



# City of Denton

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

## Meeting Agenda

### Downtown Economic Development Committee

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Thursday, December 5, 2024

8:30 AM

Development Service Center

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After determining that a quorum is present, the Downtown Economic Development Committee of the City of Denton, Texas, will convene in a Regular Meeting on Thursday, December 5, 2024, at 8:30 a.m. in the Development Service Center Training Rooms 1 and 2 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. [DEDC24-001](#) Consider approval of the meeting minutes for October 3, 2024.

Attachments: [October 3, 2024 DEDC Minutes](#)

- B. [DEDC24-002](#) Consider approval of the 2025 Meeting Schedule for the Downtown Economic Development Committee.

Attachments: [Exhibit 1 - Agenda Information Sheet](#)

[Exhibit 2 - 2025 Meeting Schedule](#)

#### 3. WORK SESSION

- A. [DEDC24-004](#) Receive a report and hold a discussion regarding amending the Tax Increment Reinvestment Zone Number One Creation Ordinance and the Project and Financing Plan.

Attachments: [Exhibit 1 - Agenda Information Sheet](#)

[Exhibit 2 - Presentation - TIRZ 1 Amendment](#)

[Exhibit 3 - TIRZ 1 Project and Financing Plan](#)

[Exhibit 4 - Existing TIRZ Boundaries](#)

[Exhibit 5 - Downtown Master Plan Proposed TIRZ Boundaries](#)

- B. [DEDC24-005](#) Staff Reports:

1. Downtown Ambassador Program Update - Courtney Douangdara
2. Denton Main Street Report - Kristen Pulido
3. Future Agenda Items - Christine Taylor

- Attachments:
- [Exhibit 1 - Agenda Information Sheet](#)
  - [Exhibit 2- Ambassador Update](#)
  - [Exhibit 3 - Main Street Program Update](#)
  - [Exhibit 4 - Future Agenda Items](#)

#### 4. CONCLUDING ITEMS

A. Under Section 551.042 of the Texas Open Meetings Act, respond to inquiries from the Downtown Economic Development Committee 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 Downtown Economic Development Committee 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 November 26, 2024, 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

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**File #:** DEDC24-001, **Version:** 1

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### **AGENDA CAPTION**

Consider approval of the meeting minutes for October 3, 2024.

**MINUTES  
CITY OF DENTON  
DOWNTOWN ECONOMIC DEVELOPMENT COMMITTEE  
October 3, 2024**

After determining that a quorum was present, the Downtown Economic Development Committee convened on October 3, 2024, at 8:30 a.m., in the Development Service Center, Training Rooms 3, 4, and 5, 401 N. Elm Street, Denton, Texas, 76201.

**PRESENT:** Jeremy Fykes (Chair), Hank Dickenson (Vice-Chair), Peggy Capps, Jill Herbst, Kristen Kendrick-Bigley, Beth Lewis, Brock McKnight, Nick Miller, and Bob Moses

**ABSENT:** Jason Bodor, Rina Maloney, Melissa Lenaburg, and Krissi Oden

**STAFF PRESENT:** Scott Bray, Carly Blondin, Vanessa Esparza, Kristen Pulido, Brittany Sotelo

**1. ITEMS FOR CONSIDERATION**

**A. EDP24-074 Consider approval of the meeting minutes for September 5, 2024.**

Capps made a motion to approve the meeting minutes for September 5, 2024. Moses seconded the motion. Motion carried. (9-0)

AYES (9): Jeremy Fykes (Chair), Hank Dickenson (Vice-Chair), Peggy Capps, Jill Herbst, Kristen Kendrick-Bigley, Beth Lewis, Brock McKnight, Nick Miller, and Bob Moses

NAYS (0): None

**2. WORK SESSION**

**A. EDP24-075 Receive a report, hold a discussion regarding the Downtown Reinvestment Grant Process.**

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

**B. EDP24-078 Receive a report and hold a discussion regarding amending the Tax Increment Reinvestment Zone Number One Creation Ordinance and the Project and Financing Plan.**

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

**C. EDP24-076 A quarterly review of the Denton Main Street program.**

**D. EDP24-077 A Staff Reports:**

- 1. Downtown Parking Lot Update - Kristen Pulido**
- 2. Future Agenda Items - Christine Taylor**

Staff presented each item and discussion followed. Future Agenda Items was presented by Brittany Sotelo. No action was taken.

### **3. CONCLUDING ITEMS**

With no further business, the meeting adjourned at 9:34 a.m.

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**Jeremy Fykes, Chair**  
**Downtown Economic Development Committee**

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**Vanessa Esparza**  
**Administrative Assistant**

Minutes Approved On: \_\_\_\_\_



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## Legislation Text

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**File #:** DEDC24-002, **Version:** 1

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### **AGENDA CAPTION**

Consider approval of the 2025 Meeting Schedule for the Downtown Economic Development Committee.



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## AGENDA INFORMATION SHEET

**DEPARTMENT:** Economic Development

**ACM:** Christine Taylor, Assistant City Manager

**DATE:** December 5, 2024

### **SUBJECT**

Consider approval of the 2025 Meeting Schedule for the Downtown Economic Development Committee.

### **EXHIBITS**

Exhibit 1 – Agenda Information Sheet

Exhibit 2 – 2025 Meeting Schedule

Respectfully submitted:  
Vanessa Esparza  
Administrative Assistant

**Calendar Year 2025**

**Downtown Economic Development Committee Meeting Schedule**

The Committee meets BI-MONTHLY on the First Thursday.

Meeting starts at 8:30 a.m. for 1 hour.

January 2, 2025 – Holiday, no meeting (previously approved)

February 6, 2025 (previously approved)

April 3, 2025

June 5, 2025

August 7, 2025

October 2, 2025

December 4, 2025





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## Legislation Text

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**File #:** DEDC24-004, **Version:** 1

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### **AGENDA CAPTION**

Receive a report and hold a discussion regarding amending the Tax Increment Reinvestment Zone Number One Creation Ordinance and the Project and Financing Plan.



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## AGENDA INFORMATION SHEET

**DEPARTMENT:** Economic Development

**ACM:** Christine Taylor, Assistant City Manager

**DATE:** December 5, 2024

### **SUBJECT**

Receive a report and hold a discussion regarding amending the Tax Increment Reinvestment Zone Number One Creation Ordinance and Project and Financing Plan.

### **BACKGROUND**

The Downtown TIRZ was created in 2010 encompassing approximately 226 acres. The original certified base value of the TIRZ was \$79.4 million in 2010 and \$261,579,433 in 2024; an increase of over \$188 Million.

Per the Project Plan, the TIRZ was formed to focus on the following project areas: parking/transportation, complete streets, support for downtown projects, and utility/drainage improvements. The TIRZ #1 took effect on January 1, 2011, and is set to terminate on January 1, 2039, or when the budget of \$24.8 million has been collected.

In 2019, the City was approached by multiple developers with interest in pursuing projects inside the Downtown TIRZ and consideration of public-private partnerships with the TIRZ as a funding source for project components. City Management directed staff to engage a TIRZ consultant to assist with the financial analysis of the proposed projects and assist the City in completing its due diligence. TXP, Inc. was hired as the consultant to perform the study.

The first phase of the study was to review the existing data and foundational documents and hold discussions with the TIRZ Board and relevant stakeholders. TXP and staff held discussions with the TIRZ Board in November 2019 to gather feedback and help set goals for the study. TXP and staff also held meetings with developers to discuss potential opportunities, market demand for various types of development, and what they saw as potential future development zones.

In second phase of the study and a key to amending the TIRZ project and finance plans, TXP and staff reviewed previous projects and possible future projects. This included working with the City's Capital Projects/Engineering departments to understand full project costs and possible impacts of construction inflation, working with the City's Finance department to understand the financing costs associated with certain projects, and identifying possible return on investment.

In August 2014, Council passed Ordinance No. 2014-221 approving the following amendment to Exhibit D of the Project Plan: Pursuant to the Texas Local Government Code, section 272.001, the City of Denton may utilize City-owned property that is located in a reinvestment zone to facilitate economic projects which the City and TIRZ Board deem appropriate and desirable. The City may acquire, lease, sell or otherwise transfer property to accomplish the public purpose of economic development that is consistent

with the Project Plan. Such projects may include public-private partnerships, transit-oriented developments, or the recruitment of specific industries including, but not limited to, hi-tech or emerging technology companies, local start-up businesses, artisan or “maker” industries, the creative sector, bakeries, microbreweries, micro-distilleries, wineries, grocery stores, or other industries that the TIRZ Board and the City Council deem desirable.

The Downtown Master Plan recommends expanding the current TIRZ boundary. This expansion would allow for additional opportunities for TIRZ revenue to be generated, as well as additional areas in which TIRZ eligible projects could occur. The proposed expanded boundaries include parcels to the north, west, and south of the existing boundaries, focused on parcels that are primarily currently used for commercial purposes or vacant, Public Right-of-Ways and areas zoned as Mixed-Use Neighborhood or Mixed-Use Downtown Core. Expanding the boundaries to include these parcels will give the TIRZ additional opportunities to capture tax increment that could be used to fund TIRZ projects in the future.

If the amended Project and Finance Plan is approved, the new boundaries would have a 2024 base value (TIRZ 1A). Only the future increment would accrue to the TIRZ and any base value revenue will go toward the general fund.

Termination of the Original Boundaries of the Zone shall occur upon any of the following: (a) on December 31, 2040 (with the final year’s tax increment to be collected by September 1, 2041); (b) at an earlier time designated by subsequent ordinance; (c) at such time, subsequent to the issuance of tax increment bonds, if any, that all project costs, tax increment bonds, notes and other obligations of the Zone, and the interest thereon, have been paid in full.

TIRZ 1A Projected Costs include increased economic development grants, administrative costs, parks and recreation facilities and improvements, street and intersection improvements, transit/parking improvement and infrastructure improvements for a total of \$50,233,426.

The City is the only participating taxing entity in the TIRZ.

