

July 15, 2025

UNITED STATES COLD STORAGE

ECONOMIC DEVELOPMENT INCENTIVE REQUEST

City Council Meeting



ID25-914; 07/15/2025

COMPANY BACKGROUND

- Leader in temperature-controlled storage and transportation logistics for many of the country's largest food providers.
- Existing Denton Company that has 37 existing facilities in 13 states.
- The company, which has operating for 126 years, started as American Ice Company in 1899, it was renamed to United States Cold Storage (USCS) in 1920 and became a wholly owned subsidiary of John Swire & Sons in 1982.



INCENTIVE REQUEST

- USCS is examining multiple expansion opportunities in Texas
- The Denton facility has been identified as a potential location for a 100,000 square foot expansion.
- The request includes the investment in the building, machinery and equipment.



LOCATION: 3255 Jim Christal Road



Facility is located on a 45-acre site in the Westpark TIRZ Number Two

INCENTIVE APPLICATION

TOTAL CAPITAL
INVESTMENT

\$35

Million

IMPROVEMENTS

\$12

Million

BUS. PERSONAL
PROPERTY

\$23

Million

NEW JOBS*

172

JOB/WAGE INFORMATION

New Jobs Created Type/Description	Year 1	Year 2	Year 3	Year 4	Total Number	Annual Salary	Hourly Wage
Logistics / Distribution	40	40	40	40	160	\$55,806	\$26.83
Professional / Management	1	1	1	1	4	\$108,024	\$56.08
Administrative Support	0	0	3	0	3	\$58,333	\$30.28
Customer Care	1	1	1	2	5	\$59,211	\$30.75
Totals	42	42	45	43	172		

- Weighted average of the **172** new jobs is **\$57,583** (annually)/ **\$27.68** an hour for all positions
- The jobs are approaching the County's average wage of **\$61,651** (annually)/ **\$29.6** an hour

IMPACT REPORT

Business Retention & Expansion

48-49 - Transportation and Warehousing

CITY

\$1,406,747

COUNTY

\$642,743

SCHOOL DISTRICT

\$1,610,992

TRANSIT DISTRICT

\$109,193

City of Denton

BENEFITS

\$7,038,644

COSTS

(\$4,685,041)

INCENTIVES

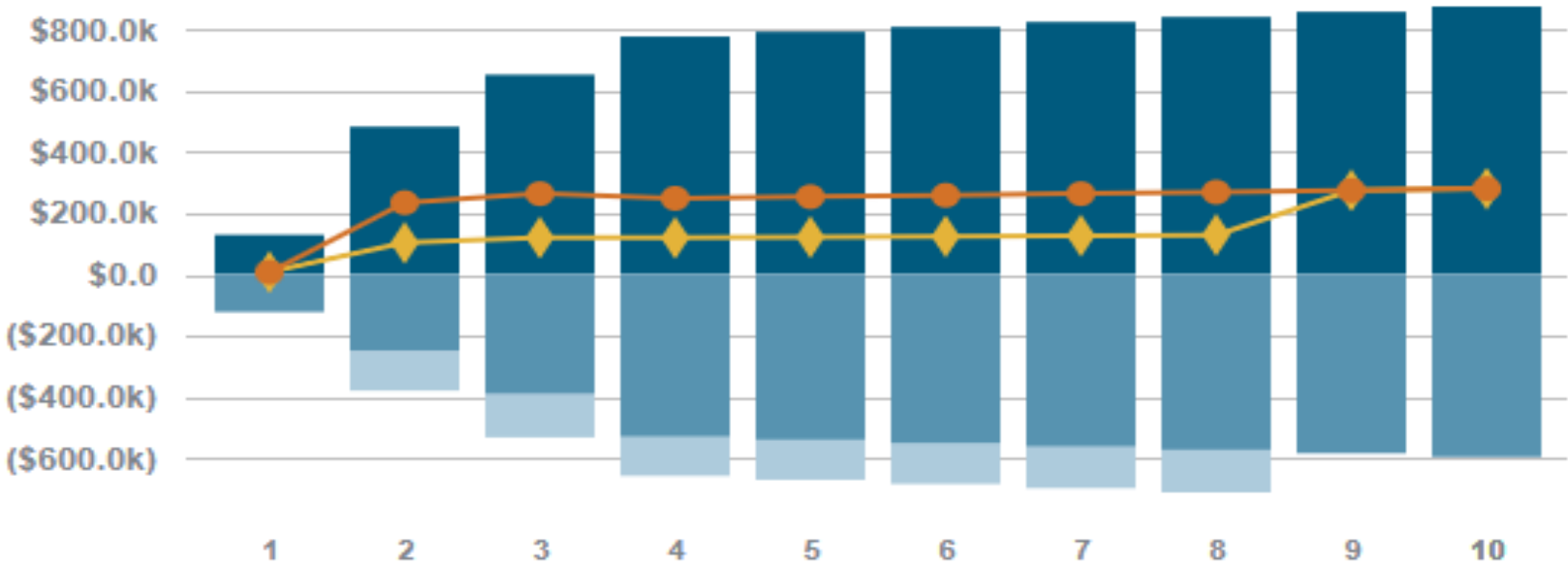
(\$946,856)

