



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Meeting Agenda

Economic Development Partnership Board

Wednesday, April 9, 2025

11:00 AM

Development Service Center

After determining that a quorum is present, the Economic Development Partnership Board of the City of Denton, Texas, will convene in a Regular Meeting on Wednesday, April 9, 2025, at 11:00 a.m. in the Development Service Center Training Rooms 3, 4, and 5 at 401 N. Elm Street, Denton, Texas at which the following items will be considered:

1. PRESENTATIONS FROM MEMBERS OF THE PUBLIC

Citizens may complete one Request to Speak "Public Comment" card per night for the "Presentations from Members of the Public" portion of the meeting and submit it to City Staff. Presentations from Members of the Public time is reserved for citizen comments regarding item not listed on the agenda. No official action can be taken on these items. Presentation from Members of the Public is limited to five speakers per meeting with each speaker allowed a maximum of three (3) minutes.

2. ITEMS FOR CONSIDERATION

- A. [EDP25-006](#) Consider approval of the February 12, 2025 minutes.
- B. [EDP24-069](#) Consider recommending adoption of an Ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the approval of a contract between the City of Denton and the Denton Chamber of Commerce by consent of both parties, not to exceed an amount of \$150,000, to provide funding for programming to promote economic development, providing for the expenditure of funds therefore; and providing for an effective date.

3. WORK SESSION

- A. [EDP25-007](#) Receive a report, hold a discussion, and give staff direction to reallocate expiring economic development incentives to the Catalyst Fund contingent on annual budget evaluations and general fund status for a maximum of \$9 million.
- B. [EDP25-008](#) Staff Reports:
 - 1. Director's Report - Brittany Sotelo
 - 2. Main Street Program Update - Kristen Pulido
 - 3. Economic Development Partnership Report - Jamie Adams
 - 4. Future Agenda Items - Brittany Sotelo

4. CONCLUDING ITEMS

A. Under Section 551.042 of the Texas Open Meetings Act, respond to inquiries from the Economic Development Partnership Board or the public with specific factual information or recitation of policy, or accept a proposal to place the matter on the agenda for an upcoming meeting AND Under Section 551.0415 of the Texas Open Meetings Act, provide reports about items of community interest regarding which no action will be taken, to include: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutary recognition of a public official, public employee, or other citizen; a reminder about an upcoming event organized or sponsored by the governing body; information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality; or an announcement involving an imminent threat to the public health and safety of people in the municipality that has arisen after the posting of the agenda.

NOTE: The Economic Development Partnership Board reserves the right to adjourn into a Closed Meeting on any item on its open meeting agenda consistent with Chapter 551 of the Texas Government Code, as amended, or as otherwise allowed by law.

CERTIFICATE

I certify that the above notice of meeting was posted on the official website (<https://tx-denton.civicplus.com/242/Public-Meetings-Agendas>) and bulletin board at City Hall, 215 E. McKinney Street, Denton, Texas, on April 4, 2025, in advance of the 72-hour posting deadline, as applicable, and in accordance with Chapter 551 of the Texas Government Code.

OFFICE OF THE CITY SECRETARY

NOTE: THE CITY OF DENTON'S DESIGNATED PUBLIC MEETING FACILITIES ARE ACCESSIBLE IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT. THE CITY WILL PROVIDE ACCOMMODATION, SUCH AS SIGN LANGUAGE INTERPRETERS FOR THE HEARING IMPAIRED, IF REQUESTED AT LEAST 48 HOURS IN ADVANCE OF THE SCHEDULED MEETING. PLEASE CALL THE CITY SECRETARY'S OFFICE AT 940-349-8309 OR USE TELECOMMUNICATIONS DEVICES FOR THE DEAF (TDD) BY CALLING 1-800-RELAY-TX SO THAT REASONABLE ACCOMMODATION CAN BE ARRANGED.



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Legislation Text

File #: EDP25-006, **Version:** 1

AGENDA CAPTION

Consider approval of the February 12, 2025 minutes.

**MINUTES
CITY OF DENTON
ECONOMIC DEVELOPMENT PARTNERSHIP BOARD
February 12, 2025**

After determining that a quorum was present, the Economic Development Partnership Board convened in a Regular Meeting on Wednesday, February 12, 2025, at 11:03 a.m. in Training Rooms 3, 4, and 5 at the City of Denton Development Services Center, 401 N Elm St, Denton, Texas, 76201 at which the following items were considered:

PRESENT: Steven Edgar (Chair), Brian Danhof, Jeremy Fykes, Kerry Goree, Paul Meltzer, Lee Ramsey, Aaron Roberts, Jason Tomlinson, and Clyde Rick Woolfolk

ABSENT: Tony Clark (Vice-Chair), Erin Carter (ex-officio), Sara Hensley (ex-officio), Gerard Hudspeth, and Susannah O'Bara (ex-officio)

STAFF: Scott Bray, Christina Davis, Clay Parker, Vanessa Esparza, Brittany Sotelo, Erica Sullivan, and Matilda Weeden

1. ITEMS FOR CONSIDERATION

A. EDP25-001 Consider approval of the January 8, 2025 minutes.

Fykes made a motion to approve the minutes of January 8, 2025. Woolfolk seconded the motion. Motion carried (9-0).

AYES (7): Edgar, Fykes, Meltzer, Ramsey, Roberts, Tomlinson, Woolfolk

NAYS (0): None

ABSENT (2): Danhof and Goree

Goree arrived at 11:04 a.m.

2. WORK SESSION

A. EDP25-0004 Receive a report and hold a discussion regarding the Economic Development Strategic Plan.

Danhof arrived at 11:06 a.m.

Staff presented the item and discussion followed. No action was taken.

B. EDP25-005 Receive a report and hold a discussion regarding updates to the draft Competitiveness Study RFQ.

Staff presented the item and discussion followed. No action was taken.

C. EDP25-003 Staff Reports:

- 1. Director's Report – Brittany Sotelo**
- 2. Future Agenda Items – Christine Taylor**

Staff presented each item and discussion followed. Brittany Sotelo presented the “Future Agenda Items”.

3. CONCLUDING ITEMS

With no further business, the meeting adjourned at 12:07 p.m.

Steven Edgar, Chair
Economic Development Partnership Board

Vanessa Esparza, Board Secretary
Administrative Assistant

Minutes Approved On: _____



City of Denton

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Legislation Text

File #: EDP24-069, **Version:** 1

AGENDA CAPTION

Consider recommending adoption of an Ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the approval of a contract between the City of Denton and the Denton Chamber of Commerce by consent of both parties, not to exceed an amount of \$150,000, to provide funding for programming to promote economic development, providing for the expenditure of funds therefore; and providing for an effective date.



City of Denton

City Hall
215 E. McKinney Street
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AGENDA INFORMATION SHEET

DEPARTMENT: Economic Development

ACM: Christine Taylor, Assistant City Manager

DATE: April 9, 2025

SUBJECT

Consider recommending adoption of an Ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the approval of a contract between the City of Denton and the Denton Chamber of Commerce by consent of both parties, not to exceed an amount of \$150,000, to provide funding for programming to promote economic development, providing for the expenditure of funds therefore; and providing for an effective date.

BACKGROUND

The City Council and the Denton Chamber of Commerce first entered into an economic development partnership agreement in 1986. Through an economic development program agreement, the City provided funds for the administration and operation budget of the Chamber of Commerce's Office of Economic Development.

Over the past few years, the agreement between the City and the Chamber included specific goals, deliverables, and metrics for the Chamber's Office of Economic Development, along with enhanced clauses regarding financial reporting, insurance requirements, and indemnity.

PRIOR ACTION REVIEW:

In FY 2019-20, the City and Chamber approved a new format to the agreement, that allowed for the incorporation of a work plan and more details related to the ongoing division of responsibilities and reporting requirements.

In late FY 22-23, the City of Denton Economic Development Director, and the Denton Chamber of Commerce Director of Strategic Partnership positions both became vacant. These vacancies allowed the opportunity to evaluate and realign the economic development program duties. Key changes included shifting business recruitment and marketing to the City and business retention and expansion to the Chamber. To accommodate this change, an amendment request was made to add \$25,000 to the Chamber's contract for staff salaries. The remaining \$25,000 was allocated in the City's budget for marketing efforts.

During the FY 23-24 City of Denton Budget process, the Denton Chamber of Commerce requested a \$50,000 supplemental funding increase for marketing and staff salaries.

January 10, 2024 – The Denton Chamber of Commerce agreement was presented to the Economic Development Partnership Board. This agreement included a supplemental funding increase for staff salaries. The Economic Development Partnership Board recommended City Council approve the Agreement (9 – 0).

February 6, 2024 – The Denton Chamber of Commerce agreement was presented to the City Council. This agreement included a supplemental funding increase for staff salaries. The Council voted to approve the agreement (7- 0). Ordinance No. 24-078

RECOMMENDATION

Staff recommends approval.

