



City of Denton

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

Meeting Agenda

Economic Development Partnership Board

Wednesday, January 8, 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, January 8, 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. [EDP24-088](#) Consider approval of the Economic Development Partnership Board minutes for December 11, 2024.

Attachments: [December 11, 2024 EDPB Meeting Minutes .pdf](#)

- B. [EDP24-089](#) Receive a report, hold a discussion, and appoint or reappoint members and an Economic Development Partnership Board representative to the Downtown Economic Development Committee.

Attachments: [Exhibit 1 - Agenda Information Sheet.pdf](#)
[Exhibit 2 - DEDC Policy.pdf](#)
[Exhibit 3 - DEDC Roster and Attendance .pdf](#)

3. WORK SESSION

- A. [EDP24-090](#) Receive a report and hold a discussion regarding the current method for fiscal and economic impact analysis of projects requesting incentives.

Attachments: [Exhibit 1 - Agenda Information Sheet.pdf](#)
[Exhibit 2 - Economic Impact Summary Report.pdf](#)
[Exhibit 3 - Presentation.pdf](#)

- B. [EDP24-091](#) Receive a report and hold a discussion regarding a professional services Request for Proposal to complete a competitiveness study.

Attachments: [Exhibit 1 - Agenda Information Sheet.pdf](#)
[Exhibit 2 - Competitiveness Study RFP Draft.pdf](#)
[Exhibit 3 - Presentation.pdf](#)

- C. [EDP24-092](#) Staff Reports:

1. Director's Report - Brittany Sotelo
2. UPS Update - Jamie Adams
3. Future Agenda Items - Christine Taylor

Attachments: [Exhibit 1 - Agenda Information Sheet.pdf](#)
 [Exhibit 2 - Director's Report.pdf](#)
 [Exhibit 3 - UPS Update Presentation .pdf](#)
 [Exhibit 4 - Future Agenda Items.pdf](#)

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 January 2, 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.



City of Denton

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Legislation Text

File #: EDP24-088, **Version:** 1

AGENDA CAPTION

Consider approval of the Economic Development Partnership Board minutes for December 11, 2024.

**MINUTES
CITY OF DENTON
ECONOMIC DEVELOPMENT PARTNERSHIP BOARD
December 11, 2024**

After determining that a quorum was present, the Economic Development Partnership Board convened in a Regular Meeting on Wednesday, December 11, 2024, at 11:02 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), Tony Clark (Vice-Chair), Erin Carter (ex-officio), Brian Danhof, Jeremy Fykes, Kerry Goree, Gerard Hudspeth, Paul Meltzer, Lee Ramsey, Aaron Roberts, and Clyde Rick Woolfolk

ABSENT: Sara Hensley (ex-officio), Jason Tomlinson, and Susannah O’Bara (ex-officio)

STAFF: Julissa Amador, Katherine Barnett, Carly Blondin, Karen Boerner, Christina Davis, Vanessa Esparza, Brandi Neal, Hillary Negron, Clay Parker, Brittany Sotelo, Erica Sullivan, Christine Taylor, and Matilda Weeden

1. ITEMS FOR CONSIDERATION

A. EDP24-084 Consider approval of the meeting minutes for November 13, 2024.

Meltzer made a motion to approve the minutes of November 13, 2024. Fykes seconded the motion. Motion carried (9-0-1).

AYES (9): Clark, Danhof, Edgar, Fykes, Goree, Meltzer, Ramsey, Roberts, Woolfolk
NAYS (0): None
ABSENT (1): Hudspeth

2. WORK SESSION

A. EDP24-087 Receive a report and hold a discussion regarding Tax Increment Reinvestment Zone Number One Approve Ordinance amending the existing boundaries and term and the proposed amended Project and Financing Plan.

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

B. EDP24-085 Receive a report and hold a discussion regarding the relaunch of the Green Business Program.

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

C. EDP24-086 Staff Reports:

- 1. Director's Report – Brittany Sotelo**
- 2. Main Street Program Update – Kristen Pulido**
- 3. EDPB Partnership Update – Jamie Adams**
- 4. Economic Trends Report – Matilda Weeden**
- 5. Future Agenda Items – Christine Taylor**

Hudspeth joined at 11:28 a.m. Edgar left at 11:48 a.m.

Staff presented each item and discussion followed. The Main Street Program Update was not presented.

3. CONCLUDING ITEMS

With no further business, the meeting adjourned at 12:14 p.m.

Steven Edgar, Chair
Economic Development Partnership Board

Vanessa Esparza
Administrative Assistant

Minutes Approved On: _____



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File #: EDP24-089, **Version:** 1

AGENDA CAPTION

Receive a report, hold a discussion, and appoint or reappoint members and an Economic Development Partnership Board representative to the Downtown Economic Development Committee.



AGENDA INFORMATION SHEET

DEPARTMENT: Economic Development

ACM: Christine Taylor, Assistant City manager

DATE: January 8, 2024

SUBJECT

Receive a report, hold a discussion, and appoint or reappoint members and an Economic Development Partnership Board representative to the Downtown Economic Development Committee.

BACKGROUND

The Downtown Task Force serves as a subcommittee to the Economic Development Partnership Board (EDPB) to assist in the implementation of its duties. The EDPB renamed the Downtown Task Force and adopted a policy for the Downtown Economic Development Committee (DEDC) at the August 14, 2019 meeting. A component of the policy is a requirement that at least one member of the EDPB serve on the DEDC. The policy also includes a provision that the Chair of the DEDC must be a member of the EDPB. The EDPB also included that one voting member should be a member of the Executive Committee of the Denton Main Street Association (DMSA) Board.

Per the adopted policy, the DEDC will be made up of 9 to 13 individuals, who represent the diversity of Downtown Denton stakeholders. The DEDC will have a maximum membership of 13 individuals. The policy states that while there is no requirement to include members of specific groups or organizations, it is the intent of the EDPB that DEDC members include: Downtown Denton property owners, Downtown Denton business owners, a representative from Denton County, a representative of the Denton Chamber of Commerce, a representative from the Convention and Visitors Bureau, Downtown Denton developers, finance or banking professionals, Downtown Denton residents, a representative with knowledge of historic preservation, a representative with general knowledge of urban planning, representatives from arts-related organizations, representatives from UNT, TWU, and NCTC, or any other individual whose qualifications, background, or experience can significantly contribute to the mission of the DEDC.

