ORDINANCE NO.

AN ORDINANCE OF THE CITY OF DENTON, A TEXAS HOME-RULE MUNICIPAL CORPORATION, AUTHORIZING A CONTRACT BETWEEN THE CITY OF DENTON AND THE DENTON CHAMBER OF COMMERCE IN THE NOT-TO-EXCEED AMOUNT OF \$150,000, PROVIDING FOR THE EXPENDITURE OF FUNDS THEREFORE; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the City Council of the City of Denton ("City") and the Denton Chamber of Commerce ("Chamber") entered into an economic development program agreement on September 27, 2022 for the purpose of providing for a program to promote economic development through joint efforts; and

WHEREAS, the 2022 agreement between the City and the Chamber expired on September 30, 2024; and

WHEREAS, the City deems it is in the public interest and serves a municipal and public purpose to enter into a new Economic Development Program Agreement with the Chamber, the form of which is attached hereto as Exhibit A, for the purpose of providing for a program to promote economic development through the joint effort of the City and Chamber (the "Agreement"); and

WHEREAS, the City and the Chamber's program to promote economic development supports the City's economic development strategic initiatives; and

WHEREAS, the City and Chamber agree that the Agreement shall include a work plan for the Chamber Office of Economic Development for Fiscal Year 2024-25 that updates and improves upon the previously approved responsibilities to better align with the goals and mission of each organization; NOW THEREFORE,

#### THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

<u>SECTION 1.</u> The findings and recitations contained in the preamble of this ordinance are found to be true and are incorporated herein by reference.

<u>SECTION 2.</u> The City Council finds that the Economic Development Program Agreement between the City and the Chamber attached hereto and made a part hereof by reference serves a valid municipal and public purpose and is in the public interest.

<u>SECTION 3</u>. The City Manager or their designee is hereby authorized to execute the Agreement on behalf of the City of Denton. The City manager is hereby authorized to carry out the City's rights and duties under the Agreement including the expenditure of funds provided for in the Agreement.

<u>SECTION 4.</u> The City Manager or their designee is hereby authorized, at their discretion and in a form approved by the City Attorney, to consent to a one-year extension of the Agreement pursuant to its terms; provided, however, that no modification to the terms of the Agreement or amount of

funds to be paid pursuant to the Agreement shall be made.

<u>SECTION 5</u>. This Ordinance shall become effective upon its passage and approval.

The motion to approve this ordinance was made by \_\_\_\_\_\_ and seconded by \_\_\_\_\_\_, the ordinance was passed and approved by the following vote [\_\_\_\_\_]:

	Aye	Nay	Abstain	Absent
Mayor Gerard Hudspeth:				
Vicki Byrd, District 1:				
Brian Beck, District 2:				
Paul Meltzer, District 3:				
Joe Holland, District 4:				
Brandon Chase McGee, At Large Place 5:				
Jill Jester, At Large Place 6:				

PASSED AND APPROVED this the \_\_\_\_\_ day of \_\_\_\_\_, 2025.

# GERARD HUDSPETH, MAYOR

ATTEST: LAUREN THODEN, CITY SECRETARY

BY:\_\_\_\_\_

APPROVED AS TO LEGAL FORM: MACK REINWAND, CITY ATTORNEY

BY: Scott Bray Deputy City Attorney

### ECONOMIC DEVELOPMENT PROGRAM AGREEMENT BETWEEN THE CITY OF DENTON AND THE DENTON CHAMBER OF COMMERCE

This Agreement is made between the City of Denton, Texas, ("City") and the Denton Chamber of Commerce ("Chamber") for the purpose of providing for a program to promote economic development through the joint efforts of the parties hereto, who in consideration of the mutual promises, agree as follows:

- **A.** Chamber Office of Economic Development ("Office"). During the term of this Agreement, the Chamber shall maintain an Office of Economic Development managed by the Director of Strategic Partnerships, who shall perform the duties of the office.
- **B.** Support Services. The Chamber shall provide the office space, equipment, and support staff necessary for the operations of the Office.
- **C. Funding.** The City shall provide funding to the Chamber in the amount of \$150,000 on or before July 1, 2025, provided the Chamber performs all quarterly obligations for the first and second quarters in the Economic Development Work Plan attached hereto and incorporated herein by reference as Exhibit B. The balance of any unused City funds shall be returned to the City at the end of the term of this Agreement.