EXHIBITS

Exhibit 1 - Agenda Information Sheet

Exhibit 2 – EDP Annual Report 2024

Exhibit 3 – Presentation

Respectfully submitted:
Christine Taylor
Assistant City Manager

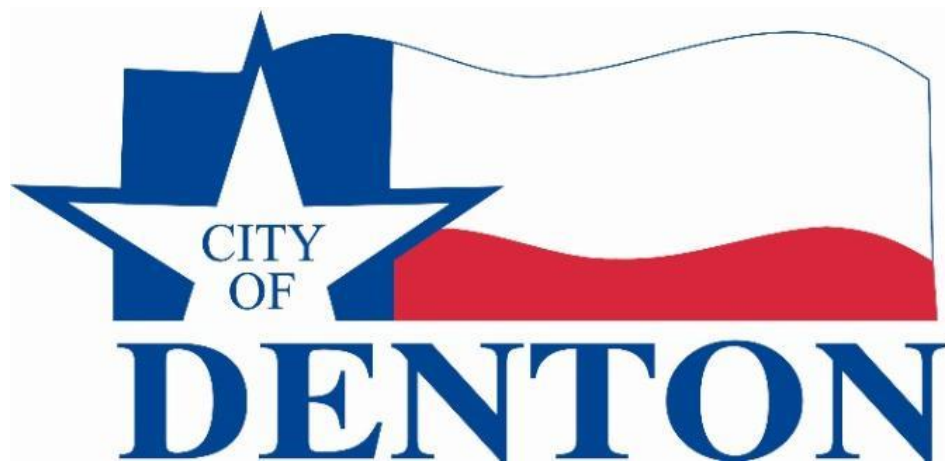
Prepared By:
Matilda Weeden
Economic Development Specialist



DENTON ECONOMIC DEVELOPMENT PARTNERSHIP **ANNUAL REPORT**

The mission of the Denton Economic Development Partnership is to expand the City's tax base and support the creation of jobs through targeted marketing, strategic partnerships and stakeholder education.

In 1986 the City of Denton and Denton Chamber of Commerce entered into a formal agreement to establish a joint economic development program. The EDP continues to partner with our business community to support and grow our tax base.



The Denton Economic Development Partnership (EDP) plays 6 key roles in facilitating the region's continued prosperity.



Market Denton's assets



Public- Private Connector



Business Retention and Expansion



Building Relationships



Convene industry players



Support small business



FOCUS AREA #1

**RELATIONSHIP
BUILDING WITH
DEVELOPERS, BROKERS,
LOCAL INDUSTRY AND
BUSINESS**

Quarterly Forums

Educate regional leaders and major employers on the value of investing in Denton.

Facilitate dialogue between public and private leaders.

3 Forums held with over 375 attendees.

Topics:

- Growth of the Denton Airport
- Landmark by Hillwood
- Workforce Development with the UNT President



STRATEGY – ATTRACT NEW INVESTMENT / RELATIONSHIP BUILDING

Plant Manager Roundtables

2 Plant Manager roundtables, convening leaders of 3000+ Denton employees

Addressed critical topics of workforce development, warehouse automation, and employee transportation.



HR Roundtables

3 HR Roundtables with over 250+ attendees, collaborated with UNT Career Center, Denton ISD Lagrone Academy, and North Texas Society for Human Resource Management.



Community Engagement Talks

Presented to 7 community organizations about the value of public-private partnerships and economic development.



STRATEGY – PROMOTING DENTON’S CREATIVE BRAND

Social Media

Created and shared 12 Denton business success stories on EDP social media and website (www.DentonEDP.com)

Website

2024 – average of 3,200 users/month

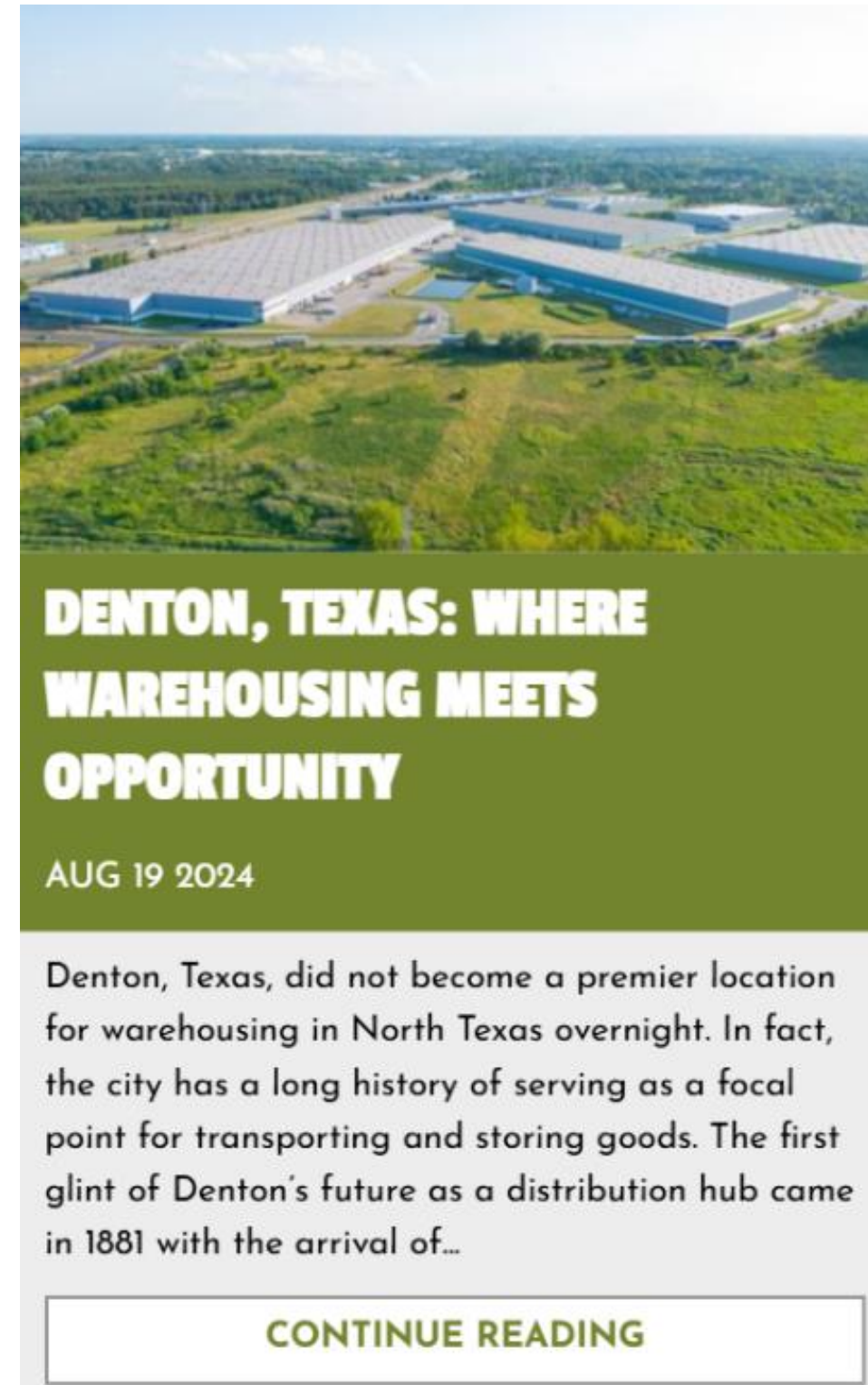
2025 – average of 5,863 users/month with over 12,000 page views.

