



**DESOTO ECONOMIC DEVELOPMENT CORPORATION  
BOARD MEETING MINUTES**

**FEBRUARY 24, 2020**

The DeSoto Economic Development Corporation (DEDC) Board met at **9:00 a.m. on Monday, February 24, 2020** 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 President  
Bobby Waddle, Board Director  
Paul Griffin, Jr., 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  
Renee Johnson — Interim City Manager, City of DeSoto  
Andre' Byrd, Sr. — Councilmember, City Council Liaison, City of DeSoto  
Kenneth Govan — Board Chairman, DeSoto Chamber of Commerce  
Pete Smith — Attorney, Nichols, Jackson, Dillard, Hager & Smith, LLP  
Terry Toomey — Executive Director, The Industry HUB  
David Reininga — Audit Committee, DEDC

**Absent:** Michelle Jordan, Board Secretary/Treasurer  
Dr. Delva King, Board Director  
Monte Anderson — Owner, Options Real Estate

**At 9:02 a.m., Board 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 DEDC Board Director Bobby Waddle.

**B. CONSENT AGENDA**

1. Minutes and income and expenses:
  - a. Consideration and approval of the January 27, 2020 DEDC Board Meeting Minutes and the February 3, 2020 Town Hall Community Meeting Board Meeting Minutes.
  - b. Consideration and approval of the December 31, 2019 income and expenses.

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

**Motion seconded by Board Director Paul Griffin, Jr. Motion approved by Board members Curtis**

Krohn, Paul Griffin, Jr., and Bobby Waddle. Board Secretary/Treasurer Michelle Jordan and Board Vice President Dr. Delva King were not present for the motion.

**C. REGULAR AGENDA - NEW BUSINESS**

1. Grow DeSoto Market Place (GDMP) Incubator Financial Status Report. Presentation by Monte Anderson, Owner, Options Real Estate.  
**Board President Curtis Krohn skipped item # 1 since Monte Anderson was absent from the Board meeting.**
2. City Council Liaison's update regarding city events, meetings, etc. by Councilmember Andre' Byrd, Sr., City Council Liaison.
  - a. Councilmember Andre Byrd, Sr. said that he wants to keep the Board of Directors informed about what was presented to the DeSoto City Council at the last work session. He informs them that the Affordable Housing Builders want to build 250 apartment units on the north side of Ezell (the street where Lucy's Chicken and Inwood bank are located). He expounded it will be on the north side near the auto repair center and close to the large church on the end. He explained that the Affordable Housing Builder presented this project to the DeSoto City Council in the work session; however, they have not formally requested anything. He concluded this project will require re-zoning since it is a light industrial area.
  - b. Joe Newman, CEO, answered Board Director Griffin, Jr.'s question, by saying that industrial development generates the highest property tax revenue, but we need housing for the people who will work in the industrial companies and more density for retail companies to be interested. He expounded that affordable housing apartments are a way to accomplish both density for retail interest and available housing for industrial workers. He explained that DeSoto has limited usable contiguous industrial space since it is land locked, so it's a double edge sword. In response to Board President Curtis Krohn's question regarding the similarities of EDC's in each state since the new city manager has prior experience in another state; Mr. Newman concluded each state may have different requirements for its EDC in regards to how it is funded.
  - c. Councilmember Andre' Byrd, Sr. announced that Brandon Wright from Davenport, Iowa will be the new DeSoto City Manager starting on Monday, April 20, 2020. Councilmember Byrd, Sr. felt that Mr. Wright came ready and prepared knowing a few of the City of DeSoto's current projects with intimate detail during his interview. He elaborated that although there will be a learning curve; he comes with boots on the ground.
3. Financial Status Report. Presentation by Melissa Adams, Accounting Manager, City of DeSoto.
  - a. Melissa Adams, Accounting Manager, City of DeSoto, explained the Financial Status Report which included: A General Fund Balance Sheet, Summary of Revenues and Expenditures, and Details of Revenues and Expenditures as of January 31, 2020.
  - b. Ms. Adams reviewed with the Board of Directors 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 and answered any questions they had regarding January's report.

