



## DESOTO ECONOMIC DEVELOPMENT CORPORATION

### BOARD MEETING MINUTES

August 24, 2015

The DeSoto Economic Development Corporation Board met at **9:00 a.m. on Monday, August 24, 2015**, in the Council Conference Room located in City Hall at the DeSoto Town Center, 211 East Pleasant Run Road, DeSoto Texas 75115.

**Present:** Lucious Williams, DEDC Board President  
Belinda May, DEDC Board Vice-President  
Perry Holloway, DEDC Secretary/Treasurer  
Curt Krohn, DEDC Board Director  
Bobby Waddle, DEDC Board Director (Absent)  
Curtistene McCowan, DeSoto City Council Liaison

**Staff Present:** Jeremiah Quarles, CEO  
Antoine Long, Economic Development Specialist  
Alicia Villanueva, Administrative Assistant

**Also Present:** Kevin Laughlin, Attorney  
Laura Terhune, DeSoto Chamber of Commerce President  
Glenn Fox, EG Fox & Fox, P.C. Certified Public Accountant  
Rena Thomas, Audit Committee member  
Christopher Breaux, CPA Audit Partner from Whitley Penn

At 9:09 a.m., Board President Williams called the meeting to order and acknowledged the presence of a quorum.

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

1. Invocation was given by Curt Krohn.

## **B. AUDIT COMMITTEE MEETING**

1. Discuss the final DEDC Financial Statements prepared by Whitley Penn for Fiscal Year ending September 30, 2014

- a. P. Holloway noted request to see where Revolving Loan Fund appeared on the DEDC Budget.
- b. Fox noted that Revolving Loan Fund is accounted for in the Promotional Grant portion of the budget. Fox clarified that the Revolving Loan Fund is represented by the Notes Receivable line item on the budget.
- c. P. Holloway noted request to see each Revolving Loan applicant itemized within Notes Receivable line item in the future.

2. Consider and take action on any recommendations that may be made to the DEDC Board of Directors

**Motion by C. Krohn to recommend approval of Audit Report for Fiscal year ending September 30, 2014. Second by B. May.**

**Motion approved by L. Williams, C. Krohn, and B. May (3-0)**

3. Adjourn Audit Committee meeting

## **C. CONSENT AGENDA**

1. Approval of the July 21, 2015 DEDC Board Meeting Minutes.
2. Approval of the August 4, 2015 Ad Hoc Committee Meeting Minutes
3. Approval of the DEDC Financials through July 31, 2015.

**Motion by B. May to approve Consent Agenda. Second by C. Krohn.**

**Motion approved by L. Williams, P. Holloway, C. Krohn and B. May (4-0)**

## **D. REGULAR AGENDA – NEW BUSINESS**

1. City Liaison Update – Council member C. McCowan’s update on City Council events, meetings etc.

- a. Notice of new tax rate
  - a. Proposed Tax Rate \$0.749900 per \$100
  - b. Preceding Year’s Tax Rate \$0.757400 per \$100

- c. This rate exceeds the lower of the effective or rollback tax rate, and state law requires that two public hearings be held by the governing body before adopting proposed tax rate
- b. Proposed Fiscal Year 2015-2016 (FY 15-16) Budget is now available for viewing on the city's website
- c. Zoning Case Z-1302-15 was not approved by council due to 3-3 tie vote
  - a. Consider Zoning Case Z-1302-15; a change in zoning from Office-1 (O-1)/Light Industrial (LI) to a Planned Development with Light Industrial (LI) as the base zoning; located south of Daniieldale Road and between Old Hickory Trail and Jo Drive, and adopting Ordinance. Applicant: Seefried Industrial Properties, Inc; Owner: DeSoto Development LTD.

2. DeSoto Chamber of Commerce Update – Laura Terhune, President

- a. Map wrap ad sales are nearing completing
- b. Logistics and Manufacturing Roundtable scheduled for Tuesday, October 20 co-hosted by Oncor
- c. Continued Tourism Participation in Austin Monthly, Texas Highways, PULL Magazine, Texas Sports Facilities Guide, ReunionCapitalofTexas.com
- d. DeSoto Living! Event will be Thursday, September 24 at the Civic Center

3. Action to approve FY 2015-2016 DEDC Budget

**Motion by B. May to approve DEDC FY 2015-2016 Work Plan. Second by C. Krohn.  
Motion approved by L. Williams, P. Holloway, C. Krohn and B. May (4-0)**

