

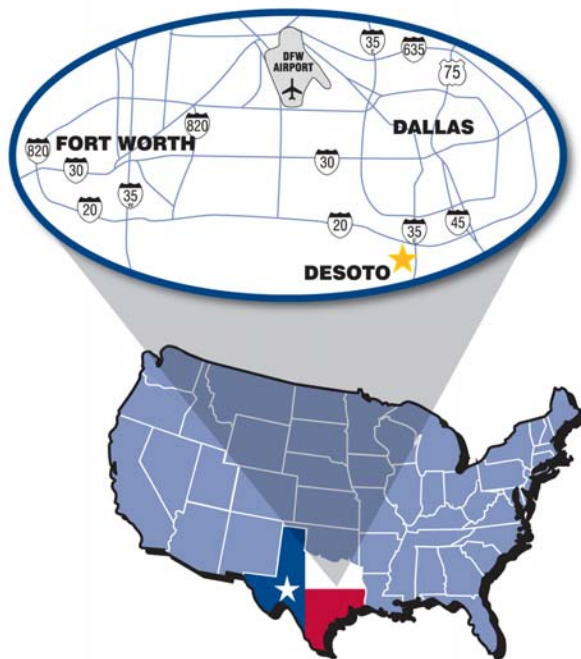
DESOTO, TEXAS - COMMUNITY PROFILE

DeSoto Economic Development Corporation

Updated May, 2009

Location

The City of DeSoto, TX, is located in the Central Time Zone in southern Dallas County. DeSoto is part of the Dallas/Fort Worth Metroplex, which consists of twelve counties and over 200 cities and towns, including Dallas and Fort Worth. The DFW Metroplex is home to 5.7 million people and covers 9,249 square miles. Its economy is one of the healthiest in the country due to its central location, DFW International Airport and other transportation resources, 22 Fortune 500 company headquarters, and an extremely diversified economic base.



Travel Times

All locations in DeSoto can be reached within 15 minutes. DeSoto is also easily accessible from all parts of the Dallas-Fort Worth Metroplex via nearby major highways.

<u>Destination</u>	<u>Miles</u>	<u>Travel Time</u>
DFW International Airport	31 miles	35 minutes
Dallas Love Field Airport	18 miles	22 minutes
Dallas Executive Airport	5 miles	8 minutes
Downtown Dallas	12 miles	15 minutes
Downtown Fort Worth	32 miles	35 minutes

Access

Highways

DeSoto is strategically positioned to all major highway and Interstate connections in the DFW Metroplex.

East-West

IH 20, located less than a mile north of DeSoto, provides direct access to Tyler and Shreveport, east of the Metroplex and Fort Worth to the west. IH 30, accessible via IH 20 & IH 635, provides direct access to Little Rock.

North-South

DeSoto offers 4 miles of frontage along the west side of Interstate 35E (NAFTA). IH 35E extends southward to Austin and San Antonio and northward to Oklahoma City and Kansas City. U.S. Highway 67 intersects DeSoto on the west at Wheatland Road and IH 35E to the north in Dallas.

Air Service

DFW International Airport

Dallas/Fort Worth International is ranked as the third busiest airport in the world and serves more than 60 million passengers with nearly 1,900 flights per day. DFW provides nonstop service to 36 international and 133 domestic destinations. Flying times to any major North American city takes less than four hours.

Dallas Love Field

Dallas Love Field is served by three airlines (Southwest, American/American Eagle & Continental Express) offering passenger service to U.S. locations.

Dallas Executive Airport

Dallas Executive Airport is a public commercial airport serving local businesses. Facilities include a 6,451 ft. concrete/asphalt runway, fixed base operations and instrument landing system.