### **NEXT STEPS**

- December 17, 2024: City Council Meeting
  - Consideration - Ordinance approving the final Amended Project and Financing Plan

### **PRIOR ACTION/REVIEW**

**November 16, 2022** – Staff presented an updated Downtown TIRZ One study and analysis conducted by TXP, Inc. and staff. Staff also requested direction on the project categories and costs in order to update the TIRZ project and financing plans. The Downtown TIRZ Board recommended that the City engage a consultant to assist with updating and amending the TIRZ project and financing plans.

**January 2023** - Staff selected David Pettit Economic Development (DPED) to lead the amendment.

**April 12, 2023** - The Downtown TIRZ No. One Board reviewed and supported expanding the boundaries of the Downtown TIRZ No. One.

**May 16, 2023** – Staff presented to City Council a project plan to expand the TIRZ boundaries to an additional 81 acres. Direction was provided for staff to postpone the amendment until additional Project and Finance Plan questions were addressed.

**September 17, 2024** – City Council approved the Downtown Master Plan.

**September 25, 2024** – The TIRZ board was briefed on expanding the boundaries.

**October 3, 2024** – The Downtown Economic Development Committee was briefed on expanding the TIRZ boundaries.

**November 13, 2024** – The Economic Development Partnership Board was notified of the TIRZ #1 boundary amendment.

**November 19, 2024** – The proposed boundary and term amendment was presented to City Council Work Session.

**December 3, 2024** – An ordinance amending the TIRZ 1 Boundary and Term was presented to City Council for approval.

**December 4, 2024** – The Amended Project and Financing Plan was presented to the TIRZ #1 Board for approval.

**EXHIBITS**

Exhibit 1 – Agenda Information Sheet

Exhibit 2 – Presentation – TIRZ 1 Amendment

Exhibit 3 – TIRZ 1 Project and Financing Plan

Exhibit 4 – Existing TIRZ Boundaries

Exhibit 5 – Downtown Master Plan Proposed TIRZ Boundaries

Respectfully submitted:  
Brittany Sotelo  
Economic Development Director



# Tax Increment Reinvestment Zone Number One (Downtown TIRZ) Project and Financing Plan Amendment

Brittany Sotelo  
Economic Development Director

December 5, 2024

# Downtown TIRZ Background

- ▶ The Downtown TIRZ was created on Dec. 10, 2010.
- ▶ In 2019, the City was approached by multiple developers with interest in pursuing projects inside the Downtown TIRZ. Staff retained TXP, Inc. to evaluate the TIRZ's performance and financials to determine how to best prioritize TIRZ funds for future projects.
- ▶ In November 2022, the Downtown TIRZ Board recommended the City engage a consultant to assist with updating and amending the TIRZ project and financing plan which includes boundary and term considerations.
- ▶ In May 2023, the Amendment was presented to City Council. Direction was provided for staff to postpone the amendment.
- ▶ In September 2024, the Downtown Master Plan was approved by City Council which includes project and funding recommendations for Downtown and expansion of the TIRZ.
- ▶ September 25, 2024: Amendment was presented to TIRZ Board.
- ▶ November 19, 2024: Amendment was presented during City Council Work Session.

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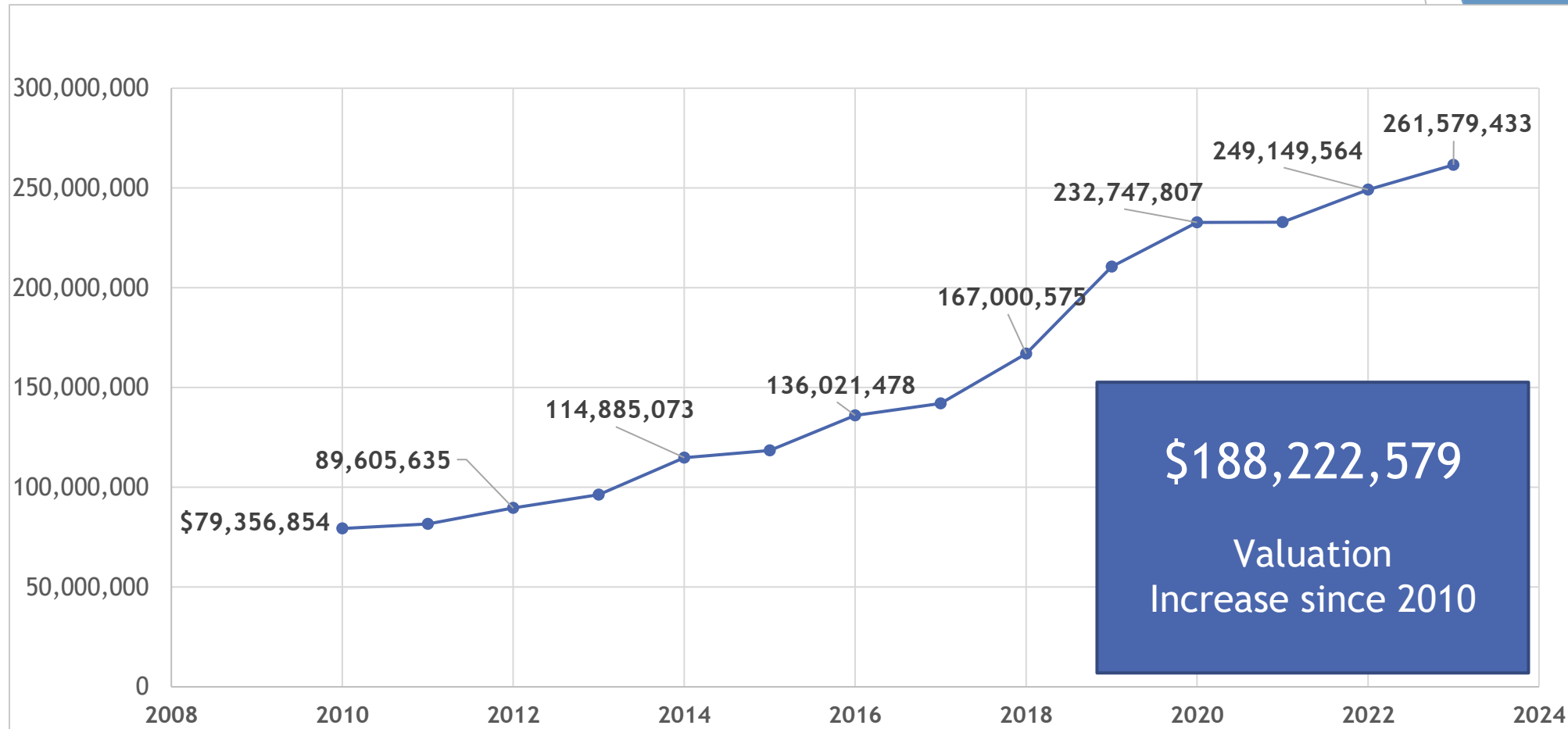
# Current Downtown TIRZ Parameters

- ▶ Term: January 1, 2011, through January 1, 2039; or when the revenue of \$24.8M has been reached.
- ▶ Taxing Entity Participants: City of Denton
  - ▶ 100% Years 1-5
  - ▶ 95% Years 6-10
  - ▶ 90% Years 11-20
  - ▶ 85% Years 21-30
- ▶ Boundary: Approximately 226 acres (Exhibit 3)
- ▶ Base Value: \$79.4 million in 2010
- ▶ Project Plan Categories:

<u>PROJECT</u>	<u>ESTIMATED COST, \$M</u>
Parking / Transportation	8.0
Complete Streets	7.9
Support for Downtown Projects	4.9
Utility / Drainage Improvements	4.0
<b>TOTAL</b>	<b>24.8</b>

