



**DESOTO ECONOMIC DEVELOPMENT CORPORATION
BOARD MEETING MINUTES
SEPTEMBER 30, 2019**

The DeSoto Economic Development Corporation (DEDC) Board met at **9:00 a.m. on Monday, September 30, 2019** in the Council Conference Room located in City Hall at the DeSoto Town Center, 211 East Pleasant Run Road, DeSoto Texas 75115.

Present: 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

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
Kathy Jones — Public Relations Manager, City of DeSoto
Andre' Byrd, Sr. — Councilmember, City Council Liaison, City of DeSoto
Kenneth Govan — Board Chairman-Elect, DeSoto Chamber of Commerce
Pete Smith — Attorney, Nichols, Jackson, Dillard, Hager & Smith, LLP
Monte Anderson — Owner, Options Real Estate
Terry Toomey — Executive Director, The Industry HUB
Gregory Peterson — Dynamic DeSoto, Citizen
Patricia Russell-Harrison — Dynamic DeSoto, Citizen
Arbin Harrison III — Dynamic DeSoto, Citizen
Zondra Evans — ZTV
Gerard Goh — Allied Stone, Inc.

At 9:04 a.m., Board Vice President Curtis Krohn called the meeting to order and acknowledged the presence of a quorum.

A. REGULAR SESSION – CALL TO ORDER

1. Invocation was given by Bobby Waddle.

B. CONSENT AGENDA

1. Minutes and income and expenses:
 - a. Consideration and approval of the August 26, 2019 DEDC Board Meeting Minutes.
 - b. Consideration and approval of the July 31, 2019 income and expenses.

- c. Consideration and possible action for loan accounting software yearly fee of \$1,080 to DownHome Solutions as required by city finance department.
- d. Consideration and possible action for website hosting & maintenance contract with Freehand Studio for \$200/month, \$2,400 annually.
- e. Consideration and possible action to approve Annual Disclosure Report under SEC Rule 15c2-12 to HTS Continuing Disclosure Services for \$2,500.

Motion by Board Director Bobby Waddle to approve the consent agenda items with corrections to the August 26, 2019 Board Meeting Minutes, item C1b in Regular Agenda – New Business changing Belt Line Road and E. Parkerville Rd. to E. Parkerville Road and E. Bear Creek Rd. Motion seconded by Board Director Dr. Delva King. Motion approved by Board members Curtis Krohn and Michelle Jordan.

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 a proposed zoning change for the residential development at Daniieldale Road and Bolton Boone Drive. The development was approved by the Planning and Zoning Commission and originally zoned to be rear entry or gate entry. It came before City Council and was approved to be 80 percent front entry and 20 percent gate/swing entry. Mr. Byrd confirmed there will be a stop light placed at the intersection of Daniieldale Rd. and Bolton Boone Dr. with the expansion of Daniieldale Rd.
 - b. Mr. Byrd, Sr. also mentioned there was a public hearing held for the expansion of N. Westmoreland Road and N. Cockrell Hill Road on Pleasant Run Rd. and the city is moving forward with those projects.
2. Grow DeSoto Market Place Incubator financial status report. Presentation by Monte Anderson, Options Real Estate.
 - a. Monte Anderson, Options Real Estate, passed out a copy of the Grow DeSoto Market Place wayfinding board reflecting all of the current tenants to all of the Board Members.
 - b. Mr. Anderson pointed out the vacancies on the wayfinding board and noted that there is only one vacancy left for a restaurant, and that anything that is circled on the sheet is vacant. He mentioned that there is a little bit of turnover but the space is leasing back up quickly. The space is very well leased when it comes to office spaces. Bold Prints (608) is moving to 600, and Tigerhouse Hat Shop (600) is moving to 300. There will be a new yoga studio in the space soon, and he is being as diligent and strict as he can be when it comes to collecting rent. Things are going fair, but having the tenants maintain the operating hours they have committed to is still the number one biggest challenge. Mr. Anderson highlighted the newest restaurant tenant in space 201, 2 Neighbors, which will feature Nashville Hot Chicken.
 - c. Mr. Kenneth Govan, Board Chair-Elect for the DeSoto Chamber of Commerce, made a comment regarding the vetting process for the Grow DeSoto Market Place tenants. He said he has attended two or three Pitch Monday meetings and that the committee is asking some hard questions of prospects.