83% increase YOY

Email

Engagement metrics

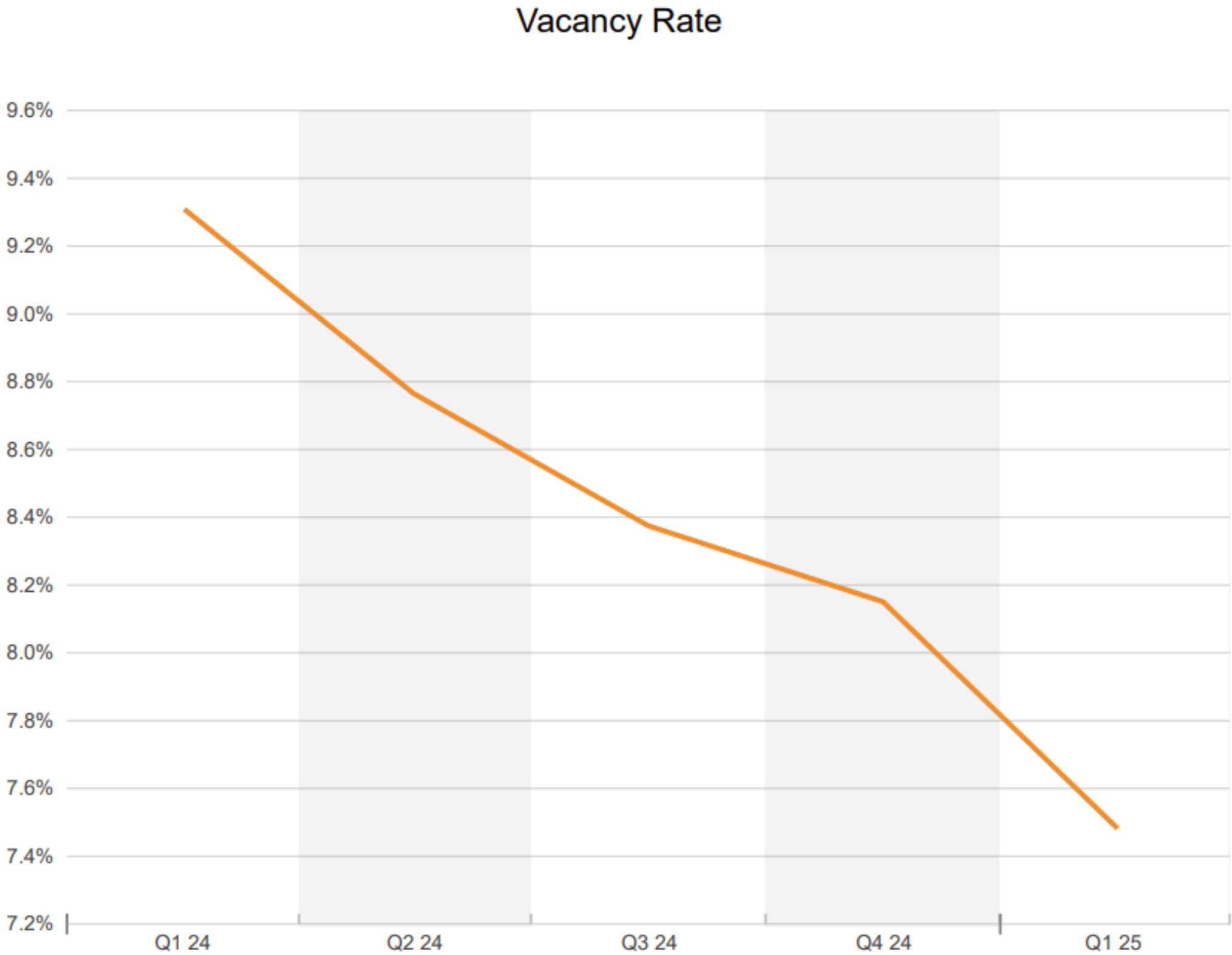
- 24 emails to 10,000+ addresses
- 54% open rate (*2x industry avg.*)
- 16% click-through rate (*6x industry avg.*)



Engage property managers to address vacancy concerns

Office vacancies have dropped from 9.3% in Q1 of 2024 to 7.8% at the end of Q4 of 2024

Market rent per square foot in Q1 was \$27.61 (asking rent \$24.02) and ending in Q4 with \$28.03 (asking rent \$26.14)



Engage industrial property managers over vacancy concerns

Delivering over 2.1M Sq. Ft. in 2024, the Denton submarket is the fastest-growing submarket in DFW, with overall inventory increasing by 10% in 2024.

Despite this growth, vacancy rates have steadily declined, as the second half of the year (2024) saw absorption outpace construction deliveries.

- Availability is trending down
- Rental Rates are flat
- Development is trending down

**INDUSTRIAL UPDATE
AS OF JANUARY 2025**

INVENTORY
24,057,064 SF

AVAILABLE SF
4,098,181 SF

YEARLY AVERAGE
AVAILABLE
17%



FOCUS AREA #2

**BUSINESS
RECRUITMENT &
ATTRACTION – SITE
VISITS, TOURS, AND
MEET WITH BUSINESS
LEADERS**

Business Retention and Expansion

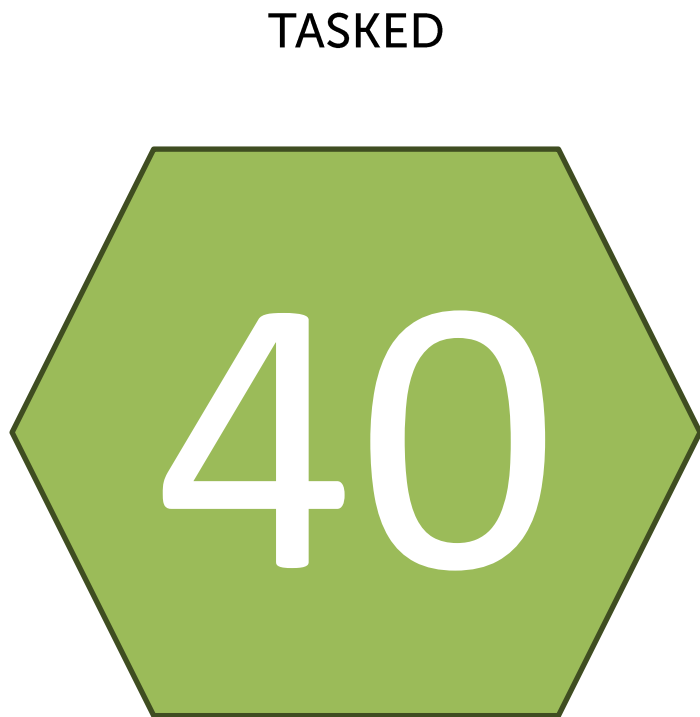
(BRE) is an economic development strategy of proactively connecting with existing businesses to understand and respond to their needs.

The **EDP** actively engages already established businesses within the community to identify their needs and provide support to help them grow and remain in the area, aiming to retain existing businesses and encourage their expansion.

80% of a region's growth comes from expansion of existing businesses - *IEDC*

Engage existing businesses
representing **Competitive, Connected,
Creative, and Sustainable** sectors

- Preserves and increases local jobs
- Preserves and increases local tax revenue
- Maintains or diversifies the local economy
- Maintains or diversifies access to goods and services



BRE VISITS

Exceeded goal by 27%



Businesses
Indicated
Expansion



Expressed concern
over employee
Transportation



Expressed
concern over
workforce
development

Effective Strategies:

Collaboration and connections with LaGrone Academy, NCTC, UNT, and TWU.

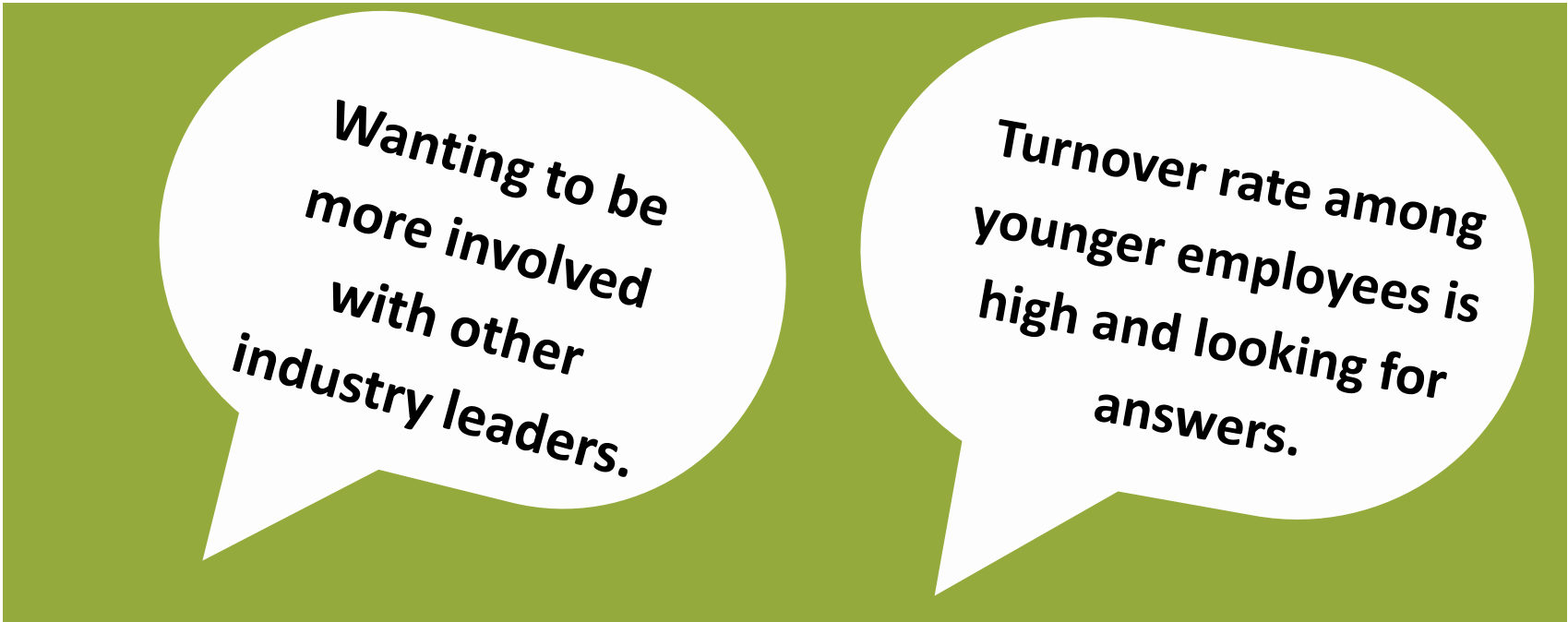
- 43 connections made

Utilizing job fairs by Workforce Solutions and university partners.

