



Economic Development: Shaping the Future of Denton

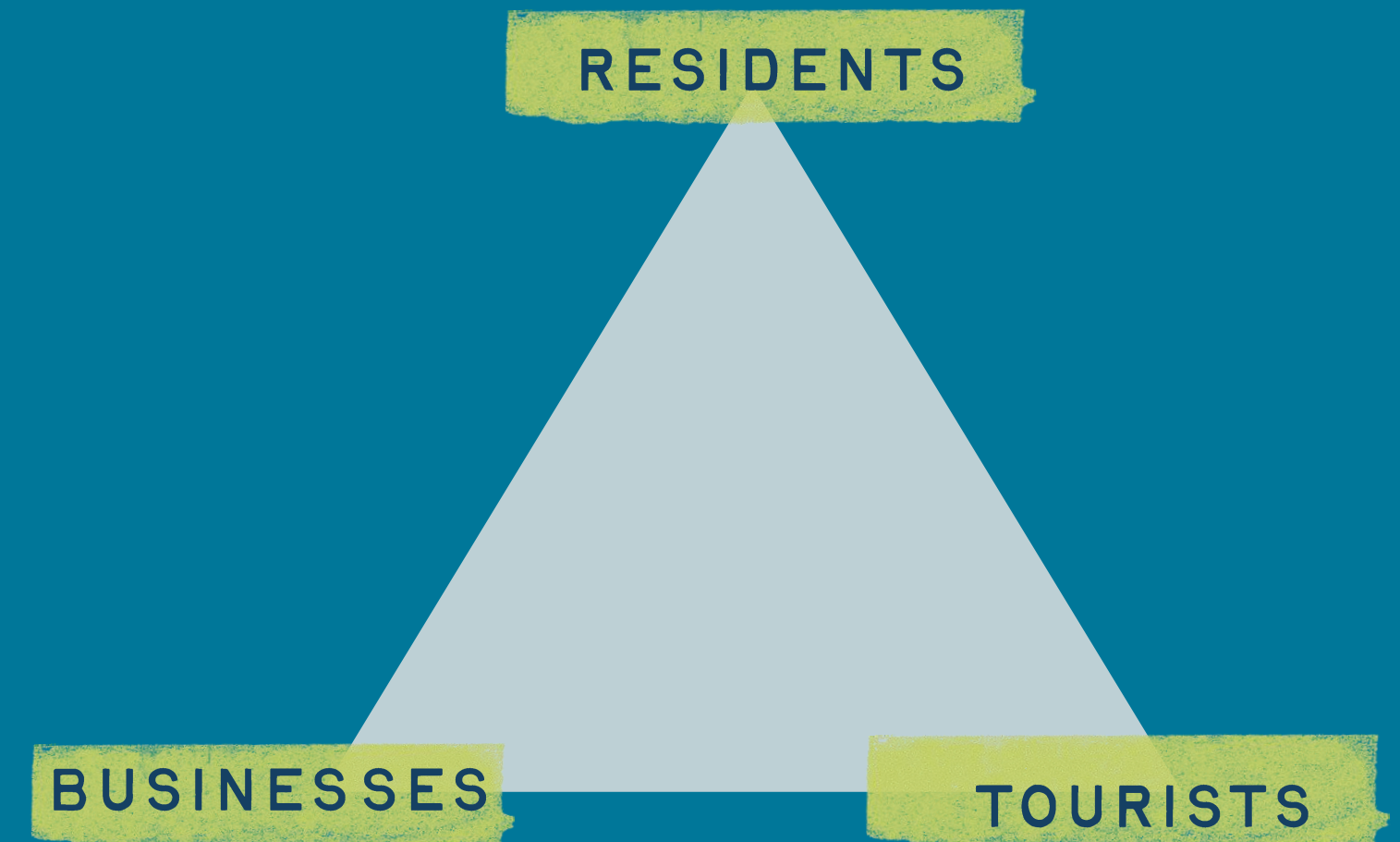
Brittany Sotelo
Economic Development Director



MISSION

To attract and retain jobs, create capital investment for the City to foster a resilient, pro-growth tax base and improve the community's quality of life.