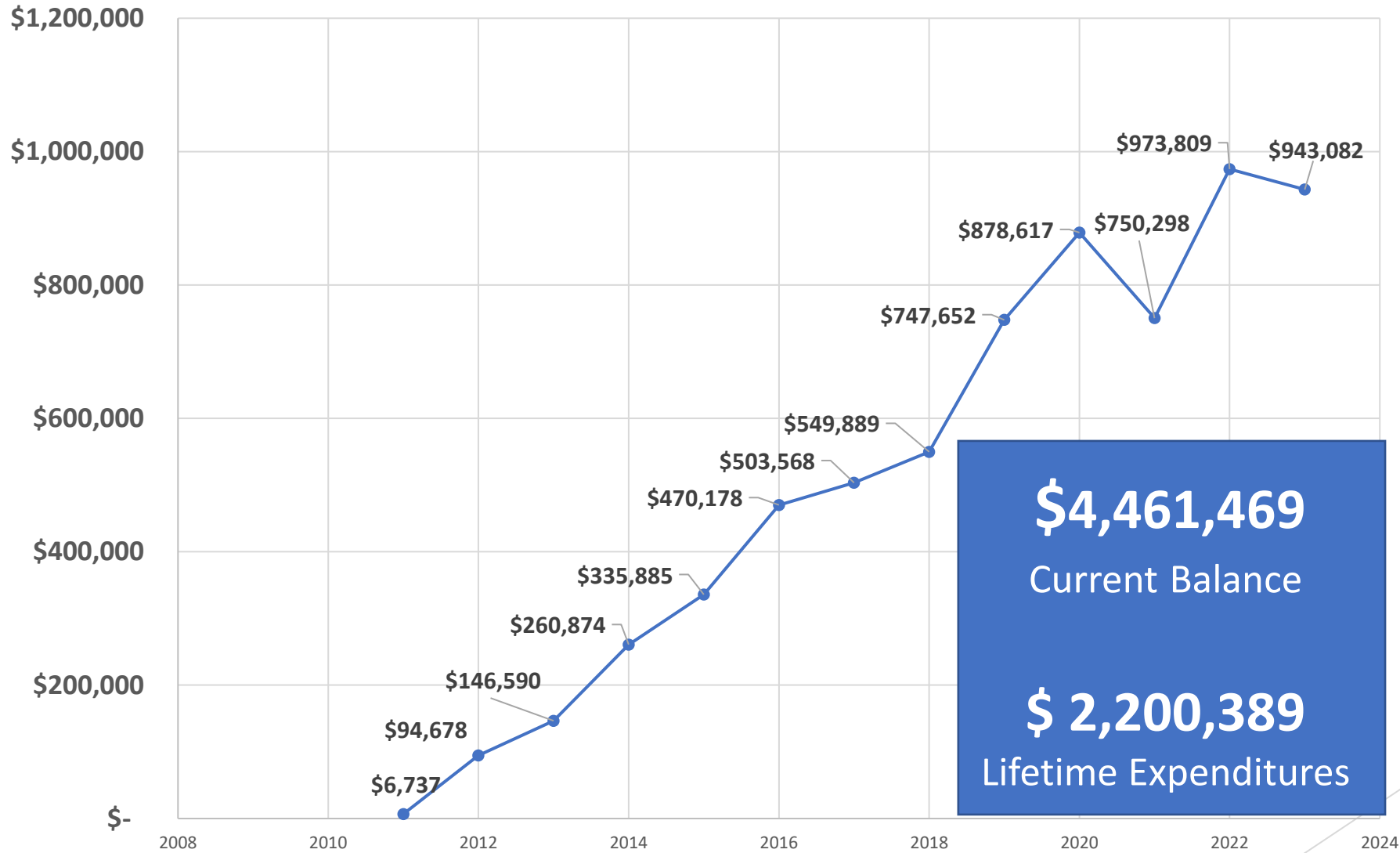


# TIRZ Certified Tax Values 2010-2023





# TIRZ Fund Increment 2010-2023



## Expenditures

**DOWNTOWN REINVESTMENT GRANTS**

- Three Wishes Gifts
- Salvage Secondhand Shoppe
- One Way Investments
- Salon NV
- Chestnut Tree
- Denton Community Theater
- Steve's Wine Bar
- Robert Moses
- Bullseye Invest/Holdings
- Little d Property LLC

**OTHER DEVELOPMENTS**

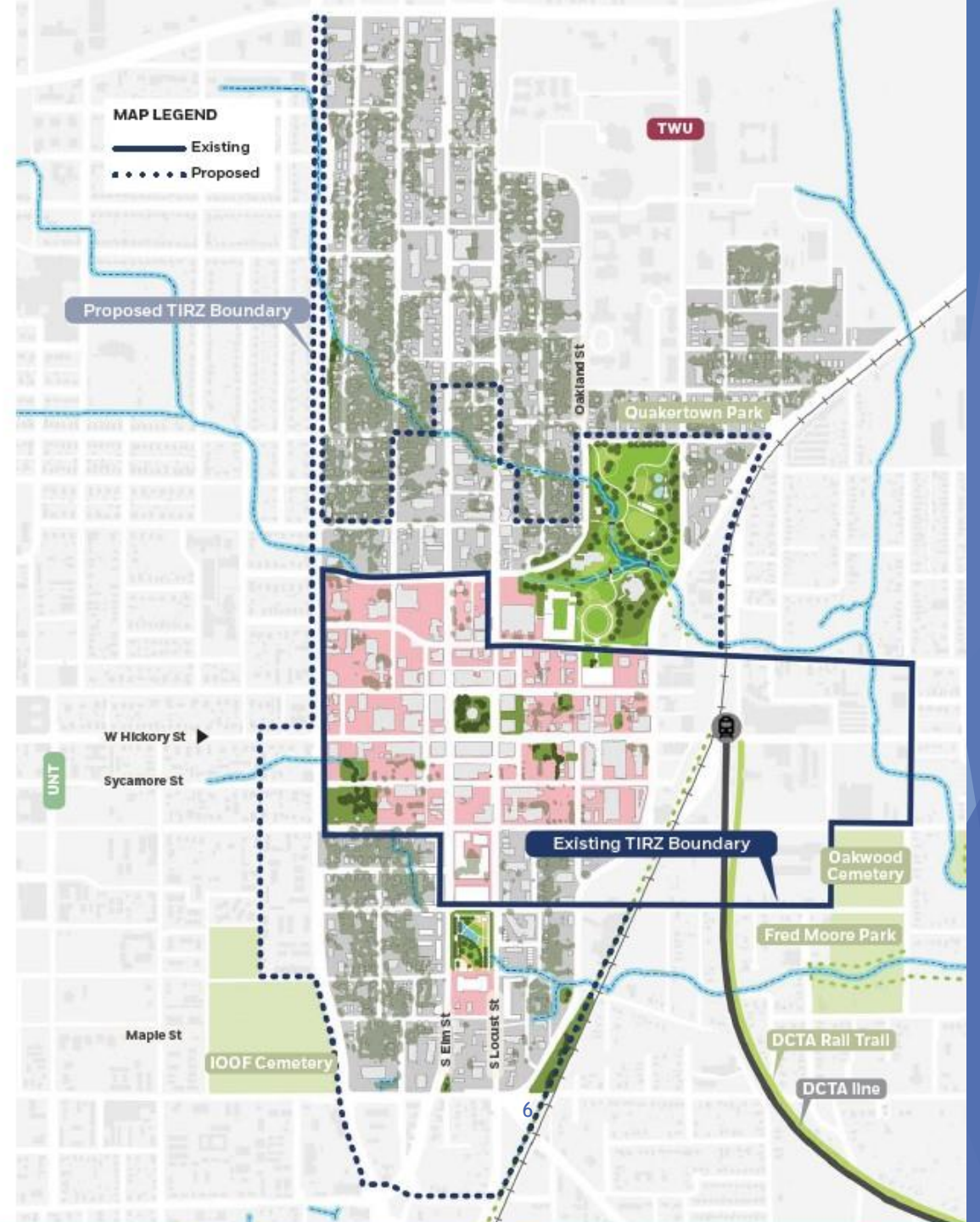
- Railyard Partners
- Mews Street Study
- Capital Projects (\$1.4M)

**IN PROGRESS**

- Fine Arts Theater

# Proposed Amendment

- ▶ The Downtown Master Plan identified the importance of Denton's Downtown character and identity.
- ▶ The current TIRZ covers a limited area.
- ▶ The City of Denton has limited funding tools to incentivize development & catalyst projects.
- ▶ Catalyst projects were identified beyond the current boundary and expanding the boundary can provide dedicated funding to make strategic progress in implementing the Downtown plan.
- ▶ New boundaries would allow for more investment in the greater Downtown area.



## PROPOSED TIRZ AMENDMENT CONTINUED

- City Council to consider recommending approval of expanding the boundaries to include “TIRZ 1A”
- If approved, new boundaries would have a 2024 base
- Termination of the Zone extended to December 31, 2040 (with the final year’s tax increment to be collected by September 1, 2041).
- Preliminary Amended Project and Financing Plan includes updates to the:
  - Boundaries
  - Revenue Projections
  - Project Costs



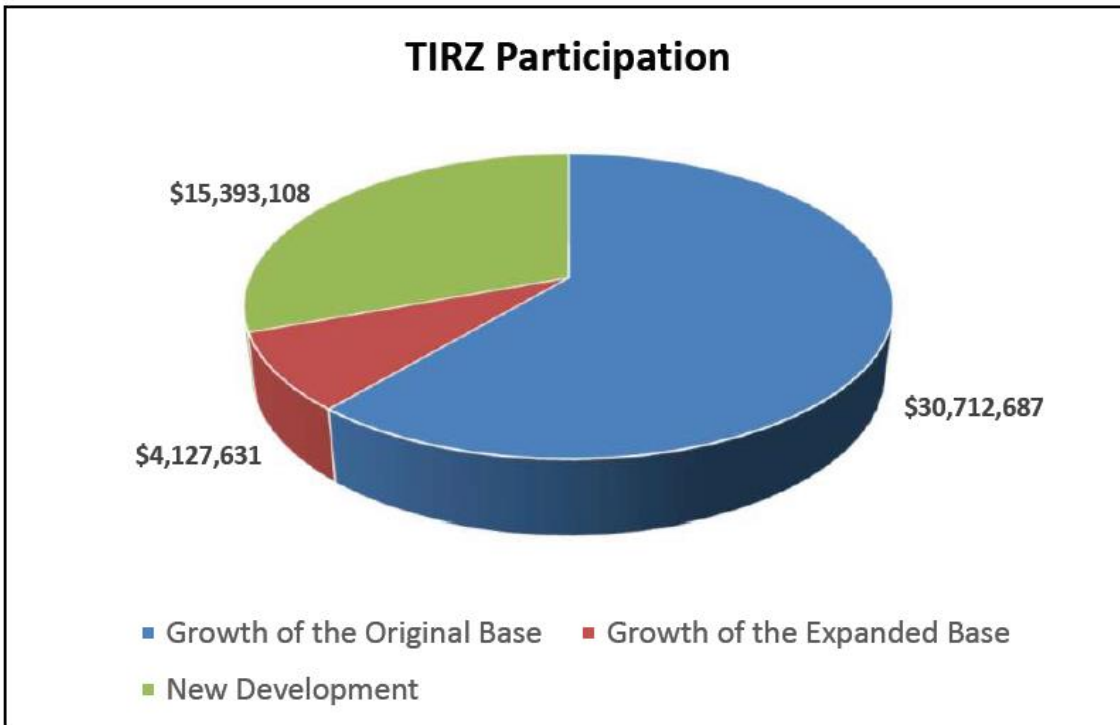
# AMENDED PROJECT AND FINANCING PLAN

	Square Feet	Units	Projected Completion Date	Taxable Value PSF/Unit	Incremental Value	Sales PSF	Total Sales
<b>TIRZ #1</b>							
Hotel		130	2028	\$125,000	\$16,250,000		\$0
Retail	15,000		2028	\$250	\$3,750,000	\$200	\$3,000,000
Retail	26,000		2029	\$250	\$6,500,000	\$200	\$5,200,000
Retail	23,958		2028	\$250	\$5,989,500	\$200	\$4,791,600
Multifamily		124	2027	\$200,000	\$24,800,000		\$0
Hotel		225	2030	\$125,000	\$28,125,000		\$0
Multifamily		60	2026	\$200,000	\$12,000,000		\$0
Multifamily		215	2028	\$200,000	\$43,000,000		\$0
Multifamily		210	2030	\$200,000	\$42,000,000		\$0
Theater	11,000		2026	\$150	\$1,650,000	\$200	\$2,200,000
<b>Total</b>					<b>\$184,064,500</b>		<b>\$15,191,600</b>

