



FY 2009-2010 Second Quarter Report

January 1, 2010 to March 31, 2010

Presented to the DeSoto City Council on June 1, 2010



DEDC's Mission Statement

To plan, promote, finance, and create opportunities for the attraction, growth, and retention of enterprises that enhance the tax base, quality of life, and level of employment for the citizens of DeSoto, TX.



Major Initiatives

- Marketing and Business Attraction
- Strategic Infrastructure Investments
- New Industrial & Commercial Development
- Business Retention and Expansion
- Commercial Redevelopment
- Administration



Marketing and Business Attraction

- **New businesses recently locating in DeSoto:**
 - Acumen has purchased a building on Falcon and has brought 55 jobs to DeSoto.
- Five new retailers are opening in May in the DeSoto Town Center .
- Marten Transport has purchased land on Polk and will build a new regional service center in DeSoto.
- Quality Medical Care and Nena Med Spa are locating to DeSoto in summer of 2010.



Marketing and Business Attraction

- DEDC is currently working with KSA and a request for funding has been sent to TXDOT.
- Participated in NTCAR events in DFW metroplex.
- Completed new trade show banners for travel and trade shows.



Strategic Investments in Infrastructure

- Teague Nall & Perkins engineering services for 95 acre Polk site in final phase.
- Completion anticipated May 2010. Cost is \$86,000.
- Joined the city's bond issue for construction of infrastructure on 95 acre parcel on Polk



New Commercial & Industrial Development

- **Industrial/Mfg. Projects in Progress:**
- **Project Sleepy** – New relocation from out of state seeking 100,000 sf in Phase I and 250,000 sf in Phase II. Jobs projected for Phase I is 50 and Phase II is 170.
- **Project ACP:** Expansion of existing company – 16 new jobs and \$1 million in new equipment.



New Commercial & Industrial Development

- Retail/Commercial Projects in Progress:
- DEDC approved incentive for DeSoto Professional Park. Second Doctor's office going through city development process.
- Jokes and Jazz, Raw Cuts, and Wingstops opening in Town Center in May. Pleasant Run space fully leased.
- One restaurant in lease negotiation currently as well as two additional retailers for Hampton Road retail in Town Center.



Reported Investments Made or Committed

- \$550,000 investment made by Acumen Enterprises – Eagle Industrial Park.
- \$5,550,000 investment committed by Marten Transport for regional office in Eagle Industrial Park.
- \$600,000 investment committed by Nena Med Spa and Quality Care Clinics



Business Retention & Expansion

- Met with Solar Turbines, ZEP, and McGraw Hill.
- ZEP is consolidating equipment from a newly purchased company to DeSoto. Adding 16 new jobs.
- McGraw Hill has expanded adding a new conveyor and office space within their Daniieldale Road facility.



Commercial Redevelopment

- The DEDC assisted Nena Med Spa for a new facility to be located in the Fountain Village Shopping Center. Anticipated opening August of 2010.
- Jokes & Jazz and Wingstop



Overview

Number of Formal Inquiries	7
Number of Written Proposals	2
Number of Visits to Local Firms for Expansion	3
Number of Jobs Committed*	221
(Acumen, Marten Transport, Jokes & Jazz, Wingstop, Nena Med Spa and ZEP)* (Cumulative)	