The following DEDC members have completed their second-year terms and are eligible for re-appointment for an additional two-year term and would like to continue serving on the committee. Each member meets the attendance requirements for re-appointment:

- Peggy Capps
- Hank Dickenson
- Rina Maloney
- Brock McKnight

The following DEDC members have completed their first-year term and are eligible for re-appointment for an additional two-year term and would like to continue serving on the committee. Each member meets the attendance requirements for re-appointment:

- Jill Herbst
- Kristen Kendrick-Bigley

On January 10, 2024, staff recommended the following: Kristen Kendrick-Bigley, Denton Main Street Association President be appointed to fill Tracey Long's term. Jeremy Fykes, EDP Board Member, be appointed to fill Jesse Davis's term. Jeremy Fykes has completed his first term as the DEDC Chair and has requested to not be reappointed. The vacant seat is for the DEDC Chair and will be a current EDP Board Member appointed by the Board.

EXHIBITS

Exhibit 1 – Agenda Information Sheet

Exhibit 2 – DEDC Policy

Exhibit 3 – DEDC Roster and Attendance

Respectfully submitted:
Kristen Pulido
Main Street Program Manager
Office of Economic Development

Downtown Economic Development Committee Policy

Authorization and Purpose

The Economic Development Partnership Board (“EDPB”) has authority to create subcommittees or task forces to assist in implementation of its duties. The Downtown Economic Development Committee (“DEDC”) was created by the EDPB pursuant to this authority.

The purpose of the DEDC is to advise the EDPB on matters related to economic development in the area generally depicted in **Attachment 1** (“Downtown Denton”) or any matters that may impact economic development in Downtown Denton. The EDPB may request the DEDC review specific items or City staff may bring matters forward to the DEDC without direction from the EDPB so long as the matter is related to Downtown Denton economic development. The DEDC will also make recommendations to TIRZ Board No. 1 regarding the Downtown Incentive Reimbursement Grant program.

Items that may be brought forward for review or recommendation from the DEDC include, but are not limited to: capital projects; engineering, streets, sidewalks, and traffic signal improvements; public safety; design standards and guidelines; historic preservation; special events; parks and landscaping; parking and transportation; creative economy; business recruitment, retention, and expansion; solid waste and recycling; incentives; and, real estate.

If a project or item is related to Downtown Denton, but is located outside of the bounds of the map in Attachment 1, the item may still be brought forward to the DEDC for review or recommendation.

Membership and Structure

The DEDC will be made up of 9 to 13 individuals, who represent the diversity of Downtown Denton stakeholders. The DEDC will have a maximum membership of 13 individuals. The EDPB will appoint DEDC members that represent the multitude of Downtown Denton stakeholders. While there is no requirement to include members of specific groups or organizations, it is the intent of the EDPB that DEDC members include: Downtown Denton property owners, Downtown Denton business owners, a representative from Denton County, a representative of the Denton Chamber of Commerce, a representative from the Convention and Visitors Bureau, Downtown Denton developers, finance or banking professionals, Downtown Denton residents, a representative with knowledge of historic preservation, a representative with general knowledge of urban planning, representatives from arts-related organizations, representatives from UNT, TWU, and NCTC, or any other individual whose qualifications, background, or experience can significantly contribute to the mission of the DEDC. A representative from the executive committee of the Denton Main Street Association will serve as a voting member of the DEDC.

Recommendations for appointments for new or additional members will be made by either the DEDC or members of the EDPB.

Appointments and re-appointments to the DEDC will be made by the EDPB annually.

Members of the DEDC will serve two-year terms, with a term limit of three consecutive two-year terms. For the initial appointment of the DEDC, appointed members will draw lots to determine members who will serve a one-year initial term and members who will serve a two-year initial term. Members who serve an initial one-year term are eligible to serve three full two-year terms. Once a member has reached the 3-term maximum, the member must have a full-year off the DEDC before he/she can be considered for reappointment.

At least one member of the EDPB will serve on the DEDC.

At least annually, the DEDC will select a Chair and Vice Chair. The Chair will be selected from the members of the EDPB serving on the DEDC. If there is more than one EDPB member serving on the DEDC, the DEDC may select one of the EDPB members to serve as Chair or may select multiple members to serve as Co-Chairs. The Vice Chair of the DEDC will be chosen from any member of the DEDC.

The DEDC will follow the City's adopted Handbook for Boards, Commissions, and Council Committees attendance policies.

Meetings and Reporting

The DEDC will hold regularly scheduled meetings monthly, at a date and time to be determined by the DEDC. If there is no business or items for discussion, the DEDC Chair (or Vice Chair in the event of the absence of a Chair) may cancel a scheduled meeting. The DEDC may call special meetings as needed.

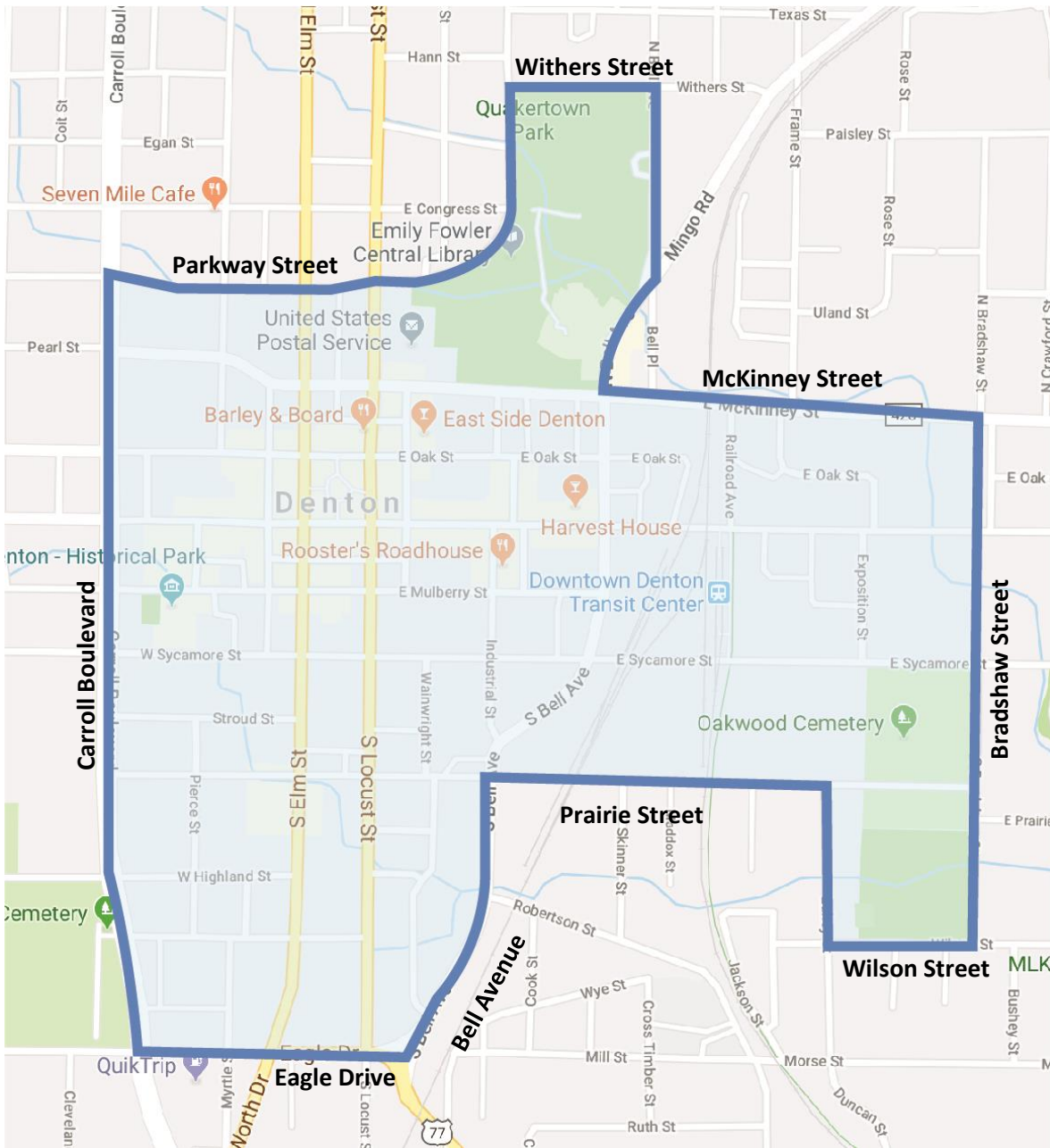
The DEDC will comply with the requirements of the Texas Open Meetings Act. All meetings will be open to the public. Proper notice of meetings will be posted in accordance with City policy at least 72-hours in advance. Minutes will be kept for all DEDC meetings and submitted to the DEDC for review and approval.