The Economic Development Tax Triangle



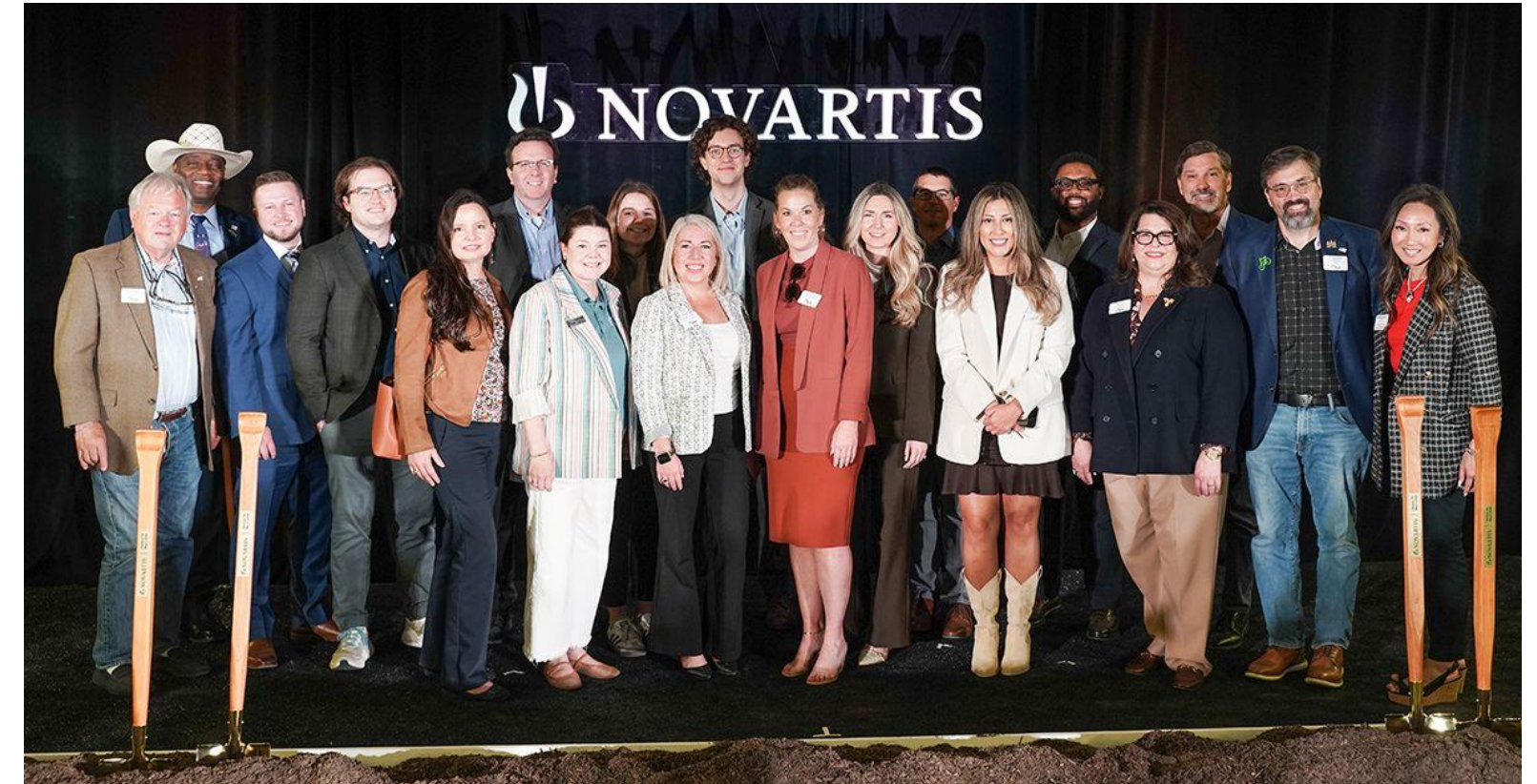
SERVICES

RECRUITMENT & EXPANSION

- Site Selection Assistance
- Incentive Administration
- Development District Management: TIRZ 1, TIRZ 2, and PIDs
- Economic Trends Report

ENTREPRENEUR & BUSINESS SUPPORT

- Small Business Workshops
- Serve as liaisons between businesses and City Departments
- Business Resource Connectors
- Job Fair Assistance



Creative

- Main Street Accreditation and Programming
- Film and Music Friendly Programs

RECRUITMENT TOOLS

REBATES

- Ad Valorem Tax
- Sales Tax

CATALYST FUND: \$5.6 MILLION

- Used for one-time grants
 - Headquarters
 - Job based
 - Deal closing
- The Catalyst Fund does not have a sustainable funding source.
- An allocation from the General Fund is discussed annually through the budget process. Last transfer to the Catalyst Fund was in 2024.
- In 2025 Council approved considering expiring incentives to roll over to the Catalyst Fund through the budget process.