- Shared info of all upcoming job fairs to industry leaders.

Sharing importance of employee satisfaction and providing ideas.

- Introduction to UNT Athletics ticketing staff, setting up employee experiences at home football and basketball games.



Facilitated Requested Connections





FOCUS AREA #3

BUSINESS-TO-BUSINESS NETWORKING

Promoting industry specific networking events to business community

Connected new businesses with critical resources.

- Hosted Business-to-Business happy hours.
- Hosted luncheons among businesses looking to connect or expand in Denton.
- Hosted leaders at workforce conferences.

DEVELOPMENT OF INDUSTRY-SPECIFIC CONTACT DATABASE SHARED WITH PARTNERS

Partnered with City to feature in Certificate of Occupancy emails, enhancing accessibility for new businesses.



Denton Economic Development Partnership

November 15, 2024 · 🌐

Welcome to Denton, [STULZ Air Technology Systems, Inc.](#)! We are happy that you have made our wonderful city your next big expansion.

[#DentonMeansBusiness](#)





Coming in 2025! STULZ USA Manufacturing Expands to Texas





INVESTOR INSIGHTS

NEW BUSINESSES, INSIDER INFO AND EVENTS

EDP INVESTOR SPOTLIGHT OF THE MONTH



NEW BUSINESS LIST FOR AUGUST 2024

NEW BUSINESS LIST

AUGUST 2024



CLICK HERE TO VIEW!

The EDP helps Denton businesses thrive amidst challenges, fueling continued growth

Challenge	EDP Efforts	Result
 New businesses want to engage in the community	EDP connects new businesses to career networks, government resources, and industry	Companies source services locally and invest in City initiatives
 Competition for top talent is high	EDP has developed talent pipelines from local universities and assists hiring efforts	Talent stays in Denton
 Small businesses need targeted resources and assistance	EDP provides funding to Denton’s Small Business Development Center	Small businesses have access to free advice and expertise





FOCUS AREA #4

**BUSINESS TRAINING /
EDUCATION, PRIVATE
INVESTOR RELATIONS,
AND SBDC**

SMALL BUSINESS DEVELOPMENT CENTER FUNDING

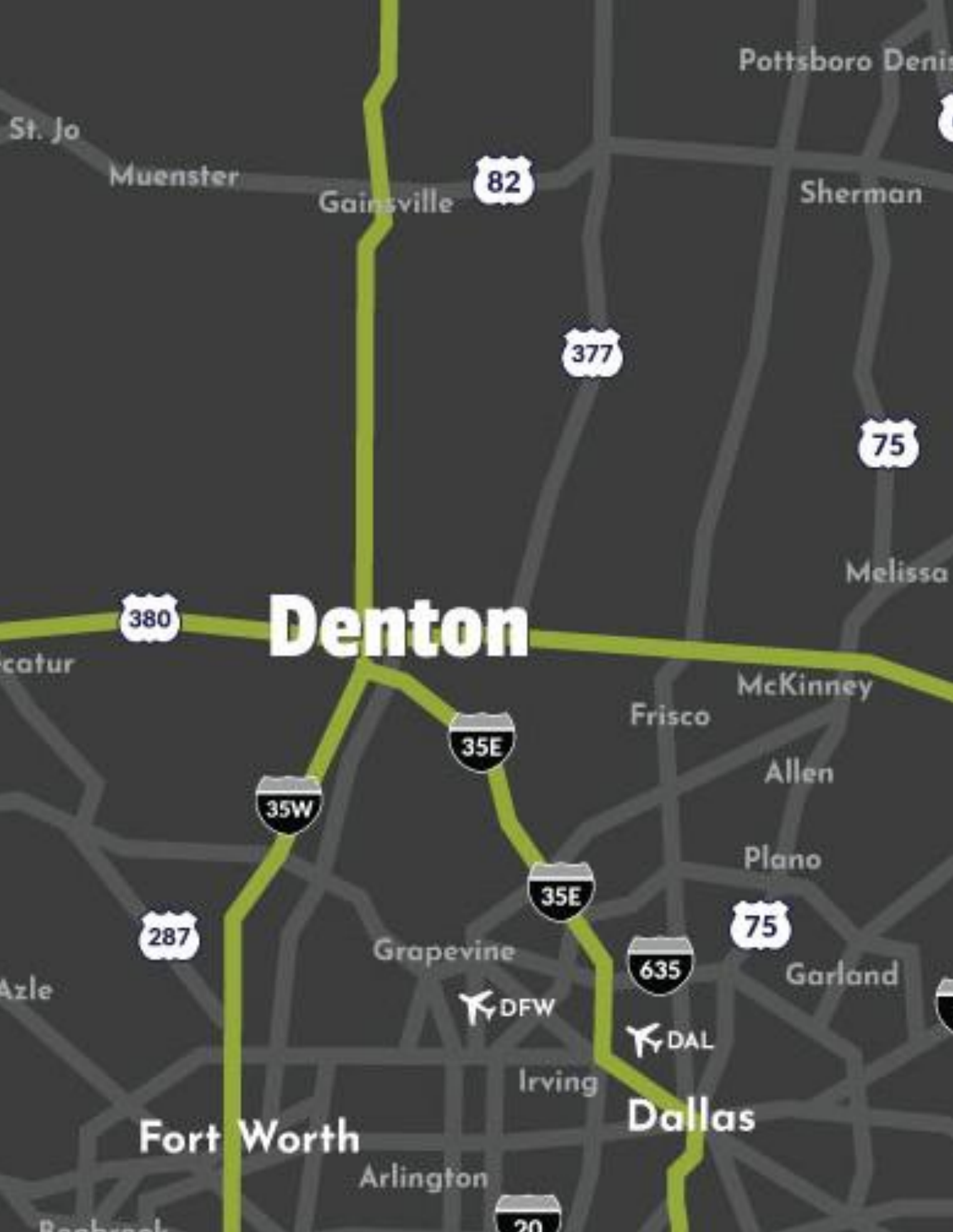
- NEW BUSINESS STARTS: 67
- JOBS SUPPORTED: 254
- UNIQUE CLIENTS SERVED: 642
- UNDERSERVED COMMUNITIES / CLIENTS SERVED: 546
- CAPITAL INFUSION: \$10,945,086



RELATIONSHIP BUILDING WITH UNT, TWU, NCTC CAREER CENTERS AND LAGRONE ACADEMY

- Monthly meetings and collaborations with Career Centers, campus visits, and business tours.





OUR INVESTORS

The Chamber of Commerce is contractually obligated to raise \$125,000 from the community.

Funds do not come from general Chamber memberships. Support is raised specifically for economic development efforts.

125 businesses invest in the Partnership.

Companies in all the City's Strategic Growth Areas are represented.



DENTON ECONOMIC DEVELOPMENT PARTNERSHIP **ANNUAL REPORT**

The mission of the Denton Economic Development Partnership is to expand the City's tax base and support the creation of jobs through targeted marketing, strategic partnerships and stakeholder education.



Chamber of Commerce Agreement

April 9, 2025

Christine Taylor, Assistant City Manager

Erin Carter, Denton Chamber of Commerce President

Agenda

- Background
- Annual Report (separate attachment)
- Updated Work Plan
- Next Steps
- Discussion & Questions



Background

The City Council and the Denton Chamber of Commerce entered into an economic development partnership agreement in 1986.

Through an economic development program agreement, the City provided funds for the administration and operation budget of the Chamber of Commerce's Office of Economic Development, which includes:

- Prospect generation activities;
- Marketing activities, i.e. trade shows, publishing/printing, website(s) administration, marketing materials; and
- Small Business Development Center support.

Over the past few years, the agreement between the City and the Chamber included specific goals, deliverables, and metrics for the Chamber's Office of Economic Development, along with enhanced clauses regarding financial reporting, insurance requirements, and indemnity.

Prior Action/ Review

In FY 2019-20, the City and Chamber approved a new format to the agreement, that allowed for the incorporation of a work plan and more details related to the ongoing division of responsibilities and reporting requirements.