For meeting purposes, a quorum of the DEDC is a majority of current members. For example, if the DEDC has 9 members, 5 members shall constitute a quorum. If the DEDC has 13 members, 7 members shall constitute a quorum.

Any recommendation made by the DEDC, including recommendations made by vote, will be presented as advisory opinions of the DEDC to the EDPB. No recommendation is considered a binding action and does not obligate the EDPB to concur with a recommendation.

The DEDC Chair will prepare or present a report on the DEDC at least quarterly to the EDPB. An item will be placed on EDPB agendas at least quarterly to allow for the EDPB to discuss the DEDC report and hear from the DEDC Chair.

ATTACHMENT 1



**Downtown Economic Development Committee
FY 2023 - 2024**

Member	Seat	Meetings Attended	Meetings Absent	Meetings Held	Requested Re-Appointment	Original Appointment	Terms Served	Present Term
Jason Bodor	Downtown Denton Business Owner and Property Owner - Vibe Digital Marketing	6	2	8		11/10/2021	2	September 1, 2023 - August 31, 2025
Peggy Capps	Representative with knowledge of Historic Preservation	5	3	8	TBD	10/9/2019	2	September 1, 2022 - August 31, 2024
Hank Dickenson (Vice-Chair)	Representative of the Denton Chamber of Commerce - Denton Chamber of Commerce	7	1	8	Yes	10/9/2019	2	September 1, 2022 - August 31, 2024
Jeremy Fykes (Chair)	EDPB Member	5	3	8	No	1/10/2024	1	September 1, 2022 - August 31, 2024
Jill Herbst	Downtown Denton Business Owner and Property Owner - Panhandle House	5	3	8	Yes	1/11/2023	2	September 1, 2022 - August 31, 2024
Kristen Kendrick-Bigley	Representative from the executive committee of the Denton Main Street Association - DMSA President	6	1	8	Yes	1/10/2024	1	September 1, 2022 - August 31, 2024
Melissa Lenaburg	Downtown Denton Property Owner	3	4	8		10/9/2019	3	September 1, 2023 - August 31, 2025
Beth Lewis	Representative from Texas Woman's University	7	1	8		10/9/2019	3	September 1, 2023 - August 31, 2025
Rina Maloney	Representative from Denton County - Denton County Economic Development	3	4	8	Yes	4/13/2022	2	September 1, 2022 - August 31, 2024
Brock McKnight	Finance or banking professional - First United Bank	7	1	8	Yes	10/9/2019	2	September 1, 2022 - August 31, 2024
Nick Miller	Downtown Denton Property Owner - The Martino Group	7	1	8		10/9/2019	3	September 1, 2023 - August 31, 2025
Bob Moses	Downtown Denton Business Owner - Beth Marie's Ice Cream Shop	6	2	8		10/9/2019	3	September 1, 2023 - August 31, 2025
Krissi Oden	Representatives from arts-related organizations - Greater Denton Arts Council	5	3	8		1/10/2024	1	September 1, 2023 - August 31, 2025



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AGENDA CAPTION

Receive a report and hold a discussion regarding the current method for fiscal and economic impact analysis of projects requesting incentives.



AGENDA INFORMATION SHEET

DEPARTMENT: Economic Development

ACM: Christine Taylor, Assistant City Manager

DATE: January 8, 2025

SUBJECT

Receive a report and hold a discussion regarding the current method for fiscal and economic impact analysis of projects requesting incentives.

BACKGROUND

Impact Dashboard, by Austin-based Impact DataSource, is a customized economic development modeling tool that performs economic and fiscal impact analysis and incentive analysis for municipalities. It produces reports that estimate the impact a potential project in the City of Denton will have on the local economy and the costs and benefits for local taxing districts over a ten-year period. The economic impact is based on a Regional Input-Output Modeling System (RIMS II) created by the U.S Department of Commerce, Bureau of Economic Analysis, which is widely used to estimate the direct and secondary impacts of an event on the regional economy using input and output methods.

Prior Practice:

The previous practice to estimate the secondary labor and sales tax ripple effects utilized Jobs EQ labor software and a formula, created by the University of North Texas' (UNT) Center for Economic Development Research (CEDR).

Current Model:

As Denton has grown, the number of companies approaching the City for economic incentives has continued to increase. The multiple tools that Denton has used to offer incentives have also become more complex, which prompted staff to contract with Impact DataSource in 2016. Staff looked at other economic models, IMPLAN, REMI, and Impact DataSource, which capture the traditional input-output patterns and money flows among the various areas within an economy to determine the total impact a change in one area will have throughout a community. Of the three, Impact DataSource was found to be focused on use by economic development organizations and provides the costs for governmental services.