- Based on input from the City staff, updated project development includes a mix of uses including commercial (retail and hotel) and residential (multifamily)
- \$184 Million in Anticipated Development is projected to generate \$50.4 Million in TIRZ Revenue to fund the Project Costs

# AMENDED PROJECT AND FINANCING PLAN

Taxing Jurisdictions	Total Taxes Generated	TIRZ Participation	Net Benefit
City of Denton	\$58,447,422	\$50,233,426	\$8,213,996
Denton County	\$17,874,463	\$0	\$17,874,463
Denton ISD	\$110,333,806	\$0	\$110,333,806
DCTA	\$1,311,244	\$0	\$1,311,244
<b>Total</b>	<b>\$187,966,935</b>	<b>\$50,233,426</b>	<b>\$136,422,265</b>



# AMENDED PROJECT AND FINANCING PLAN

<b>Proposed Project Costs - TIRZ #1</b>		
Water Facilities and Improvements	\$ 1,255,836	2.5%
Sanitary Sewer Facilities and Improvements	\$ 1,255,836	2.5%
Storm Water Facilities and Improvements	\$ 1,255,836	2.5%
Transit/Parking Improvements	\$ 5,023,343	10.0%
Street and Intersection Improvements	\$ 7,535,014	15.0%
Open Space, Park and Recreation Facilities and Improvements, Public Facilities and Improvements	\$ 7,535,014	15.0%
Economic Development Grants	\$ 25,116,713	50.0%
Administrative Costs	\$ 1,255,836	2.5%
<b>Total</b>	<b>\$ 50,233,426</b>	<b>100.0%</b>

- \$50,233,426 is an estimate of incremental revenue over the term of the TIRZ (2040) based upon growth and development assumptions
- The \$50,233,426 anticipated project cost total amount is a cap on expenditures that shall not be exceeded. Any increase would require a separate amendment to the project and financing plan
- Savings from one line item may be applied to a cost increase in another line item.
- It is anticipated that the individual TIRZ project costs will be evaluated on a case-by-case basis consistent with Chapter 311, Section 311.002, and brought forward to the TIRZ Board and City Council for consideration.



# Next Steps

- ▶ **December 4, 2024: TIRZ Board Meeting**
  - ▶ Recommend approval of the Amended Project and Financing Plan
- ▶ **December 17, 2024: City Council Meeting**
  - ▶ Consideration - Ordinance approving the final Amended Project and Financing Plan

# Questions?







# Tax Increment Reinvestment Zone Number One (Downtown TIRZ) Project and Financing Plan Amendment

Brittany Sotelo  
Economic Development Director

December 5, 2024

# Downtown TIRZ Background

- ▶ The Downtown TIRZ was created on Dec. 10, 2010.
- ▶ In 2019, the City was approached by multiple developers with interest in pursuing projects inside the Downtown TIRZ. Staff retained TXP, Inc. to evaluate the TIRZ's performance and financials to determine how to best prioritize TIRZ funds for future projects.
- ▶ In November 2022, the Downtown TIRZ Board recommended the City engage a consultant to assist with updating and amending the TIRZ project and financing plan which includes boundary and term considerations.
- ▶ In May 2023, the Amendment was presented to City Council. Direction was provided for staff to postpone the amendment.
- ▶ In September 2024, the Downtown Master Plan was approved by City Council which includes project and funding recommendations for Downtown and expansion of the TIRZ.
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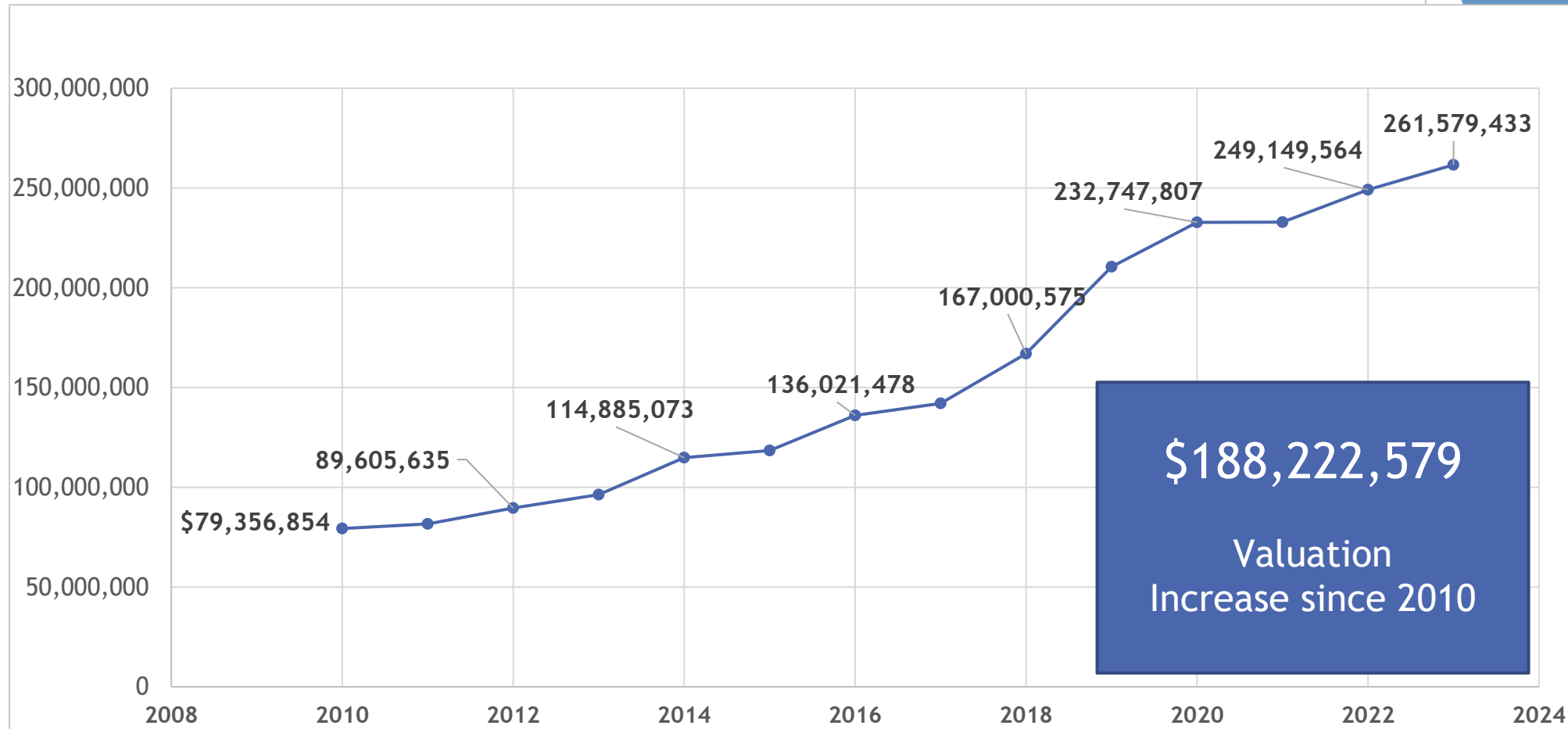
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# Current Downtown TIRZ Parameters

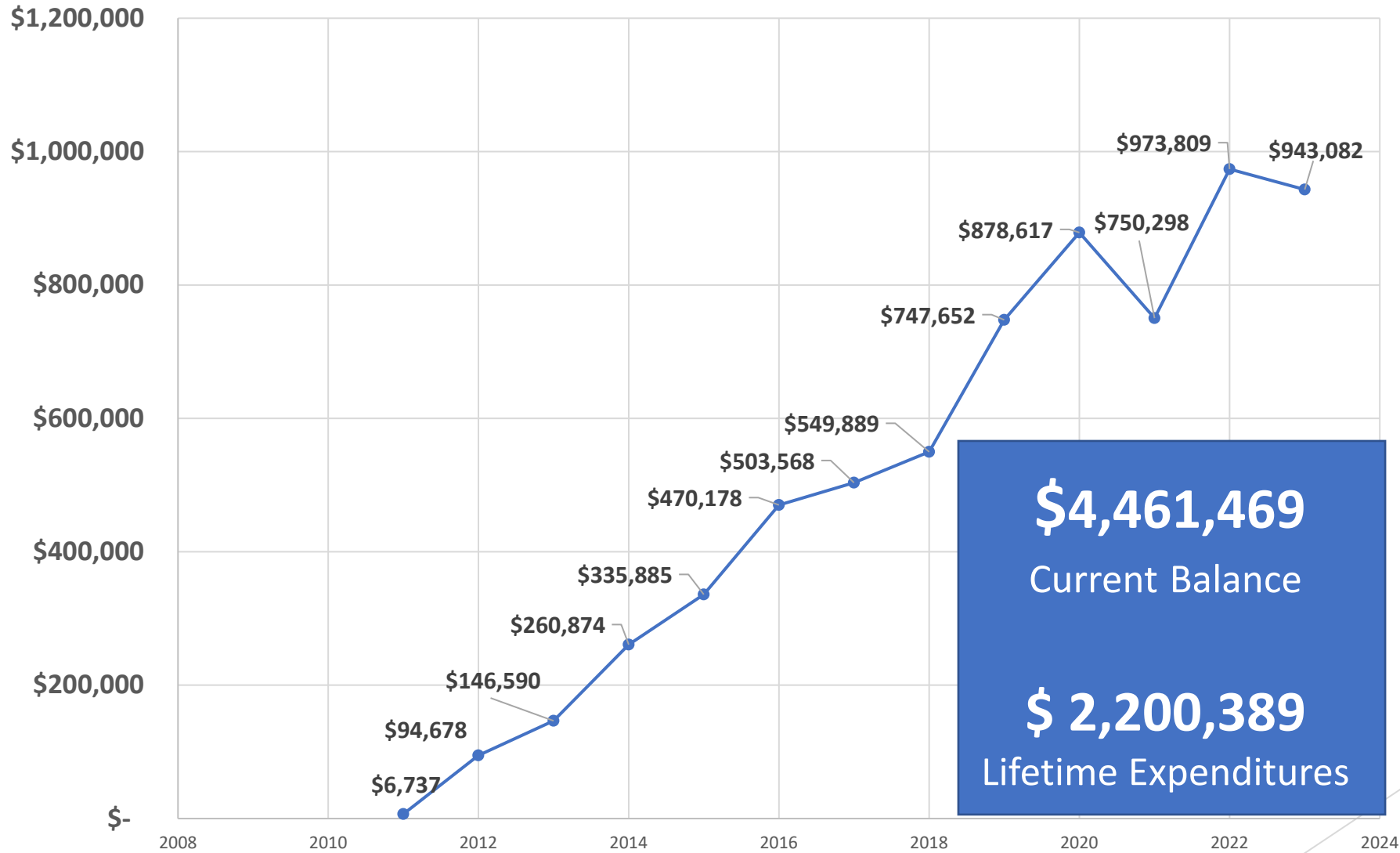
- ▶ Term: January 1, 2011, through January 1, 2039; or when the revenue of \$24.8M has been reached.
- ▶ Taxing Entity Participants: City of Denton
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- ▶ Boundary: Approximately 226 acres (Exhibit 3)
- ▶ Base Value: \$79.4 million in 2010
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## Expenditures