If at any time during the term of this Agreement the need arises for additional funds as determined by both the City Manager and the Chamber, a request to amend this Agreement may be submitted to the City for consideration. The City has discretion to accept, deny, or negotiate changes to the Chamber's request.

Any funds provided by the City pursuant to this Agreement shall be retained in an account separate and segregated from the Chamber's general operating fund and shall only be used for the purpose provided for in this Agreement. The Chamber and the Office shall keep current and accurate records of all funds received and expended, as well as deliverables and metrics specified herein, which shall be subject to inspection and audit by the City at all reasonable times. All such records shall be subject to the Texas Public Information Act, Tex. Gov't Code Ch. 552.

- **D.** Use of City Funds and Scope of Work. As a condition of the receipt of City funds, the Chamber hereby agrees to use and expend all funds pursuant to:
  - 1. All applicable federal, state, and local laws;
  - 2. The Chamber's proposed budget for the Office is attached hereto and incorporated by reference as Exhibit A, provided, however, that the Chamber and the City may, by mutual written consent, reallocate funds for any line-item in the proposed budget to another line-item; and
  - 3. The agreed-upon scope of work as outlined in the Economic Development Work Plan, attached hereto and incorporated by reference as Exhibit B.
    - i. The parties agree that the attached Economic Development Work Plan is a planning tool, and the City and the Chamber reserve the right to revise the Work

Plan with the written consent of both parties and approval from the Economic Development Partnership Board.

- ii. The parties agree and acknowledge that if the Chamber anticipates a delay or disruption to any tasks outlined in the 2024-25 Economic Development Work Plan the Chamber President or Director of Strategic Partnerships will communicate this via email or through the informal monthly progress reports to the Economic Development Director and Assistant City Manager. However, any anticipated delays or disruption related to the Chamber's performance of any tasks in the Work Plan must be communicated to the City in advance of such delay or disruption.
- iii. The parties further agree and acknowledge that the City's performance of any tasks on the Economic Development Work Plan is voluntary and the City's failure to perform any tasks allocated to the City on the Economic Development Work Plan shall not be a breach of this agreement.
- **E.** Reporting Requirements. The Chamber shall provide written reports to the City as follows:
  - 1. A copy of the Chamber's Profit and Loss Budget Performance Statement shall be provided via email from the Chamber President to the City's Director of Economic Development or Assistant City Manager quarterly for the periods ending December 31, March 31, June 30, and September 30.
  - 2. A copy of the Chamber's annual audited financial reports within 6 months of the end of the Chamber's fiscal year shall be provided via email from the Chamber President to the City's Director of Economic Development or Assistant City Manager;
  - 3. A copy of the Chamber's most recent annual Form 990 shall be provided via email from the Chamber President to the City's Director of Economic Development or Assistant City Manager.
  - 4. An informal monthly progress report that includes information, status, and updates on the goals, metrics, key activities, and deliverables as established in the Economic Development Work Plan shall be provided monthly via email from the Chamber President or Director of Strategic Partnerships to the City's Director of Economic Development or Assistant City Manager to be shared with the Economic Development Partnership Board; and
  - 5. A formal quarterly report, based on fiscal quarters ending December 31, March 31, June 30, and September 30, shall be provided via email from the Chamber President to the City's Director of Economic Development or Assistant City Manager to be delivered to the City Council, City Manager, Economic Development Partnership Board, and other relevant stakeholders as needed by each of the later of 45 days after the Chamber receives any payment under this Agreement or 45 days after the end of the reported quarter.