4. Discussion and approval of the 2014 DEDC Audit Report

**Motion by B. May to approve recommendation of Audit Committee and approve DEDC Audit Report. P. Holloway.  
Motion approved by L. Williams, P. Holloway, C. Krohn and B. May (4-0)**

5. Discussion and possible action regarding DEDC Work Plan (Ad Hoc) – P. Holloway

- a. Ad Hoc Committee met August 4, 2015
- b. Persons in attendance: P. Holloway, B. May, B. Waddle, and A. Villanueva
- c. Committee members discussed changes to three goals on the DEDC Work Plan
  - a. Goal #1: Change the new investment attraction goal from \$75 million to \$55 million
  - b. Goal #2: Increase the net sales tax revenue by at least 12% in the next fiscal year
  - c. Goal #8: Increase employment opportunities to 500 jobs per year

- i. Board consensus was to capture both full-time and part-time jobs
- d. Recommended for Board approval by Ad Hoc Committee members P. Holloway, B. Waddle, and B. May
- d. Next steps to conclude the plan: final formal public hearings, finalization of the comprehensive plan, and adaptation by the city council

**Motion by B. May to approve DEDC FY 2016 Work Plan and for the document to be reviewed annually. Second by P. Holloway. Motion approved by L. Williams, P. Holloway, C. Krohn and B. May (4-0)**

#### **E. OTHER BUSINESS**

Board President Williams announced at **10:29 a.m.** that:

1. As authorized by Section 551.087 – Deliberations regarding Economic Development Negotiations – Discussion regarding potential Economic Development Incentive Agreement – Project Global Prime
2. As authorized by Section 551.087 – Deliberations regarding Economic Development Negotiations – Discussion regarding potential Economic Development Incentive Agreement – Project Frozen

#### **F. ACTION RESULTING FROM EXECUTIVE SESSION**

Board President Williams adjourned the Executive Session at **12:44 p.m.** and re-convened the meeting in Open Session. Following the executive session the following motion was made and approved:

**Motion by B. May to authorize CEO to negotiate an incentive grant agreement for Project Frozen not to exceed \$20,000 as reimbursement for eligible expenses and subject to appropriate performance criteria. Second by C. Krohn.  
Motion approved by L. Williams, C. Krohn and B. May (3-0)**

**P. Holloway left meeting at 12:05pm**

**No action taken on Project Global Prime.**

#### **G. BRIEFING BY JEREMIAH QUARLES, DEDC CHIEF EXECUTIVE OFFICER**

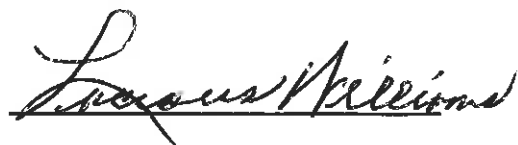
- a. Scorecard update on current DEDC activities

- i) No Scorecard presented at August meeting
- b. Update on local site visits and retention efforts – Antoine Long, Economic Development Specialist
- i) Submitted RFP for “Project Landmark” from the Office of the Governor; advanced manufacturer in the plumbing, heating and water quality products industry; \$40 million capital investment; 150,000 SF – 300,000 SF; 150-200 jobs; annual wages \$35,000 - \$45,000
  - ii) Next Generation Conference to connect with southeast developers and retailers
  - iii) Site Visit to Walmart Distribution Center
  - iv) Site visit to TREK; heavy machinery parts dealer to south central USA, México, and South America; 10 employees; considering expansion to 70,000 SF – 80,000 SF or expansion of their current facility due to new product line in 2016
  - v) Submitted RFP for “Project Eagle 2015” from Office of the Governor; prospect produces aluminum products; \$65 million capital investment; 20-30 acre greenfield site; 72 jobs within two years; average wages \$50,000
  - vi) Submitted RFI for Project TOC; large entertainment venue seeking 25 acres minimum
  - vii) Workforce planning session with Dr. Jean Marciglio of Cedar Valley College
  - viii) Site Visit to Dallas Behavioral Hospital; 100 full/part-time employees; 116 beds; company is considering expansion of facility or relocation of facility within DeSoto Medical Corridor
  - ix) Walmart Distribution Center Job Fair at DeSoto Library on August 18
  - x) Retail Live Trade Show in Austin, TX to connect with retailers seeking expansion options throughout Texas

c. Additional Announcements

**H. ADJOURNMENT**

With no further business to discuss President Williams adjourned the meeting at 12:58 p.m.



**Lucious Williams, Board President**



**Perry Holloway, Secretary/Treasurer**