

EXHIBIT 1 - MINUTES

MINUTES
CITY OF DENTON
ECONOMIC DEVELOPMENT PARTNERSHIP BOARD
September 21, 2016

After determining that a quorum was present, the Economic Development Partnership Board convened on Wednesday, September 21, 2016, at 11:35 a.m. The meeting was held at the Chamber of Commerce Board Room, 414 W. Parkway, Denton, Texas, 76201.

PRESENT: Cleve Breedlove, Marty Rivers, Jim Fykes, Larry Parker, Greg Johnson, Carrell Ann Simmons, Dianne Costa, John Baines, and Tom McCoy

ABSENT: Chris Watts, Neal Smatresk, and John Gilmer

EX-OFFICIO: Present: Chuck Carpenter Absent: Jamie Wilson, Howard Martin

2016-17 NEW MEMBERS: Jimmy Mejia, Carine Feyten, BJ Crain, Proxy for Carine Feyten, and Joey Hawkins

STAFF PRESENT: Jon Fortune, Bryan Langley, Caroline Booth, Julie Glover, Michelle Cunningham, Erica Sullivan, Michelle Coughlin, Karen Boenker, Adam Gawarecki, and Kim Phillips

1. **WORK SESSION**

A. EDP16-056 Receive a report, hold a discussion, and give staff direction regarding the status of the Downtown Reinvestment Grant Program.

Glover gave background information regarding the Downtown Reinvestment Grant Program, which is funded through mixed beverage tax revenues to the City, and overseen by the Downtown Task Force Board, a subcommittee of the EDP Board. The purpose of the grant is to provide cash reimbursements ranging from \$5,000 to \$25,000 for capital improvements to buildings in the downtown area. Reimbursements are available for select project types, and the funds are only awarded once the business owner has paid all upfront project costs, and the project is completed. Glover gave a report regarding the status of the Downtown Reinvestment Grant Program, and shared with the Board that the fund is currently frozen.

Booth mentioned that Council has asked Economic Development to come back for a third work session, on October 11, in order to further discuss the Downtown Reinvestment Grant Program. Booth explained that Council expressed they would like to see this program extended to other parts of the City, for example to upgrade entryways to the City or other targeted redevelopment areas.

Rivers mentioned that he thought this was a great idea, however; the funds should come from somewhere else other than using funds that have been dedicated for use in the downtown area. Rivers stated that “using these funds outside of the downtown area would be a bad idea”.

Johnson and Costa also voiced opposition to the idea of using funds that have been dedicated for the downtown area.

Breedlove asked if the Council is trying to go away from Economic Development. He conveyed that more input was necessary, and Johnson suggested a joint meeting between the EDP Board and Council.

Booth stated that the EDP Board’s concerns and recommendations regarding the Downtown Reinvestment Grant Program will be conveyed to Council during the October 11 work session.

- ▶ Major concerns:
 - ▶ Losing sight of the fact that the grant program is intended to be an economic development tool
 - ▶ Diluting the grant funds available to Downtown either by reducing the funding to the program or by opening the program to other parts of the city
 - ▶ Having the Downtown Task Force oversee grants made in other parts of the city
 - ▶ Granting funds for anything other than capital improvement project reimbursements
- ▶ Recommendations:
 - ▶ Keep the Downtown Reinvestment Grant Program unchanged
 - ▶ If similar programs are desired for other areas of the city, provide additional and separate funding, allow the EDP Board to recommend which areas to focus on, and set up separate task forces to oversee grant for those areas
 - ▶ Plan a joint Council/EDP Board meeting to discuss these and other ED-related topics

- B. EDP16-054** Receive a report, hold a discussion and make a recommendation to City Council regarding a Downtown Reinvestment Grant for 104 W. McKinney (Hop and Sting Brewery).

Glover gave a presentation about Hop and Sting Brewery. Glover stated that the total cost of their project is approximately \$777,287 in order to make electrical, water, and sewage upgrades to bring the building up to code. Glover said that Hop and Sting applied for this \$25,000 grant prior to the freeze by City Council of the Downtown Reinvestment Grant Program funds. The Downtown Task

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Force reviewed this grant application on August 11, 2016, and recommended a grant in the amount of \$25,000.

Johnson asked about the square footage of the building.
Coughlin answered, the building is 4,040 square feet.

Rivers motioned to table the discussion regarding the recommendation to the City Council for a Downtown Reinvestment Grant for Hop and Sting, at 104 West McKinney. Baines seconded the motion.

The motion was approved unanimously with a vote of (9-0).

C. EDP16-050

Receive a report, hold a discussion and make a recommendation to City Council regarding a Downtown Reinvestment Grant for 200 E. McKinney Street (Denton County Brewing Company).

Glover gave a presentation about Denton County Brewing Company.

Glover mentioned the estimated cost of the project is \$500,000. Expenditures include the cost for façade upgrades, impact fees, and utility upgrades.

The Downtown Task Force reviewed the grant on August 11, 2016 and recommended a grant in the amount of \$10,000. As the grant program is still “frozen” at this time, the Task Force recommends the additional amount of \$15,000 be granted when the program is resumed, as this project scored 27 points, making it eligible for the maximum allowable grant.

Rivers made a motion to recommend to the City Council a Downtown Reinvestment Grant for Denton County Brewing at 200 E. McKinney Street in the amount of \$25,000.00. Baines seconded the motion. The motion was approved unanimously with a vote of (9-0).

D. EDP16-052

Receive a report, hold a discussion and make a recommendation to City Council regarding a Downtown Reinvestment Grant for 200 West Oak (JT Clothiers).

Glover gave the presentation regarding JT Clothiers. The Tritt family has owned and operated the store in Denton for more than 50 years. Mr. Tritt has relocated from I-35 and loop 288 to downtown. The total cost for the renovation of the retail space was close to \$225, 000.00 due to the unanticipated cost of replacing the entire electrical wiring system, termite damage, cost of materials, and more. The Downtown Task Force recommends a grant in the amount of \$10,000. The DTF also recommended an additional amount of 10,000.00, once the funds are un-frozen. The building owner previously received \$4900.00 for awnings in 2014. The DTF took this amount into consideration when recommending the maximum grant of \$25,000.

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Rivers made a motion to recommend to the City Council a Downtown Reinvestment Grant for JT Clothiers at 200 West Oak Street, in the amount of \$20,000.00. Baines seconded the motion. The motion was approved unanimously with a vote of (9-0).

- E. EDP16-057** Receive a report and hold a discussion regarding changes to the Economic Development Program Agreement between the City of Denton and the Denton Chamber of Commerce.

Booth opened the discussion about the changes to the Economic Development Program Agreement between the City of Denton and the Denton Chamber of Commerce, and reminded the board that they received a report on the proposed changes as recommended by Novaces during the July 13 EDP meeting. Rivers mentioned that he disagreed with a score card system. Breedlove asked for input from Carpenter. Carpenter declined to comment.

1. Closed Meeting

There was no closed meeting.

Regular Meeting

- A. Consider approval of the minutes of the August 10, 2016 meeting.

Johnson motioned to approve the minutes as presented. Simmons seconded the motion. The minutes were approved unanimously with a vote of (9-0)

The Meeting adjourned at 1:05 p.m.