### DOWNTOWN REINVESTMENT GRANTS

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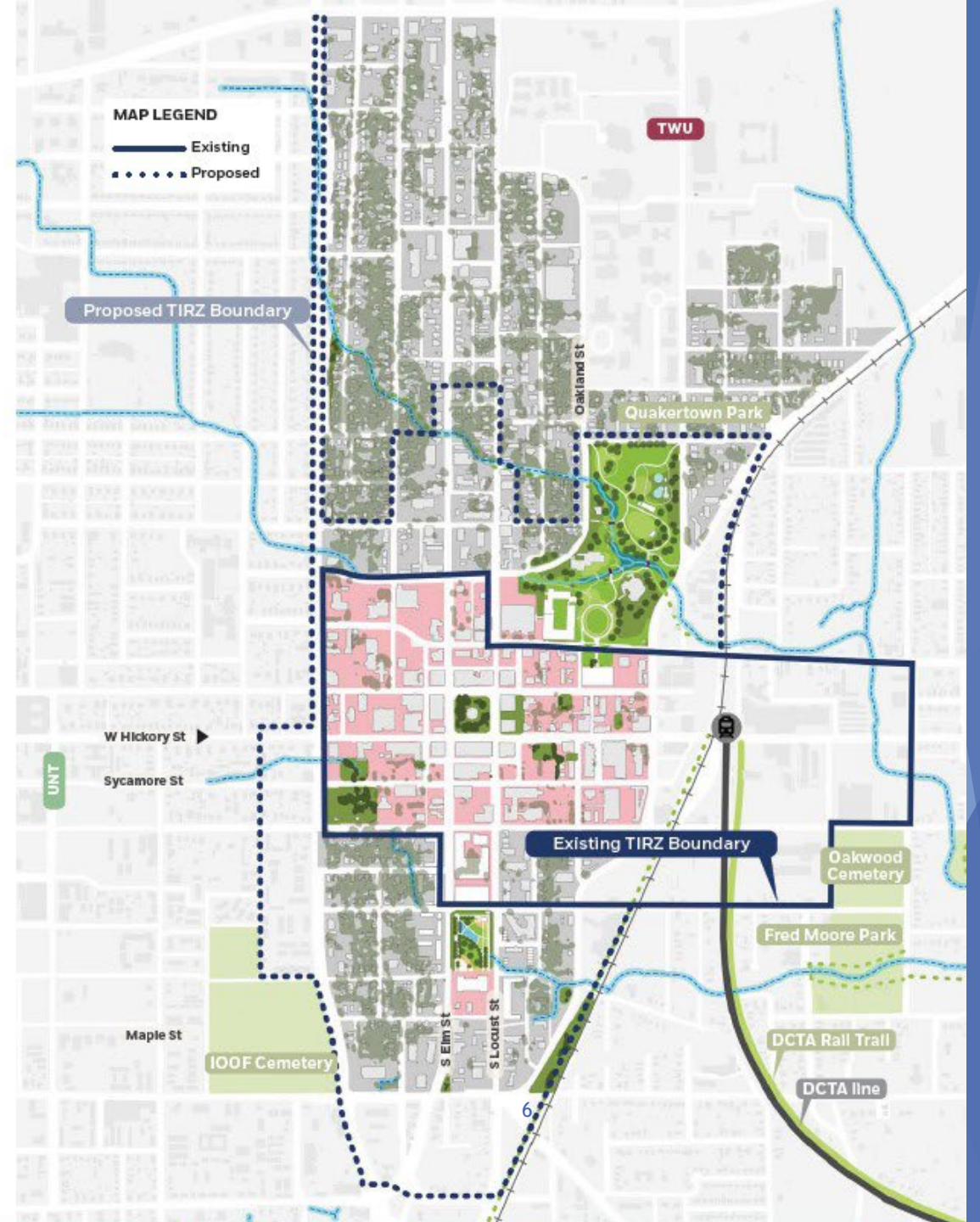
### IN PROGRESS

- Fine Arts Theater



# Proposed Amendment

- ▶ The Downtown Master Plan identified the importance of Denton's Downtown character and identity.
- ▶ The current TIRZ covers a limited area.
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- ▶ Catalyst projects were identified beyond the current boundary and expanding the boundary can provide dedicated funding to make strategic progress in implementing the Downtown plan.
- ▶ New boundaries would allow for more investment in the greater Downtown area.



## PROPOSED TIRZ AMENDMENT CONTINUED

- City Council to consider recommending approval of expanding the boundaries to include “TIRZ 1A”
- If approved, new boundaries would have a 2024 base
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- Preliminary Amended Project and Financing Plan includes updates to the:
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# AMENDED PROJECT AND FINANCING PLAN

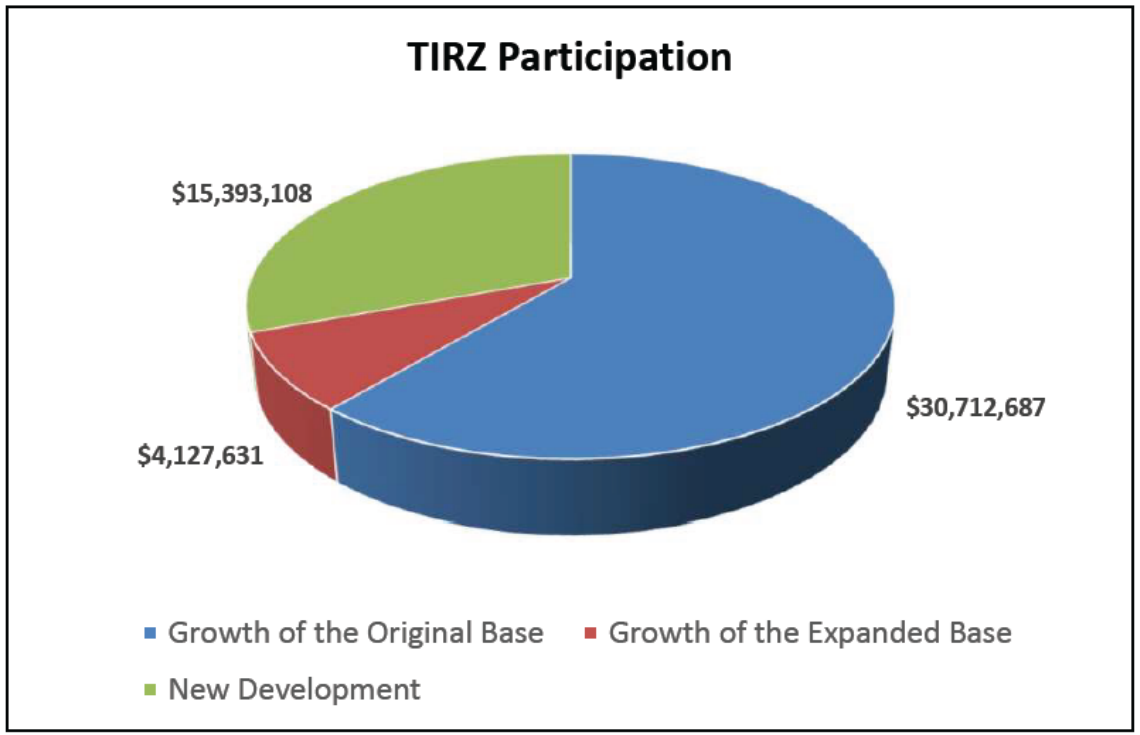
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<b>Total</b>					<b>\$184,064,500</b>		<b>\$15,191,600</b>

- Based on input from the City staff, updated project development includes a mix of uses including commercial (retail and hotel) and residential (multifamily)
- \$184 Million in Anticipated Development is projected to generate \$50.4 Million in TIRZ Revenue to fund the Project Costs



# AMENDED PROJECT AND FINANCING PLAN

Taxing Jurisdictions	Total Taxes Generated	TIRZ Participation	Net Benefit
City of Denton	\$58,447,422	\$50,233,426	\$8,213,996
Denton County	\$17,874,463	\$0	\$17,874,463
Denton ISD	\$110,333,806	\$0	\$110,333,806
DCTA	\$1,311,244	\$0	\$1,311,244
<b>Total</b>	<b>\$187,966,935</b>	<b>\$50,233,426</b>	<b>\$136,422,265</b>



# AMENDED PROJECT AND FINANCING PLAN

<b>Proposed Project Costs - TIRZ #1</b>		
Water Facilities and Improvements	\$ 1,255,836	2.5%
Sanitary Sewer Facilities and Improvements	\$ 1,255,836	2.5%
Storm Water Facilities and Improvements	\$ 1,255,836	2.5%
Transit/Parking Improvements	\$ 5,023,343	10.0%
Street and Intersection Improvements	\$ 7,535,014	15.0%
Open Space, Park and Recreation Facilities and Improvements, Public Facilities and Improvements	\$ 7,535,014	15.0%
Economic Development Grants	\$ 25,116,713	50.0%
Administrative Costs	\$ 1,255,836	2.5%
<b>Total</b>	<b>\$ 50,233,426</b>	<b>100.0%</b>

- \$50,233,426 is an estimate of incremental revenue over the term of the TIRZ (2040) based upon growth and development assumptions
- The \$50,233,426 anticipated project cost total amount is a cap on expenditures that shall not be exceeded. Any increase would require a separate amendment to the project and financing plan
- Savings from one line item may be applied to a cost increase in another line item.
- It is anticipated that the individual TIRZ project costs will be evaluated on a case-by-case basis consistent with Chapter 311, Section 311.002, and brought forward to the TIRZ Board and City Council for consideration.