- c. Lastly, Joe Newman, CEO, explained to the Board the comptroller's new rule (the Wayfair Bill) which has changes to how sales tax is generated from online purchases.
- 4. DeSoto Chamber of Commerce Update – Kenneth Govan, Board Chairman, DeSoto Chamber of Commerce.
  - a. MEMBER SERVICES:
    - i. Member Networking are as follows:
      - 1. "Good Evening DeSoto" was held on Tuesday, February 11, 2020 from 5:00 p.m. to 7:00 p.m. at South Toyota at 39660 Lyndon B. Johnson Freeway, Dallas, Texas, 75237.
  - b. The Ribbon-Cutting Ceremonies and Ground Breaking Ceremonies are as follows:
    - i. Bellwether Ridge Apartments had a Groundbreaking/Chamber Ribbon Cutting held on Thursday, January 30, 2020 at 11:30 a.m.
    - ii. SRG Financial, LLC. was held on Tuesday, February 11, 2020 at 12:00 p.m.
  - c. New Members are as follows:
    - i. SRG Financial, LLC is a new member.
  - d. Group Health Insurance is now available to the DeSoto Chamber of Commerce members only.
    - i. Liberty Mutual met with local businesses to offer this service to them as a member benefit.
    - ii. Benafix Solutions met with members and local businesses to offer this service to them as a member benefit.
  - e. ECONOMIC/ BUSINESS DEVELOPMENT/BREP/SHOP LOCAL:
    - i. The Desoto Chamber of Commerce made a presentation to the DeSoto City Council regarding our participation in a new customer service initiative called the Inter-city Customer Service Initiative (ICSI) along with the City of DeSoto, Cedar Valley College, and the BSW Partnership Region. Mr. Govan said he made a presentation to the DeSoto City Council at their Winter Retreat, which was successfully received. Then he said the Best Southwest (BSW) Partnership Board met and decided to make it a regional wide initiative. He reported that Councilmember Dinah Marks will be leading it, but it will be originating from the DeSoto Chamber of Commerce.
    - ii. The DeSoto Chamber of Commerce presented the ICSI at "Good Evening DeSoto", to the DeSoto Chamber of Commerce members, to the Grow DeSoto Market Place businesses, and to respective Best Southwest Regional Partnership's Chambers.
    - iii. The First Responders Luncheon that will be held on Thursday, March 12, 2020 will highlight more of the DeSoto first responders and include the 911 center as well this year.
  - f. COMMUNITY EVENTS (leading, assisting, or promoting):
    - i. We are attending "Pitch Mondays" for new business applicants to the Grow DeSoto Market Place.
    - ii. The U.S. Small Business Administration Roundtable was held on Thursday, February 20, 2020. Mr. Govan exclaimed it turned out great; several banks attended. However, he wanted to know why many of the banks did not utilize the funds that are available. He explained that someone in the bank needs to be specially trained to handle U.S. Small Business Administration funding due to all of

the red tape involved. But he explained this could be beneficial to the banks who qualify since the U.S. Small Business Administration will guarantee the loans up to 85% taking that stress off of the bank's portfolio.

- iii. The Chamber hosted the Annual State of the City which was held on Wednesday, February 12, 2020 at 11:00 a.m. at Home2 Suites located at 1300 E. Centre Park Blvd., DeSoto, TX 75115.
    - a. The City of DeSoto took the lead at setting up this event.
    - b. The video presented at the Annual State of the City highlighting the city was great and can be used in future marketing of the city.
  - iv. DIG DeSoto" community partnership with Peace Love & Eatz regarding healthy eating.
  - g. TOURISM ACTIVITIES:
    - i. We coordinated hotel stays for out of town participants to the HOPE Summit hosted by Texas House Representative Carl Sherman, Sr. District 109 and Cedar Valley College held on Friday, February 7, 2020 at Cedar Valley College.
  - h. FUNDRAISING/ BUDGET:
    - i. We are continuing the current marketing campaign.
  - i. PERSONNEL CHANGES:
    - i. Mr. Govan said now they have a full turnover of personnel of the Chamber.
      - a. Mr. Govan announced Amanda Skinner, Office Manager, who was an Executive Director for Leadership Southwest, and who has worked with BSW, has become a new addition to the staff at the DeSoto Chamber. He explained that Ms. Skinner will be the lead in all financial matters regarding the financial filings, audits, and QuickBooks.
      - b. Also, Mr. Govan announced Vanessa Thompson, Marketing Director, (formerly at Charlton Methodist Hospital) is the Chairman elect for the DeSoto Chamber. Vanessa Thompson, who is experienced in running the Cedar Hill Chamber, will be helping with marketing, as well as posting for the new DeSoto Chamber President.
    - ii. The Chamber signed a contract with Cedar Valley College for a Federal Work Study Off-Campus program in partnership with Cedar Valley College where the grant will provide 75% of their student's salary to intern with the DeSoto Chamber of Commerce.
  - j. Site Visit Report by Kenneth Govan is as follows:
    - i. Mr. Govan submitted a monthly site visit report for discussion during the Board meeting with the Board of Directors.
5. The Industry HUB's Activity Summary Report for January 2020 presented by Terry Toomey, Executive Director, The Industry HUB.
- a. Terry Toomey, executive Director, The Industry HUB, said as a follow up, ABC sent the Glorious Gherkins (The Pickle Lady) an order for her pickles for the Shark Tank TV show. Ms. Toomey said she went to the next round from the regular tour not the diversity tour. From the diversity tour, she said two people went to the second round of the Shark Tank TV Show which includes completing a pretty daunting 34 page application. She explained it is a good experience for these business owners to grow whether they go beyond this stage or not, because it is will require them to look closer at their financials and expand their business plan.

