



DESOTO ECONOMIC DEVELOPMENT CORPORATION BOARD MEETING MINUTES

AUGUST 31, 2020

The DeSoto Economic Development Corporation (DEDC) Board met at **9:00 a.m. on Monday, August 31, 2020** by videoconference at www.gotomeeting.com and was live streamed on the City of DeSoto's website at www.desototexas.gov.

Present: Curtis Krohn, Board President
Dr. Delva King, Board Vice President
Michelle Jordan, Board Secretary/Treasurer
Bobby Waddle, Board Director
Paul Griffin, Jr., Board Director

Staff Present: Joe Newman — Chief Executive Officer
Cynthia Noble — Administrative Assistant

Also Present: Melissa Adams — Accounting Manager, City of DeSoto
Tracy Cormier — Director of Accounting, City of DeSoto
Isom Cameron — Deputy City Manager, City of DeSoto
Brandon Wright — City Manager, City of DeSoto
Andre' Byrd, Sr. — Council member, City Council Liason, 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
Monte Anderson — Owner, Options Real Estate
Kathy Jones — Community Relations Coordinator, City of DeSoto
Tom Figert — Director of Information Technology, City of DeSoto
Jerry Hicklen — GIS Manager, City of DeSoto
Dr. Dinah Marks — Council member, City of DeSoto

Absent: Mayor Curtistene McCowan — Mayor, City of DeSoto
Natalia Aumedes — Assistant to the City Manager, City of DeSoto

At 9:01 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 Councilmember Andre' Byrd, Sr.

B. CONSENT AGENDA

1. Minutes and income and expenses:
 - a. Consideration and approval of the July 27, 2020 DEDC Board Meeting Minutes.
 - b. Consideration and approval of the June 31, 2020 income and expenses.
 - c. Consideration and approval for sponsorship of the 2020 Bronze Partnership with the North Texas Chapter of the Certified Commercial Investment Member (CCIM) in the amount of \$1500 which is the same as previous years.

Board Director Paul Griffin, Jr. motioned to approve the consent agenda items as presented Motion seconded by Board Director Bobby Waddle. Motion approved unanimously by Board members Curtis Krohn, Dr. Delva King, Bobby Waddle, and Paul Griffin, Jr. Secretary/Treasurer Michelle Jordan was not present for the meeting.

C. REGULAR AGENDA - NEW BUSINESS

1. Grow DeSoto Market Place (GDMP) Incubator Financial Status Report. Presentation by Monte Anderson, Owner, Options Real Estate.
 - a. Mr. Monte Anderson, Options Real Estate, reviewed the income of the GDMP. Mr. Anderson said the income was for the each month was as follows: January \$24,000; February \$20,000; March \$23,000; April \$9,000; May \$7900, June \$28,000; and July \$40,000. He pointed out that the twelve month average is \$20,600, which is the breakeven point according to Rick Keeler, Financial Manager at Options Real Estate. However, he explained that in July, about \$2000 is prepaid rent which is beneficial this month, but he said it will decrease next month. In summation, he said currently the rent is \$33,000 per month if everyone pays it. He said the current rent roll is pretty stable overall. He said the GDMP is almost 100% occupied in the retail spaces. He told the Board Mr. Keeler sent DEDC \$40,000 last week, and he will be sending another \$30,000 this week.
 - b. Mr. Anderson clarified that on the report JP Remodeling is the cleaning and janitorial services in response to Joe Newman's request to him to clear up any confusion its appearance could cause. Mr. Newman mentioned the many concerns over the cleaning and the disinfecting of the tables and chairs as well. The Board Directors debated whether the tenants should supply the materials and wipe down their areas individually, or have supplies available for the customers who choose to further disinfect their spaces.
 - c. Terry Toomey interjected that during her discussions with the tenants they ask if DEDC would provide the wipes for the customers to wipe down the tables. Although sympathetic, she explained that if they ran a restaurant that normally they would be responsible for cleaning and disinfecting their own tables and providing their own supplies for this circumstance.

Board Secretary Treasurer Michelle Jordan arrived at the Board meeting at 9:15 a.m.

2. The Industry HUB's Activity Summary Report for March 2020 presented by Terry Toomey, Executive Director, The Industry HUB.