# Next Steps

- ▶ **December 4, 2024: TIRZ Board Meeting**
  - ▶ Recommend approval of the Amended Project and Financing Plan
- ▶ **December 17, 2024: City Council Meeting**
  - ▶ Consideration - Ordinance approving the final Amended Project and Financing Plan



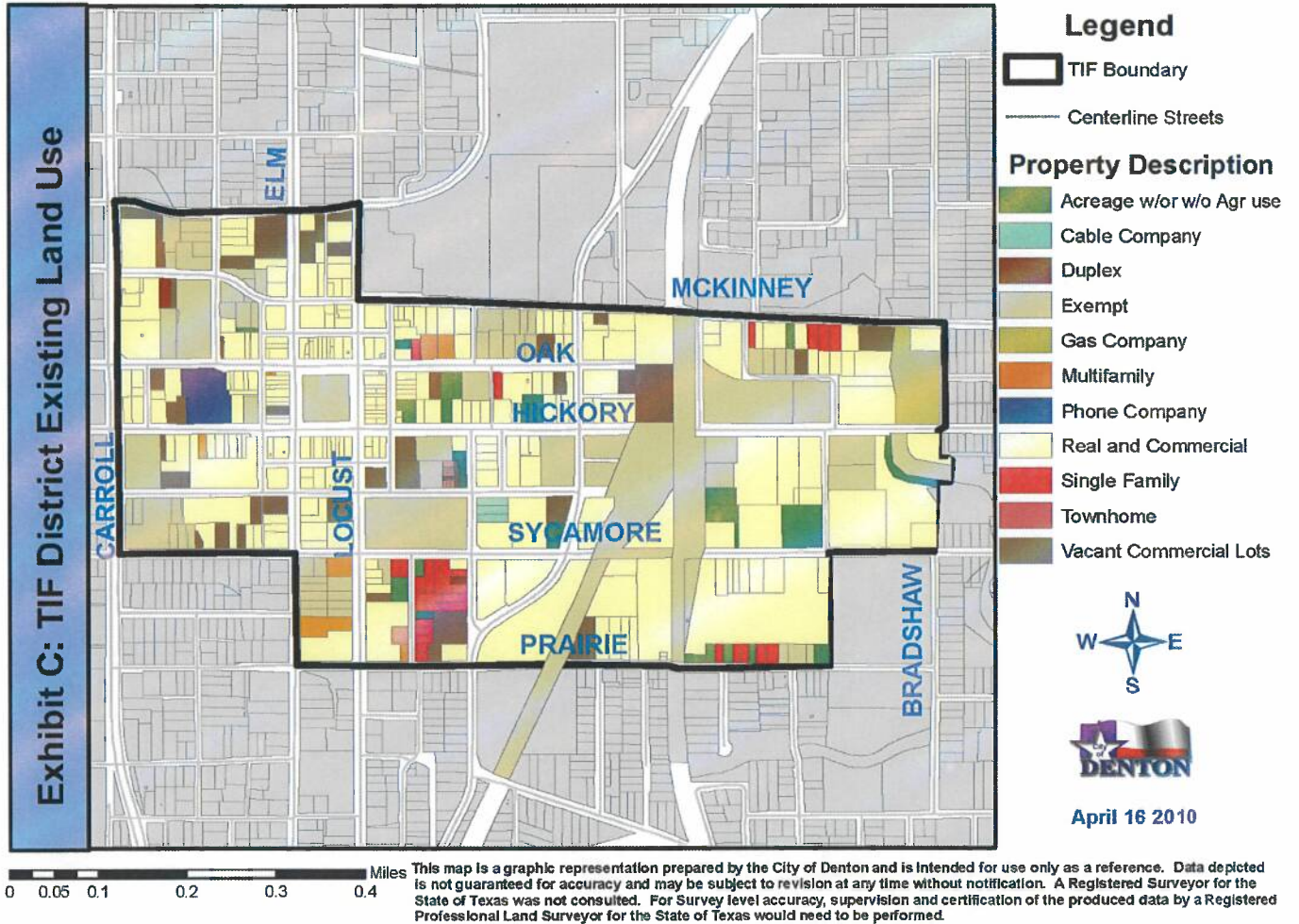
# Questions?





# Tax Increment Reinvestment Zone Number One

## DISTRICT MAP





# 4E

## Modify and Expand on Economic Development Tools

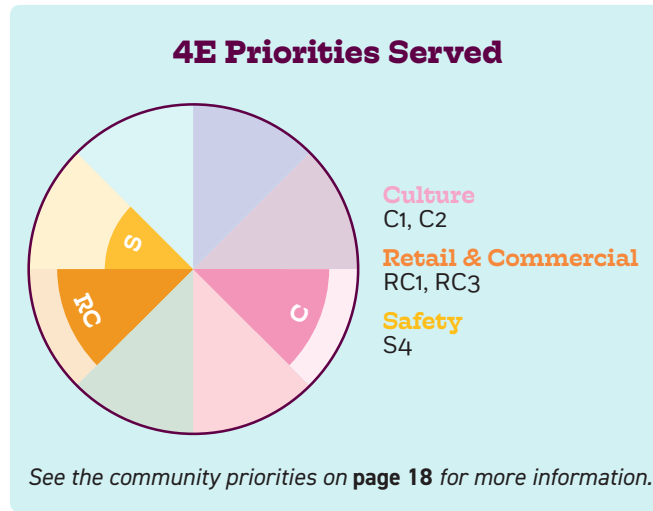
Denton employs a variety of economic development tools to enhance its Downtown area, yet many of these tools remain underutilized or are not applied with a clear strategy. Some resources available to the city are not utilized at all, leading to missed opportunities for growth and improvement. To address these challenges, it is crucial to explore how these tools can be used more effectively and strategically. By expanding, sharpening, and combining these economic development tools, Denton can ensure a more robust and successful implementation of its vision for Downtown.

### The Case for Action

A review of Denton's existing funding sources revealed that several key economic development tools are in place but have not been extensively utilized.

The Tax Increment Reinvestment Zone (TIRZ) retains incremental increases in property tax revenue within a designated district, accumulating a balance of \$3.5 million and generating \$1 million annually. These TIRZ funds support Downtown Reinvestment Grants, providing up to \$200,000 per year to reimburse downtown businesses in building improvements such as roof and foundation repairs, new signs and awnings, and utility and fire suppression upgrades.

380 Agreements offer tax rebates or grants for new construction aimed at economic development. TIRZ revenue was used to provide grant funds for such an agreement with the Railyard project, now complete.



The Catalyst Fund, designed to support economic development initiatives citywide, currently has a balance of \$4.3 million and funds entrepreneur tech, expansion, and job-based grants.

Finally, Historic Tax Credits offer an annual property tax exemption of up to 50% on designated buildings with up to \$10,000 in qualifying improvements or restoration, but only two properties downtown currently utilize this exemption according to the city database.