A comprehensive annual report and presentation that includes information, status, and updates on the goals, metrics, key activities, and deliverables as established in the Economic Development Work Plan shall be provided via email from the Chamber President to the Economic Development Director and Assistant City Manager to subsequently be shared with City Council by August 31

- **F.** Quarterly Reviews. The City and the Chamber will conduct joint quarterly reviews of the efforts of Chamber staff to execute on the Economic Development Work Plan. These meetings may include the City Manager, Deputy City Manager, Assistant City Manager/Chief Financial Officer, Director of Economic Development, Chamber President, Director of Strategic Partnerships any relevant City or Chamber Economic Development department staff, and the Chair of the Economic Development Partnership Board. The reviews will include, but are not limited to:
  - 1. Discussion and evaluation of the previous quarter's monthly reports;
  - 2. Discussion and evaluation of the status of any and all major recruitments or ongoing projects;
  - 3. Discussion and evaluation of any resources or assistance needed from the City to achieve the shared goals outlined in the Economic Development Work Plan; and
  - 4. Discussion and evaluation of the key activities and targets outlined in the Economic Development Work Plan.
- **G. Monthly Meetings.** The City and the Chamber will conduct monthly staff meetings to review the implementation of the Work Plan, ongoing projects, and any projects associated with the City's Economic Development Strategic Plan or any action plans. These meetings may include the City Manager, Deputy City Manager, Assistant City Manager/Chief Financial Officer, Director of Economic Development, Chamber President, Director of Strategic Partnerships, and any relevant City or Chamber Economic Development department staff.
- **H. Independent Status of Office.** The Office shall be under the direct supervision and control of the Chamber and all personnel of the Office shall be considered employees or agents of the Chamber and not of the City. The Chamber shall be responsible for the processing of all benefits or payment liabilities of such employees or agents, including the withholding or payment of personal income or social security taxes, as provided by applicable law, and the payment of worker's compensation premiums.
- **I. Insurance.** The Chamber shall maintain policies of insurance for the duration of the Agreement, as outlined in Exhibit C, to protect against liability arising from the operation of the Office. The Chamber must provide a copy of the Certificate of Insurance showing the City added as an insured within a reasonable time of execution of this Agreement and each time there is a change in coverage or carrier, a copy must be provided to the City of Denton's Director of Economic Development or Assistant City Manager.
- J. INDEMNITY. THE CHAMBER AGREES TO DEFEND, INDEMNIFY, AND HOLD HARMLESS THE CITY, ITS ELECTED OFFICIALS, OFFICERS, AGENTS, EMPLOYEES, AND REPRESENTATIVES FROM ANY AND ALL CLAIMS, SUITS, OR LIABILITIES ARISING FROM OR RELATED TO ANY ACT OR OMISSION OF THE CHAMBER, ITS OFFICERS, DIRECTORS, OFFICIALS, EMPLOYEES, OR REPRESENTATIVES IN THE PERFORMANCE OF THIS AGREEMENT. THIS INCLUDES PROPERTY DAMAGE, PERSONAL INJURY OR DEATH AND ALSO COVERS COSTS OF SUIT AND ATTORNEYS FEES.

- **K. Term of Agreement.** This Agreement shall be effective from April 15, 2025 through September 30, 2025, unless extended pursuant to this section. This Agreement may be extended for one additional one-year term ending on September 30, 2026, with written consent and authorization of both parties. In the event of such an extension, the Chamber shall complete all of its monthly, quarterly, or annual obligations for the extended period as provided in this Agreement and in the Work Plan for the original term.
- L. Termination. Either party may terminate this Agreement by giving written notice to the other party thirty (30) days in advance of the termination date, in which case any unexpended funds provided by the City shall be returned to the City within fifteen (15) days from the date the written notice is mailed to the Chamber. If the Chamber fails to meet the deliverables or metrics required under this Agreement, and it results in termination of the Agreement by the City, then the Chamber will not be eligible for any future funding from the City for a one (1) year period.
- **M. Entire Agreement.** This Agreement constitutes the entire agreement between the parties and supersedes any previous agreements, oral or written. This Agreement may only be modified by the subsequent mutual written agreement executed by the City and the Chamber.
- **N. Waiver.** Any waiver by the City of any provision or condition of this Agreement shall not be construed to be a waiver of any other provisions or conditions of this Agreement.
- **O. Governing Law.** This Agreement shall be governed by the laws of the State of Texas. The City expressly does not waive any defenses to any claims of any sort by virtue of this Agreement, including its Sovereign Immunity, and states that this is an economic incentive only and not subject to the provisions of Chapter 271 Tex. Loc. Gov't Code, Subchapter I.
- **P. Severability.** Should any provision of this Agreement be adjudged illegal, invalid or unenforceable, such illegality, invalidity or unenforceability shall not affect the legality, validity of enforceability of the Agreement as a whole or any sections, subsections, sentences, or clauses herein.