- b. Ms. Toomey said James McGee, Peace Love & Eat, with the other vegan restaurant owners in the area are looking at creating a vegan cooking show. She reported Monte Anderson, Owner, Options Real Estate, agreed to fund part of the project. She said that it will cost about \$50, 000 for four months of programing to put on this type of TV show, which she feels one person cannot cover alone. Currently, she is writing grants to local banks in the community. She explained that we are not trying to make people become vegan, but we are trying to get them to understand how to eat better by providing other options. She points out that it can be broadcasted free on the government channel, but it cannot be commercial. Therefore, she said we can save that expense since most of the expense is from the videotaping. She is also asking James McGee, Peace Love & Eat, to put together a proposal for all of the vegan restaurants in the area. She explains that the higher profiles of the vegan restaurants will raise the profiles of his vegan restaurant as well. She elaborated Mr. McGee will have guest spots for the vegan restaurants and feature the Grow DeSoto Market Place restaurants on the show also. She reiterated we want to be known for promoting good options for everyone. She asked if anyone has contacts with other businesses who would be interested, because she points out the grant funds do not need to come from just banks sources.
  - c. Ms. Toomey mentioned that she canceled the customer service series for the Grow DeSoto Market Place since none of the tenants were interested in attending. She explained that the problem is that they do not see there is a need for customer service, and they do not know why it is important.
6. Consideration and action to approve the Façade Renovation Grant up to \$4000 for the Cheesesteak Bar Restaurant.  
**Board Director Paul Griffin, Jr. motioned to approve the 50% Façade Renovation Grant for the amount up to \$4000 for the Cheesesteak Bar Restaurant's signage. Motion seconded by Board Director Bobby Waddle. Motion approved by Board members Curtis Krohn, Paul Griffin, Jr., and Bobby Waddle. Board Secretary/Treasurer Michelle Jordan and Board Vice President Dr. Delva King were not present for the motion.**
7. Consideration and action to approve changing the signatures on all DEDC financial accounts, checking account, and certificate of deposit accounts.  
**Board President Curtis Krohn motioned to add Dr. Delva King to all financial accounts as a signer on all financial accounts, the checking account, and the Certificate of Deposits, if she agrees to do so. Motion seconded by Board Director Bobby Waddle. Motion approved by Board members Curtis Krohn, Paul Griffin, Jr., and Bobby Waddle. Board Secretary/Treasurer Michelle Jordan and Board Vice President Dr. Delva King were not present for the motion.**
8. Discussion and possible action to approve updating the DEDC Policy and Procedures Manual for 2020. **Board Director Curtis Krohn tabled this item to be discussed later during the DEDC Board Retreat.**

**Board President Curtis Krohn tabled Joe Newman's annual review and the Forensic Audit discussion until the next Board meeting to allow for all the Board member's participation.**

Board President Curt Krohn called for a break at 10:14 a.m.; whereas afterwards the Board convened into Executive Session at 10:22 a.m. to discuss the following items:

**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.

Board President Curtis Krohn reconvened into Open Session at 10:28 a.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**