COMPARISON

Cities with sales tax corporations

Type A or B Sales Tax Corporations	Arlington	McKinney	Mesquite
Sales Tax Revenue	\$24,206,111	\$24,617,454	\$15,941,141
Rental/Lease/User Fees Income		\$0	\$116,923
Bond Proceeds/Loans Obtained		\$0	\$30,170,000
Other Revenues	\$3,735,890	\$4,009,555	\$708,287
TOTAL FISCAL YEAR REVENUES	\$27,942,001	\$58,913,932	\$16,649,428
Personnel and Administration	\$2,785,895	\$1,414,786	\$477,000
Marketing and Promotion	\$2,383,324	\$562,275	\$0
Direct Business Incentives	\$24,869,940	\$1,711,886	\$0
Debt Service	\$0	\$2,314,192	\$1,333,431
Capital Costs	\$2,503,129	\$2,517,938	\$7,929,692
Affordable Housing	\$0	\$2,224,831	\$0
Other Expenditures	\$0	\$36,798,219	\$8,911,580
TOTAL FISCAL YEAR EXPENDITURES	\$32,542,288	\$47,544,127	\$18,651,703
Employee Count	13 FTE's	11 FTE's	10 FTE's
Population	\$400,000	\$230,000	\$155,000

RECRUITMENT

TARGET MARKET:

- C-suite executives, managers, and business owners

LEAD GENERATION:

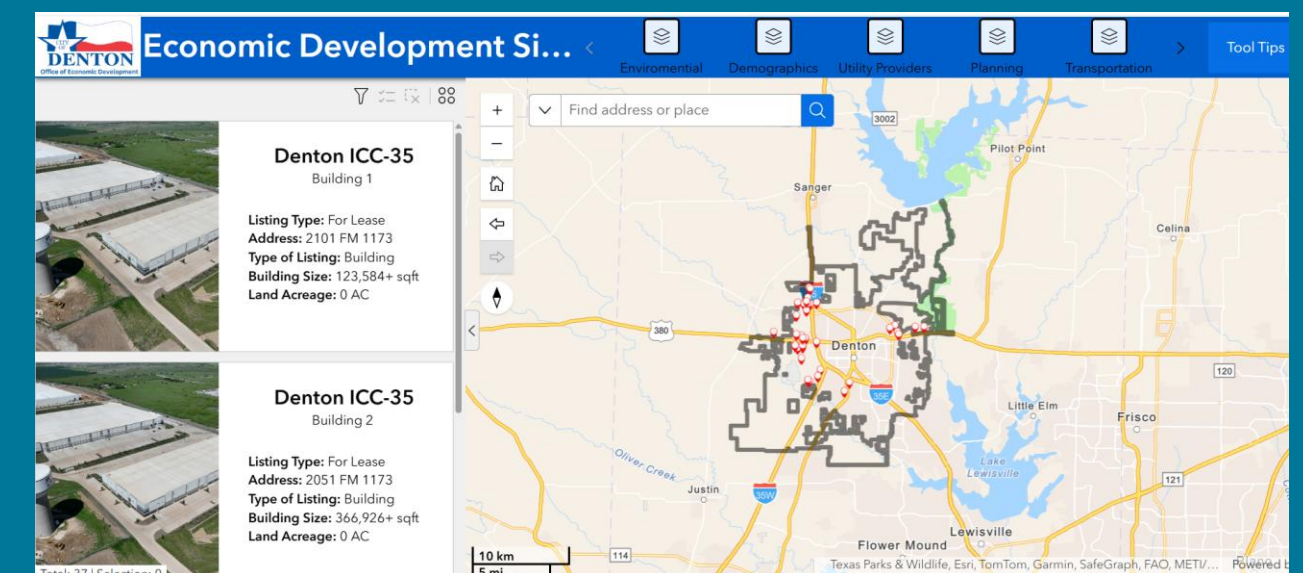
- **Direct:**
 - RFIs:
 - Texas Governor's E.D. Office
 - Dallas Regional Chamber
 - Referrals from site selectors and commercial brokers
- **Indirect:**
 - Tradeshows
 - Regional networking
 - Collaboration with universities