The Impact Dashboard model:

- Calculates the property tax, sales tax and Hotel Occupancy Tax revenues
- Provides the utility revenue and franchise fees
- Includes building and permit fees
- Captures municipal utility costs
- Includes municipal service costs
- Incorporates depreciation schedules for equipment
- Accounts for the estimated number of residences that new employees may purchase

- Provides the economic impacts by industry through its use of RIMS II model multipliers by industry code
- Readily provides multiple grant options and layering of tax tools that can be separated or combined
- Has been customized to incorporate Tax Increment Reinvestment Zones (TIRZ) into the model
- Generates one-page impact summaries and comprehensive reports for each project analyzed

Staff has been working to incorporate best practices in incentive analysis and administration, this modeling tool has assisted by helping to standardize the fiscal and economic impacts for local taxing districts of potential projects and incentive packages over a 10-year period. A sample project will be presented, and the Economic Impact Summary Report is included as Exhibit 2.

EXHIBITS

Exhibit 1 – Agenda Information Sheet

Exhibit 2 – Economic Impact Summary Report

Exhibit 3 – Presentation

Respectfully submitted:

Erica Sullivan

Economic Development Program Administrator



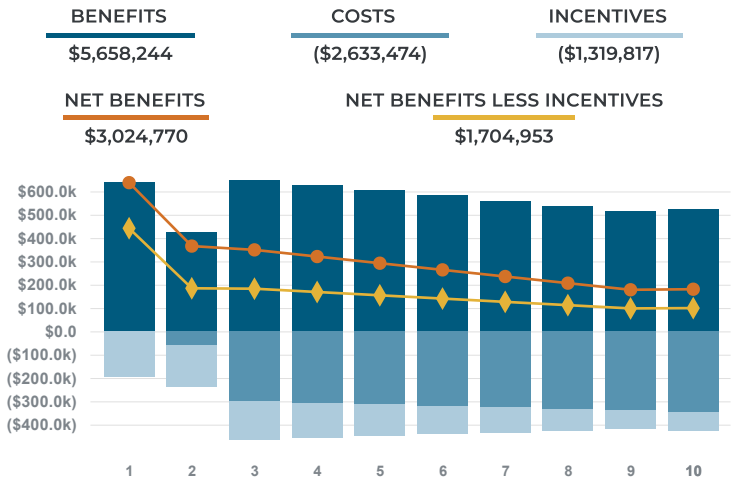
IMPACT REPORT - EXPANSION ONLY

PROJECT ORANGE

Scenario 1

- Business Retention & Expansion
- Advanced Manufacturing

City of Denton



JOBS

158.8 Total
 95.0 Direct
 63.8 Spin-off

95.0 New Jobs @ \$62,730

*This summary does not include the impact from the company's current activity including:
 324.0 Retained Jobs @ \$64,155*

SALARIES

\$60,805 Avg
 \$62,730 Direct
 \$57,938 Spin-off

CAPITAL INVEST.

\$69.7M
 Buildings + FF&E

NET BENEFITS LESS INCENTIVES **\$1,704,953**
 Present Value \$1,397,683

NET BENEFITS **\$3,024,770**
 Present Value \$2,459,073

BENEFITS

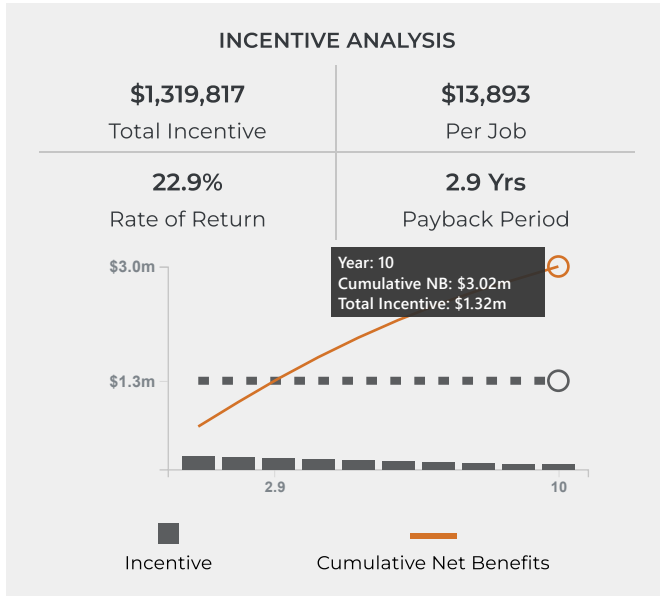
Sales Taxes	\$327,103
Real Property Taxes	\$920,897
FF&E Property Taxes	\$1,718,737
Inventory Property Taxes	\$0
New Residential Property Taxes	\$27,951
Hotel Occupancy Taxes	\$0
Building Permits and Fees	\$0
Utility Revenue	\$2,398,741
Utility Franchise Fees	\$15,539
Miscellaneous Taxes and User Fees	\$249,275
Benefits Subtotal	\$5,658,244

COSTS

Cost of Government Services	(\$285,115)
Cost of Utility Services	(\$2,348,358)
Costs Subtotal	(\$2,633,474)

INCENTIVES

Property Tax Abatement	(\$1,319,817)
Incentives Subtotal	(\$1,319,817)



NET BENEFITS LESS INCENTIVES OVER 10 YEARS

CITY	\$1,704,953
COUNTY	\$1,035,527
SCHOOL DISTRICT	\$2,275,964
TRANSIT DISTRICT	\$115,146



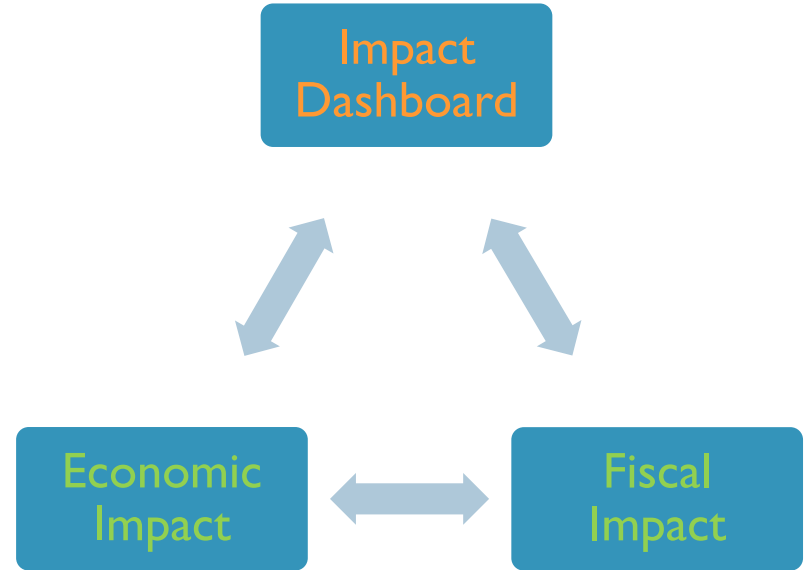
IMPACT DASHBOARD: ECONOMIC DEVELOPMENT IMPACT MODEL

ECONOMIC DEVELOPMENT PARTNERSHIP
BOARD

JANUARY 8, 2025

IMPACT DASHBOARD

- Impact Dashboard
- Economic Development Modeling tool
- Customizable
- Performs economic and fiscal impact analysis
- Incentive analysis