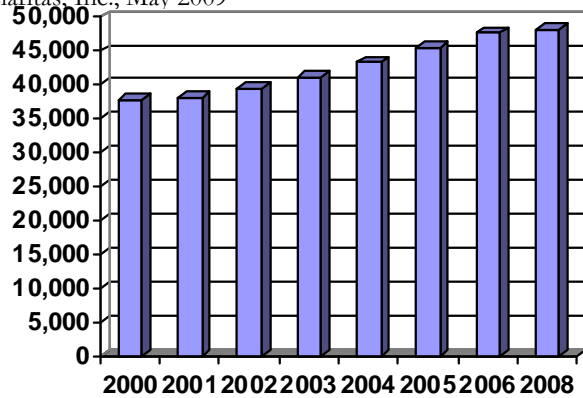
Lancaster Municipal Airport

This reliever airport fronts the south side of Belt Line Road east of IH 35E. The 5,000 ft. asphalt runway is capable of accommodating single engine as well as large corporate aircraft.

DeSoto Population Growth

Year	Population	Percent Increase
2000	37,646	-
2001	38,100	1.2%
2002	39,550	3.8%
2003	41,100	3.9%
2004	43,300	5.4%
2005	45,500	5.1%
2006	47,600	4.6%
2008	48,100 (est.)	1.0%
2009	48,700 (est.)	1.0%

Source: North Central Texas Council of Governments and Claritas, Inc., May 2009

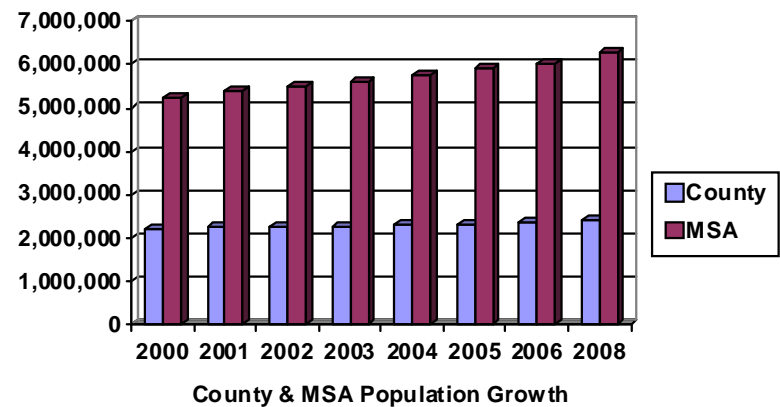


DeSoto Population Growth

Regional Population Growth

Year	Dallas County	DFW MSA	MSA Increase
2000	2,218,899	5,161,544	-
2001	2,244,768	5,353,277	3.7%
2002	2,268,150	5,478,438	2.3%
2003	2,285,600	5,585,715	2.0%
2004	2,305,850	5,694,788	2.0%
2005	2,330,050	5,823,043	2.3%
2006	2,355,200	6,003,967	3.1%
2007	2,383,179	6,153,474	2.6%
2008	2,412,827 (est)	6,300,006	4.7%

Source: U.S. Bureau of Census, Real Estate Center at Texas



County & MSA Population Growth

DeSoto Household Growth

Total Households in DeSoto

Year	Households	Percentage Increase
2000	13,010	-
2003	14,440	11%
2006	16,611	15%
2008	18,340 (est)	10%

Source: U.S. Bureau of Census, North Central Texas Council of Governments, and Claritas, Inc., May 2009

2008 Est. Average Household Income	\$ 82,311
2008 Est. Median Household Income	\$ 78,020
2008 Est. Per Capita Income	\$ 28,375

DeSoto Age & Education

Age Range Percent of Total Population

00 to 20 years old	33.6 %
21 to 44 years old	32.7 %
45 to 59 years old	20.6 %
60 to 65+ years old	13.1%
Total	100.00 %