- a. Terry Toomey said that she has been orienting the new GDMP tenants. She said the orientation material shows them how to advertise their businesses through what we already are doing. She explains they need to get information to her quickly since she is updating the website and posting on social media regularly to keep their name out there. She said her goal is to get the tenants to engage more. In the newsletter, she said she published all of the GDBP tenants contact information including their email, phone number, address, and social media sites.
 - b. Ms. Toomey pointed out that the first Thursday of the month is the tenant meeting. During this meeting, she said she will discuss with the GDMP tenants what will be the best solution for security. Since an altercation occurred between two patrons inside the GDMP, she explained the tenants are discussing and considering hiring a security guard. Although the tenants called the police for this incident, she mentioned how they received a slow response from the DeSoto Police. Also, she mentioned some of the tenants attempted to stop the men from continuing. She pointed out that this is the first incident like this one since GDMP opened. Ms. Toomey said that in the future the GDMP tenants should also contact her and Monte Anderson, Options Real Estate if something unusual happens again. She said she wants to reinforce that we are here for them, and we will respond quickly.
 - c. Ms. Toomey reported she has hired Linda Gray, who is the President of the Greater Southwest Dallas Black Chamber of Commerce, part-time to the Industry HUB to assist her. She said Ms. Gray will help with how to better engage the tenants, how to get them more involved and how to get them better informed since the pandemic. She concluded the GDMP tenants are not as involved as they were prior to the COVID- 19 pandemic.
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 July 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 July 2020 financial report.
 4. City Council Liaison's update regarding city events, meetings, etc. by Councilmember Andre' Byrd, Sr., City Council Liaison.
 - a. Councilmember Andre Byrd, Sr. said he would give the Board members a copy of the DeSoto Business Plan developed at this year's DeSoto City Council's Summer Retreat, and he discussed with them in detail each of the fourteen goals. He explained that during this Retreat the DeSoto City Council with the DeSoto City Manager Brandon Wright decided these fourteen goals to be the primary focus of the City of DeSoto for its Strategic Plan.

Board Director Paul Griffin, Jr. left the meeting at 9:50 a.m.

5. DeSoto Chamber of Commerce Update by Kenneth Govan, Board Chairman, DeSoto Chamber of Commerce. Mr. Kenneth Govan, Board Chairman, DeSoto Chamber of Commerce, gave the DeSoto Chamber of Commerce Update as follows:
 - a. MEMBER SERVICES:
 - i. Member Networking are as follows:
 1. "Good Evening DeSoto" held on Tuesday, August 4, 2020 at 7:00 p.m. sponsored by the Mandelay was postponed due to COVID-19.
 - b. The Ribbon-Cutting Ceremonies and Ground Breaking Ceremonies are as follows:
 - i. The Ribbon-cutting for Urgent Care Texas that was scheduled to be held on Thursday, June 11, 2020 was rescheduled to Friday, August 14, 2020 so as to allow them to participate in the "DeSotoOpoly Community Game".
 - ii. I-9 Sports, was held on July 11, 2020 at 8:00 a.m. located at 1437 W. Pleasant Run Rd. Desoto, TX 75115.
 - c. New Members are as follows:
 - i. On Point Sprinklers SOD and Fences became new members.
 - d. Group Health Insurance is now available to the DeSoto Chamber of Commerce members only.
 - i. Liberty Mutual has changed representatives. The chamber is currently reviewing new opportunities and benefits.
 - e. ECONOMIC/ BUSINESS DEVELOPMENT/BREP/SHOP LOCAL:
 - i. The DeSoto Chamber of Commerce continued to present ZOOM meeting updates to local businesses on grant and loan programs, City of DeSoto programs, BSW Region programs and Dallas County COVID-19 programs.
 - ii. The DeSoto Chamber of Commerce participated in the DeSoto Economic Recovery Advisory Task Force, implemented by Mayor Curtistene McCowan.
 - iii. The DeSoto Chamber of Commerce provided member benefits for the regional collaboration with Best Southwest partners to promote Cedar Valley Campus of Dallas College for the Skills Development Training Initiative and TWC grant for COVID-19 for community training.
 - f. COMMUNITY EVENTS (leading, assisting, or promoting):
 - i. The DeSoto Chamber of Commerce presented and hosted the "DeSotoOpoly", which is a game created for a family friendly, get to know the community, and support local businesses type of experience. First, the players register, then they pick up a game board and make their way around the City of DeSoto to local businesses and community sites. It will be held on Wednesday, August 12, 2020 through Monday, August 31, 2020.
 - g. TOURISM ACTIVITIES:
 - i. There are no tourism events at this time.
 - h. FUNDRAISING/ BUDGET:
 - i. The Desoto Chamber of Commerce is continuing the current marketing campaign.
 - i. PERSONNEL CHANGES:
 - j. The Site Visit Report by Mr. Kenneth Govan, Board Chairman, DeSoto Chamber of Commerce, is as follows:
 - i. Mr. Kenneth Govan, Board Chairman, DeSoto Chamber of Commerce, submitted a monthly site visit report for discussion during the Board meeting with the Board of Directors.