STAFF INPUTS INTO THE MODEL



JOB



AVERAGE
SALARIES



INDUSTRY
CODE



CAPITAL
INVESTMENT

EVENT: NEW COMPANY OR EXPANSION PROJECT

Economic Impact

- **Direct Impact** - the jobs and sales/output directly created by the event
- **Indirect Impact** - the jobs and sales/output companies supplying goods and services to the new or expanded industry
- **Induced Impact** - the jobs and sales/output created when new employees from the new or expanded firm spend their wages at local establishments

Fiscal Impact

- Tax revenue is generated by the new or expanded project (business and households)
- Demand on government services (roads, Police, Fire, and libraries)
- Cost for providing utility services

JOBS



158.8 Total
95.0 Direct
63.8 Spin-off

FISCAL IMPACTS: BENEFITS

Public Tax Revenue

- Property Tax
- Sales Tax
- Hotel Occupancy Tax

Other Public Revenue

- Utility Revenue and Franchise Fees
- Building Permits and Fees

FISCAL IMPACTS: COSTS

Public Costs

- Cost of providing municipal services
- Cost of providing utility Services

Incentive

- Property tax abatement or rebate
- Sales tax rebate
- DME Economic Growth Rider
- Cash incentive

NET BENEFITS



Net benefits from the business and the workforce



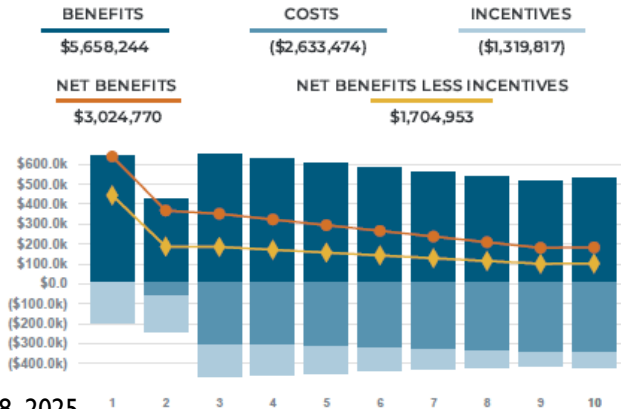
Additional revenues



Less costs and incentive(s) and government services



Net benefits should be positive



NET BENEFITS LESS INCENTIVES **\$1,704,953**

Present Value \$1,397,683

NET BENEFITS **\$3,024,770**

Present Value \$2,459,073

BENEFITS

Sales Taxes \$327,103

Real Property Taxes \$920,897

FF&E Property Taxes \$1,718,737

Inventory Property Taxes \$0

New Residential Property Taxes \$27,951

Hotel Occupancy Taxes \$0

Building Permits and Fees \$0

Utility Revenue \$2,398,741

Utility Franchise Fees \$15,539

Miscellaneous Taxes and User Fees \$249,275

Benefits Subtotal **\$5,658,244**

COSTS

Cost of Government Services (\$285,115)

Cost of Utility Services (\$2,348,358)

Costs Subtotal **(\$2,633,474)**

INCENTIVES

Property Tax Abatement (\$1,319,817)

Incentives Subtotal **(\$1,319,817)**

RATE OF RETURN AND PAYBACK PERIOD



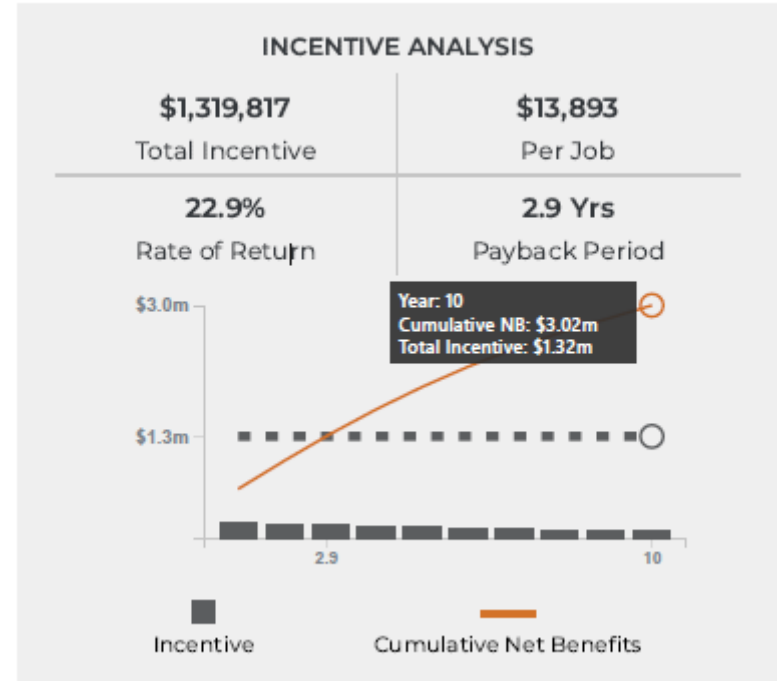
Rate of return: the larger the rate, the better it is for the City



Payback: the shorter the term, the better it is for the City

22.9%
Rate of Return

2.9 Yrs
Payback Period





LIVE DEMO AND QUESTIONS?

ERICA SULLIVAN
ECONOMIC DEVELOPMENT PROGRAM
ADMINISTRATOR
940-349-7731
ERICA.SULLIVAN@CITYOFDENTON.COM



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Legislation Text

File #: EDP24-091, **Version:** 1

AGENDA CAPTION

Receive a report and hold a discussion regarding a professional services Request for Proposal to complete a competitiveness study.



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AGENDA INFORMATION SHEET

DEPARTMENT: Economic Development

ACM: Christine Taylor, Assistant City Manager

DATE: January 8, 2025

SUBJECT

Receive a report and hold a discussion regarding a professional services Request for Proposal to complete a competitiveness study.

BACKGROUND

The City of Denton Office of Economic Development is eager to establish an improved baseline of its performance and economic development practices.

The Department has had several directors over the past decade, and desires to create stability and gain clarity in how to structure its economic development incentive policies that will provide a competitive environment to attract and retain capital investment and jobs, create a more developer-friendly environment, provide flexibility in its recruiting practices and the economic incentive packages it is able to offer.

To ensure that the Economic Development Partnership Board, the City Manager's Office, and the City Council is informed by the most comprehensive and accurate data, Staff is seeking to commission a comprehensive study of the City of Denton's competitive position in the region.