3. The Industry HUB's Activity Summary Report for August 2019 presented by Ms. Terry Toomey, Executive Director of the Industry HUB.
- a. Terry Toomey said she presented a tenant manual to all the tenants, is waiting for their feedback, and is hoping to finalize it by the end of the month. The purpose is to try to get them refocused that the incubator is a learning environment.
 - b. Ms. Toomey said she is working on events that focus on different heritage. The first Saturday in October will be Hispanic, in November it will be Native American Heritage, and she is hoping that it will generate community involvement.
 - c. Ms. Toomey met with a senior class at the University of Texas Dallas and they are doing a marketing project for the Grow DeSoto Market Place. She has challenged the class to bring her the next big great idea.
 - d. There will be four events (one each Friday for the first three weeks and then a fun run on Saturday) during the month of October which is Breast Cancer Awareness month.
 - e. There will be a Spook House setup through Halloween which will be several nights in a row. She is hoping to appeal more to the younger kids as it will be in the evening after business hours.
 - f. September's training programs have been focused on business plans. Ms. Toomey asked Kenneth Govan to provide feedback on the training programs since he has attended several. She wants the small businesses to think bigger and think more strategic not as tactical.
 - g. She said one of the disappointments and challenges for her has been the training component to the businesses because she has tried to be flexible on the times but there is always an excuse. She has been looking for a way to provide streaming media for training, and her guest came to her several months ago for mentoring. Ms. Evans is launching a streaming media network, Z TV Network, which will allow her to get the training in front of small businesses that need it through multiple media outlets. Terry's channel on that network is called the B-Train. She says she is underwriting it herself. She noted that their sweet spot is those that need training but they don't need a degree.
 - h. Ms. Zondra Evans, founder and owner of Z TV Network, spoke to the board about her network which was created to help small business entrepreneurs and solopreneurs grow and scale their businesses locally and nationally. She is on every streaming platform and will launch on BizTalk TV out of Arlington this week.
 - i. The official launch of the network will be on November 16, 2019 from 1 pm to 3 pm at the Grow DeSoto Market Place. Ms. Toomey says she just signed a deal with an entrepreneur association that has 10,000 members and the channel will be a part of that association. Ms. Toomey said they will invite the dignitaries from all of the channels they are on including Roku, Apple TV, Amazon TV, and Comcast for the launch. Before they even brought on the business channel, they had access to 800 million people. She said they are not selling to the individual, they are selling to the associations who have an affinity for what they are doing is really their audience.
 - j. Dr. Delva King asked if the station is on now, and Ms. Evans confirmed that it is not. Ms. Evans confirmed she is not on one network – she owns her own network which will come up at the end of October. She is already on other networks – Rewind Network and BizTalk TV in Arlington.

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 October 1, 2019 at 8:00 a.m. at the Manderley Event Center in DeSoto, Texas.
 - b. The Ribbon-Cutting Ceremonies and Ground Breaking Ceremonies were as follows:
 - i. N/A
 - c. New Members
 - i. Kat Garner Music 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. Brittle-Brittle, Inc. to set up BREP visit 4th quarter.
 - f. COMMUNITY EVENTS (leading, assisting, or promoting):
 - i. Promoting and attending Small Business Training held every Thursday at 7 a.m.
 - ii. Attending “Pitch Mondays” for new business applicants to Grow DeSoto
 - g. TOURISM ACTIVITIES:
 - i. Print Publication(s):
 1. Livability – BSWP Magazine - Print Graphics are in the approval phase.
 - h. FUNDRAISING/ BUDGET:
 - i. Marketing Campaign
 - ii. 57th Annual Awards Dinner: Elevate to new heights
 1. November 2, 2019 at 6 p.m. at Thorntree Golf Club
 - iii. Member Appreciation Luncheon:
 1. November 14, 2019 at 11:30 a.m. at Methodist Charlton
 - i. The Site Visit Report by Kenneth Govan is as follows:
 - i. Mr. Govan submitted a monthly site visit report, but didn’t discuss it in the meeting.

Interim City Manager Rene Johnson arrived at 9:50 a.m.

5. Discussion and possible action to sponsor DeSoto Chamber of Commerce annual Awards Banquet November 2 at Thorntree CC.
Motion by Board Director Dr. Delva King to sponsor the DeSoto Chamber of Commerce Annual Awards Banquet for the “Sky’s the Limit” Corporate Table in the amount of \$2000. Motion seconded by Board Director Bobby Waddle. Motion approved by Board members Curtis Krohn and Michelle Jordan.
6. 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. Ms. Adams reviewed the Balance Sheet, Summary of Revenue and Expenditures, Summary of Sales Tax Revenue, Summary of Expenses Year to Date, and Budgeted Expenses Year to Date.

7. Discussion and possible action to renew annual Industry Hub (Ms. Toomey) contract.
- a. Joe Newman pointed out some changes from the existing contract and told the Board of Directors that the contract includes what was budgeted but requires board action. He also mentioned he has included the additional marketing funds for the Grow DeSoto Market Place of \$4,200 or \$4,300/month the board approved for a seven month trial period in the new DEDC budget, but that the board is only voting on Terry Toomey's contract at this time.

Motion by Board Director Bobby Waddle to authorize the CEO to execute and negotiate an amendment to the Industry Hub contract consistent with the terms set forth in the agenda.

Motion Seconded by Board Secretary/Treasurer Michelle Jordan. Approved by Board members Curtis Krohn and Dr. Delva King.

8. Discussion and possible action to replace 275 existing fluorescent light fixtures at the Grow DeSoto Market Place to LED. Estimated cost per fixture with no tax is \$81 for a total estimated cost of \$22,275.

Item tabled.

