

**DUNCANVILLE COMMUNITY AND ECONOMIC
DEVELOPMENT CORPORATION (DCEDC)
REGULAR MEETING
FEBRUARY 9, 2017**

A regular meeting of the Duncanville Community and Economic Development Corporation (DCEDC) Board of Directors was held on Thursday, February 9, 2017, at 6:30 PM in the City Council Briefing Room located at City Hall.

Board Members in attendance:

Barry Gordon	President
Steve Dial	Vice President
Dave Galbraith	Board Member
Derwin Broughton	Board Member
Dr. Matt Murrah	Board Member
Grady Smithey	Board Member
Dr. Terry Smith	Board Member

Board Members not in attendance:

All Board Members were in attendance.

Staff Present: Economic Development Director Jessica James, and Economic Development Coordinator Cynthia D. Williams

Guests Present: President/CEO Mike Owens of GK Steel, and Vice President Patrick Davison and CFO Tim Burgess of Deford's Lumber Company

The meeting was called to order by President Barry Gordon at 6:31 PM.

Board Member Dr. Matt Murrah offered the Invocation.

ITEM NO. 1 . CITIZENS PUBLIC FORUM.

No citizen spoke during Citizens Public Forum.

ITEM NO. 2 CONSIDER APPROVAL OF THE DCEDC MINUTES FOR THE MEETING HELD ON JANUARY 12, 2017.

Mr. Broughton made a motion to approve the minutes as presented, seconded by Mr. Dial, the vote passed unanimously.

ITEM NO. 3 RECEIVE AND CONSIDER APPROVAL OF AN INCENTIVE REQUEST BY GK STEEL IN THE AMOUNT OF \$76,083.

Ms. James introduced Mr. Michael Owens who is the President and CEO of GK Steel. GK Steel is a metal fabrication company currently headquartered in Cedar Hill, TX. Mr. Owens plans to relocate his entire operation as well as expand his business in the City of Duncanville. He provided the Board with an overview of his business, which included the number of employees GK Steel currently has, information

regarding the building he plans to purchase, a summary of the upgrades needed, and the reason he is requesting funds from the DCEDC. The Board also had the chance to review GK Steel's Website, which included their products and services as well as their customers and projects.

The Board held further discussions including: How long do he think the building is going to sustain them, and do they have the opportunity for future growth at this new site; did they purchase the lot next to them as a potential parking lot; and the dollar amount requested to recover the costs of the sprinkler system.

The Board also requested a copy of GK Steel's EEOC. This is not a condition of the recommendation. Ms. James said she would check with the Board's Attorney to see if it was legal to ask for this information.

ITEM NO. 4 RECEIVE AND DISCUSS THE MAIN STATION DUNCANVILLE, LTD'S MONTHLY FINANCIALS, AS WELL AS DUNCANVILLE REAL ESTATE UPDATES.

Ms. James reported that Mr. Anderson provided Staff with the Amortization Schedule, which the Board requested at the January 2017 meeting. Staff distributed the Schedule to the Board for review. Ms. James reported that it was determined that Mr. Anderson does pay rent. At the last meeting, the Board discussed options regarding the Main Station Duncanville, LTD. Because of personal issues, City Attorney Bob Hager was not able to attend tonight's meeting.

The Board had further discussions and questions.

ITEM NO. 5 RECEIVE AND DISCUSS CITY SALES AND USE TAX COMPARISON SUMMARY.

Ms. James reported that Finance added the other cities that the Board requested to be included on the spreadsheet at the last meeting. The City is performing at 13.86% from 2017 payments to date compared to 2016 payments, and the City is up from month to month as well. Staff has not had time to go through to analyze the payments to see if these are prepayments. Staff will go back and look at the payments and determine if they are prepayments. Compared to the other cities, Duncanville is doing very well.

The Board had further discussions and questions.

ITEM NO. 6 RECEIVE AND CONSIDER APPROVAL OF THE DCEDC MONTHLY BUDGET REPORT

Ms. James reported that Staff has condensed the format of the Fieldhouse Budget Report. She also reported that Staff has not included the Fieldhouse numbers for the last few months, because Staff is in the process of updating the entire budget. In order to implement the Fieldhouse Business Plan, there is some additional staff that needs to be added, i.e., a marketing person. The General Manager will come to the next DCEDC meeting to update the Board on the Fieldhouse.