[Signature page follows]

EXECUTED this the \_\_\_\_\_ day of \_\_\_\_\_, 2025.

CITY OF DENTON

DENTON CHAMBER OF COMMERCE

BY:

SARA HENSLEY, CITY MANAGER

ATTEST: LAUREN THODEN, CITY SECRETARY

BY:\_\_\_\_\_

THIS AGREEMENT HAS BEEN BOTH REVIEWED AND APPROVED As to financial and operational Obligations and business terms.

Signature

Title

Department

Date Signed:\_\_\_\_\_

APPROVED AS TO LEGAL FORM: MACK REINWAND, CITY ATTORNEY

Scott Bray Deputy City Attorney BY: \_\_\_

— Signed by:

By: Erin Carney ERIN CARNEY, PRESIDENT

# EXHIBIT "A"

# **CHAMBER BUDGET**

# Denton Chamber - Economic Development Partnership APPROVED BUDGET FY 24/25 - Combined

Approved by the B.O.D. 08-22-24

	<u>FY 24/25</u>
Income	
City of Denton Contract	150,000
EDP Investor Membership Revenue	175,000
EDP Interest Income	1000
Total Income	326,000
Expenditures	
Salaries/Benefits	
Salaries	165,825
Auto Allowance	5,400
Cell Phone/PR ACH fees	720
Payroll Taxes	15,160
Medical, Dental, Life, & Disability Insurance	18,065
Worker's Comp Insurance	375
Retirement	3,100
Total	208,645
Operating Expenses	
Accounting & Audit	10,000
Computer/Technical Services	13,720
Occupancy Expenses	8,400
CC Processing Fees	500
Miscellaneous Expense	0
Office Supplies	750
Postage	800
Total	34,170
Marketing	
Meetings/Client/Prospect Relations	3,000
Site Visits	2,000
Ad Placement	0
Travel & Professional Development	8,500
Marketing Materials/Activities/Digital Marketing	10,000
Website & Social Media	17,250
Total	40,750
SBDC	11,000
ED Investor Relations & Fundraising	15,000
Denton County Days 2025	10,000
Total Expenditures	319,565
Net Income	6,435

# EXHIBIT "B" ECONOMIC DEVELOPMENT WORK PLAN

# **Denton Economic Development Partnership**

### **Responsibility Overview**

City Primary	Chamber Primary	
Business Recruitment & Attraction	Business Retention & Expansion	
• Marketing	<ul> <li>Business Recruitment &amp; Attraction - Site Visits &amp; Tours &amp; Meet with Business Leaders</li> </ul>	
• Incentive negotiation, policy, and administration	Tours & meet with Busiless Leaders	
Development districts	Relationship building with developers, brokers, local industry, and businesses	
Fiscal & Economic Impact Analysis	Business-to-Business Networking	
Labor and Data Analytics	Private Investor Relations	
Business Community Engagement in City Initiatives	Small Business Development Center	
Joint- City Led	Joint-Chamber Led	
Technical & Advisory Support	• Business Training and Education	
Cooperativ	ve Efforts	
Strategic Plan Implementation		
Workforce & Talent Development		
Community Engagement		

