



FY 2009-2010 Third Quarter Report

April 1, 2010 to June 31, 2010

Presented to the DeSoto City Council on August 17, 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.
- Wing Stop and Jokes and Jazz Restaurant opened in May.
- 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.**
- **Radio interview broadcast featuring Curtistene McCowan, Board President, in LA market in May.**
- **Mayor participated in CCIM (area real estate brokers group) panel discussion on June 24th.**
- **Norma Nichols, Executive Director, participated in Dallas Planning Council panel discussion on June 24th.**



Strategic Investments in Infrastructure

- Teague Nall & Perkins engineering services for 95 acre Polk site in final phase. Bid packets for project anticipated fall of 2010.
- 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. Project chose Wichita Falls.
- **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.
- One clothing retailer in lease negotiation as well as two additional retailers for Hampton Road retail in Town Center.
- One clothing retailer in lease negotiation for retail development adjacent to Wal Mart on Beltline Road.



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

- Mayor's visit with Cintas.
- Staff and DEDC Board visit to 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. McGraw Hill leased 32,000 additional sf on Kestrel.



Overview

Number of Formal Inquiries	7
Number of Written Proposals	2
Number of Visits to Local Firms for Expansion	2
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	\$359,471	\$336,045	\$23,426	7.0%	\$1,023,022	\$997,027	\$25,996	2.6%
Interest	\$2,410	\$2,000	\$410	20.5%	\$6,731	\$6,000	\$731	12.2%
Miscellaneous Revenue					\$2,005		\$2,005	0.0%
Total Revenues	\$361,881	\$338,045	\$23,836	7.1%	\$1,031,759	\$1,003,027	\$28,732	2.9%
Expenses								
Operations	\$127,154	\$160,662	(\$33,508)	-20.9%	\$389,689	\$466,888	(\$77,199)	-16.5%
Prospect Development								
Eng/Arch Studies	\$0	\$1,000	\$1,000	100.0%	\$0	\$3,000	\$3,000	100.0%
Project Legal	\$1,280	\$1,500	(\$220)	-14.7%	\$5,440	\$4,500	(\$940)	-20.9%
Retail/Commercial/Spec.	\$0	\$5,000	\$5,000	100.0%	\$0	\$15,000	\$15,000	100.0%
Industrial Warehouse/Spec.	\$11,252	\$25,000	(\$13,748)	-55.0%	\$45,586	\$75,000	\$29,413	39.2%
Expansion/Retention	\$0	\$2,500	\$2,500	100.0%	\$157	\$7,500	\$7,343	97.9%
Education/Workforce	\$0	\$0	\$0	0.0%	(\$2,000)	\$0	\$2,000	0.0%
Subtotal	\$139,686	\$195,662	(\$38,976)	-19.9%	\$438,872	\$571,888	(\$21,383)	-3.7%
Bond Debt	\$0	\$207,149	(\$207,149)	-100.0%	\$207,149	\$207,149	(\$0)	0.0%
City Debt - Polk Street	\$0	\$20,760	(\$20,760)	-100.0%	\$20,760	\$20,760	\$0	0.0%
City Debt - Water/Sewer	\$0	\$80,000	80,000	100.0%	\$0	\$80,000	80,000	100.0%
Capital Outlay	\$1,899	\$1,250	\$649	51.9%	\$5,059	\$3,750	(\$1,309)	-34.9%
Total Expenses	\$141,585	\$504,821	(\$186,236)	-36.9%	\$671,839	\$883,547	\$57,309	6.5%



Grant Obligations, Grants Funded, & Grants Outstanding

NEW DEVELOPMENT

Kauffman Tire	\$109,838	\$79,027	\$30,811
Cintas	\$684,000	\$330,118	\$353,882
Hillwood/City of DeSoto	\$682,000	\$57,403	\$624,597
Potential Incentive Grants	\$125,000	\$0	\$125,000
Wildwood Development	\$400,000	\$0	\$400,000
Dominique Lasha'e (Jokes & Jazz)	\$125,000	\$100,000	\$25,000
Acumen Enterprises	\$30,000	\$30,000	\$0
Wing Stop	\$40,000	\$40,000	\$0
Marten Transport	\$60,000	\$0	\$60,000
Quality Medical Care & Nena Spa	\$50,000	\$0	\$50,000
TOTAL	\$2,305,838	\$636,547	\$1,669,291

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 4 pymts of \$100,000 through 2014

INFRASTRUCTURE

95-Acres @ Polk Street	\$86,000	\$72,674	\$13,326
KSA Engineering Co. (Heliport)	\$10,000	\$8,400	\$1,600
TOTAL	\$96,000	\$81,074	\$14,926
GRAND TOTAL	\$3,467,000	\$1,185,122	\$2,124,827



DEDC Investment Committee Quarterly Report

**DEDC Investment Committee
Quarterly Report
April 1, 2010 to June 30, 2010**

Attached is a detailed description of the investment position of the DEDC at the end of this Third 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 PAID	ENDING BALANCE
13346	Bank of DeSoto	251,569.24	10/22/2009	10/22/2010	1.85%	2,325.99	253,895.23
19876	Inwood National	250,000	6/15/2009	12/07/2010	1%	205.74	250,205.74
TOTAL		501,569.24				2,666.92	504,100.97

Balance of the DEDC checking account as of June 30, 2010 is \$1,754,877.43 which includes interest in the amount of \$594.39 earned this quarter.

Certificate of Deposit # 445016736 matured on April 22, 2010 and funds were transferred to the checking account in the amount of \$54,379.50.

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



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.