

March 25, 2026

325 W. McKinney

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

FY 25/26 Downtown Reinvestment Grant Budget Status

FY 25/26 Downtown Reinvestment Grant Pipeline Stage		
Status	Total	Est. Amount Awarded
Application Review	4	\$107,500
Awaiting Application	6	\$117,500
Leads	2	\$75,000
TOTALS	12	\$300,000

Projected 25/26 Tax Increment Reinvestment Zone Number One Grants			
Phase	Owner/Business	Address	Requested Amount
TIRZ 1	Fine Arts Theater of Denton, LLC	115-116 N. Elm St.	\$50,000
TIRZ 1	West Oak Coffee Bar	114 W. Oak St.	\$50,000
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DEDC	Brakefield Pools	520 S. Elm St.	\$10,000
DEDC	325 W. McKinney St.	325 W. McKinney	\$50,000
DEDC	Ruby Rodeo/Red Italian	122 N. Locust	\$50,000
		TOTAL	\$260,000
		FY 25/26 Grant Budget	\$200,000
		Est. Fund Balance	(\$60,000)

ALIGNMENT WITH CITY PLANS

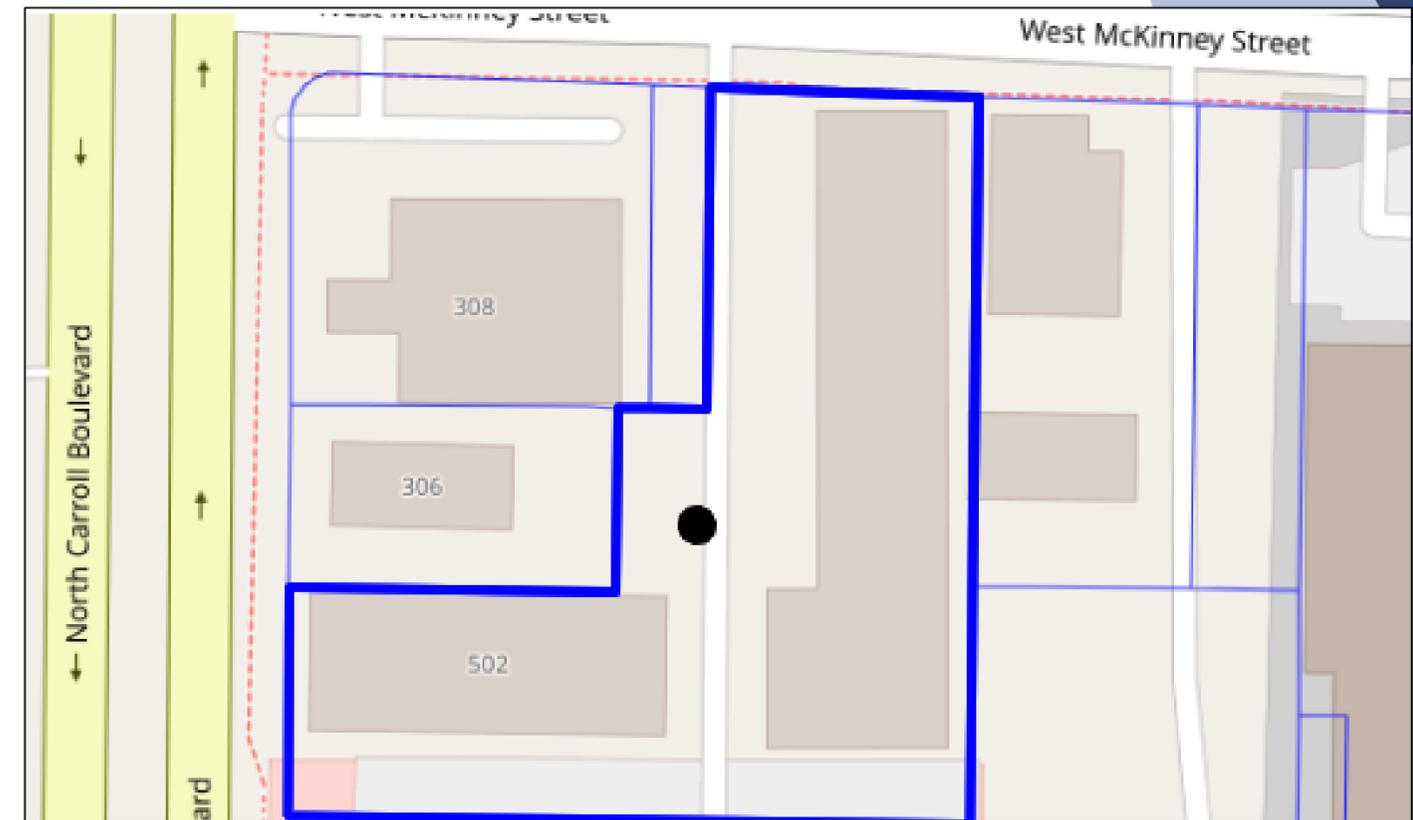
- **City's Strategic Plan**
 - Key Focus Area 3: Foster Economic Opportunity and Affordability
 - Grow Denton's Economic Vitality
 - Key Focus Area 4: Strengthen Community and Quality of Life
 - Preserve Community Character and Identity
 - Strengthen Community Amenities
- **Economic Development Strategic Plan**
 - 2D.2 Downtown Development
- **Design Downtown Plan**
 - Community Priority: Retail and Commercial Development