2024-2026 Improvements

Updated Marketing Materials



Created GIS Site Database



'26 Site Selection Guild

State of the Market Pulse Check Report

CURRENT TOP PROJECT ELIMINATION FACTORS



2025 KPI STATS

PROJECT LEADS

61



14



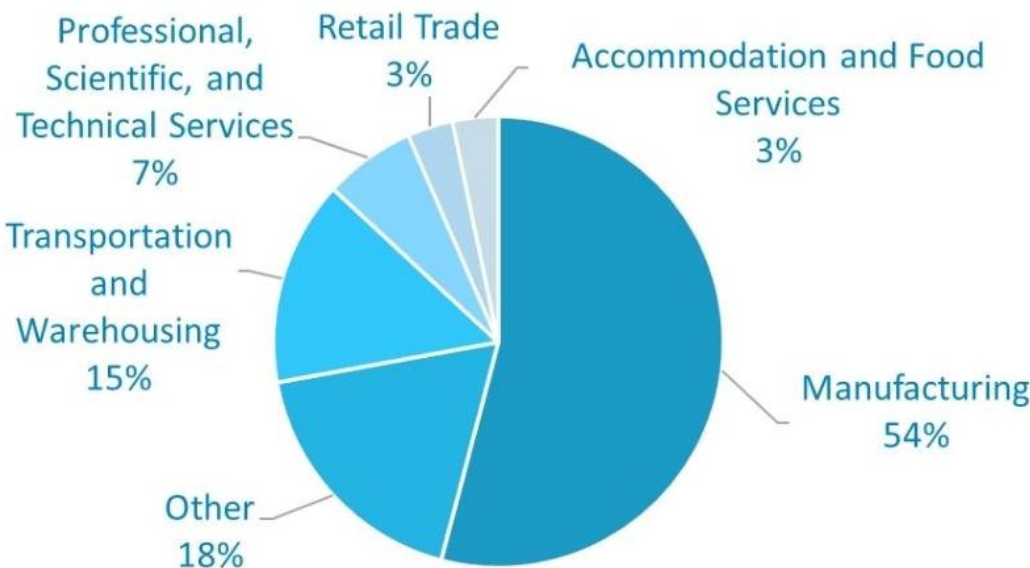
15



12



2025 PROJECT LEADS BY INDUSTRY



REQUEST FOR INFORMATION (RFI'S)

118 
RFIs RECEIVED

64 
RFIs SUBMITTED

9 
RFIs CONVERTED TO LEADS

LEADS LOST

Count	Lead Lost Reasons
4	No reason offered
4	No buildings or site fit criteria
3	No site with desired prices
3	Other
2	Did not qualify for incentives
1	Insufficient incentives
1	Insufficient electric capabilities
18	

RFI's – No Submittal

Primary Reason for No Submittal	Count
No site fits criteria	14
No appropriate site in correct zoning	9
Other	7
Insufficient electric capabilities	6
No buildings fit criteria	6
Insufficient utilities	5
Insufficient investment	4
Insufficient water capabilities	3
Total	54

Q12026 YTD KPI STATS

PROJECT LEADS

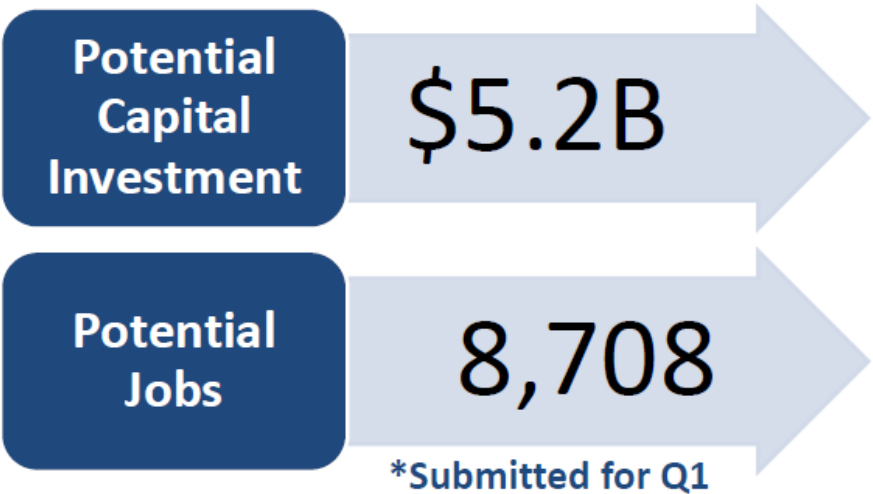


REQUEST FOR INFORMATION (RFI'S)