1. Mr. Joe Newman, CEO, gave a brief summary of what projects the DEDC orchestrated and what activities were performed over the past month. Mr. Newman said that the next Joint Board meeting with the DeSoto City Council and Planning and Zoning will be tentatively held on Monday, March 23, 2020 at 6:00 p.m. He explained that Crystal Owens, Director of Developmental Services, will have the Pegasus Consultants come back to discuss the Hampton Road Project. Then Rene Johnson, Interim City Manager, explained that in this meeting they need to discuss getting a Master Developer.
2. President Curtis Krohn explained that the next Board meeting may be moved to March 16, 2020; however, he said he will check with Board Secretary Treasurer Michelle Jordan and Board Vice President Dr. Delva King regarding their availability before changing it. Mr. Newman recommended to the Board that they move the Monday, May 25, 2020 DEDC Board meeting to Monday, June 1, 2020 since Monday, May 25, 2020 is the Memorial Day Holiday and he will not be able to move it to Monday May 16, 2020 due to his plans to attend the International Council of Shopping Center(ICSC).
3. Mr. Newman discussed the challenges they are facing with requiring the GDMP tenants to be open during business hours which they agreed to in their lease agreement. He expounded that we try to cover all possible bases, but they may not realize the work that is involved in it or treat it like a hobby. He discussed the new restaurants which he is aware of that are opening soon both in the GDMP and in the DeSoto community. He noted that there are several new restaurants opening for example: A popcorn and pickle restaurant in the GDMP, in the Town Center next door the Cheesesteak Bar Restaurant, across the street is the Fuzzy's, and down the street is the Chipotle. Councilmember Andre' Byrd, Sr. asked to be provided with a list of new restaurants that are opening so that it could be promoted on each councilmember's page as well.
4. Mr. Newman reported that Board Director Bobby Waddle and Curtis Krohn met with the City Councils at their winter retreat on Friday, February 7, 2020 to Saturday, February 8, 2020. He said they talked about restructuring the EDC. He said he will meet with the new city manager to see what he suggests to run the EDC better.



5. Mr. Newman said that President Curtis Krohn suggested that we have the Retail Coach come back for a Town Hall Meeting and have it videotaped so that they can answer any questions that the citizens may have. The Retail Coach can show what businesses we are targeting. He pointed out that it will cost us to bring them back to have a discussion with the citizens.
6. Mr. Newman reiterated and commended Mayor McCowan for her presentation at the State of the City which was mentioned earlier.
7. Mr. Newman exclaimed that the Texas Economic Development Council (TEDC) conference was one of the Best Conferences he has attended. He said that the TEDC post all of the speakers and their slide shows for your viewing. He encouraged them to go to the TEDC website if they want to view the updated laws.
8. Mr. Newman gave the Board of Directors a list of Commercial Projects the City has on their website to update them on the current city projects that we often get questions on by citizens.
9. Mr. Newman said February sales tax is up 21.77%. Also he said the unemployment data is on the scorecard report if anyone had any questions on it. In addition, he showed the Board of Director's the list of shows and conferences that are available for him to attend, but he said the audit report showed that attending many of the conferences in the past gave very little return on the investment.
10. Board Director Paul Griffin, Jr. asked if there are other revenue streams such as bonds and hotel occupancy similar to other cities bringing in funding that we might use to maximize revenue potential as well as discuss the kind of partnerships we should consider at the next DEDC Retreat. Mr. Newman pointed out the line items on the Budget for the Bond packages we currently owe. Also, he noted the partnership with the City of DeSoto for the Hotel Occupancy Tax that goes directly to the City of DeSoto and not through the comptroller.
11. Lastly, he mentioned that he explained in his discussion with a hotel developer that the DEDC Board and the DeSoto City Council will be more likely to support another hotel incentives package if it is connected to a convention center.

#### **H. BOARD ANNOUNCEMENTS**

Board President Curtis Krohn announced that the Concerned DeSoto Citizens (CDC) hosted a Gospel Fest this last Sunday, February 22, 2020 that went very well. He announced the CDC will host the Spring Bowling For Scholars to be held on Saturday, March 14, 2020 at 2:30 p.m. at our local Bowling Alley. He continued the cost will be \$100.00 per person for a five member team; whereas, all proceeds goes towards scholarships for DeSoto high school seniors. Also, he explained there will be a big candidate forum for three candidates for a city councilmember's seat and two school board member's seats with multiple challengers held on Saturday, April 11, 2020. Although they have the first week in April locked in, he said they may move the date, because that Saturday between Good Friday and Easter does not work for him.

#### **I. ADJOURNMENT**

With no further business to discuss Board President Curtis Krohn adjourned the meeting at 10:56 a.m.



Curtis Krohn, Board President



Dr. Delva King, Board Vice President