Ms. James reported that the DCEDC had some activity. The majority of it is salaries. She stated that the transfer to the General Fund is an amount the Board will see every month. Beautification is very minor at this point, but the number will go up as we move into warmer weather, i.e., mowing, etc. The Total expenditures for the current month are \$28,299, and the projected YTD is \$129,249.

The Board had further discussions including: Will the DCEDC Budget change because of the new Fieldhouse Budget; is the Board ok with the new format of the Fieldhouse Report; has there been any discussions of any repairs/maintenance to Hilton Garden Inn since the incentive has now expired.

Mr. Broughton made a motion to approve the DCEDC Monthly Budget, seconded by Mr. Smithey, the vote passed unanimously.

ITEM NO. 7 EXECUTIVE SESSION.

In accordance with the Texas Government Code Section 551.087 (2) Declarations Regarding Economic Development Negotiations, to deliberate the offer of a financial or other incentive to a business prospect described by subdivision (1).

- DISCUSS DEFORD LUMBER'S GRANT REQUEST.
- DISCUSS GK STEEL'S GRANT REQUEST

ITEM NO. 8 RECONVENE INTO OPEN SESSION.

The regular meeting reconvened into open session at 9:30 PM.

ITEM NO. 9 TAKE ANY NECESSARY OR APPROPRIATE ACTION BECAUSE OF CLOSED EXECUTIVE SESSION.

Mr. Dial made a motion to provide GK Steel with a \$76,083 incentive grant from the DCEDC with the following conditions: Assistance with the sprinkler system as identified on the Incentives & Grants Assistance Application, specifically; that GK Steel will remain in the City of Duncanville for not less than five years; and that GK Steel will move their entire operation into their new location in Duncanville within one year from the date of closing on the property. The motion was seconded by Mr. Smithey, the vote passed unanimously.

ITEM NO. 10 RECEIVE STAFF AND BOARD REPORTS:

- ***Receive Update on the TIF.***

Ms. James reported that the TIF Board has been established. Mr. Gordon was appointed as well as four other members. The TIF Board Members include: Barry Gordon, Daniel Flores, and Kenneth Embry who were appointed for a two year term, and Michael Grace and Madeline Kelley-Schwoch for a one year term.

There was a concern about a Board Member being on too many Boards/Committees. Because of this, Staff recommends that the DCEDC Board consider having Mr. Broughton take the lead with the Comprehensive Planning Committee moving forward.

There was further discussion.

- ***Receive Business and Events Activity Updates.***

Ms. James discussed the Business and Events Activities for the previous month, which included new businesses, business expansions, and the list of Certificates of Occupancy.

Ms. James reported on the upcoming Regional Economic Development (RED) Summit, which will take place at the Hilton Garden Inn on Thursday, March 23, 2017. This year, the plan is to have some ED classes. At lunch time, the DCEDC will have nominations for two or three businesses of new

development to highlight. Those businesses will receive recognition. One of the proposed nominations includes the new living center on Wheatland Road. Ms. James told the Board Members to notify Staff of any other recommendations.

The Board had further discussion including recognizing Ms. Natausha Fain with Salon 921, or the auto parts store on Camp Wisdom at the RED Summit.

Because of the late hour, it was the consensus of the Board to Table further discussion on the following Agenda Items to the next DCEDC Meeting.

- *Discuss and Consider Scheduling DCEDC Planning Session.*
- *Important Dates*
 - *Flavor of Duncanville:*
 - *March 16, 2017 – Duncanville High School*
 - *TEDC Economic Development Sales Tax Workshop:*
 - *August 25, 2017 – Hilton Garden Inn, Abilene, TX or*
 - *October 27, 2017 – Hampton Inn, Mesquite, TX*

ITEM NO. 13 ADJOURNMENT

The meeting was adjourned at 10:24 PM.

APPROVED:



BARRY GORDON
PRESIDENT

ATTEST:



CYNTHIA D. WILLIAMS
ECONOMIC DEVELOPMENT COORDINATOR