The existing agreement is one year and was extended one year for FY 2023-24.

During the FY 23-24 City of Denton Budget process, the Denton Chamber of Commerce requested a \$50,000 supplemental funding increase for marketing and staff salaries.

In late FY 22-23, the City of Denton Economic Development Director, and the Denton Chamber of Commerce Director of Strategic Partnership positions both became vacant. These vacancies allowed the opportunity to evaluate and realign the economic development program duties.

Key changes included shifting business recruitment and marketing to the City and business retention and expansion to the Chamber. To accommodate this change, an amendment request was made to add \$25,000 to the Chamber's contract for staff salaries. The remaining \$25,000 was allocated in the City's budget for marketing efforts.

January 10, 2024 – The Denton Chamber of Commerce agreement was presented to the Economic Development Partnership Board. This agreement included a supplemental funding increase for staff salaries. The Economic Development Partnership Board recommended City Council approve the Agreement (9 – 0).

February 6, 2024 – The Denton Chamber of Commerce agreement was presented to the City Council. This agreement included a supplemental funding increase for staff salaries. The Council voted to approve the agreement (7- 0). Ordinance No. 24-078

- Next Steps- May 6 Council Consideration

Questions?



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Legislation Text

File #: EDP25-007, **Version:** 1

AGENDA CAPTION

Receive a report, hold a discussion, and give staff direction to reallocate expiring economic development incentives to the Catalyst Fund contingent on annual budget evaluations and general fund status for a maximum of \$9 million.



AGENDA INFORMATION SHEET

DEPARTMENT: Economic Development

ACM: Christine Taylor, Assistant City Manager

DATE: April 9, 2025

SUBJECT

Receive a report, hold a discussion, and give staff direction to reallocate expiring economic development incentives to the Catalyst Fund contingent on annual budget evaluations and general fund status for a maximum of \$9 million.

BACKGROUND

On December 13, 2024, an Informal Staff Report (2025-014) was prepared for City Council in response to a two-minute pitch by Council Member Jill Jester regarding the utilization of expiring incentives as a funding mechanism for the Catalyst Fund.

The City Council created the Economic Development Investment Fund in 2016 to increase the City's competitiveness in the recruitment and retention of large or targeted companies. A total of \$150,000 of mixed beverage tax revenue served as the dedicated funding source.

In 2019, the City engaged economic development consulting firm TIP Strategies to lead Denton's comprehensive economic development strategic planning process. Staff and the TIP team worked together for more than a year to engage community stakeholders and develop a strategic plan for economic development that outlines a specific vision for Denton, as well as the strategies and tactics to bring the vision to fruition. The final plan was adopted by City Council on February 9, 2021.

A proposed strategy outlined in the plan was the creation of a Catalyst Fund, made up of contributions of various funding sources, that would provide support for economic development programs, incentives, and initiatives. The recommended strategy was based on the premise of ensuring Denton was well positioned to execute the recommendations and priorities laid out in the strategic plan and ensuring that Denton could remain competitive with communities with dedicated economic development funding (e.g. those communities that have adopted the dedicated economic development sales taxes). Denton is not eligible to levy the economic development sales tax since it has already hit the local sales tax cap in 2004. Instead of a Type A or Type B funding mechanism, in 2004, the City of Denton chose to dedicate the City's 0.5 cent local sales and use tax to support the Denton Transportation Authority (DCTA) along with the Cities of Highland Village and Lewisville.

The Catalyst Fund was created on September 27, 2022 with the renaming and assigning of the Economic Development Investment Fund via adoption of Ordinance 22-1803. One of the goals of creating a catalyst fund is to ensure Denton is positioned to execute the priorities laid out in the strategic plan. Several funding mechanisms for the Catalyst Fund were reviewed during the work session on July 26, 2022. Following discussion, the Council gave direction to establish the Catalyst Fund. The ordinance establishing the Catalyst Fund allowed Council to commit a portion of fees, taxes, and other funds. The fund was authorized

and approved in the FY2022/23 Budget for \$7.3 million, with the actual fund balance ending at \$4.3 million. Summaries of the approved flow of funds into the Catalyst Fund since its creation can be seen below. As a Special Revenue Fund, the Catalyst Fund is included in the City’s annual budget but is separate from the Economic Development department budget (which is funded through the General Fund).

Catalyst Fund FY 2022-23 Budget & Actuals:		<u>Budget</u>	<u>Actual</u>
Beginning Fund Balance		\$1,023,834	\$1,023,834
<u>Resources</u>	<u>Definitions:</u>		
Mixed Beverage Tax		\$150,000	\$150,000
Investment Income	Interest on funds	-	118,822
Transfers In	Water and Wastewater Planned line Funds, Utility Line Funds and Franchise Fee Returns	7,000,000	3,000,000
Use of Reserve		143,325	-
Total Resources		\$7,293,325	\$3,268,822
<u>Expenditures</u>			
Capital Outlay		\$7,000,000	\$-
Operations		293,325	-
Total Expenses		\$7,293,325	\$-
Ending Fund Balance		\$1,023,834	\$4,292,656

DISCUSSION:

A funding mechanism that has been considered is dedicating dollars from incentives as they terminate. A 10-year analysis of expiring incentives is detailed in Exhibit 1. If this method of funding is used, eligible expiring Chapter 380 incentives (including mixed beverage, sales tax, construction sales and use tax, and property tax) would generate \$6.9 million for the fund over a 10-year period. In addition, if eligible expiring tax abatements were included, the total would be \$8.9 million. Ineligible expiring Chapter 380 Job-based expansion and relocation incentives, which are funded through the Catalyst fund, amounted to \$778 thousand.

PRIOR ACTION REVIEW:

On December 13, 2024, an Informal Staff Report (2025-014) was prepared for City Council in response to a two-minute pitch by Council Member Jill Jester on utilizing expiring incentives as a funding mechanism for the Catalyst Fund.

EXHIBITS

Exhibit 1 – Agenda Information Sheet

Exhibit 2 – Expiring Incentive Summary

Exhibit 3 – Presentation

Respectfully submitted:
 Brittany Sotelo
 Economic Development Director

Prepared By:
 Erica Sullivan

Expiring Incentive Summary

Eligible Expiring Incentives Summary	1	2	3	4	5	6	7	8	9	10	
Incentive	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2033-32	FY 2032-33	FY 2033-34	Eligible Expiring Total
Chapter 380 Ad Valorem	\$38,174	\$55,991	\$253,506	\$336,596	\$352,630	\$369,466	\$371,235	\$389,797	\$409,287	\$429,751	\$3,006,433
Chapter 380 Mixed Beverage and Sales Tax	\$0	\$28,542	\$94,392	\$99,111	\$104,067	\$109,270	\$114,734	\$120,471	\$126,494	\$3,102,006	\$3,899,087
Total Ad Valorem, Mixed Beverage and Sales Tax Rebate	\$38,174	\$84,533	\$347,897	\$435,707	\$456,697	\$478,737	\$485,969	\$510,267	\$535,781	\$3,531,757	\$6,905,520

Incentive	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2033-32	FY 2032-33	FY 2033-34	Eligible Expiring Total
Tax Year		25	26	27	28	29	30	31	32	33	
Tax Abatement Ad Valorem	\$0	\$135,551	\$142,329	\$208,651	\$219,084	\$230,038	\$241,540	\$253,617	\$266,298	\$279,613	\$1,976,721
Total Tax Abatement Ad Valorem	\$0	\$135,551	\$142,329	\$208,651	\$219,084	\$230,038	\$241,540	\$253,617	\$266,298	\$279,613	\$1,976,721

Incentive	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	Eligible Expiring Total
Expiring Total	\$38,174	\$220,085	\$490,226	\$644,359	\$675,781	\$708,775	\$727,509	\$763,884	\$802,079	\$3,811,370	\$8,882,241
Cumulative Total	\$38,174	\$258,259	\$748,485	\$1,392,843	\$2,068,625	\$2,777,399	\$3,504,908	\$4,268,793	\$5,070,871	\$8,882,241	\$8,882,241

Ineligible Incentives Summary

Incentive	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	Ineligible Expiring Total
Chapter 380 Job-based Expansion/Headquarters/Relocation	\$0	\$0	\$0	\$136,275	\$117,525	\$105,025	\$105,025	\$105,025	\$105,025	\$105,025	\$778,925
Ineligible Total Chapter 380 Job-Based Expansion/Relocation	\$0	\$0	\$0	\$136,275	\$117,525	\$105,025	\$105,025	\$105,025	\$105,025	\$105,025	\$778,925

Ineligible Incentives Summary includes the Chapter 380 Job-based Expansion/Relocation?Headquarter Grants, which are funded through the Catalyst Fund

New not budgeted incentives included in their respective categories: Bloomfield (sales tax), Enginetech (ad valorem and Expansion/HQ/Relocation), and Southwire (ad valorem)

Expiring Incentives Catalyst Fund



**EDP Board Meeting
April 9, 2025**

Background

On Nov. 19, 2024, Council Member Jill Jester presented a two-minute pitch to City Council directing staff to evaluate the feasibility of using expiring incentives as a funding mechanism for the Catalyst Fund.