BACKGROUND

- 2025 – McKarroll Partners, LLC purchase 325 W. McKinney
 - Goal: Bringing the building up to code and upgrading outdated utilities.
 - Will continue to house several Downtown Small Businesses such as...
 - Pros PM - A family-owned property management group that manages nearly \$100M in assets across DFW.
 - Veritas Labs – A materials testing and consulting lab.
 - The Artist Grove – A tattoo studio, art gallery, creative community hub and LGBTQ+ owned.
 - Ancile Inc. – A technology consulting and talent solutions company headquartered in Denton.
 - 4,000 sq.ft of lease space is still available

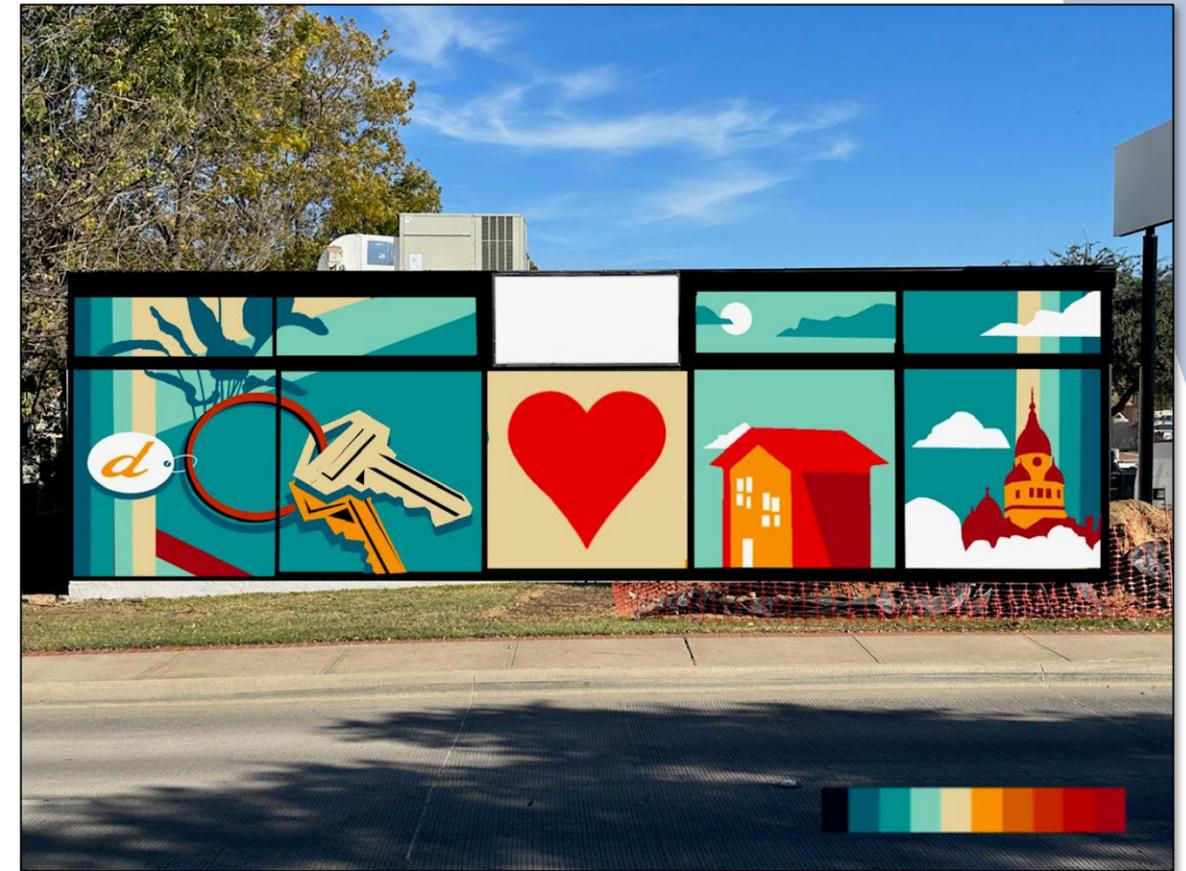
PROJECT

- Façade update with Denton centric mural
- Upgrading utilities



FAÇADE/ BUILDING REHABILITATION

- Building Painting
- Mural
- Roof Repair
- **Projected Cost: \$148,557**



UTILITY UPGRADES

- Plumbing
- **Projected Cost: \$100,050**

ELIGIBLE EXPENSES

Projected Project Cost: \$248,607

Total Capital Investment: \$542,247

325 W. McKinney - Grant Application		
Project Category	Estimated Cost	Grant Limit
Façade/Building Rehabilitation	\$148,557	50% up to \$50,000
Utility Upgrades	\$100,050	50% up to \$50,000
Total Project Cost	\$248,607	\$124,303.50
<i>Total Grant Request:</i>	<i>\$50,000</i>	

*After review of the grant application, staff recommends to not include the Interior/Code Improvements as flooring, framing and drywall do not fit any category unless they are necessary for ADA or code compliance.

SCORING

Downtown Reinvestment Grant Scoring - 325 W. McKinney							