9. Update on the DeSoto Works! fall job fair by Research & Business Development Manager Vanessa Barrios.

- a. Vanessa Barrios introduced the DeSoto Works community job fair as one of DEDC's workforce development initiatives and the Board of Directors has approved an annual sponsorship of \$3,500 for the event. The event is co-organized by the City of DeSoto, the DeSoto Economic Development Corporation, and Disciple Central Community Church.
- b. Ms. Barrios introduced a promotional video of the spring 2019 job fair to the Board of Directors. Prior to that, she spoke about the two job fairs that were held in 2019 – one in the spring (April 17) which is a more generalized job fair that attracts about 500 job seekers, and one in the fall (September 11) that is more specialized towards employers in the Eagle Business & Industrial Park which hosts about 30 employers and attracts about half as many job seekers.
- c. Ms. Barrios shared the official results which were included in the board packet:
 - i. Total Employers: 30
 - ii. Total Job Seekers: 230
 - iii. Budget: \$1750
 - iv. Job seekers by:
 - 1. Gender: 58% female, 42% male
 - 2. Employment Status: 70% unemployed, 30% employed
 - 3. City: 37% of applicants were from DeSoto
 - 4. Marketing Medium: 33% found out via friends & family
 - 5. Enrollment Status: 77% were not enrolled in school
 - 6. Veteran Status: 90% were Non-Veterans
 - 7. Education Level: 148 had a high school diploma or equivalent
 - 8. Age Group: 25% were between the ages of 18 and 25

10. Discussion and possible action to update 2019-2020 Annual Work Plan.

- a. Joe Newman discussed the current work plan with the Board of Directors and asked if there was anything that needed to be tweaked or changed. He mentioned that currently,

he does not see a return on investment on going to trade shows or conventions. Mr. Newman stated that previous CEO's went to a lot of conventions, and while he attends ICSC (International Council of Shopping Centers) he realizes economic development is about relationship building but actually getting a prospect out of these things is really rare. He could be out of the office 90 percent of the time, but he doesn't see DeSoto getting a Toyota manufacturer because we just don't have space in the industrial park for major employers.

- b. Mr. Newman said he is being realistic when he says he doesn't know if he can get 1,000 jobs, but if the board puts the goal there it will give him something to shoot for. He said he would meet the goal if he counted every retail job and part time job.
- c. Board Director Bobby Waddle asked about the Retail Coach study listed on the Annual Work Plan. Mr. Newman said it is a market report that does an analysis of our retail market and tells us how much leakage we have. He mentioned the city hired the Pegasus Group to do a retail market study. Mr. Newman said DeSoto is basically a bedroom community and that people shop outside the city, which is one of the reasons why we can't attract certain retailers. He said Albertson's would have stayed in business if everyone would have shopped there – they didn't close the store because they were making money. We also have a hard time attracting restaurants because we have a smaller daytime population or lunch crowd that some communities do. Being a land locked community with neighbors all around us is not quite the same as having the ability to expand in every direction.
- d. Board Member Michelle Jordan inquired about the number of jobs listed as part of DEDC's Annual Work Plan Goals. Board Member Curtis Krohn said the 1,000 jobs goal listed in the Annual Work Plan is tied to Mr. Newman's contract so he doesn't know if the board wants to change it unless they want to change Mr. Newman's contract as well.

Board Secretary/Treasurer Michelle Jordan motioned to approve the 2019-2020 Annual Work Plan without updates as presented. Motion Seconded by Dr. Delva King. Approved by Board members Curtis Krohn and Bobby Waddle.

11. Discussion and possible action regarding 2% raise for DEDC employees.

- a. Mr. Newman says the DEDC sets an annual budget that includes a 2% cost of living raise for the other two employees in anticipation of the city doing the same for its employees. The City Council wanted something in writing confirming that the board approved this recommendation. DEDC Attorney Mr. Pete Smith interjected by saying that under the bylaws DEDC employees work for Mr. Newman so unless there is an objection he is going to implement the raise.

Board Vice President Curt Krohn called for a ten minute break at 10:38 a.m.; whereas afterwards the Board reconvened into Executive Session at 10:48 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. Deliberation and Discussion Regarding the Economic Development Incentives for Project Home.

Board Vice President Curtis Krohn Reconvened into Open Session at 11:30 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 Director Dr. Delva King motioned to authorize the CEO to negotiate and execute an incentive agreement with Square Cabinetry, Inc. to provide a grant of \$50,000 for five years provided the company leases and occupies approximately 220,000 square feet of space at site selected in the city of a period of 7 years and creates 25 jobs in year one, 25 jobs in year two, 25 jobs in year three, 20 jobs in year four, and 20 jobs in year five for a total of 115 jobs. Seconded by Board Director Bobby Waddle. Approved by Board members Curtis Krohn 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. Mr. Newman included the DEDC Community Profile which is a summary of activity and background on the organization, taxes, and projects that have been incentivized.

H. BOARD ANNOUNCEMENTS

No Board Announcements

I. ADJOURNMENT

With no further business to discuss Board Vice President Curtis Krohn adjourned the meeting at 11:54 a.m.



Curtis Krohn, Board Vice President



Michelle Jordan, Board Secretary/Treasurer