



MINUTES Monday, July 25, 2022

The Board of Directors of the DeSoto Development Corporation (DDC) met on Monday, July 25, 2022 at 9:00 a.m. in the Council Conference Room located in City Hall at the DeSoto Town Center, 211 East Pleasant Run Road, DeSoto, Texas 75115 and was streamed live on Facebook and archived on the websites.

As authorized by Section 551.071(2) of the Texas Government Code, this meeting may be convened into closed Executive Session for the purpose of seeking confidential legal advice from the Corporation's attorney on any agenda item listed herein.

REGULAR SESSION - THE MEETING WAS CALLED TO ORDER by President Curt Krohn at 9:02a.m.

1. Invocation by President Curtis Krohn

Present:

Curt Krohn, Board President
Dr. Delva J. King, Vice-President
Michael Baldwin, Director
Latosha Herron Bruff, Director
Carlos L. White, Director

Absent:

Rodney Brown, Director
Lonice Stoker, Director

Staff Present:

Matt Carlson - Executive Director
Antoine Long- Economic Development Coordinator
Melba Hill — Administrative Assistant III

Also Present:

Pete Smith- Attorney, Nichols, Jackson, Dillard, Hager& Smith, LLP
Peter James, Asst. Director Budget/Finance, City of DeSoto
Brandon Wright, City Manager
Mayor Pro Tem Andre Byrd, City of DeSoto
Monte Anderson, Options Re
Terry Toomey, The Industry Hub

CONSENT AGENDA

Items are listed on the Consent Agenda by the DDC Chief Executive Officer and are recommended to the DDC Board of Directors for single vote of approval. Any item may be removed from the Consent Agenda for separate vote at the request of a Board Director.

1. Consideration and approval of the May 23, 2022 Board Meeting Minutes.
2. Consideration and approval of the May and June 2022 Financial Statements.

On a motion by Director Carlos White and Second by Director Michael Baldwin, the Minutes and Financial Statement were adopted unanimously.

REGULAR AGENDA— NEW BUSINESS— Items for discussion and/or possible action:

1. Grow DeSoto Market Place Incubator Financial Status Report. Presentation - Monte Anderson, Options Real Estate. Mr. Anderson provided Options Real Estate Investments 12-month Income Statement for the period range Jul 2021 to Jun 2022 for the Boards review. Rentals are still consistent at 90% capacity, there are tenants leaving, however renewals are coming in. The restaurants are doing well. Mr. Anderson stated there are rising stars within GDMP, he spotlighted Flobina's a retail store owner. She is wanting to expand by either doubling her space in the marketplace, or find a stand-alone building here in DeSoto.
2. Grow DeSoto Marketplace Quarterly Operations Update – Terry Toomey, The Industry Hub. She stated there are five tenants who are ready to graduate from the Marketplace. She has contracted with a commercial realtor who will provide training and tools that will help in sustaining a move into their own building. Ms. Toomey also informed the Board of three tenants who have been in the marketplace for more than five years, she did pose the question if the City has building opportunities as GDMP does not want to put the tenants out. President Krohn, asked if there had been any thoughts around increasing rent to market, once a certain threshold has been met? Ms. Toomey's responded asking the Board what is the next step? A recommendation of reviewal of tenancy is underway.
3. DeSoto Chamber of Commerce Update- Vanessa Sterling, DeSoto Chamber of Commerce. Ms. Sterling was absent. Quarterly update memo was included in the board packet.

4. Financial Status Report- Peter James, City of DeSoto, Assistant Director Budget/Finance. He noted that Revenues continue to run ahead of budget due to strong sales tax and strong incubator revenues which are ahead of last year. Expenditures are under budget therefore we are building fund balance for future plans. President Krohn asked if debts are being paid off this next year? He was informed that all debt was paid off last year, therefore we have no long-term debt and there are significant monies to invest going forward.

5. City Council Liaison update regarding City events, meetings, etc. Mayor Pro Tem informed the Board of the City Council's Summer Retreat August 5th – 6th in Rockwall, TX., as well their utilization of a Summer Schedule which consist of one planned meeting through August. City Council will resume with its regular 2-meeting schedule in September. The Arts Commission has commissioned the mural on the back side of City Hall, and it is absolutely beautiful! Excited to announce the renaming of the heliport, in honor of former Mayor Bobby Waddle (Col. Bobby Waddle DeSoto Heliport). City Council commended the Finance Department for the outstanding budget process it has in place, and the Mayor is out on a well-deserved vacation.

6. Presentation and approval of the FY2022-2023 Budget, by Director Matt Carlson. The budget has not changed much from last year. Some key points to note our total:
 - a. revenues show a slight decrease next year due to a projected decrease in sales tax associated with the Kohl's Distribution Center;
 - b. DeSoto Parks and Receptions Corporation Funds are included in the DDC budget this year and will be going forward. This will be a transfer in and out of about \$875K for 2023;
 - c. Staffing costs increase due to filling the fourth position in the department
 - d. promotional activities reflect a projected 10% of sales tax revenues;
 - e. operational services costs increase because DDC is involved in helping pay the costs of Hampton Road and Beltline Commercial Nodes studies.

On a motion by Vice-President Delva King and Second by Director Latosha Herron Bruff, the FY2022-2023 Budget was approved unanimously.

7. Update on the Grow DeSoto Market Place Focus Groups and Survey Results, by Dr. Delva King. The Focus Group Discussions were conducted in May, these discussions centered around the incubator concept for small local start-up businesses to have the opportunity to sell their products and goods. The groups were broken into 3 sections (Retail, Food and Services). Tenant and Customer Surveys were conducted and data gathered which is ready to be presented to the Advisory Board. This meeting will be held in mid-August.

Executive Session convened at 10:50am.

**EXECUTIVE SESSION UNDER TEXAS GOVERNMENT CODE:
Pursuant to Texas Government Code Section 551.087: Economic Development
Deliberation**

1. Consider and take-action on Façade Grant for DeSoto Private School

RECONVENE INTO OPEN SESSION

The Board reconvened into open session at 11:04am.

ACTION AS RESULT OF EXECUTIVE SESSION

Façade Grant for DeSoto Private School

On a motion by President Curt Krohn and Second by Vice-President Delva King, The Board authorized the Executive Director to negotiate and execute a Façade Grant Agreement for the DeSoto Private School in the amount of \$50,000.00 and that such will include references to the City HUB vendor goals.

BRIEFING BY EXECUTIVE OFFICER —Matt Carlson

Mr. Carlson reported the completion of the Beltline commercial nodes study by AECOM should be completed by end of July and ready to present to Council for consideration in August. Creating economic development policies for Hampton Road and general city-wide commercial nodes.

Antoine Long, Economic Development Coordinator shared his vision of outreach. He is reengaging with regional partners for the intent of providing resources to our large and small businesses. The EDC is looking to offer solutions for the business owner. The implementation of the CRM will help to streamline these resources.

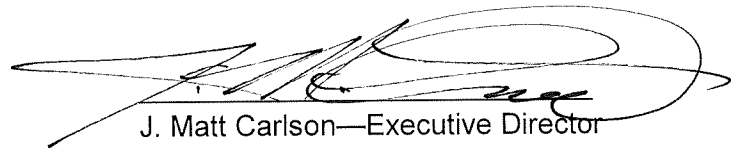
Project updates were provided.

Mr. Carlson's monthly report is included in the Board Packet distributed to members and available online.

BOARD ANNOUNCEMENTS

ADJOURNMENT

At 11:35a.m.



J. Matt Carlson—Executive Director