ACTIVE PROJECTS STAGE

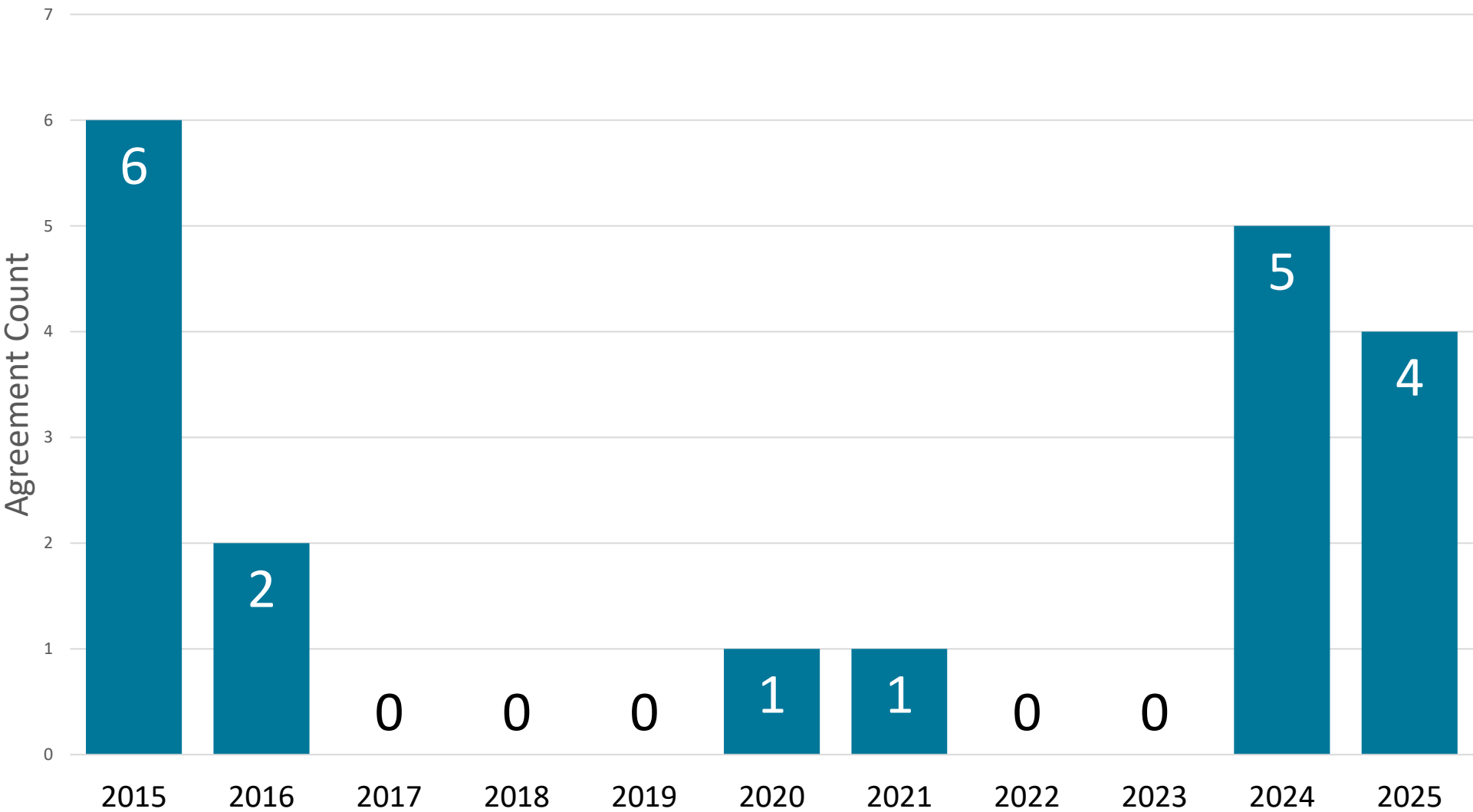
Active Projects Stage	Count
Lead (5%)	20
Awaiting App. (10%)	3
Qualification (15%)	1
Incentive Prop. Sent (70%)	1
Total	25



2015-2025 Approved Incentives

Type of Agreement	Year Approved	Company Name
Chapter 312: Tax abatement	2015	Peterbilt Motors Expansion
Chapter 380: ad valorem rebate	2015	West Gate Business Park (WGBP): Bldg. 1
Chapter 380: sales tax rebate	2015	Buc-ee's Travel Center
Chapter 380: multiple tax tool**	2015	WinCo Foods
Chapter 380: multiple tax tool**	2015	Railyard
Chapter 380: multiple tax tool	2015	O'Reilly Hotel Partners Denton
Chapter 312: Tax abatement	2016	West Gate Business Park (WGBP): Bldgs 2 & 3
Chapter 380: ad valorem rebate	2016	Sally Beauty Company
Chapter 380: Entrepreneur/Tech, Expansion and Job-based grants	2020	Team of Defenders
Expansion and Job-based grants	2021	Safran

Chapter 380 and Chapter 312 Agreements



24-26' PROJECT WINS

150
New
Jobs

\$280M
Capital Investment



50
New
Jobs

\$9M
Capital Investment



172
New
Jobs

\$35M
Capital Investment



133
New
Jobs

\$5.9M
Capital Investment



50
New
Jobs

\$14.5M
Capital Investment



95
New
Jobs

\$69.7M
Capital Investment



20
New
Jobs

\$15M
Capital Investment



250
New
Jobs

\$23.5M
Capital Investment



**

150
New
Jobs

\$17M
Capital Investment



*

Total Capital Investment: \$469.6M
Total Jobs: 1,070

*Did not receive incentives

** 2026 Project



ECONOMIC IMPACT: THEN VS. NOW

Year Approved	Company Name		Type of Agreement	Base Year Ad Valorem Valuation or 1st Year Tracked	2025 Ad Valorem Valuation	Value Increase	Percent Increase
2004		Fastenal	Chapter 312: Tax abatement	\$4,160,588	\$67,323,089	\$63,162,501	1,518.1
2013		Tetra Pak	Chapter 312: Tax abatement	\$21,535,945	\$120,120,217	\$98,584,272	457.8
2007		Rayzor Ranch Development	Chapter 380: Sales tax rebate	\$36,859,082	\$398,774,447	\$361,915,365	981.9
2015		Buc-ee's Travel Center	Chapter 380: Sales tax rebate	\$8,014,987	\$42,137,400	\$34,122,413	425.7
2015		O'Reilly Hotel Partners Denton	Chapter 380: Multiple tax tool	\$30,000,000	\$49,655,873	\$19,655,873	65.5
			TOTAL	\$100,570,602	\$678,011,026	\$577,440,424	