NET BENEFITS

\$2,353,603

NET BENEFITS LESS INCENTIVES

\$1,406,747



JOBS



283.7 Total

172.0 Direct

111.7 Spin-off

172.0 New Jobs @ \$57,583

This summary does not include the impact from the company's current activity including:

148.0 Retained Jobs @ \$53,053

SALARIES



\$60,459 Avg

\$57,583 Direct

\$64,888 Spin-off

CAPITAL INVEST.



\$34.9M

Buildings + FF&E

24.9%

Rate of Return

4.8 Yrs

Payback Period

BENEFITS

BUSINESS RETENTION AND EXPANSION

- The project is retaining 148 jobs in Denton
- 172 New jobs created to help support the local economy

SUPPLY CHAIN

- USCS is a transportation logistics company providing best in service, facilities, and is essential to the cold chain

INCENTIVE EVALUATION MATRIX

- Total Points: 90 Excellent (85–175 points)

SUSTAINABILITY

- Project Winter's CO2 emission reduction 11.4% for the company
- Goal to reach net zero emissions by 2050
- Food waste and sustainability program

GENERATES ADDITIONAL UTILITY USAGE

- The Company is a high energy electric user for DME

INCENTIVE & PROJECT REVENUE GENERATION

	Total Incentive
Proposed Incentive	
60% Property Tax Rebate on Improvements and BPP for 8 years	\$981,970
Sales and Use Tax for Construction rebate 75% – Est. Year 2	\$85,901
Cumulative Incentive/Total	\$1,067,871
City Revenue	
40% on Improvements and BPP for 8 years, 100% for 2 years	\$1,063,801
Sales and Use Tax for Construction rebate 25%	\$28,634
Cumulative City Revenue/Total	\$1,092,435

Project	Current Valuation	Estimated Increase in Valuation	Estimated Total Valuation	Current City Revenue	Estimated Increase in Revenue	Estimated Total Revenue
Land	\$5,902,162	\$0	\$5,902,162	\$34,552	\$0	\$34,552
Improvements	\$33,597,838	\$11,969,305	\$45,567,143	\$196,688	\$70,071	\$266,759
BPP	\$8,466,200	\$22,976,052	\$31,442,252	\$49,563	\$134,506	\$184,069
Total Valuation	\$47,966,200	\$34,945,357	\$82,911,557	\$280,804	\$204,577	\$485,381

INCENTIVE RECOMMENDATION

Chapter 380 Grant

- Performance-based ad valorem tax rebate at 60% for 8 years for the business expansion
- Sales and Use Tax for Construction Rebate at 75%
 - Agreement to include a valuation threshold and cap on funding amounts for each grant.
- An incentive would make the company eligible for Nomination to the State of Texas Enterprise Zone Program (separate approval and compliance process).

QUESTIONS?