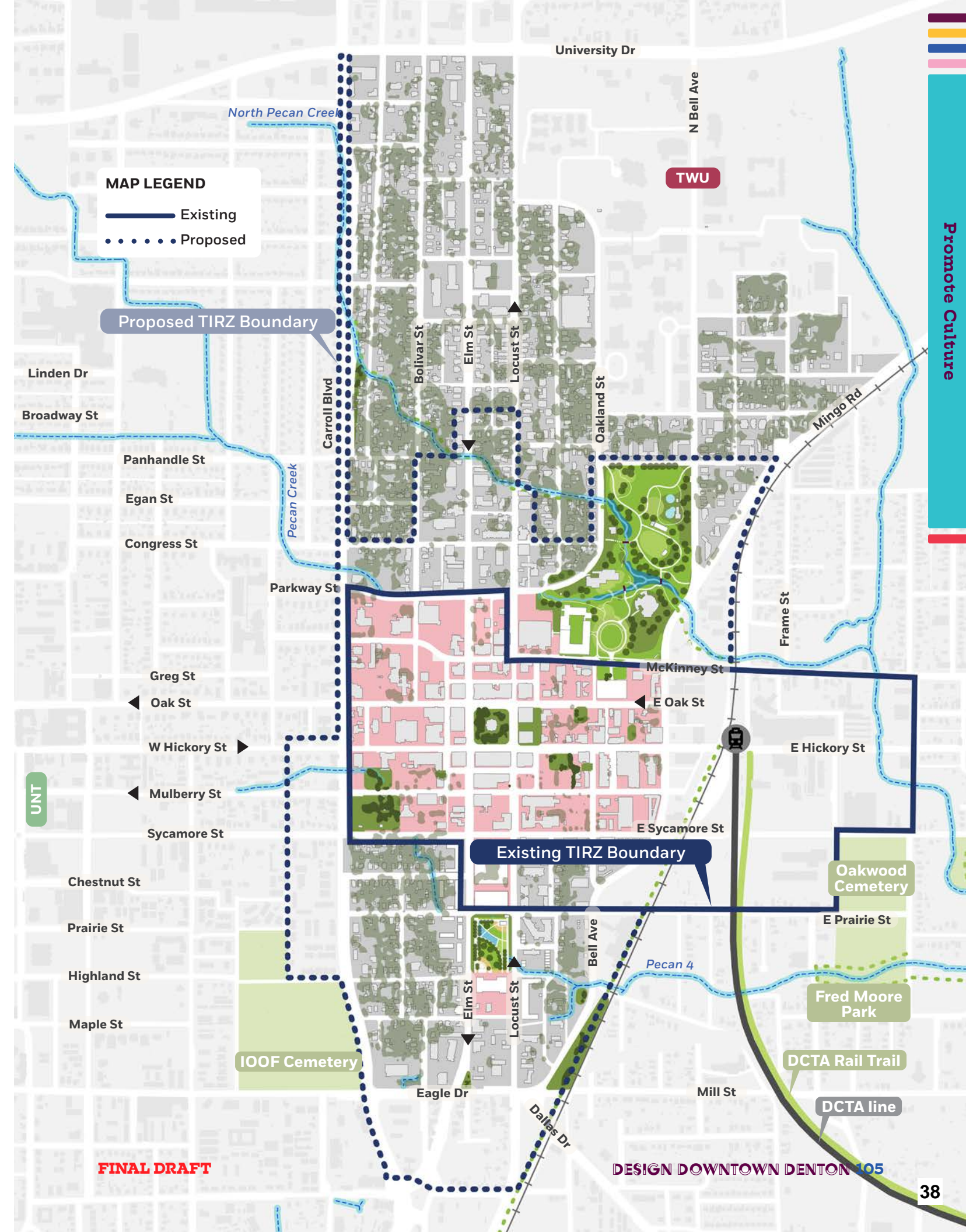
### Proposed Actions

The City of Denton should expand economic development opportunities in the following areas.

#### Existing Funding Sources to be Modified:

##### Tax-Increment Reinvestment Zone (TIRZ)

The current TIRZ covers a limited area, though it is now generating almost \$1 million per year in revenue and has \$3.5 million in current funding reserves.





# City of Denton

City Hall  
215 E. McKinney St.  
Denton, Texas 76201  
[www.cityofdenton.com](http://www.cityofdenton.com)

## Legislation Text

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**File #:** DEDC24-005, **Version:** 1

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### **AGENDA CAPTION**

Staff Reports:

1. Downtown Ambassador Program Update - Courtney Douangdara
2. Denton Main Street Report - Kristen Pulido
3. Future Agenda Items - Christine Taylor



# City of Denton

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

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## AGENDA INFORMATION SHEET

**DEPARTMENT:** Economic Development

**ACM:** Christine Taylor, Assistant City Manager

**DATE:** December 5, 2024

### **SUBJECT**

Staff Reports:

1. Downtown Ambassador Program Update – Courtney Douangara
2. Denton Main Street Report – Kristen Pulido
3. Future Agenda Items – Christine Taylor

### **BACKGROUND**

#### **Downtown Ambassador Program Update**

A brief overview of the past quarter's Ambassador program highlights.

#### **Denton Main Street Program Update**

A brief overview of October and November's Main Street Program highlights.

#### **Future Agenda Items**

An overview of current items in the Agenda Queue and discussion of possible future agenda items.

### **EXHIBITS**

Exhibit 1 - Agenda Information Sheet

Exhibit 2 – Ambassador Update

Exhibit 3 – Main Street Program Update

Exhibit 4 – Future Agenda Items

Respectfully submitted:  
Matilda Weeden  
Economic Development Specialist





# DEDC Downtown Denton Ambassador Program Pilot Update

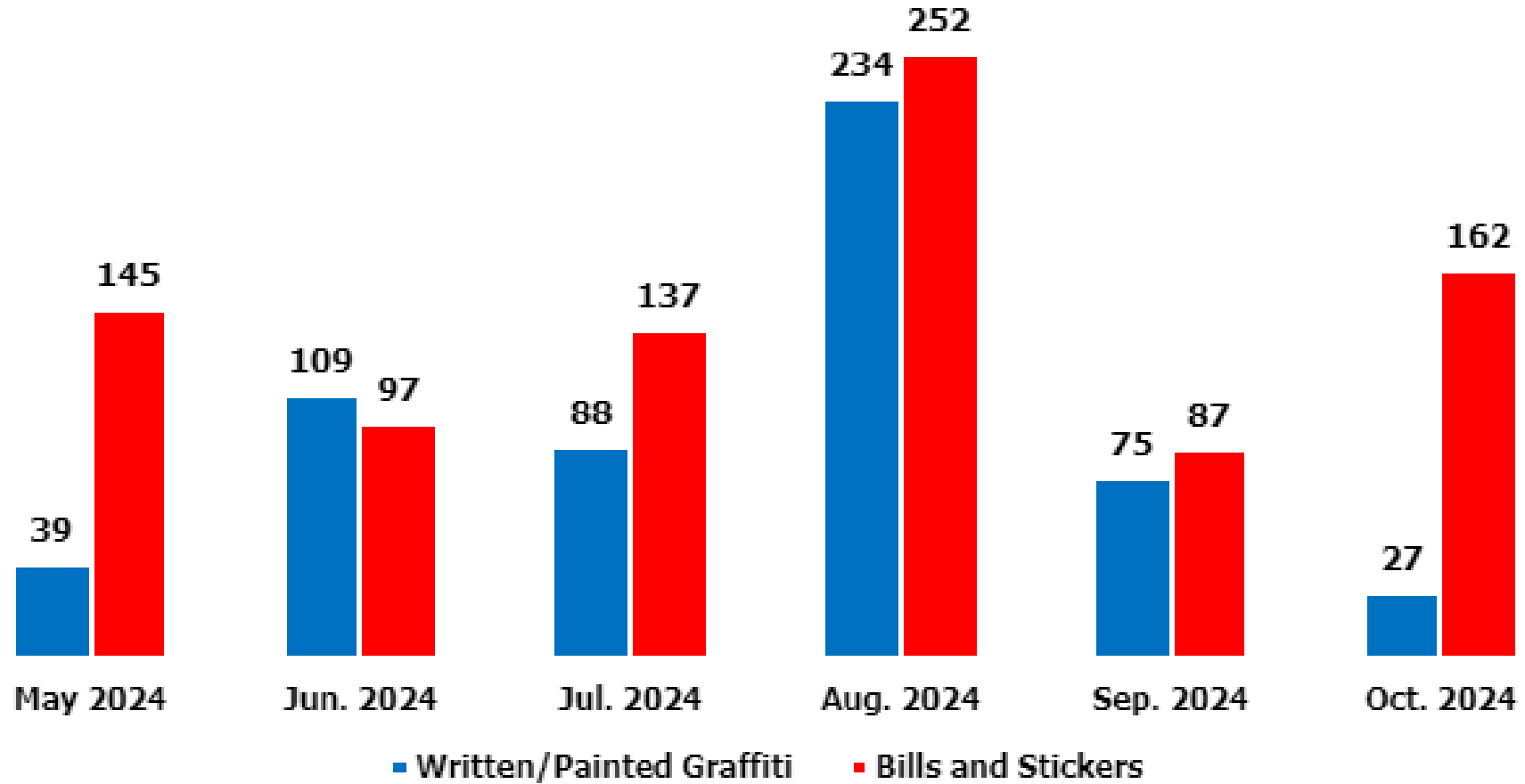
Presenter: Courtney Douangdara  
Deputy Director of Community  
Services

December 5, 2024

A vibrant mural on a wall depicting a blue parrot with its wings spread, surrounded by large yellow and pink flowers. The mural is set against a background of green foliage. A diagonal graphic element consisting of three parallel lines in blue, white, and red runs across the top left of the image.