This study will provide invaluable insights into reasons site selectors would choose, or not choose the City of Denton as a place to locate businesses and create new jobs. The study will also provide strategic insight and assess the need for new or innovative alternatives for structuring economic development deals that will help the City achieve its strategic outcomes.

EXHIBITS

Exhibit 1 – Agenda Information Sheet

Exhibit 2 – Competitiveness Study RFP Draft

Exhibit 3 – Presentation

Respectfully submitted:
Brittany Sotelo
Economic Development Director

Request for Quote
City of Denton
Economic Development Competitiveness Study
October 2024

draft

Introduction

The City of Denton is seeking proposals from qualified consultants to conduct a comprehensive study of its economic development competitiveness in the Dallas-Fort Worth Metroplex, State of Texas and United States.

Ranked as one of fifteen cities with the largest gaining population in 2023 by the U.S. Census Bureau, the City of Denton's effectiveness and ability to compete in attracting and retaining target industries and quality jobs is becoming imperative to increasing and diversifying the local tax base. As one of the largest College cities in Texas, Denton is prime for new opportunities.

The outcome of the study should provide a baseline model of multiple factors involved in site selection decisions made by businesses, and how Denton's performance in these areas compares to other economic development entities and/or cities.

Background

The City of Denton Office of Economic Development is eager to establish a baseline of its performance in economic development practices.

The Economic Development Department has had several directors over the past decade, and desires to create stability and gain clarity in how to structure its economic development incentive policies that will help to ensure continuity of service, create a more developer-friendly environment, provide flexibility in its recruiting practices and competitive economic incentive packages.

To ensure that the Economic Development Partnership Board, the City Manager's Office, and the City Council is informed by the most comprehensive and accurate data, the Economic Development Department is seeking a study to assess the City of Denton's competitive position in the region, state and nation.

This study will provide invaluable insights into reasons site selectors would choose, or not choose the City of Denton as a place to locate businesses and create new jobs. The study will also provide recommendations for new or innovative alternatives for structuring economic development deals and funding mechanisms that will help the City achieve its strategic goals.

Objectives

The findings of this economic development competitiveness study will be a vital resource for the team and will establish a baseline of performance to improve the City's competitive advantage in order to increase the tax base, create new jobs, and retain a skilled workforce within the City.

The City of Denton is eager to understand its place in the market, and its strengths, weaknesses, opportunities, and threats. As the City continues to prioritize economic

Request for Quote
City of Denton
Economic Development Competitiveness Study
October 2024

draft

development, the study will provide the information necessary to ensure that the City of Denton can compete in the current and near-future market conditions. The economic development study is a critical step in implementing goals in the economic development strategic plans, and the City is committed to making sure it is done thoroughly and thoughtfully.

Criteria

In the study, consider the top factors impacting the site selection industry in 2024:

1. Workforce / labor availability

- Average wage comparisons
- Cost of Living for employees

2. Availability of development ready sites

- Land availability with ready infrastructure
- Existing building availability

3. Cost of Doing Business

- Local property and sales tax rates
- Development permit and impact fees, development timelines and other related costs

4. Incentive Evaluation

- Comparison of Denton incentives and funding mechanisms to other cities and economic development policies of top performing cities.
- Fiscal and economic impacts of the top incentivized projects awarded to comparable cities including, but not limited to, revenue recovery timeline, new revenue gains, new job gains, taxbase diversification, and other relevant factors.

5. Utilities / infrastructure

- Utility rate comparison and access to infrastructure

6. Transportation and Supply chain risk and mitigation

7. Political elections (U.S)

8. Project financing / cost of capital

9. Climate change, environment, and sustainability

10. Geopolitical risk

11. Federal and state legislation and policy

12. Public opinion regarding projects

13. Diversity, equity, and inclusion

14. Quality of placemaking

15. Industrial and Office market outlook

16. Other factors (recommend relevant data based on expertise, knowledge of market trends, and the current state of the industry)

Scope of Work

Deliverable 1 – City Comparisons

Collect and compare data based on the “Criteria” section from cities in the Dallas-Fort Worth region including Denton, Ft. Worth, Dallas, McKinney, Forney and surrounding counties, as well as cities in other parts of Texas and the United States that are comparable to City of Denton (in terms of size, attributes, geography, demographics, and other relevant factors) to determine successes in recruitment of businesses and creation of new jobs.

Deliverable 2 – Existing Denton incentive evaluation and return on investment

- Analysis of existing incentive policies to ensure competitiveness and evaluation of existing incentive agreements and short- and long-term Return on Investment for the city’s general fund.
- Evaluation of commercial versus residential land within the city limits and tax revenue generated per acre or other metric compared to other cities. Multiple state and county government entities own land within the Denton city limits, therefore, advertising ad valorem taxes collected for the City of Denton.
- Consideration of other development limitations including existing zoning or other factors.

Deliverable 3 – Recommendations

Provide recommendations for improving all aspects of economic development practices, policies, developer environment, and incentive structures in the City of Denton, including the implementation of new facilities and infrastructure improvements if relevant.

Identify top trends impacting the facility location decision-making process in Texas, United States and nationally.

- Office projects (HQs, tech centers, R&D, service centers, etc.)
- Industrial projects (manufacturing, warehousing, logistics, fulfillment, etc.)
- Retail and housing projects
- Funding mechanisms for incentives

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draft

Study Area

City of Denton City and ETJ Limits - Important Links

- [Comprehensive Plan](#)
- [Economic Development Strategic Plan](#)
- [Downtown Master Plan](#)

Attached:

- Incentive Policies

Timeline

The study is expected to be completed and a final report delivered within 100 days.

Qualifications

Consultants submitting a proposal must have experience in conducting economic development studies and have a demonstrated understanding of all the factors that impact economic development. This can be evidenced by listing in the response to this RFQ the projects completed for other organizations, and a sample report that is similar in scope to the requirements of this study.

Submission Requirements

Proposals should include the following:

1. A cover letter outlining the consultant's qualifications and experience

Provide experience and qualifications of the firm/team, including familiarity with Denton and its regional context. Provide relevant experience with similar projects, including any unique qualifications or special services that enhances the firm's/team's ability to perform the work described in this RFP. Identify the contact person for the selection phase, including name, address, telephone, and email.

2. A detailed methodology and approach for conducting the study

Narrative describing the project team's overall method and approach to developing the economic development study including data collection and analysis and recommendations for improving future use.

3. A detailed project budget

Request for Quote

City of Denton
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Identify project tasks, estimated hours dedicated to tasks, hourly rates of team members performing those tasks, total cost for each task and total for project.