6. Consideration and action to negotiate and renew a Consultant Agreement with the DeSoto Economic Development Corporation's Consultant Terry Toomey Executive Director, The Industry HUB. **Motion by Board Director Bobby Waddle to negotiate and renew a Consultant Agreement with the DeSoto Economic Development Corporation's Consultant Terry Toomey Executive Director, The Industry HUB. Motion seconded by Board Vice President Dr. Delva King. Motion approved unanimously by Board members Curtis Krohn, Dr. Delva King, Michelle Jordan, and Bobby Waddle. Board Director Paul Griffin, Jr. was not present for the motion.**
7. Consideration and action to approve funding of the Inter-city Customer Service Initiative (ICSI) program sponsored by the BSW Partnership and Cedar Valley Campus of the Dallas College. **Motion by Board Secretary/Treasurer Michelle Jordan to approve funding of the Inter-city Customer Service Initiative (ICSI) program sponsored by the BSW Partnership to the Dallas College for the amount of \$3,000. Motion seconded by Board President Curtis Krohn. Motion approved unanimously by Board members Curtis Krohn, Dr. Delva King, Michelle Jordan, and Bobby Waddle. Board Director Paul Griffin, Jr. was not present for the motion.**

Board Vice President Dr. Delva King left the Board meeting at 11:00 a.m.

Board Vice President Dr. Delva King returned to the meeting at 11:05 a.m.

Board Director Paul Griffin, Jr. returned to the meeting at 11:08 a.m.

8. Discussion regarding the Type A and Type B corporations and any possible changes to the DEDC Bylaws and organizational structure if the DeSoto voters authorize a change to the DEDC Corporations type at the election to be held on Tuesday, November 3, 2020.
 - a. Brandon Wright, City Manager, discussed and defined the differences between a Type A and Type B corporations. He reiterated how the Type B sales tax can be used. He explained that the sales tax can have a broader economic development use to include the incentives for other types of businesses besides those that provide primary jobs. He discussed some of the highlights of what a change to a Type B sales tax would mean for the City of DeSoto.
 - b. Joe Newman, CEO, talked about the differences of the usage of the sales tax and how the DEDC debt will be handled if there is a Type B corporation change.
 - c. Board Vice President Dr. Delva King was concerned that DEDC was not made privilege to the change being placed on the ballot for Tuesday, November 3, 2020 by the DeSoto City Council.

No Action.

Board President Curtis Krohn called the Board into the Executive Session at 11:23 a.m. Then at 11:24 a.m. Board President Curt Krohn called for a break until 11:30 a.m. to allow the Board to log into the www.gotomeeting.com Executive Session; whereas in the Executive Session the items to be discussed were as follows:

D. EXECUTIVE SESSION

Texas Government Code, Section 551.071: Consultation with General Counsel:

1. Consultation with general counsel to seek legal advice regarding contemplated litigation regarding Jeremiah Quarles.
2. Consultation with general counsel regarding changing the preparation of the Façade Grant Agreement to a uniformed standard contract prepared in advance by the DEDC attorney in which the DEDC Chief Executive Officer or Staff may complete by verifying and adding in the Façade Grant applicant's information.

Board Director Paul Griffin, Jr. left the meeting at 12:01 p.m. and did not return.

DEDC Board President Curtis Krohn reconvened into the Regular Session at 12:05 p.m.

E. RECONVENE INTO OPEN SESSION

No discussion

F. ACTION AS A RESULT OF EXECUTIVE SESSION

Board President Curtis Krohn motioned to authorize DEDC general counsel to file a legal suit against Jeremiah Quarles. Motion seconded by Board Director Bobby Waddle. Motion approved unanimously by Board members Dr. Delva King, Curtis Krohn, Michelle Jordan, and Bobby Waddle. Board Director Paul Griffin was not present for the Motion.

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

Mr. Joe Newman, CEO, said the sales tax is up 33.5% over this time last August. He said he has some idea as to why we are up but he is not positive.

Mr. Newman announced that he included in his briefing report a copy of The Retail Coach's latest report. He said we are seeing more activity especially industrially in this area. He said he had two industrial companies come in last Friday morning. He elaborated that one company is out of the country; where we are up against some major players. He explained that the company has narrowed it down to thirteen cities. Furthermore, he said the developer gave him an idea of what some of the other communities are offering this company. He exclaimed he was amazed that just to create 180 jobs, one community out of state is offering 13 million dollars, and one in state community is offering 9 million dollars in incentives to them.

Mr. Newman said he asked The Retail Coach to put special emphasis on finding a tenant in the former Albertson's location. Mr. Newman said The Retail Coach reported grocery stores are doing much better now. Since the owners removed the restriction; he said it is more likely to be a possibility. He said as a result they are waiting to hear back from Brookshire and HEB. He reported the Retail Live Expo in Austin, Texas will be held virtually this year. He said he is not sure how it will work virtually; because, much like the International Council of Shopping Centers (ICSC) conference, DEDC pitches their community in two minutes to the merchant or developer. In addition, he announced he will be at the Legislative Conference in New Braunfels, Texas which will be in person. Likewise, he said he does not know how they will do this event in person either.

Lastly, he informed the Board that he may possibly bring them two industrial prospects who most

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likely will ask for incentives at the next Board meeting.

H. BOARD ANNOUNCEMENTS

None

I. ADJOURNMENT

With no further business to discuss Board President Curtis Krohn adjourned the meeting at 12:12 p.m.



Curtis Krohn, Board President

Dr. Delva King, Board Vice President