# **Economic Development Work Plan**

Focus Area: Relationship building	with developers, brokers, local industry and business		
Relationship to Strategic Plan	Goal 2. Foster Growth		
	Strategic Growth Area 2A. Connected Denton		
Chamber Lead	Strategy 2A.2 Attract New Investment		
	least and the last and an exception of the first of the last in the		
community	evelopers, brokers, and prospective companies for the business		
<ul> <li>Create an annual impact reporting investment.</li> </ul>	ort that demonstrates the value of corporate community		
• Present to five community or			
• Create and maintain a relocat			
• Create and maintain a major			
Conduct 7 business retention			
City Lead	-		
	onal materials for distribution to prospective companies. lighting Denton's industries, workforce assets, sustainability		
	tors, developers, or companies considering Denton as an option		
• Meet with developers who ar infill development in other an			
Maintain a City-funded CRM	1 system to track all leads.		
Joint Lead			
	on the marketing materials provided by the City of Denton, for use on site visits and meetings with prospective companies.		
Represent Denton in the DFV Regional Chamber & Fort W	W Marketing Team and the business attraction efforts of the Dallas Vorth Chamber.		
Relationship to Strategic Plan	Goal 2. Foster Growth		
	Strategic Growth Area 2A. Connected Denton Strategy 2A.3 Westpark Industrial Park and Strategy 2D.3 Professional Office Space		
Chamber Lead			
• Meet with 5 spec industrial p	property managers to address vacancy concerns and existing		
	e space as part of the Business Retention and Expansion program.		
City Lead			
• Review brochures of active c and information.	commercial properties to ensure accuracy of local demographics		
	e of industrial properties, including off-market assets.		
—	ntact for developers and commercial brokers seeking data and		

• Distribute available land options identified by the City's Real Estate department to Denton developer networks.

Relationship to Strategic Plan	Goal 2. Foster Growth	
	Strategic Growth Area 2B. Creative Denton	
	Strategy 2B.6 Promoting Denton's Creative Brand	
Chamber Lead		
Share 12 business success stor	ies on EDP social media.	
• Create a shared social media calendar and track engagement metrics.		
• Maintain EDP social media by posting every other week with relevant content and track engagement.		
• Track and share all leads that come in through the EDP Website and direct contacts with the		
City of Denton Economic Development Department for transition to the incentive process.		
City Lead		
• Develop and implement a social media marketing plan.		
Manage the City's Office of E	conomic Development social media pages.	

# Joint Lead

• Attend trade shows and events to market Denton and generate leads.

Focus Area: Business Recruitment & Attraction- Site Visits, Tours, & Meet with Business Leaders		
Relationship to Strategic Plan	Goal 2. Foster Growth Strategic Growth Area 2A. Connected Denton Strategy 2A.2 Attract New Investment	
Chamber Lead		
• Engage with and collect data f	rom 50 companies:	
	elocated to Denton within the past two years to identify ways lved in the community and how the City can be more	
<ul> <li>At least 10 representing the City's strategic growth areas: Connected, Creative, Competitive, and Sustainable, to identify expansion opportunities, workforce challenges, or other relevant factors.</li> </ul>		
City Lead		
	ds received from various sources on economic development e needs of Denton and include developments that are attractive ty.	
Relationship to Strategic Plan	Goal 2. Foster Growth	
	Strategic Growth Area 2A. Connected Denton Strategy 2A.3 Westpark Industrial Park	
2A.3 FY 23-24 Work Plan Items City Lead		
• Track all leads and RFIs respo	nded to, including industry type, potential investment, number of urce, and consistently update status in tracking system.	
	etings to review received leads/submitted projects and discuss	
opportunities, challenges, and how to improve responses.		
Relationship to Strategic Plan	Goal 2. Foster Growth	
	Strategic Growth Area 2B. Creative Denton Strategy 2B.5 Recruit Growing Startups	
Chamber Lead		
• Create a quarterly industrial ro in the community.	oundtable to engage supply chain and manufacturing companies	
¥		

- Work cooperatively with Stoke Denton to include messaging that would attract startups in EDP digital marketing.
- Include startup resources on the EDP website.

#### City Lead

- Include tech companies in the City-funded lead tracking system.
- Develop tech ecosystem in partnership with Stoke Denton, DFW tech organizations, and local universities.

Foc	Focus Area: Business-to-Business Networking		
Rela	tionship to Strategic Plan	Goal 2. Fostering Growth	
		Strategic Growth Area 2B. Creative Denton	
		Strategy 2B.1 Champion & Convene	
Class			

#### Chamber Lead

- Promote quarterly industry-specific networking events to the business community.
- Development of a BRE contact database

Focus Area: Business Training/Education, Private Investor Relations, and SBDC		
Relationship to Strategic Plan	Goal 3. Strengthen Community Inclusion	
	Strategy 3.1 Workforce Collaborative	

#### **Chamber Lead**

- Work with other business support organizations to engage and promote workforce training programs and available resources.
- Maintain local SBDC office through Chamber and actively promote SBDC resources
- Coordinate with educational partners to develop career pathway marketing materials and resources for in-demand jobs in Denton

### Joint Lead

- Build and maintain relationships on behalf of the business community with UNT, TWU, and NCTC Career Centers to build local talent pipelines
- Based on Business Retention and Expansion data collection, develop upskilling programs, industry career fairs, mentorships programs for students and industry and other workforce initiatives.