Source: Claritas, Inc., 2009

Average Age 35.9 years

Median Age 36.5 years

Population Age 25+ High School Degree or Higher: 88.6

Population Age 25+ Associate's Degree or Higher: 38.0

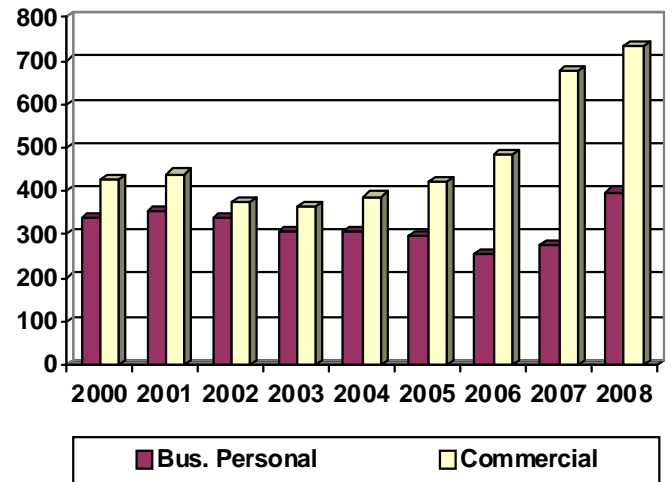
Increasing Market Values

The City of DeSoto has also enjoyed steadily appreciating market values for commercial and business personal property over the last six years.

DeSoto Tax Roll Total Market Values (\$ Millions)

All Real Property and Business Personal Property Parcels

Year	<u>Bus. Personal</u>	<u>Commercial</u>
2000	336.1	428.1
2001	352.3	439.0
2002	336.9	375.6
2003	306.7	365.1
2004	305.8	387.6
2005	297.7	423.3
2006	254.1	483.4
2007	277.0	677.4
2008	397.9	732.8



Source: Dallas CAD Certified Est. Values Report - July 25th each year.

Property Tax Rates

2008 Ad Valorem Tax Rates (Per \$100 Assessed Value)

Property in **DeSoto Independent School District**

City of DeSoto	0.69973
DeSoto ISD	1.51
Dallas County	0.567214
Total	2.776944

Property in **Dallas Independent School District**

City of DeSoto	0.70973
Dallas ISD	1.199643
Dallas County	0.567214
Total	2.476587

The City of DeSoto includes property in three school districts. Only a limited area is in the Duncanville Independent School District.

The State of Texas does not assess an ad valorem property tax at this time.

Sales Tax Rates

State Sales Tax	6.250 %
City of DeSoto	1.000 %
Parks	.125 %
Property Tax Relief	.500 %
Economic Development	.375 %
Total	8.250 %

Source: Texas Comptroller of Public Accounts

Property Tax Exemptions

Residence homestead exemptions for 2006 are listed below. Applications for the exemptions are required to be filed in a timely manner.

	<u>City of DeSoto</u>	<u>DeSoto ISD</u>
Homestead	None	\$15,000
Over 65	\$30,000	\$25,000
Disabled Person	\$25,000	\$25,000

Corporate Franchise Tax

A corporate franchise tax is levied in Texas in place of a corporate income tax. The tax is levied on businesses organized in the corporate form in Texas. Corporations are taxed at the rate of the greater of \$2.50 per \$1,000 of net taxable capital or 4.5% of net taxable earned surplus.

Income Tax

The State of Texas does not impose a personal or corporate income tax.

Hotel/Motel Occupancy Tax

In the State of Texas, the hotel/motel occupancy tax is 6% with individual cities having the option to add up to 7% tax. The total hotel/motel tax in the City of DeSoto is 13%.

DeSoto Workforce

DeSoto Civilian Labor Force Estimate

Civilian Employed	29,674
Civilian Unemployed	1,874
Not in Labor Force	12,746
Unemployment Rate	6.7%