DOWNTOWN WINS

VACANCY RATE



Source: Costar

TIRZ 1 REINVESTMENT GRANT

- \$387,149 Awarded
- \$2.9 million invested

25' New Businesses

- Plot Twist
- Bindaas
- Eagle Cawffee
- Hemlock Fox
- La Mexicana
- Denton Yarn Works
- Cheech and Chong's Apothecaria
- Mexican Oak
- Siri Baker's Eatery
- Market Behind the Square

WORKFORCE OPPORTUNITY

DENTON COUNTY AVERAGE WAGE

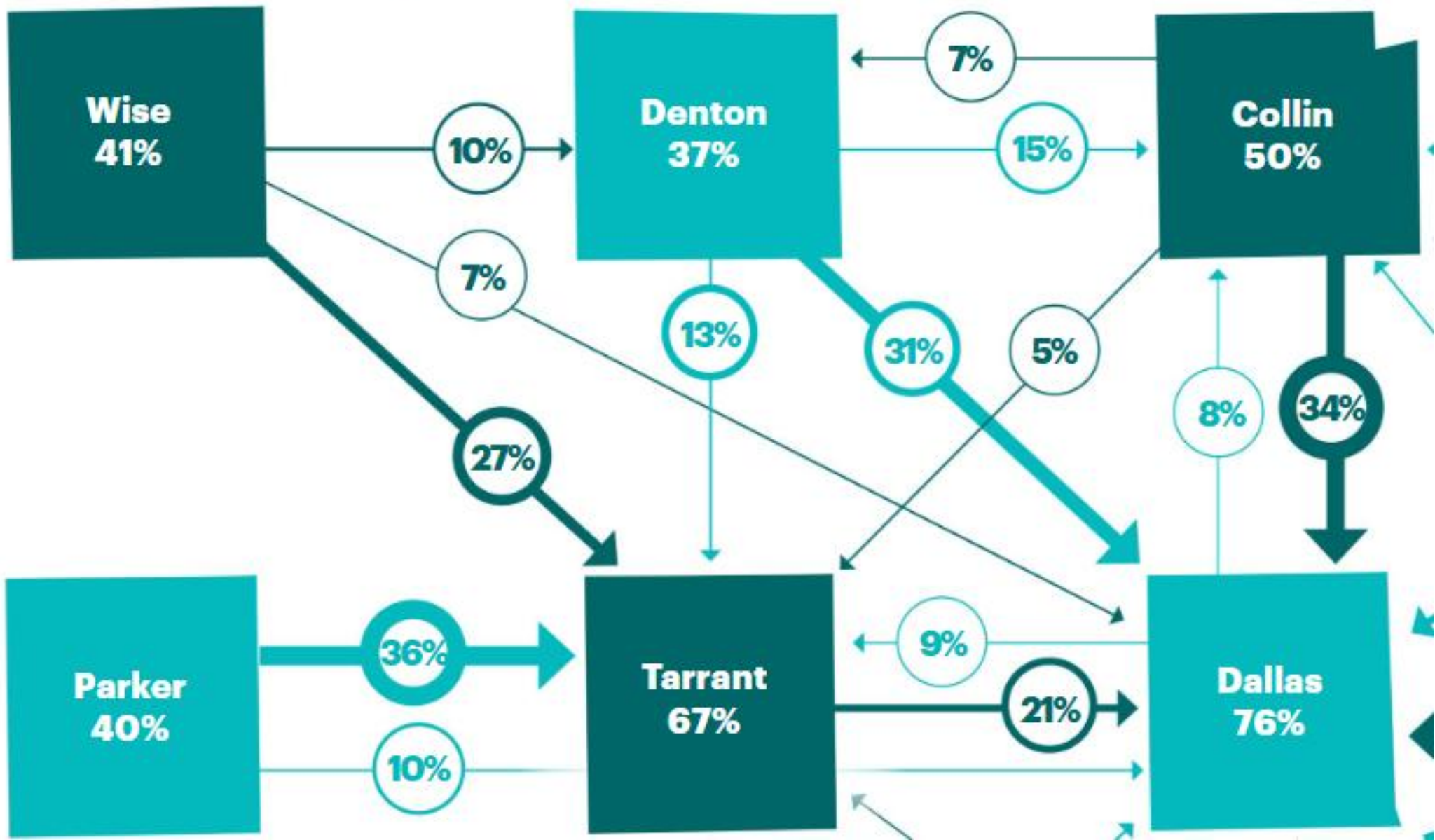
\$64,300

DENTON COUNTY INDUSTRY SNAPSHOT

Industry Snapshot (Manufacturing)	Avg Ann Wages	Ann % Growth
Electrical Equipment	\$131,398	2.3%
Semiconductor and Other Electronic Component	\$127,762	2.9%
Aerospace Product and Parts	\$125,675	2.5%
Pharmaceutical and Medicine	\$122,231	2.4%
Audio and Video Equipment	\$118,122	1.8%
Motor Vehicle	\$106,615	2.4%
Engine, Turbine, and Power Transmission Equipment	\$100,526	1.6%