Timeline:

- December 12, 2024: ISR provided to Council; next step: Agenda Committee.
- January 2, 2025: Agenda Committee meeting canceled.
- February 6, 2025: Agenda Committee consensus to proceed to EDPB and Council Work Sessions.
- March 12, 2025: EDPB meeting canceled

Work Sessions:

- April 9, 2025: EDPB Work Session
- May 6, 2025: Council Work Session

Catalyst Fund: Current Key Funding Sources



- Mixed beverage tax - \$150,000 (annually)
- Investment income
- Utility water and wastewater planned line funds (one-time)
- Franchise fee/Return on Investment revenue \$1,000,000 (annually)
- Fund Balance as of September 2024 – approximately \$5.3 Million
- Annual Budgeted Revenue approx. \$1,150,000

Expiring Incentives:

The pitch proposes a funding mechanism to consider re-dedicating dollars from sales tax incentives as they terminate to the Catalyst Fund.



Chapter 380 Eligible Summary Forecast

Incentive	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 203-32	FY 2032-33	FY 2033-34	Eligible Expiring Total
Chapter 380 Ad Valorem	\$38,174	\$55,991	\$253,506	\$336,596	\$352,630	\$369,466	\$371,235	\$389,797	\$409,287	\$429,751	\$3,006,433
Chapter 380 Mixed Beverage and Sales Tax	\$0	\$28,542	\$94,392	\$99,111	\$104,067	\$109,270	\$114,734	\$120,471	\$126,494	\$3,102,006	\$3,899,087
Total Ad Valorem, Mixed Beverage and Sales Tax Rebate	\$38,174	\$84,533	\$347,897	\$435,707	\$456,697	\$478,737	\$485,969	\$510,267	\$535,781	\$3,531,757	\$6,905,520

Tax Abatement Eligible Summary Forecast

Incentive	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 203-32	FY 2032-33	FY 2033-34	Eligible Expiring Total
Tax Abatement Ad Valorem	\$0	\$135,551	\$142,329	\$208,651	\$219,084	\$230,038	\$241,540	\$253,617	\$266,298	\$279,613	\$1,976,721
Total Tax Abatement Ad Valorem	\$0	\$135,551	\$142,329	\$208,651	\$219,084	\$230,038	\$241,540	\$253,617	\$266,298	\$279,613	\$1,976,721

A 5% growth rate is applied

Expiring Incentive: Total Eligible Incentive Analysis

Total Eligible Chapter Forecast

Incentive	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	Eligible Expiring Total
Year	1	2	3	4	5	6	7	8	9	10	
Expiring Total	\$38,174	\$220,085	\$490,226	\$644,359	\$675,781	\$708,775	\$727,509	\$763,884	\$802,079	\$3,811,370	\$8,882,241
Cumulative Total	\$38,174	\$258,259	\$748,485	\$1,392,843	\$2,068,625	\$2,777,399	\$3,504,908	\$4,268,793	\$5,070,871	\$8,882,241	\$8,882,241

10-year Potential Revenue:

- Chapter 380 incentives: \$6.9 million
- Tax abatements: Additional \$2.0 million
- Total Potential: **\$8.9 million**

Strategic Plan Goal to Reach \$7 and \$9 million

- Year 6: Fund Balance \$4.3 M and \$2.8 M= \$7.1 M
- Year 8: Fund Balance \$4.3 M and \$4.3 M= \$8.6 M
- Year 9: Fund Balance \$4.3 M and \$5.1 M= \$9.4 M

Excludes annual revenue

Note: mixed beverage would decrease the year to reach goal by roughly one year

Recommendations and Next Step(s)

Recommendations

Recommend reallocating expiring economic development incentives to the Catalyst Fund contingent on annual budget evaluations and general fund status for a maximum of \$9 million.

Alternative:

Recommend allowing expiring incentives to transfer back to the general fund.

Next Step

- City Council Work Session on May 6, 2025

Questions





City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Legislation Text

File #: EDP25-008, **Version:** 1

AGENDA CAPTION

Staff Reports:

1. Director's Report - Brittany Sotelo
2. Main Street Program Update - Kristen Pulido
3. Economic Development Partnership Report - Jamie Adams
4. Future Agenda Items - Brittany Sotelo



AGENDA INFORMATION SHEET

DEPARTMENT: Economic Development

ACM: Christine Taylor, Assistant City Manager

DATE: April 9, 2025

SUBJECT

Staff Reports:

1. Director's Report – Brittany Sotelo
2. Main Street Program Update – Kristen Pulido
3. Economic Development Partnership Report – Jamie Adams
4. Future Agenda Items – Brittany Sotelo

BACKGROUND

Director's Report:

Receive a report and hold a discussion regarding recent Office of Economic Development activities.

Main Street Program Update:

Receive a report, hold a discussion regarding a recap of Denton Main Streets Quarter two activities.

Economic Development Partnership Report:

Receive a report and hold a discussion regarding a recap of recent and upcoming happenings within the Economic Development Partnership (EDP). Overview of key focus areas, EDP investor highlights, and meetings with key stakeholders in Denton.

Future Agenda Items:

Receive a report and hold a discussion regarding an overview of current items in the Agenda Queue and discussion of possible future agenda items.

EXHIBITS

Exhibit 1 – Agenda Information Sheet

Exhibit 2 – Director's Report Presentation

Exhibit 3 – Main Street Program Update Presentation

Exhibit 4 – Economic Development Partnership Report Presentation

Exhibit 5 – Future Agenda Items

Respectfully Submitted:
Matilda Weeden
Economic Development Specialist

APRIL 9, 2025

DIRECTOR'S REPORT – FEB. & MAR.

OFFICE OF ECONOMIC DEVELOPMENT

Brittany Sotelo
Economic Development Director

DENTON IN THE NEWS



STULZ USA

7,558 followers

3w • Edited •

We are excited and proud to have been recognized today by the [Office of Texas Governor Greg Abbott](#) at the Governor's mansion in Austin, Texas at the Governor's Cup ceremony.

STULZ USA was a contributor to Texas' incredible achievement of winning the 2024 Governor's Cup for total qualified capital investment projects for the 13th consecutive year by [Site Selection Magazine](#).

Our President [Brian Hatmaker](#) was proud to be joined by Denton, Texas Mayor [Gerard D Hudspeth](#) and [City of Denton](#) Office of Economic Development Director [Brittany S.](#)

Thank you to the [Denton Economic Development Partnership](#), [Denton Chamber of Commerce \(TX\)](#), [Site Selection Group, LLC](#), and everyone who has helped us get our expansion underway!

STULZ USA is proud to be investing in USA Manufacturing and expanding operations and capacity in 2025.

[#madeintexas](#) [#madeindenton](#) [#MadeinUSA](#) [#USAjobs](#) [#Datacenter](#)



DENTON IN THE NEWS



Another H-E-B location is coming to North Texas, construction is set to start soon



OED Facebook Stats:

Views	Reach	Interactions
229,483	88,501	737

EVENTS AND TRADESHOWS

MEET YOUR PANELISTS



APRIL STOKES
CERTIFIED PUBLIC
ACCOUNTANT
MERKI & ASSOCIATES



WILLIAM SCAZZERO
SENIOR COUNSEL
HAYES, BERRY, WHITE &
VANZANT LLP



RODNEY NIEMUTH
COMMERCIAL LENDER
FROST BANK DENTON

- VERTICON – Dallas
- LogX Conference – Frisco

- Lunch Break with an Expert Workshop
- UNT Strategic Planning Focus Group

PARTNER VISITS/COLLABORATION

- Denton Airport UAS Feasibility Study Kick-off
- Library Small Business Connections Event
- Leadership Denton Arts & Culture Day Presentation
- DFW Women in Economic Dev. Meet-up
- EDP AI Investor Forum



TRAINING

- TEDC Basic Economic Development Course – Waco
- Housing Updates from Washington – 2025 Series
- TRZ Handbook Webinar: Southeast Region
- SGR Artificial Intelligence for Econ. Development

FEB. & MARCH RECRUITMENT STATS

29

ACTIVE PROJECTS

14 – Downtown

Active Projects Stage	Count
Permitting Process	3
Initial Discussion Phase	8
5% (Lead)	4
10% (Qualification)	6
30% (Site Selected)	4
50% (Incentive Negotiation)	4
	29