4. A list of relevant experience and qualifications of the key staff who would be working on the project

Provide resume/bio for the project manager and each team member. If applicable, provide availability and labor time and cost estimates for the project manager and team members who will be committed to completing the project.

Evaluation Criteria

Proposals will be evaluated based on the following criteria:

Criteria	Score
Relevant project experience	20
Team qualifications	20
Quality and feasibility of the proposed methodology	20
Reasonable and realistic project budget	20
Probable performance	20
	100

Submission Due Date/Time

Proposals must be received by Friday, February 28, 2024.

Contact Information:

Questions and proposals should be directed to:

Brittany Sotelo
Director of Economic Development
Brittany.Sotelo@CityofDenton.com
(940) 349-7259

January 8 , 2025

Competitiveness Study RFP

OFFICE OF ECONOMIC DEVELOPMENT

Brittany Sotelo
Economic Development Director

OBJECTIVE OF THE STUDY

- Evaluate Denton's competitiveness based on top site selection considerations.
- Provide recommendations to staff and EDP Board on areas of improvements and opportunities.

Deadline to submit: February 28, 2024

TOP SITE SELECTION CRITERIA

1. Workforce / labor availability

- Average wage comparisons
- Cost of Living for employees

2. Availability of development ready sites

- Land availability with ready infrastructure
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Deliverable 1 - City Comparisons

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Deliverable 2 - Evaluation of Existing Incentives and ROI

- Analysis of existing incentive policies to ensure competitiveness and evaluation of existing incentive agreements and short- and long-term Return on Investment for the city's general fund.
- Evaluation of commercial versus residential land within the city limits and tax revenue generated per acre or other metric compared to other cities. Multiple state and county government entities own land within the Denton city limits, therefore, advertising ad valorem taxes collected for the City of Denton.
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Deliverable 3 - Recommendations

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- Identify top trends impacting the facility location decision-making process in Texas, United States and nationally.

EDP BOARD INSIGHT

Questions?

EDP24-091, 01-08-2025



City of Denton

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

Legislation Text

File #: EDP24-092, **Version:** 1

AGENDA CAPTION

Staff Reports:

1. Director's Report - Brittany Sotelo
2. UPS Update - Jamie Adams
3. Future Agenda Items - Christine Taylor



AGENDA INFORMATION SHEET

DEPARTMENT: Economic Development

ACM: Christine Taylor, Assistant City Manager

DATE: January 8, 2025

SUBJECT

Staff Reports:

1. Director's Report – Brittany Sotelo
2. UPS Update – Jamie Adams
3. Future Agenda Items – Christine Taylor

BACKGROUND

Director's Report:

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

UPS Update:

Receive a report and hold a discussion regarding the recent closure of the UPS warehouse on Shady Oaks Drive 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 – UPS Update Presentation
- Exhibit 4 – Future Agenda Items

Respectfully submitted:
Matilda Weeden
Economic Development Specialist

January 8, 2025

DIRECTOR'S REPORT

OFFICE OF ECONOMIC DEVELOPMENT

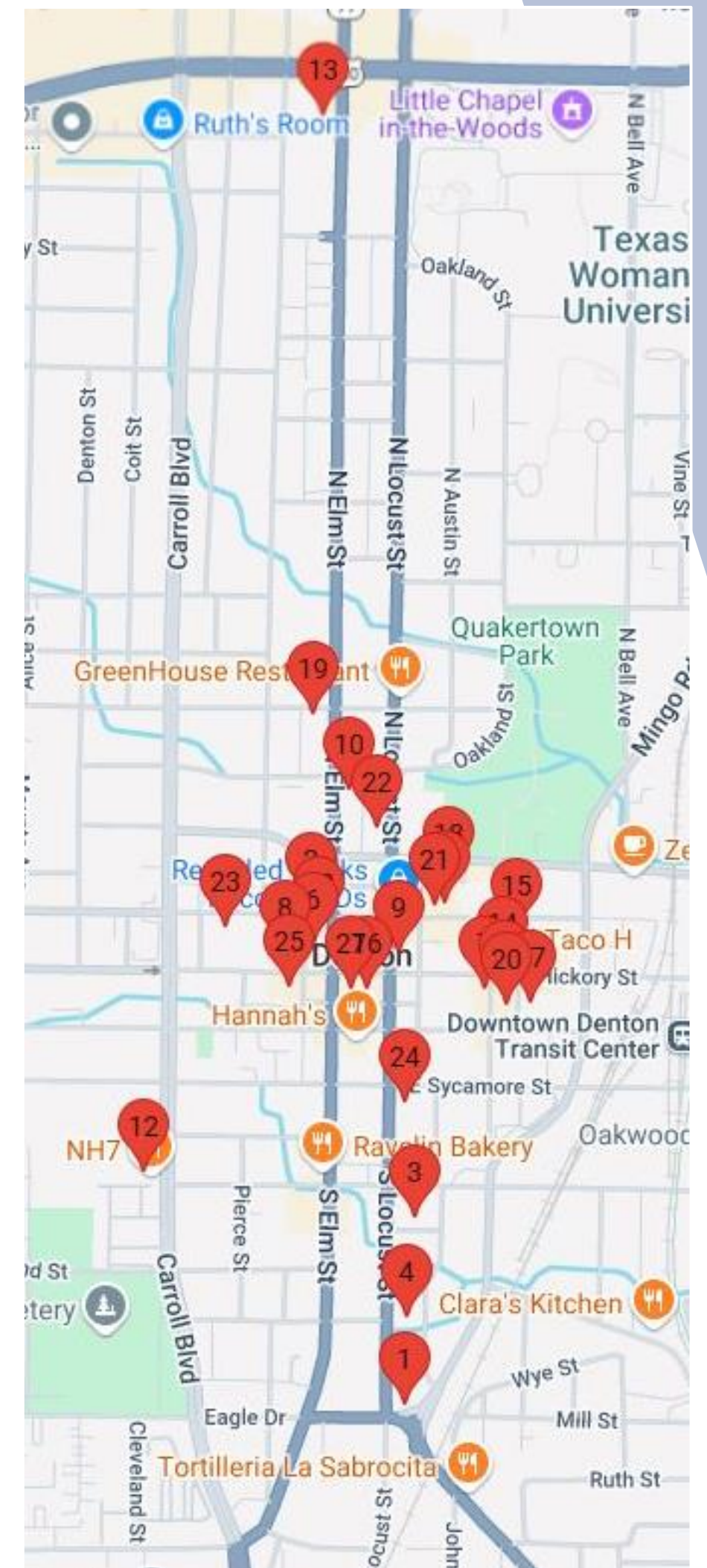
Brittany Sotelo
Economic Development Director

December Updates

- Attended the Dallas Regional Chamber Breakfast and Luncheon with the State Economic Development team
- Hosted site tour with Project Server
- Working on incentive proposal
- Working with Procurement, Legal and Transportation departments to develop mobility test pilots for the city.
- City Council approved TIRZ 1 Boundary and term amendment on Dec. 17th.