Source: Claritas, Inc., May 2009

DFW MSA Workforce

Dallas/FW MSA Civilian Labor Force

Civilian Employed	3,013,775
Civilian Unemployed	139,255
Unemployment Rate	4.4%

Source: Texas Workforce Commission (Tracer2), March 2009

Top Employers in DeSoto

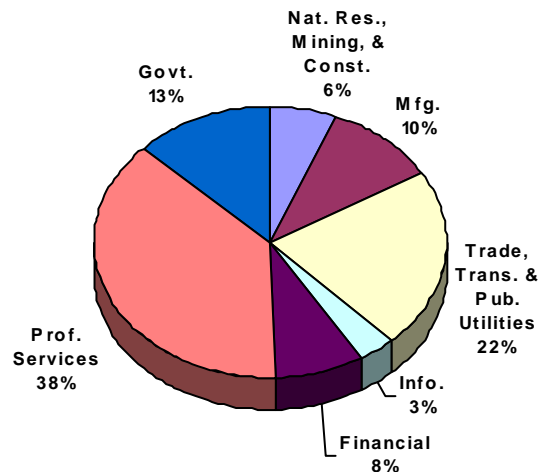
The largest employers in DeSoto include retailers, manufacturers, health care providers, a publisher and governmental organizations.

<u>Name</u>	<u>Business</u>	<u>Employment</u>
DeSoto ISD	Public Education	924
City of DeSoto	City Government	367
DIAB	Manufacturer	325
Solar Turbines, Inc.	Manufacturer	300
Wal Mart Distribution	Distributor	240
Williamsburg Village	Healthcare	210
McGraw-Hill	Publishing	155
Tom Thumb	Grocery	150
Kroger	Grocery	125
DW Distribution Inc.	Distributor	124
Park Manor	Nursing Home	124
ZEP Manufacturing	Manufacturer	118
MCM Grande`	Motel	102
The Cedars	Mental Health Center	100
Fashion Glass & Mirror	Manufacturer	86
U.S. Concrete	Manufacturer	85
Texas Air Mfg	Manufacturer	80

Source: DeSoto EDC, 2009

The DFW Metroplex labor force brings diversified skills to the marketplace. March 2009 non-farm employment in the DFW MSA totals **2,937,100** in various NAICS Sectors.

<u>Industry</u>	<u>Employment Estimate</u>
Natural Res., Mining & Construction	183,700
Manufacturing	304,800
Trade, Transportation & Public Utilities	617,100
Information	86,900
Financial, Insurance & RE	229,700
Professional & Business Services	1,148,500
Education & Health Services	
Leisure & Hospitality	
Other Services	
Government	392,700
Total Non-Agricultural	2,963,400



Source: US Department of Labor, Bureau of Labor Statistics, May 2009

Utilities

Electric Power

Oncor Electric Delivery

Transmission Voltage: 69 KV 138 KV 345 KV

Service Voltage: 120/208 120/240 240/480 277/480

Reliability: 99.973948

The City of DeSoto is in an area of Texas designated by the Public Utility Commission of Texas as 'open to competition'. While Oncor Electric Delivery provides the transmission & distribution services, each customer can choose a preferred Retail Electric Provider. See www.powertochoose.com for more information.

Natural Gas

Atmos Energy

Distribution: 30 in. transmission lines, 720 psi pressure

Distribution Pressure: 55 MAOP

BTU content per cubic foot: 1,050

Water

City of DeSoto

Source: Contract with Dallas Water Utilities

Maximum System Capacity (Daily): 26.0 M gallons

Maximum Use To Date (Daily): 14.75 M gallons

Pressure on Mains: 80 psi

Size of Mains: 6 in., 8 in., 12 in., 16 in., 24 in., 30 in.

Storage Capacity: 18.0 M gallons

Sewer

City of DeSoto

Source: Contract with Trinity River Authority

Maximum System Capacity (Daily): 24 M gallons

Maximum Use To Date (Daily): 10 M gallons

Telephone

Southwestern Bell, AT&T & others

Cable TV

Time Warner

Trash Collection

Private contractor

Broadband

Time Warner, AT&T

Community Services

Health Care

Hospitals	2	Beds	281
-----------	---	------	-----

Psychiatric Hospitals	2	Beds	127
-----------------------	---	------	-----

Nursing Homes	4	Beds	571
---------------	---	------	-----

Senior Living Centers	5	Units	769
-----------------------	---	-------	-----

Newspapers

Focus Daily News	Published twice weekly
------------------	------------------------