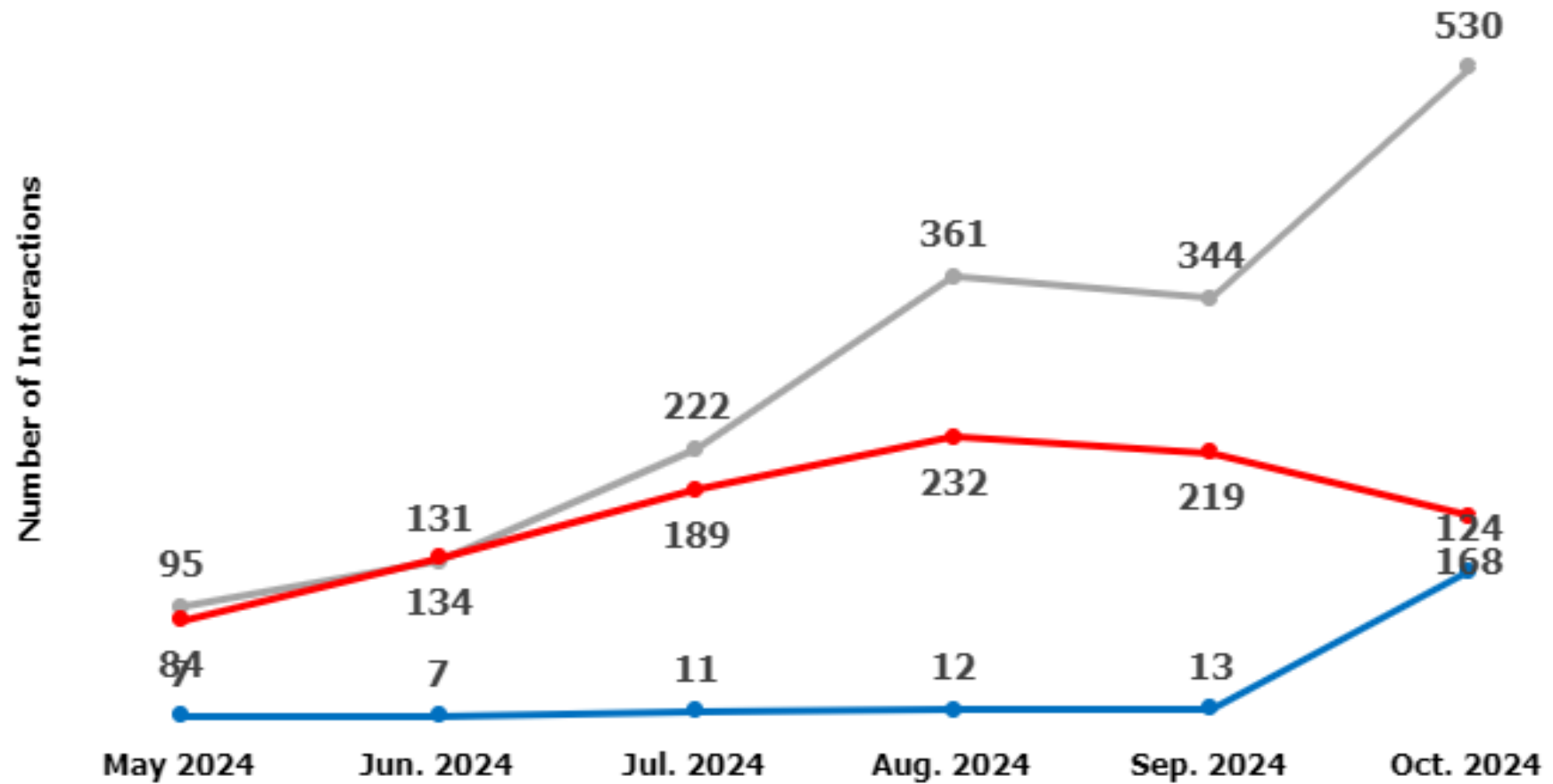
COMMUNITY SERVICES

## Items of Graffiti Removed



# Hospitality Outputs

Homeless Service Referral    Business Contacts    Hospitality Assistance



# Recent Activities & Updates

- New Operations Manager – Jeremy Holloway
- Increased focus on square and business areas of downtown, less on City public property
- Continued promotion of how Ambassadors can help downtown – more signage advertising how to contact and how they can help





# QUESTIONS?

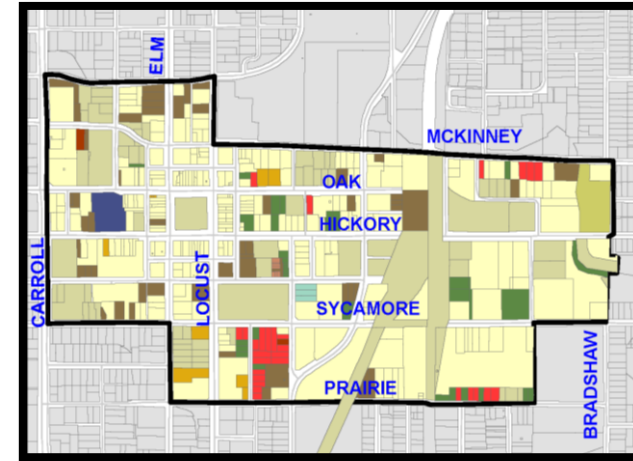




## October/November Main Street Report

**Kristen Pulido**  
**Office of Economic Development**  
**Main Street Program Manager**

The Downtown Reinvestment Grant is available for buildings located within the Downtown Tax Increment Reinvestment Zone Number One.



FY 24-25 Tax Increment Reinvestment Zone Number One (Downtown) Grants

Owner/Business	Address	Type	Amount	Approved By					Construction Reimbursement Completed
				DEDC	TIRZ #1	Council			
Little d Property	104-106 W. Oak	Façade/Building Rehap	\$50,000.00	x	x	x	x	x	
Green Egss and Ham LLC	116 W. Oak	Fire Suppression	\$50,000.00	x	x	x	x	x	
Green Egss and Ham LLC	116 W. Oak	Façade	\$50,000.00	x	x	x	x	x	
Eagle Surveying LLC	212 W. Sycamore	Interior/Exterior Reno	\$50,000.00	x	x	x	x	x	
<b>380 Incentive Grant</b>									
*Axis Realty/Fine Arts Theater	113 N. Elm		\$1,076,366.00	x	x	x	x		
*Axis Realty/Fine Arts Theater	113 N. Elm		\$544,503.00	x	x	x	x		
<b>TOTAL</b>			<b>\$1,820,869.00</b>						



## UPDATE: Denton County Appraisal District

**Background:** Discussed increase in Downtown business property values as it relates to the Downtown Reinvestment Grant...

- Call with DCAD
- Building appraisals happen annually
- Property values are based on surrounding building sales as opposed to any upgrades or work done to the building

### **Purpose & Objective of the Downtown Reinvestment Grant**

- The City of Denton's Department of Economic Development promotes Denton and its unique character through redevelopment and revitalization of Downtown, historic preservation, community involvement, and by providing educational and technical assistance to businesses and property owners.



## Downtown Openings & Closings

October/November	Business Start	Business Closure	Jobs (gained)	Jobs (lost)
<b>El Zocalo Food Truck Park - 204 E. McKinney</b>				
1. Mr. Lomito: Latin Fast Food	x		2	
2. LM on the Grill: BBQ, Burgers, and Wings	x		2	
3. Chanti Gadu Local: Indian	x		2	
4. Mexa Cocina: Tapas and tacos	x		2	
Birista House: Vegetarian, biryani, boba - 321 W. Hickory St. Suite 100	x		7	
Ramyun Stop: Ramen - 314 E. Hickory	x		5	
3 Roses Team Room - 221 W. Oak	x		4	
<b>TOTAL</b>	<b>7</b>	<b>0</b>	<b>24</b>	<b>0</b>



## DOWNTOWN SMALL BUSINESS UTILITY GRANT

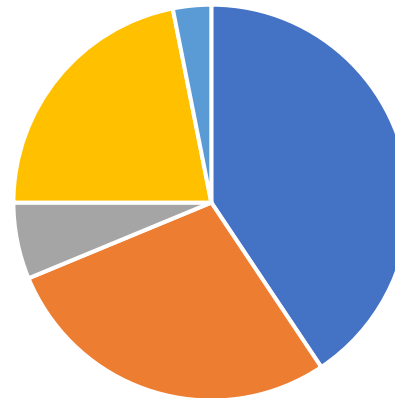
- September 24, 2024, City Council approved the Downtown Small Business Utility Grant
- Mailed out over 500 letters
- Hosted In-Person and Virtual How-to Sessions
- 35 businesses have applied for the grant
- Grant closes Saturday, November 30



## DOWNTOWN VACANCIES

- Properties for Sale – 15
- Land for Sale – 6
- Properties for Lease/Rent – 34

Lease/Rent



■ Retail/Restaurant ■ Class B Office ■ Class B Multit-Family Apt. ■ Class C Office ■ Class C Industrial/Warehouse



## TRAINING & DEVELOPMENT

- Texas Downtown Association Conference
- Economic Development Symposium





## WINS

- Over 145,000 more visitors than last October
- Halloween business decals
- Downtown Halloween Decorating Contest
- 89.7% of businesses reported an increase in sales and traffic from October LY
- Parks and Rec partnered with multiple organizations to have over 200 events in 31 Days

## TAKE AWAYS

- 51% of Downtown businesses were unable to adjust their hours due to staff constraints
- Create more of an experience within the business
- Specialized merchandise

# Denton Main Street Association

- **Twilight Tunes @ “Were-Wolff’s” Park**
  - Avg 250 guests
- **Boos & Booze Crawl**
  - Over 250 participants
    - Top 5 areas of participants:
      1. Denton
      2. Dallas
      3. Austin
      4. Houston
      5. Fort Worth
- **Boo-tique Crawl**
  - 227 Entries = \$5,675

## THIRTY ONE DAYS OF DENTON HALLOWEEN





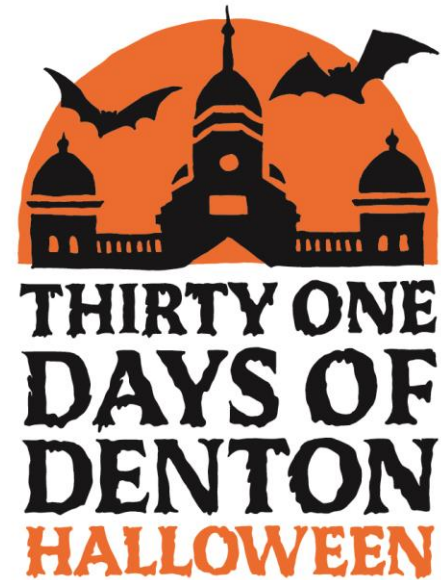


## Downtown Beautiful Business Award

- *Mission: To promote a clean and vibrant Business district through litter cleanups and beautification*



*Jupiter House*





## Denton Main Street Association

### November

- Holiday Open House Weekend – November 15-17
  - Holiday Decorations Up (Best Holiday Decorations)
  - November 16 - Partnered with Downtown Denton Foundation to promote their Craft Beer Crawl
  - November 17 – Holiday Shopping Crawl
    - 75 entries = \$1875
- November 30 – Small Business Saturday

### December

- Saturday, Dec. 7 - Wassail Fest in conjunction with the Denton Holiday Lighting Festival
  - Over 45 participating businesses

*Questions?*



## Downtown Economic Development Committee

Meeting Date	Item Description	Presented By	Time
<b>Thursday, February 6, 2025</b>			
Item for Consideration	Approval of Minutes	Chair	5
Work Session	Downtown Update		15
		<b>Total Time</b>	<b>20</b>
<b>Thursday, April 3, 2025</b>			
Item for Consideration	Approval of Minutes	Chair	5
		<b>Total Time</b>	<b>5</b>
<b>Thursday, June 5, 2025</b>			
Item for Consideration	Approval of Minutes	Chair	5
		<b>Total Time</b>	<b>5</b>
<b>Thursday, August 7, 2025</b>			
Item for Consideration	Approval of Minutes	Chair	5
		<b>Total Time</b>	<b>5</b>
<b>Thursday, October 2, 2025</b>			
Item for Consideration	Approval of Minutes	Chair	5
		<b>Total Time</b>	<b>5</b>
<b>Thursday, December 4, 2025</b>			
Item for Consideration	Approval of Minutes	Chair	5
		<b>Total Time</b>	<b>5</b>