4

INCENTIVE APPLICATIONS

2 - Expansions
2 - Recruitment

4

RECRUITMENT VISITS

4 - Manufacturers

FEB. & MAR. RFI STATS

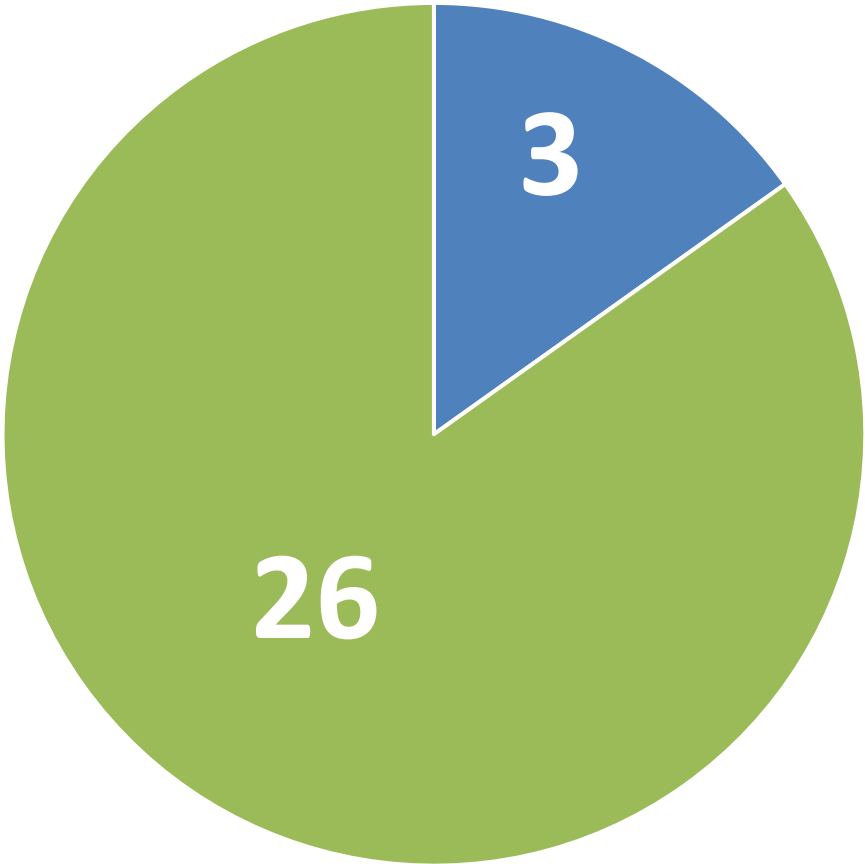
RFI's
RECEIVED
29

NO SUBMITTAL
12

SUBMITTED
13

LEAD
CONVERSION
2

RFI LEAD SOURCE



■ Dallas Regional Chamber ■ Governor's Office

Avg. Capital
Investment

\$272 M

Avg. Jobs

313

21
ANNUAL RFI'S
SUBMITTED

RECRUITMENT STRATEGY – DOWNTOWN

1. Key Targets:

1. Retail & Entertainment
2. Diversified Housing
3. Catalyst Projects
4. Growing existing businesses

**Vacancy
Rate**

5.7%

MUSIC & FILM

- Film Permits issued YTD: 3
- Music Venue Site Tours:
 - Rubber Gloves Rehearsal Studios
 - Dan's Silverleaf



Local Denton singer kept her 'American Idol' audition secret — now, she's singing for a shot at stardom

With an inspiration story and God in her heart, Breanna Nix appears as a contestant on this season's 'American Idol' premiere

By Christian McPhate Staff Writer Mar 7, 2025 Updated Mar 10, 2025



Breanna Nix of Denton appears before celebrity judges Lionel Richie, Luke Bryan and Carrie Underwood — one of her musical inspirations — on *American Idol*. The Season 23 premiere airs Sunday on ABC.
Eric McCandless/Disney

UPCOMING EVENTS

Denton Job Fair

- April 9, 10pm–2pm at the Denton Civic Center

Downtown Masterclass

- April 15, 9–10a.m. at the Dev. Services Building

Downtown Property Owner Meeting

- Public Improvement District – Exploration of Funding Opportunities
- Tuesday, April 29, 4 p.m. at the Denton Service Center



THANK YOU



Main Street Quarterly Report

Kristen Pulido
Office of Economic Development
Main Street Program Manager

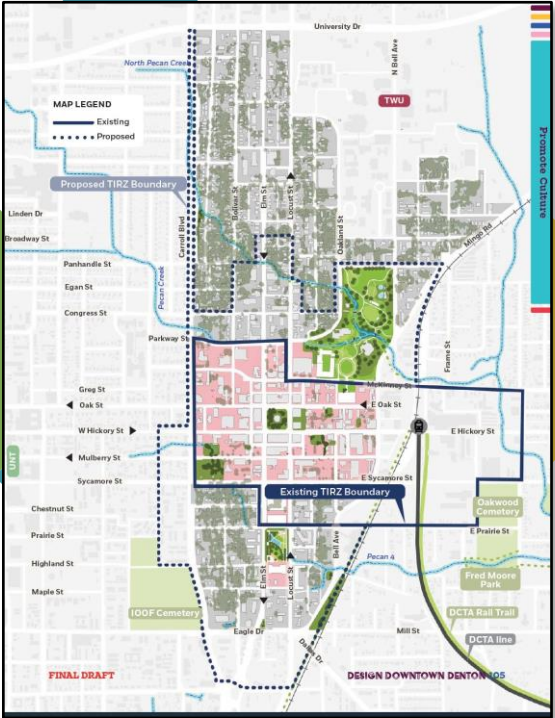
Main Street 4-point Approach

Preservation based Economic Development



Downtown Reinvestment Grant

- Tax Increment Reinvestment Zone Number One Expansion
 - Approved December 17, 2025



FY 24-25 Tax Increment Reinvestment Zone Number One (Downtown) Grants									
Owner/Business	Address	Type	Amount	Approved By			Construction	Reimbursement	Completed
				DEDC	TIRZ	Council			
Little D Property Group/ Office Space & Retail	104-106 W Oak	Fire Suppression	50,000	X	X	X	X	X	X
Little D Property Group/Office Space & Retail	104-106 W. Oak	Facade/Building Rehab	50,000	X	X	X	X	X	X
Green Eggs and Ham LLC/Restaurant	116 W. Oak	Fire Suppression	50,000	X	X	X	X		
Green Eggs and Ham LLC/Restaurant	116 W. Oak	Facade/Building Rehab	50,000	X	X	X	X	X	X
Eagle Surveying LLC/ Office Space	212 W. Sycamore	Facade/Building Rehab	50,000	X	X	X	X	X	X
The Plot Twist/Retail	227 W. Oak	Sign/Interior Improvements	35,000	X	3.25.2025		X		
380 Incentive Grant									
Axis Realty/Fine Arts Theater	113 N. Elm	380 Incentive Grant	1,076,366	X	X	X			
Axis Realty/Fine Arts Theater	113 N. Elm	380 Incentive Grant	544,503	X	X	X			
Total			\$ 1,905,869						

Downtown Opening & Closings

Business Name	Business Start	Business Closure	Jobs (gained)	Jobs (lost)
January-March				
The Plot Twist	X		7	
The Filling Station - Relocation		X		6
Desi Adda *Replaced by Bindaas		X		8
Bindaas	X		8	
Barley and Board		X		80
Andy's Venue and Basement		X		5
Eagel Cawfee (inside Studio LaSalle)	X		2	
Hemlock Fox	X		5	
TOTAL	4	4	22	99

Business Retention and Expansion

11

Business Retention Visits

3

Business Expansion Visits

9

Developer/New Business Visits



Parking

Walkability/Connectivity

Unhoused population

Marketing

Wayfinding



Business Feedback

- Design Downtown Plan – 4G

-
- MAP LEGEND**
- Proposed PID Boundary
- Streets:** University Dr, N Bell Ave, N Elm St, Locust St, Oakland St, McKinney St, E Oak St, E Hickory St, E Sycamore St, E Prairie St, Mill St, DCTA line, DCTA Rail Trail, Fred Moore Park, Oakwood Cemetery, IOOF Cemetery, Sycamore St, Mulberry St, W Hickory St, Oak St, Greg St, Congress St, Egan St, Panhandle St, Parkway St, Chestnut St, Prairie St, Highland St, Maple St, Eagle Dr, Dallas.
- Landmarks:** North Pecan Creek, Pecan Creek, TWU, IOOF Cemetery, Oakwood Cemetery, Fred Moore Park, DCTA Rail Trail, DCTA line.
- Other:** Promote Culture

Upcoming meetings/trainings



**DOWNTOWN MASTER CLASS:
HISTORIC PRESERVATION AND
REINVESTMENT GRANT**

April 15, 2025
9-10AM
Development Services Center
401 N. Elm St. | Denton



**CITY OF
DENTON**

**DOWNTOWN
SAFETY MEETING**

Thursday, April 17, 2025
9 a.m to 10 a.m.