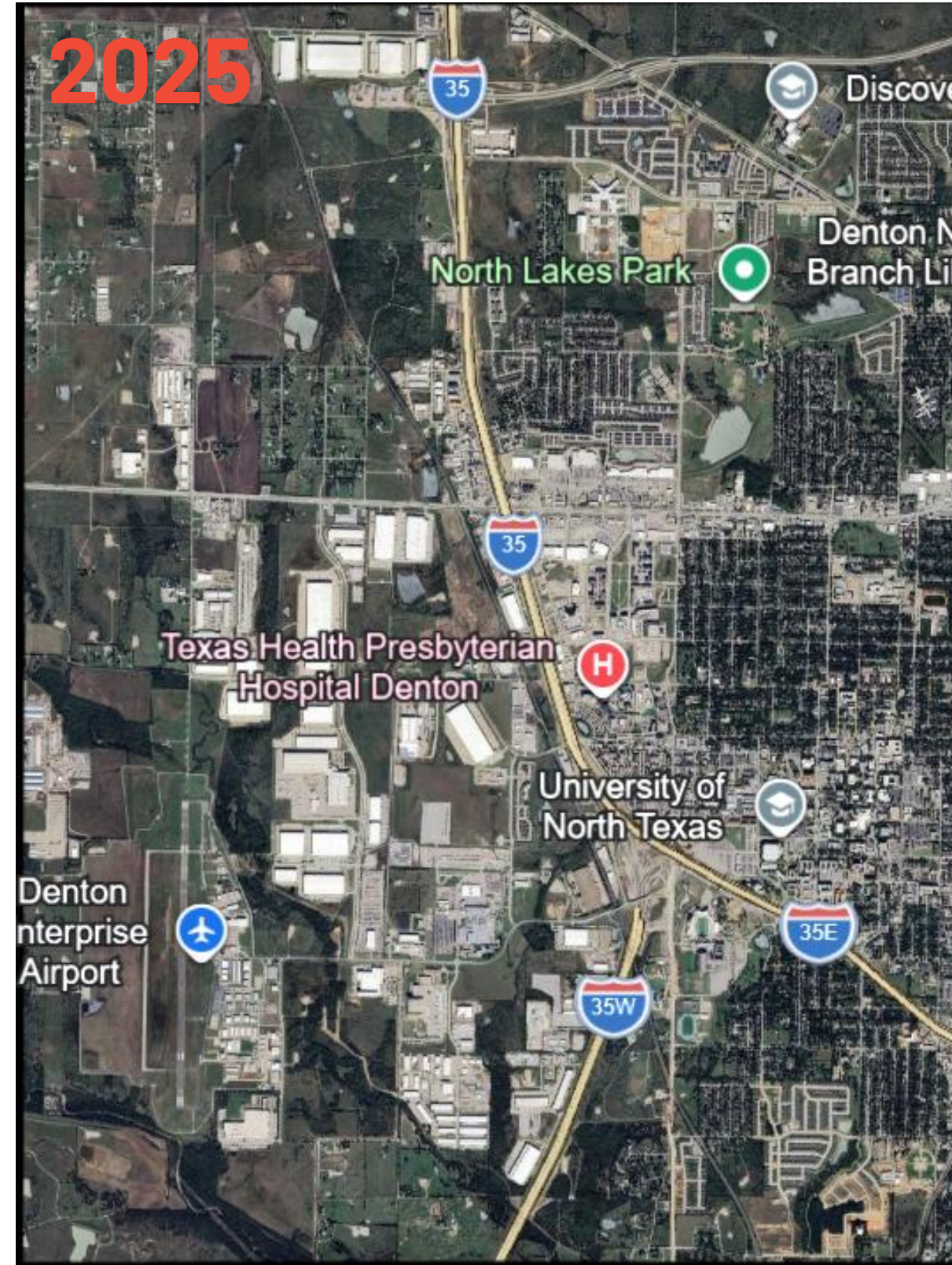
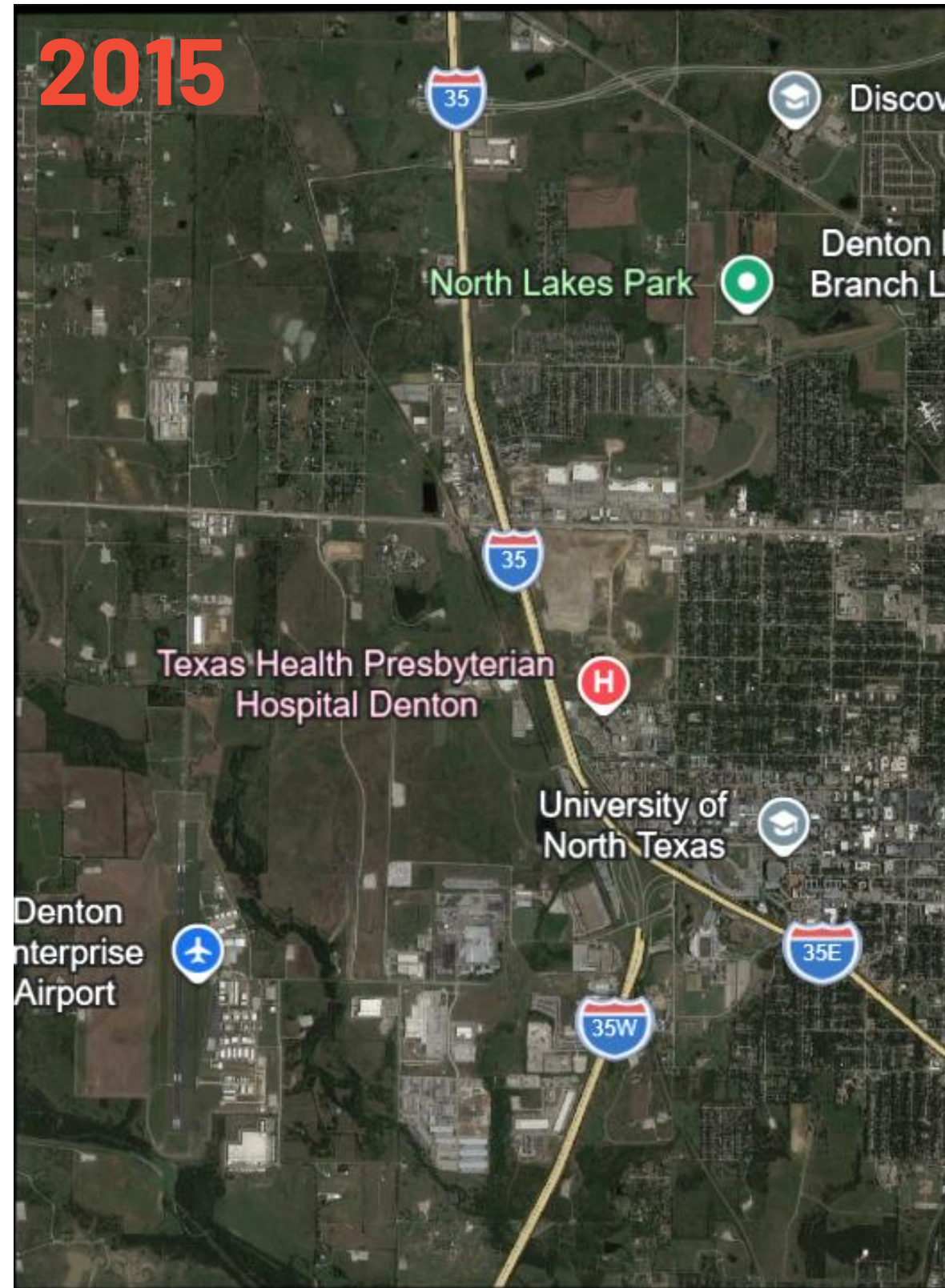
Denton County Avg. Wage Source:
JobsEQ Q4 2025 Report

County-to-County Worker Flow



Live and work in the same county Travel out of county for work

MOVING FORWARD



TARGET INDUSTRIES

- Advanced Manufacturing
- Advanced Mobility (Automation, UAS, supply chain & logistics, Tech)
- Aviation and Aerospace
- Life Sciences
- Creative

FUTURE FOCUS

City Council Priorities

- Small Business Support
- Job Creation and Diversification
- Workforce Development/Upskilling

Downtown Boards

- Revise Reinvestment Policy
- Continuing to implement Downtown Master Plan Goals

EDP Advisory Board Retreat Goals (6)

- Workforce Development
- Business Recruitment
- Business Retention and Expansion
- Storytelling
- Customer Service Excellence
- Fostering Relationships

COUNCIL FEEDBACK

Is Council interested in staff preparing program and funding scenarios for the budget workshop If so, is there a prioritization?

1. Recruitment

- Certified Sites (Catalyst Fund)
- Increased Storytelling & Marketing

2. Small Business Support

- New programs
- Revise workplans with partner agencies

3. Job Creation & Workforce Development/Upskilling

- New programs

QUESTIONS?