OPERATING BUDGET

	Current Actual	Current Budget	Current Variance	Current %Variance	YTD Actual	YTD Budget	YTD Variance	YTD %Variance
Revenue								
Sales Tax	\$333,478	\$322,939	\$10,539	3.3%	\$663,551	\$660,981	\$2,570	0.4%
Interest	\$365	\$2,000	(\$1,635)	-81.7%	\$4,321	\$4,000	\$321	8.0%
Miscellaneous Revenue					\$2,005		\$2,005	0.0%
Total Revenues	\$333,843	\$324,939	\$8,904	2.7%	\$669,877	\$664,981	\$4,896	0.7%
Expenses								
Operations	\$130,151	\$143,724	(\$13,574)	-9.4%	\$262,534	\$298,449	(\$35,915)	-12.0%
Prospect Development								
Eng/Arch Studies	\$0	\$1,000	\$1,000	100.0%	\$0	\$2,000	\$2,000	100.0%
Project Legal	\$2,040	\$1,500	\$540	36.0%	\$4,160	\$3,000	(\$1,160)	-38.7%
Retail/Commercial/Spec.	\$0	\$5,000	(\$5,000)	-100.0%	\$0	\$10,000	\$10,000	100.0%
Industrial Warehouse/Spec.	\$10,524	\$63,999	(\$53,475)	-83.6%	\$34,334	\$128,000	\$93,666	73.2%
Expansion/Retention	\$157	\$2,500	(\$2,343)	-93.7%	\$157	\$5,000	\$4,843	96.9%
Education/Workforce	(\$2,000)	\$1,500	(\$3,500)	-233.3%	(\$2,000)	\$3,000	\$5,000	166.7%
Subtotal	\$140,872	\$219,223	(\$76,352)	-34.8%	\$299,185	\$449,449	\$78,435	17.5%
Bond Debt								
Bond Debt	\$207,149	\$207,149	\$0	0.0%	\$207,149	\$207,149	(\$0)	0.0%
City Debt - Polk Street	\$20,760	\$20,760	\$0	0.0%	\$20,760	\$20,760	\$0	0.0%
City Debt - Water/Sewer	\$0	\$1,000,000	1,000,000	100.0%	\$0	\$1,000,000	1,000,000	100.0%
Capital Outlay								
Capital Outlay	\$2,890	\$1,250	\$1,640	131.2%	\$3,160	\$1,250	\$1,910	152.8%
Total Expenses	\$371,670	\$1,448,382	\$925,288	63.9%	\$530,254	\$1,678,608	\$1,080,344	64.4%



Grant Obligations, Grants Funded, & Grants Outstanding

NEW DEVELOPMENT

Kauffman Tire	\$109,838	\$46,127	\$63,711
Cintas	\$684,000	\$330,118	\$353,882
Hillwood/City of DeSoto	\$682,000	\$57,403	\$624,597
Potential Incentive Grants	\$175,000	\$150,000	\$25,000
Wildwood Development	\$400,000	\$0	\$400,000
Dominique Lasha'e (Jokes & Jazz)	\$125,000	\$0	\$125,000
Acumen Enterprises	\$30,000	\$0	\$30,000
Wing Stop	\$40,000	\$0	\$40,000
Marten Transport	\$60,000	\$0	\$60,000
Quality Medical Care & Nena Spa	\$50,000	\$0	\$50,000
TOTAL	\$2,355,838	\$583,647	\$1,772,191

RETENTION & EXPANSION

DW Dist. (Tax Abatement Reimb)	\$365,162	\$324,552	\$40,610
*McGraw Hill Companies	\$700,000	\$142,949	\$400,000
TOTAL	\$1,065,162	\$467,501	\$440,610

* 1st pymt. - documents not submitted on time - did not received \$100,000 grant pymt.
 2nd pymt. - \$42,949.43
 Budgeted 5 pymts of \$100,000 through 2014

INFRASTRUCTURE

95-Acres @ Polk Street	\$86,000	\$62,157	\$23,843
KSA Engineering Co. (Heliport)	\$10,000	\$7,665	\$2,335
TOTAL	\$96,000	\$69,822	\$26,178

GRAND TOTAL	\$3,517,000	\$1,120,970	\$2,238,979
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DEDC Investment Committee Quarterly Report

Attached is a detailed description of the investment position of the DEDC at the end of this second quarter. The summary lists beginning value for each invested asset, ending market value, accrued interest, additions and changes during this period.

CERTIFICATE OF DEPOSIT	BANK	ORIGINAL AMOUNT	ORIGINAL DATE	MATURITY DATE	INTEREST RATE	INTEREST TO BE PAID/PAID	ENDING BALANCE
13346	Bank of DeSoto	251,569.24	10/22/2009	10/22/2010	1.85%	1,173.07	252,742.31
445016736	First National	54,109.53	4/22/2009	4/22/2010	0.49800%	135.19	54,244.72
19876	Inwood National	250,000	6/15/2009	6/10/2010	1.25%	771.75	250,771.75
TOTAL		555,678.77				2,080.01	

The DEDC opened a Checking Account with First National Bank on January 16, 2008 with an amount of \$94,052.49. Interest earned this quarter was \$365.36. Balance as of March 31, 2010 is \$1,756,352.90.

This report was prepared in compliance with the Investment Strategy established in this Investment Policy and by the Public Funds Investment Act.

Curtistene McCowan

Norma Nichols

Camelia Browder

Millie Garcia



Concluding Remarks

- ✔ The DEDC Board of Directors and Staff continue to market and develop the City of DeSoto.
- ✔ We want to promote business development and maintain the greatest quality of life in DeSoto.
- ✔ The DEDC thanks you for your continued support, and we will continue to work diligently to bring positive economic growth to DeSoto.