Downtown Small Business Utility Grant

- September 24, 2024, City Council Approved
- Mailed out over 500 letters
- Hosted In-Person and Virtual How-to sessions
- 28 businesses were approved for reimbursement
- \$743 Avg. Reimbursement
- \$20,805.38 Total Reimbursement



THANK YOU

EDP24-092, 01-08-2025

JANUARY 2025 EDP REPORT

REPORT ON BR & E AND UPS DISTRIBUTION



DENTON, TEXAS

JAMIE ADAMS

Director of Strategic Partnerships
Denton Economic Development
Partnerships

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.



HISTORY

- UPS Customer Service Center was purchased in 1991.
1709 Shady Oaks Drive, Denton, TX 76205
- 30,000 square foot facility on 5.2 acres
- Renovations over 34 years:
Commercial alteration permit applied
for in 12/31/2003
- 69 Drivers and less than 50 warehouse workers.
- Closed on October 7, 2024



UPS PLAN – NETWORK OF THE FUTURE

- UPS Announced in March of 2024 that they have plans to close 200 distribution centers across the United States as part of its “Network of the Future” initiative.
 - Increasing Automation
 - Reducing Operational Costs

- Looking to save \$3 Billion through facility consolidation and introduction of more automated sorting facilities.



The "Network of the Future" is a comprehensive strategy focused on 5 initiatives.

Automation and Facility Consolidation

- Of the plan to close 200 US Facilities, 70 have already been closed as of December 2024.

Technological Advancements

- AI, Robotics, RFID for package tracking, analytics, etc..

Expansion and Efficiency

- By 2028, increase automated warehouses from 63 to 400.

Sustainability

- Alternative fuels, sustainable packaging, and other eco-friendly practices

Market and Financial Goals

- Adjusted operating margin above 13% is the goal.

WHY DID THEY LEAVE DENTON?

Spoke with Nick D'Andre, Vice President of Public Affairs for UPS

- No Fault to anyone in Denton. They loved it here.
- “Right the UPS ship” and reshuffle the way they do things. More efficient and a focus on automation.
- Building is for Sale and looking for local help to sell it.
- Drivers were able to keep their jobs. Not warehouse workers.

UPS DISTRIBUTION DENTON

69 DRIVERS IN DENTON ALL WERE RELOCATED – NO DRIVER LOST THEIR JOB



60

INDEPENDENCE
FACILITY
FORT WORTH

6

SHERMAN, TX

3

WICHITA
FALLS, TX



HOW TO CONTINUE GROWING OUR BR & E EFFORTS



1

BUILDING
THE BR & E
RESOURCE
TEAM

2

CUSTOMER
OUTREACH

3

COMMUNITY
AND
STAKEHOLDER
EVENTS

BUSINESS RETENTION AND EXPANSION RESOURCE TEAM



- The collaborative, seamless customer service delivery system.
- Resource partners will be city staff, community, economic, and workforce development organizations.
- Regular meetings and accountability.
- Customer First Mentality.

IN PERSON FACILITY VISITS – BE A CALLER



- Provide high-level, strategic introspection on the business, industry, markets, etc.
- Reveal broad opportunities and threats.
- Uncover and prioritize mutually understood next steps/action items.
- In person visits at least once a year.

COMMUNITY AND STAKEHOLDER EVENTS



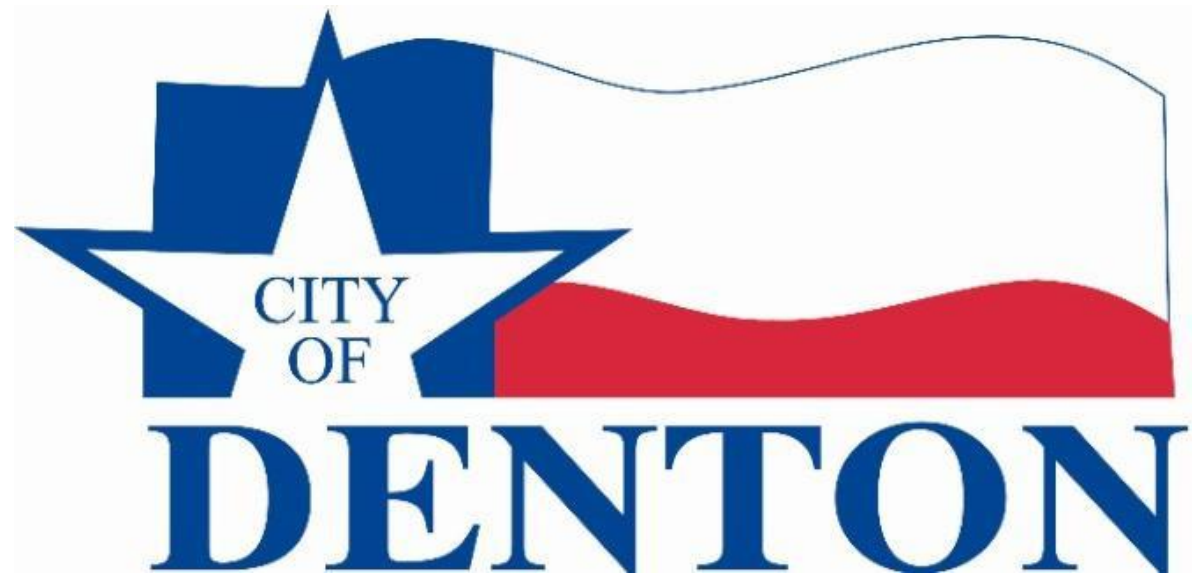
- Host Industrial Roundtable and HR Lunch and Learns.
- Convene groups by common denominator.
- This can help to easily identify participants that are poised for growth or conversely, at risk and provide more intensive care to them after the event.
- Promotion of new and existing programs and resources.



ECONOMIC DEVELOPMENT

DENTON, TEXAS

PARTNERSHIP



Economic Development Partnership Board

Meeting Date	Item Description	Presented By	Time
Wednesday, February 12, 2025			
Item for Consideration	Chamber of Commerce Agreement	Christine Taylor / Erin Carter	15
Work Session	Discuss Challenges and Opportunities - Lee Ramsey Request		15
Work Session - Staff Report	Main Street Program update	Kristen Pulido	5
Work Session - Staff Report	Director Report	Brittany Sotelo	5
		Total Time	40
Wednesday, March 12, 2025			
		Total Time	
Wednesday, April 9, 2025			
		Total Time	