Economic Impact: 0-5 Points	Historic Accuracy/Design: 0-5 Points	Upgrades to Utilities/Impact Fees: 0-5 Points	Increases Population: 0-5 Points	Interior/Code Improvements: 0-5 points	Other 0-15 Points (for other categories including, but not limited to): -Partners with other businesses -Project is a "target" business -Promotes development of Denton Arts and Entertainment -Longevity of Business		
						SUM	
4	5	4	5	4	13		35
5	5	5	5	2	15		37
3	3	3	3	1	11		24
5	3	5	4	4	12		33
4	4	5	4	3	10		30
3	3	5	4	2	10		27
4	2	5	4	1	13		29
5	5	5	4	3	12		34
4	4	4	3	3	11		29
5	4	5	1	5	8		33
4.23	3.82	4.23	4.17	2.64	11.5		31.1

Review Process – Total project scores can range from 0-40

Recommendations will be based on:

0-9 points = No Funding

10-14 points = Grant recommendation of up to \$7,500

15-19 points - Grant recommendation of up to \$15,000

20-24 points = Grant recommendation of up to \$25,000

25-29 points = Grant recommendation of up to \$35,000

30-40 points = Grant recommendation of up to \$50,000

PRIOR ACTION

On February 19, the Downtown Economic Development Committee (DEDC) reviewed and scored the grant application. The application received an average score of 31.1 points, making it eligible for a recommendation of up to \$50,000. These scores support the recommendation to approve the application requested. The Downtown Economic Development Committee recommends approval of up to \$50,000 (10-0).

NEXT STEPS:

- Recommend approval of grant amount by the DEDC to City Council.
- Recommend a lesser amount than recommended by the DEDC to City Council.
- Do not recommend approval of grant application.

Questions?

Austin Davis
Stag Commercial Real Estate