Today DeSoto	Published weekly
--------------	------------------

The Dallas Morning News	Published daily
-------------------------	-----------------

Banks

Bank of America

Bank of DeSoto

Chase

Comerica

First National Bank

Guaranty Federal

Inwood National Bank

Wells Fargo

Hotels/Motels

400 Total Rooms

Best Western

MCM Grande`

Red Roof Inn

Holiday Inn Express

Fire Insurance Rating

ISO Rating: 2

Freight Carriers

Over 50 motor freight carriers and 5 parcel service providers serve the City of DeSoto.

City Government

Type Government:	Council/Manager
------------------	-----------------

Number on City Council:	7
-------------------------	---

Police Personnel:	68
-------------------	----

Fire Personnel:	60
-----------------	----

Incorporated:	1949
---------------	------

Total City Employees:	367
-----------------------	-----

Total Annual Budget:	\$73,923,904
----------------------	--------------

Land Area (square miles):	21
---------------------------	----

Source: City of DeSoto

Education

DeSoto Independent School District

DeSoto ISD is a small, suburban district encompassing 23 square miles serving approximately 8,700 students in the communities of DeSoto, Glenn Heights and Ovilla with twelve campuses.

The district continues to grow, adding approximately 300 students per year, and enjoys small town support of academics and athletics, along with taxpayer support for upgraded facilities, technology and instructional support. The most recent bond was passed in 2005 for a total amount of \$115 million to build two new schools, renovate and expand the high school, upgrade several existing campuses and provide for technology and land purchases for future growth.

The district vision, mission, values, goals and objectives are clearly defined - all part of the *Academic Excellence by Design* framework focusing on the 'main thing' – student learning. The district and community have bonded to develop a system of schooling where all students are expected to graduate with character, intellectual preparedness and personal leadership as outlined in the district's *Portrait of a Graduate*.

To that end, all campus, department and district improvement plans provide opportunities for students to achieve. Every school provides outstanding academic instruction supported by pyramids of instructional intervention, enrichment, behavior intervention and privileges.

The achievements of DeSoto ISD students have been remarkable:

- There are several state Recognized campuses in the district and the district as a whole is rated Academically Acceptable
- The Freshman Campus is one of twelve Top Transitional Texas High Schools in the state
- Six students have received prestigious military appointments in past two years; and five students have been recognized in the National Merit Scholarship Program, including a 2006 National Merit Scholar graduate
- The DeSoto ISD has achieved above state average Advanced Placement Participation, Graduation Rates, Attendance Rates and SAT/ACT Scores
- The District's Band, Choir and ROTC programs compete nationally every year. Athletics programs are competitive annually in 5A State playoffs for football, boys and girls basketball and track & field - including 2009 Boys 5A Basketball State Champions, 2007 Girls 5A Track & Field State Champions and Boys 4x400 relay State Champions
- DeSoto ISD is the recipient of the largest mentoring grant in the nation

Education

Facilities

Elementary (Pre K - 5)	Woodridge Elementary Cockrell Hill Elementary Frank D. Moates Elementary Northside Elementary Ruby Young Elementary Amber Terrace Elementary The Meadows Elementary
Middle School (6 – 8)	DeSoto East Middle School DeSoto West Middle School McCowan Middle School
High School (9 – 12)	DeSoto Freshman Campus DeSoto High School

2007-08 SAT and ACT Scores

(78.5% tested vs. 68.2% statewide)

2007 Average SAT Score: 916 Total

2007 Average ACT Score: 18.8

Note: About 87% of DeSoto High School graduates continue their education at institutions of higher education.

