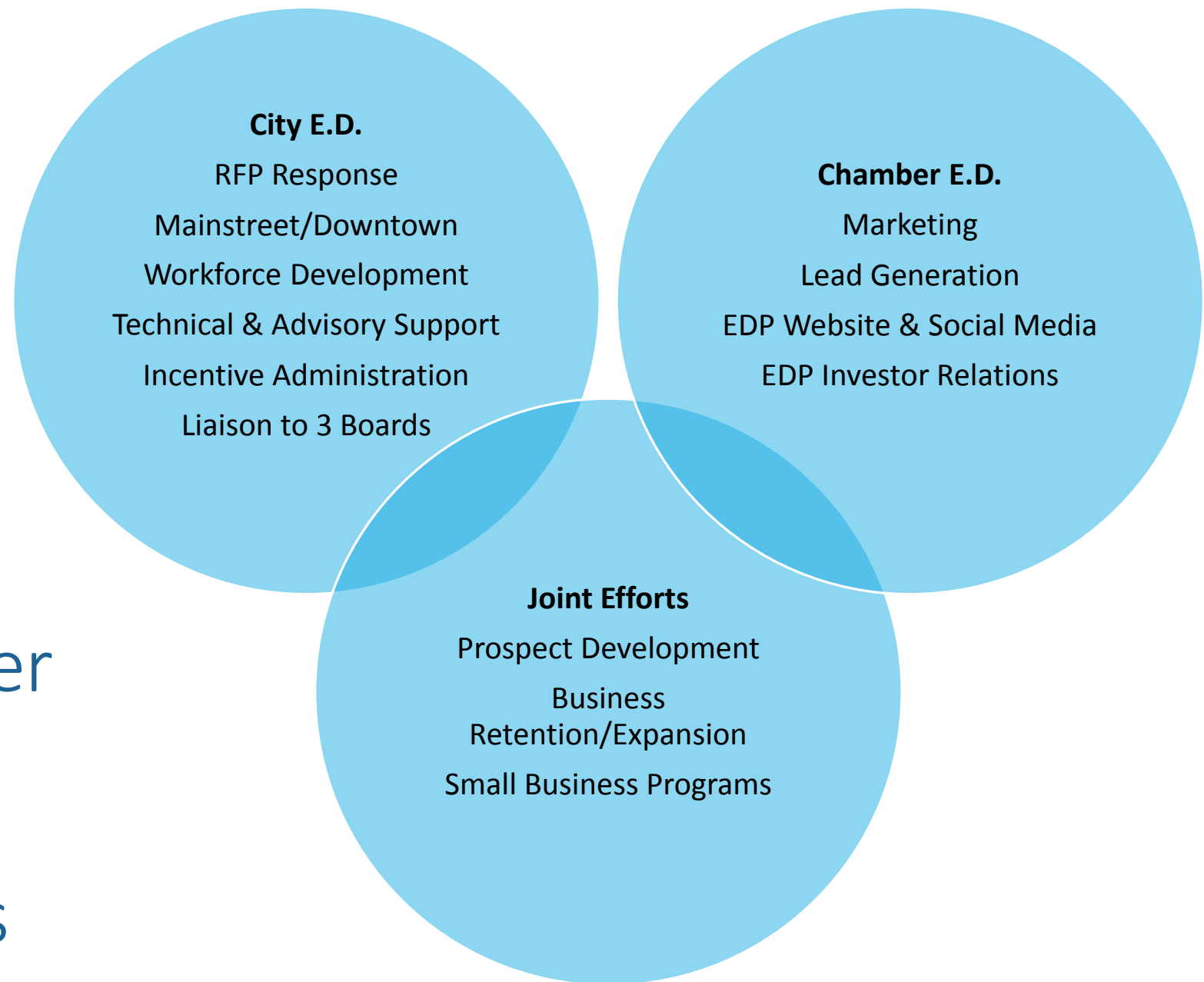


Economic Development Department

Denton City Council
Department Presentation



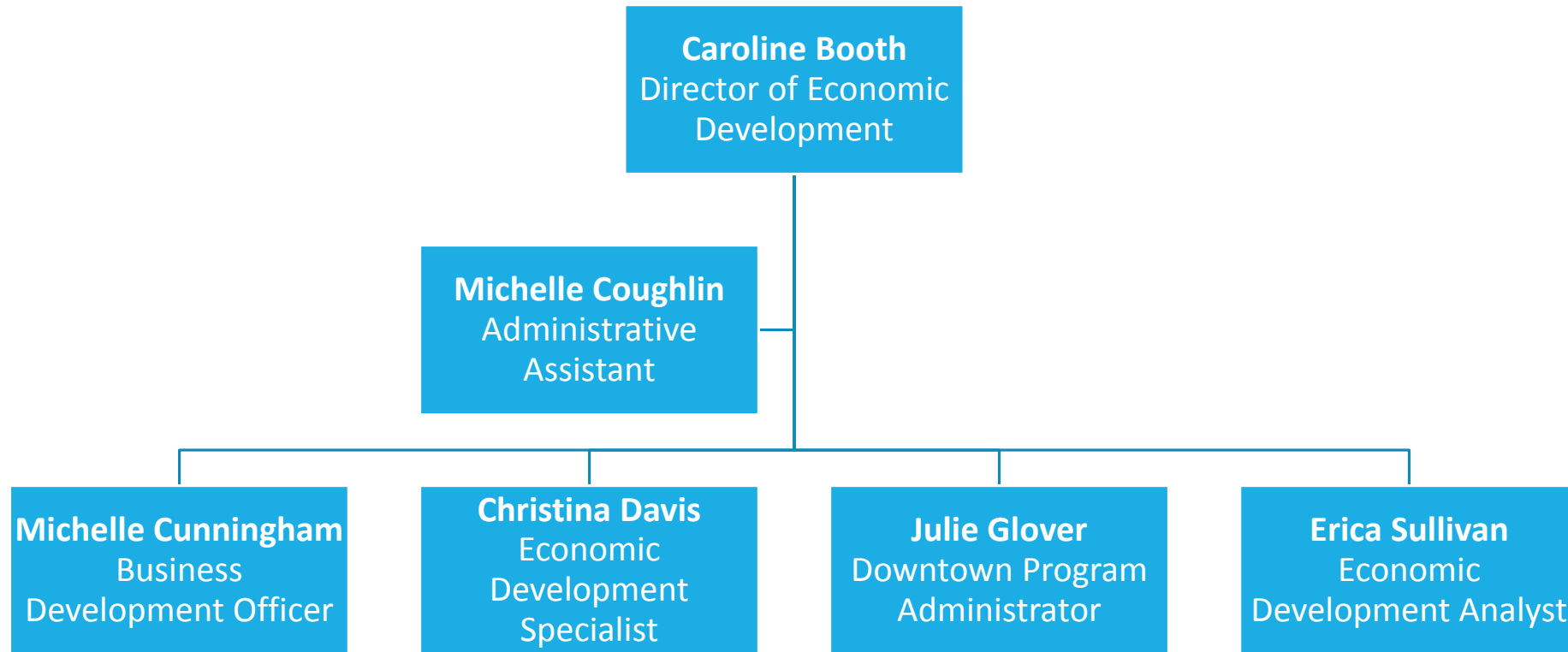
City vs. Chamber Economic Development Responsibilities



Economic Development Department FTE's

| FTE's | FY 2014-15 Actuals | FY 2015-16 Actuals | FY 2016-17 Budget | FY 2017-18 Baseline |
|-------------|-----------------------|-----------------------|----------------------|------------------------|
| Total FTE's | 5.75 | 5.75 | 6.75 | 5.75 |

Economic Development Department



Economic Development Department Goals and Accomplishments

Accomplishments for 16-17:

1. Expanded Sally Beauty Supply
2. Located Med-Trans and upventur
3. Hosted first “TCB in lil’ d” small business seminar
4. Moved Governor’s Office of Economic Development and Dallas Regional Chamber request for proposal responses in-house; created response resource library
5. Completed 2nd and final year of the EDP’s Strategic Action Agenda
6. Completed 140 business retention visits or calls

Goals for 17-18:

1. Revise 2016 City of Denton Policy for Tax Abatement and Incentives
2. Finalize incentive contract templates
3. Initiate community outreach, education, and engagement activities
4. Institute new performance measures

Economic Development Department Performance Measures

Current Performance Measures:

1. Percentage of jobs in Denton paying equal to or greater than \$75,000
2. Percentage of jobs in Denton paying equal to or greater than \$25,000
3. Median family income
4. Percentage rate of unemployment
5. Return on investment of incentives awarded
6. Total net sales tax collections related to economic development incentives
7. Number of redeveloped properties in Downtown
8. Number of business retention visits