### Exhibit C INSURANCE REQUIREMENTS

### **STANDARD PROVISIONS:**

Without limiting any of the other obligations or liabilities of the Chamber, the Chamber shall provide and maintain until the agreement has been terminated, the minimum insurance coverage as indicated hereinafter.

All insurance policies proposed or obtained in satisfaction of these requirements shall comply with the following general specifications, and shall be maintained in compliance with these general specifications throughout the duration of the Contract, or longer, if so noted:

- Each policy shall be issued by a company authorized to do business in the State of Texas with an A.M. Best Company rating of at least <u>A or better</u>.
- Any deductibles or self-insured retentions shall be declared in the proposal. If requested by the City, the insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the City, its officials, agents, employees and volunteers; or, the Chamber shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- Liability policies shall be endorsed to provide the following:
  - Name as Additional Insured the City of Denton, its Officials, Agents, Employees and volunteers.
  - That such insurance is primary to any other insurance available to the Additional Insured with respect to claims covered under the policy and that this insurance applies separately to each insured against whom claim is made or suit is brought. The inclusion of more than one insured shall not operate to increase the insurer's limit of liability.
  - Provide a Waiver of Subrogation in favor of the City of Denton, its officials, agents, employees, and volunteers.
- Cancellation: City requires 30 day written notice should any of the policies described on the certificate be cancelled or materially changed before the expiration date.
- Should any of the required insurance be provided under a claims made form, Chamber shall maintain such coverage continuously throughout the term of this contract and, without lapse, for a period of three years beyond the contract expiration, such that occurrences arising during the contract term which give rise to claims made after expiration of the contract shall be covered.
- Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit providing for claims investigation or legal defense costs to be included in the general annual aggregate limit, the Chamber shall either double the occurrence limits or obtain Owners and Chambers Protective Liability Insurance.

• Should any required insurance lapse during the contract term, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this contract, effective as of the lapse date. If insurance is not reinstated, City may, at its sole option, terminate this agreement effective on the date of the lapse.

# SPECIFIC ADDITIONAL INSURANCE REQUIREMENTS:

All insurance policies proposed or obtained in satisfaction of this Contract shall additionally comply with the following marked specifications, and shall be maintained in compliance with these additional specifications throughout the duration of the Contract, or longer, if so noted:

# [X] A. General Liability Insurance:

General Liability insurance with combined single limits of not less than \$1,000,000.00 shall be provided and maintained by the Chamber. The policy shall be written on an occurrence basis either in a single policy or in a combination of underlying and umbrella or excess policies.

If the Commercial General Liability form (ISO Form CG 0001 current edition) is used:

- Coverage A shall include premises, operations, products, and completed operations, independent contractors, contractual liability covering this contract and broad form property damage coverage.
- Coverage B shall include personal injury.
- Coverage C, medical payments, is not required.

If the Comprehensive General Liability form (ISO Form GL 0002 Current Edition and ISO Form GL 0404) is used, it shall include at least:

- Bodily injury and Property Damage Liability for premises, operations, products and completed operations, independent contractors and property damage resulting from explosion, collapse or underground (XCU) exposures.
- Broad form contractual liability (preferably by endorsement) covering this contract, personal injury liability and broad form property damage liability.

# [X] Automobile Liability Insurance:

Chamber shall provide Commercial Automobile Liability insurance with Combined Single Limits (CSL) of not less than <u>\$500,000</u> either in a single policy or in a combination of basic and umbrella or excess policies. The policy will include bodily injury and property damage liability arising out of the operation, maintenance and use of all automobiles and mobile equipment used in conjunction with this contract.

Satisfaction of the above requirement shall be in the form of a policy endorsement for:

- any auto, or
- all owned, hired, and non-owned autos.