2007-08 Teaching Staff Statistics

Average Total Years Experience	8.7
Average Years Experience with District	4.6
Teachers with Advanced Degrees	17.5%
Students per Teacher Ratio	15.2 to 1

Source: Academic Excellence Indicator System on the TEA website www.tea.state.tx.us, DeSoto Independent School District website www.desotoisd.org

Private Schools

Arbor Acre Preparatory	Cross of Christ Lutheran
Ashbury Acad. Montessori	DeSoto Private School
Brook Hollow Christian	Grace Christian Academy
Calvary Christian	Park Ridge Academy
Cambridge Square Private	Southport Private School
Canterbury Episcopal	Trinity Christian School

DeSoto Incentives

Economic development incentives are used to encourage industrial and commercial retail/office business growth and development in DeSoto.

Tax Abatement

Tax abatement may be available for up to 10 years on new real property improvements, machinery, and/or equipment for qualifying businesses. Application for abatement is required prior to the commencement of construction or purchase of business personal property.

Triple Freeport Equivalency

Under Section 380 of the Local Texas Government Code, the City may grant cash rebates to a business to equal up to 100% of the value of the taxed freeport inventory. Inventory must first qualify for freeport through the Dallas Central Appraisal District and the Dallas ISD.

Infrastructure Participation

The DeSoto EDC will consider offering full or partial financial assistance to build and/or improve roads, install utilities, and upgrade infrastructure to encourage business growth and development in DeSoto.

Sales Tax Rebates

The City of DeSoto will consider refunding a portion of the sales tax applicable to sales made by desired retail establishments in designated neighborhood empowerment zones.

Economic Development Cash Grants

Grants may be available to new, expanding, and relocating companies which are planning to make a new investment in DeSoto. Grants are screened by the incentive application submitted and a return on investment analysis. These grants may be used to renovate existing facilities, pay any associated construction fees, buy down the price of land, prepare the site, conduct engineering studies, or pay for any other activity necessary for a new, expanding, or relocating business.

Contact

Ms. Norma Nichols

DeSoto Economic Development Corporation
211 E. Pleasant Run Road
DeSoto, TX 75115

Phone: 972-230-9611
Cell: 214-244-9077
Fax: 972-230-9670
E-Mail: michols@dedc.org

DeSoto Advantages

DeSoto offers a competitive advantage for new, relocating, and expanding businesses. The combination of quality of life amenities and economic benefits produces an environment conducive to personal fulfillment and business prosperity.

Developed Industrial Park

More than 400 acres of land are available for industrial and commercial development within the DeSoto Eagle Industrial and Business Park. Hillwood's Crossroads Trade Center in the Industrial Park offers 1.8 million square feet of build-to-suit distribution or light industrial space for lease at Centre Park Blvd and IH-35E.

Low Cost Land Prices

Commercial and industrial sites are 'shovel-ready' for about \$1.00 .58 - \$1.50 per sf. Retail and office sites along Interstate 35E are \$6 - \$8.00 per sf, and similar sites with frontage along major thoroughfares within the city are \$3 - \$7.00 per sf.

Convenient Interstate and Highway Access

DeSoto has 4 miles of frontage on Interstate 35E (NAFTA) and is less than 1 mile south of Interstate 20 and 1 mile east of US Hwy 67. Texas FM 1528 (Belt Line Road) runs east & west through DeSoto, connecting U.S. Hwy 67 to IH-35E. DeSoto also has quick access to U.S. Hwy 175 and IH-30 via connections to IH-20 and IH-635. The Dallas Central Business District can be reached in 15 minutes and DFW International Airport is only 35 minutes away.

Dynamic and Growing Local Economy

DeSoto's population is greater than 47,600, a 26% growth rate since 2000, with an increase of 24% in the number of households during that same time. The number of building permits issued has steadily risen, and new construction totaled over \$117 million for FY 2005-2006.

Plentiful Labor Supply

The Dallas/Fort Worth Metroplex (MSA) employs a labor force of more than 3,013,775 workers. DeSoto draws from the skilled labor force, and over thirty five universities and community colleges in the Dallas/Fort Worth Metroplex.

Aggressive and Flexible Incentives

The DeSoto Economic Development Corporation is committed to supporting new and expanding companies by creatively customizing incentive packages based on individual business needs.