Economic Development Department Performance Measures

Proposed Performance Measures:

1. Recruitment

- i. Number of RFP responses returned in target industry sectors
- ii. Submission of RFP responses in 4 working days or less
- iii. Conversion of RFPs in to prospects

2. Business Retention and Expansion

- i. Number of business retention visits in Downtown (24/year)
- ii. Number of business retention visits outside Downtown (24/year)

3. Workforce

- i. Number of workforce development activities or grants facilitated (12/year)

4. Small Business

- i. 10% increase in business participation in small business programs

Economic Development Department Performance Measures

Proposed Performance Measures:

5. Downtown

- i. Number (6/year) and increase in value of redeveloped properties Downtown

6. Customer Service

- i. Business assistance provided
- ii. Completion of STaND report within 5 working days of receipt of all data

7. Incentives

- i. Net revenue generated by incentives
- ii. Total net sales tax collections generated by incentivized projects
- iii. Total net property tax collections generated by incentivized projects

Economic Development Department Cost Containment Strategies

Summary of Department efforts:

1. Monthly meetings among Economic Development, Finance, and Legal departments
2. Cross training between Economic Development and Finance staff
3. Internal cross training with Economic Development staff
4. “Lunch and learn” events between Economic Development and Development Services departments

Economic Development Department Process Improvements

Completed Projects:

1. Requests for proposal responses from the Governor's Office of Economic Development and the Dallas Regional Chamber moved in-house

Future Projects:

1. Full integration of Total Impact 2.0
2. Customer relationship management system
3. Incentive contract templates
4. STaND report "automation"
5. Events

Economic Development Department Expenditure Budget Highlights

| Expenses | FY 2014-15 Actuals | FY 2015-16 Actuals | FY 2016-17 Budget | FY 2017-18 Baseline |
|----------------------|-----------------------|-----------------------|----------------------|------------------------|
| Personal Services | 554,973 | 575,393 | 703,036 | 653,886 |
| Materials & Supplies | 32,440 | 31,434 | 38,868 | 38,868 |
| Maintenance | 576 | - | - | 600 |
| Insurance | 9,034 | 9,724 | 6,205 | 6,288 |
| Miscellaneous | 177,426 | 211,891 | 189,947 | 320,148 |
| Operations | 1,941,251 | 2,049,990 | 2,562,049 | 3,678,545 |
| Cost of Service | 135,072 | 148,703 | 37,498 | 42,563 |
| Fixed Assets | - | - | - | - |
| Total | 2,850,772 | 3,027,135 | 3,537,603 | 4,740,898 |

Economic Development Department Operations Detail: Ch. 380 Rebates*

| Description | FY 2017-18 Proposed | Description | FY 2017-18 Proposed |
|------------------------------|------------------------|---|------------------------|
| Sally Beauty (Year 1) | 24,238 | Westgate | 39,649 |
| Schlumberger | 55,478 | O'Reilly Property Tax (Year 1) | 93,220 |
| Mayday | 34,452 | O'Reilly Sales & Const. Sales and Use Tax (Year 1) | 392,003 |
| USAG (Year 1) | 24,395 | Denton Crossing | 641,132 |
| Business Air (Year 1) | 45,442 | Unicorn Lake | 89,604 |
| Victor Technologies (Year 1) | 71,734 | Rayzor Ranch | 1,488,067 |
| WinCo DC (Year 1) | 422,304 | Golden Triangle Mall | 155,015 |
| | | Grand Total | \$3,576,733 |

*Operations budget less Ch. 380 rebates: **\$101,812**

Economic Development Department

Net Revenue from Projects with Active Ch. 380 Agreements

| Description & Initiation Year | 2016 Net Revenue | Cumulative Net Revenue |
|-------------------------------|--------------------|------------------------|
| Schlumberger (2012) | 1,072,520 | 1,560,367 |
| Mayday (2013) | 18,305 | 50,409 |
| Westgate (2016) | 18,652 | 18,652 |
| Denton Crossing (2005) | 1,041,520 | 17,530,587 |
| Unicorn Lake (2010) | 1,040,688 | 5,885,945 |
| Rayzor Ranch (2012) | 2,208,839 | 11,172,576 |
| Golden Triangle Mall (2016) | 2,046,060 | 10,363,840 |
| Total | \$7,446,584 | \$46,582,376 |

Economic Development Department

Questions / Comments

