling Summer of Soul (All White Party) was held on Saturday, May 19, 2018 from 8:00 p.m. to 11:30 p.m. at Home2 Suites.
- d. TOURISM ACTIVITIES:
  - i. Print Publication(s):
    - 1. The 2018 Community Guide's advertising sales have been submitted. The updated content has been submitted, and the cover art is being finalized.
  - ii. Reunion / Groups: There will be two reunions coming up. The Stewart Family Reunion will pick up 100 bags next week, and the Weatherby Family Reunion will pick up 100 bags the following week.
  - ii. Advertising Campaigns:
    - 1. We developed a budget and marketing plan for 2018 -2019.
    - 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. The meeting with the APP developer to discuss a potential collaboration is pending.
    - 3. We are developing strategies, creating messaging, and creating themes for business travel marketing.
- e. FUNDRAISING:
  - 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; we want you to let your audiences know on your social media or email list about the trip which is open to everyone. A question and answer session was on Thursday, May 17, 2018 at 5:30 at the Chamber.
  - 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.
  - iii. The Golf Tournament will be held on Monday, June 11, 2018 from 8:00a.m. to 1:00 p.m. at the Thorntree Country Club.
- f. FACILITIES / OFFICE OPERATIONS:
  - i. New Chamber / CVB building: The City Council decided to delay building the new Chamber of Commerce building until a later date; since, the cost continued to increase.
  - ii. Regarding the interim offices, the Chamber of Commerce moved into the Hampton Road Baptist Church Administration Building on Thursday, March 22, 2018. The inspection and inspection was completed. The loan applications are pending.
  - iii. Regarding staff changes, there are two open positions at the DeSoto Chamber of Commerce: one for Membership and one for Marketing/Events.

- iv. Site Visits: Laura Terhune, President, DeSoto Chamber of Commerce, presented some of the concerns of the businesses during the site visits:
  1. Vibra Specialty Hospital for acute long-term care was at 95 % capacity, however, they would like 98% capacity. They needed public awareness to know who they are and what services they provide.
  2. Franklin Park Apartments (a senior apartment of whom 50% are retired) had a six month waiting list for their apartments. They wanted to help potential residents who were moving to DeSoto to be aware of the waiting list, so that they would not need to seek residence in neighboring cities.
  3. Mount Vernon was at 95% capacity, but they had a high turnover due to water issue. Vanessa Barrios, Research and Business Development Manager, and Laura Tehune, President, DeSoto Chamber of Commerce will talk to the Developmental Services Department about the smells in the water. They will persist with the City to figure out a solution to the water issue, so that they can decrease the turnover rate of tenants.

**Board President Belinda May tabled item # 4 until after # 1 since the Honorable Rachel Proctor, Mayor Pro Tem, City Council Lasion had arrived.**

4. Financial Status Report. Presentation by Melissa Adams, Budget Analyst, 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 April 30, 2018.
5. The Industry HUB's Activity Summary Report for April 2018. Presented by Terry Toomey, Executive Director of the Industry HUB. The report was included in the Board packet for review, any concerns, or questions.
6. **Consideration and action to approve the 2018 – 2019 DeSoto Economic Development Corporation Budget as presented by Joe Newman, Chief Executive Officer.**
  - a. Draft of the 2018 -2019 Budget was presented by Joe Newman, Chief Executive Officer. Mr. Newman provided a detailed explanation of each line item on the Draft Budget to be reviewed by the Board Directors.
  - b. The Board Directors discussed several changes to the presented budget such as the changes to the fund balance, legal fees, management fees, salaries, accounting, and marketing.
  - c. Since the actual budget needs to be submitted on June 1, 2018, Melissa Adams, Budget Analyst, City of DeSoto said that Mr. Newman and she could provide to the Board Directors an updated Budget with the adjustments by the end of the day.
  - d. Mr. Newman suggested that the Board Directors vote on the revised budget at the Board Retreat on Monday, June 4, 2018.

**No Action**

**Board President Belinda May called a 5 minute break, whereas, afterwards she called the Board into Executive Session at 9:50 a.m.**

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

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

1. Grow DeSoto Incubator Project: The Economic Development Agreement and Lease Agreement between Dilbeck Court, Inc. and DeSoto Economic Development Corporation.

**Texas Government Code Section 551.071: Consultation with Attorney for Advice on Legal Matters:**

1. Grow DeSoto Incubator Project: The Economic Development Agreement and Lease Agreement between Dilbeck Court, Inc. and DeSoto Economic Development Corporation.
2. Prologis USLV TRS 1 LLC and KTR DAL South 1, LLC: Consideration to Amend the Economic Development Agreement between DeSoto Economic Development Corporation and Prologis USLV TRS 1 LLC also known as KTR DAL South 1, LLC.

**E. RECONVENE INTO OPEN SESSION**

The Board reconvened into open session at 10:24 a.m.

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

1. Motion by Board Director Perry Holloway to authorize the Chief Executive Officer (Executive Director) to negotiate and execute a lease amendment for the incubator project authorizing the installation of four Type I and three Type 2 vent hoods and to pay the difference between the Type I and the Type 2 vent hoods not to exceed \$10,000 each. Seconded by Board Vice President Curtis Krohn. Motion approved by Board members Belinda May, Curtis Krohn, Bobby Waddle and Perry Holloway.
2. Motion by Board Treasurer Bobby Waddle to authorize the Chief Executive Officer (Executive Director) to negotiate and execute an amendment to the incentive agreement with Prologis USLV TRS I, LLC to amend the dates of performance and the payment schedule to provide for two installment payments of the incentive grant. Seconded by Board Director Perry Holloway. Motion approved by Board members Belinda May, Curtis Krohn, Bobby Waddle and Perry Holloway.

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

Mr. Joe Newman, CEO of DEDC, announced to the Board Directors that the new brochures are available. Dr. Tarron Richardson, DeSoto City Manager, needed the brochures for the ICSC conference that he was attending. Mr. Newman received two bids from advertising agencies for the brochures that were for \$10,000 and \$12,000. Akosua Owirodu, Ko-Ko Owirodu Designs, charged less than \$1000 for the design and artwork, but not for the printing. Because of the time constraints with the conference and pricing, Mr. Newman chose Ko-Ko Owirodu Designs for the brochures. Mr. Newman highlighted a meeting that Dr. Richardson and he had last Friday, May 18, 2018 with a developer regarding developing an elaborate 180,000 sq. ft. plus sports complex including a hotel, indoor/outdoor facility, etc. Mr. Newman announced that the Board Retreat follow up will be held on Monday, June 4, 2018 conducted by Tracye McDaniel, CEO of McDaniel Strategy Ecosystems. Mr. Newan said he will discuss the retreat content and location with the facilitator soon. The location was discussed for the Board Retreat with a consensus on having it at the Heliport.


**H. BOARD ANNOUNCEMENTS**

Board President Belinda May announced that the Parks and Recreation Department will host events during the Summer Series which will contain concerts, parties, festivals, park events, and other activities. The \$1500 sponsorship that the DEDC approved will provide advertisement for us on all of their advertising inviting the event participants to visit the Grow DeSoto Marketplace after each event. Global Prime is ready to break ground on their skilled nursing facility. Their building permits will be submitted

within the next four to six weeks. They are excited to start construction. Joe Newman, Pete Smith, and Joe Gorfida are working together to get the land transferred, and the DeSoto City Council has already approved it. Board President May said she will update the Board Directors of their progress.

**I. ADJOURNMENT**

With no further business to discuss Board President Belinda May adjourned the meeting at 10:36 a.m.



Belinda May, Board President



Curtis Krohn, Board Vice President