Denton Civic Center (321 E. McKinney St.)



Thank you

APRIL 2025 EDPB REPORT

REPORT ON BUSINESS RETENTION & EXPANSION

JAMIE ADAMS

Director of Strategic Partnerships
Denton Economic Development
Partnerships



DENTON, TEXAS

PARTNERSHIP

The EDP has been actively engaging with already established businesses within a community to identify their needs and provide support to help them grow and remain in the area, essentially aiming to retain existing businesses and encourage their expansion.

Interviews and tours are conducted with businesses to collect information and provide the best resources for their overall success.



1

Focus on
existing
businesses

2

Proactive
engagement

3

Addressing
business needs

4

Economic
benefits



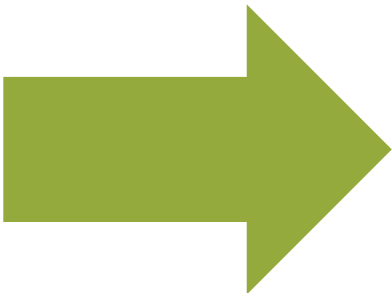
2025 BUSINESS RETENTION AND EXPANSION UPDATE

GOAL - CONDUCT 5 BR&E VISITS EACH MONTH



TASKED	Q1	Q2	Q3	Q4	2025 YEAR TOTAL
50	15				15

KEY INDUSTRIAL VISITS DURING Q1



- FABRICATION TECHNOLOGY
- DEALER FOR PREMIUM TRUCKS
- PARTS MANUFACTURER
- ELECTRICAL PRODUCT MANUFACTURER

OTHER INDUSTRY VISITS

- RESTAURANTS
- ENTERTAINMENT VENUES
- INDUSTRIAL DEVELOPERS
- CONTRACTORS
- SMALL BUSINESS OWNERS

PARTS MANUFACTURER

- Located in Denton 40 years.
- Currently at 350 employees which is up from 200 during COVID.
- Recently they were considering a move but now are staying and expanding.
- Great job in educational partnerships.

EXPANSION

- 45,000 Sq. Ft. Expansion.
- \$14.5M Investment.
- Adding 200 employees to have a total close to 550.

CHALLENGES

- Road Condition.
- Lack of road signage.
- Lack of Bus Transportation.

FOLLOW UP

- Sent information on incentive application.
- Shared Mobility Report.
- Help make connections.

FABRICATION TECHNOLOGY

- Facility was built in 1965.
- 400,000 sq. ft facility.
- 350 + Employees.

RENOVATION IN 2024

- In process to make 100% Electricity from renewable energy source.
- New customer service center.
- Modern operations; new training center and demo areas.

CHALLENGES

- Road Work currently being done and future road projects.
- Add solar panels.
- Preparation for potential layoffs.

FOLLOW UP

- Connected them with North Texas Workforce solutions and Shared Work Program.
- Shared information about city renewable energy plans.
- Shared mobility plan.

PARTS MANUFACTURER

- 3 Year old company.
- Build custom switchboard and industrial control panels for AI.
- 5 employees in 2022 to now 50 employees in 2025.

EXPANSION

- Needs for space and is looking for a place to build a headquarters / campus.
- As demand goes up, power needs will also be needed.

CHALLENGES

- Need more storage space.
- Looking for additional power and preferred rates.
- Business model is evolving and adapting to changes

FOLLOW UP

- Connected them with EDP partners to help find more space.
- Connected them with DME.
- Connected them with City Economic Development.

DEALER FOR PREMIUM TRUCKS

- Dealer for premium, best in class trucks and service
- Currently on 5 acres and 5 Bay facility
- 20 Employees

EXPANSION

- 10 Acres
- 50,000 sq. ft facility with a showroom, offices, and 24 Bays.
- 50 employees

CHALLENGES

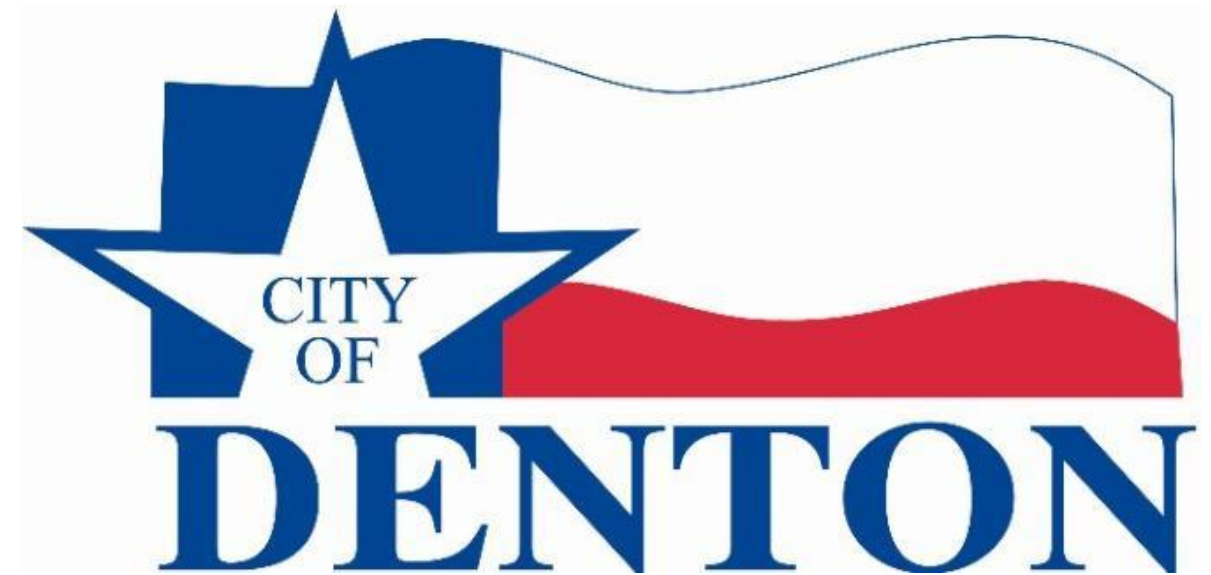
- Permitting process started in September 2023 and currently not finished, which has pushed completion date to early of 2026.
- Concerned about future expansion of roads going in and out of facility.

FOLLOW UP

- Connected them with planners to help navigate their questions and get them on right track to completion.
- Shared Mobility plan.



DENTON, TEXAS



Economic Development Partnership Board

Wednesday, May 14 , 2025		
Item for Consideration	Minutes	Chair
Work Session	Potential Project	Brittany/Clay
Work Session	RFI Overview	Christina/Brittany
Work Session - Staff Report	Director's Report	Brittany Sotelo
Work Session - Staff Report	Water Infrastructure	Stephen Gay
Work Session - Staff Report	Stoke Update	Heather Gregory
Work Session - Staff Report	Future Agenda Items	Staff
		Total Time
Wednesday, June 11, 2025		
Item for Consideration	Minutes	Chair
Work Session - Staff Report	Director's Report	Brittany Sotelo
Work Session - Staff Report	Future Agenda Items	Staff
		Total Time
Wednesday, July 9, 2025		
Item for Consideration	Minutes	Chair
Work Session - Staff Report	Director's Report	Brittany Sotelo
Work Session - Staff Report	Quarterly Main Street Program update	Kristen Pulido
Work Session - Staff Report	Future Agenda Items	Staff
		Total Time
Wednesday, August 13, 2025		
Item for Consideration	Minutes	Chair
Work Session - Staff Report	Director's Report	Brittany Sotelo
Work Session - Staff Report	Future Agenda Items	Staff
		Total Time
Wednesday, September 10, 2025		
Item for Consideration	Minutes	Chair
Work Session - Staff Report	Director's Report	Brittany Sotelo
Work Session - Staff Report	Future Agenda Items	Staff
		Total Time
Wednesday, October 8, 2025		
Item for Consideration	Minutes	Chair
Work Session - Staff Report	Director's Report	Brittany Sotelo

Economic Development Partnership Board

Work Session - Staff Report	Quarterly Main Street Program update	Kristen Pulido
Work Session - Staff Report	Future Agenda Items	Staff
		Total Time
Wednesday, November 12, 2025		
Item for Consideration	Minutes	Chair
Work Session - Staff Report	Director's Report	Brittany Sotelo
Work Session - Staff Report	Future Agenda Items	Staff
		Total Time
Wednesday, December 10, 2025		
Item for Consideration	Minutes	Chair
Work Session - Staff Report	Director's Report	Brittany Sotelo
Work Session - Staff Report	Future Agenda Items	Staff
		Total Time

EDP25-008; April 9, 2025