



City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Economic Development

CM/ DCM/ ACM: Bryan Langley

DATE: September 19, 2017

SUBJECT

Consider adoption of an ordinance establishing a schedule of fees for the operation of Stoke Denton Entrepreneur Center for the City's initiative to diversify Denton's economy by supporting entrepreneurs and fostering early stage tech and tech-enabled businesses; providing a severability clause; providing for publication; and providing for an effective date.

BACKGROUND

As an economic development program of the City of Denton, the goal of Stoke Denton is to foster a local business climate in which entrepreneurs can start and grow businesses, creating knowledge-based, higher-paying jobs in the community. Stoke Denton provides its members with education, programming, mentorship, and a professional space to work and meet. Stoke Denton prioritizes the recruitment and support of tech and tech-enabled startups.

During an August 22 work session, Council opted not to renew the management agreement with the Dallas Entrepreneur Center for Stoke Denton; the agreement terminates on Sept. 30, 2017. Council directed City staff to manage Stoke's operations in the interim while a request for proposals is issued to test the market for a broad range of management options.

From a legal standpoint, several steps must be undertaken to facilitate the City's management of the space. One is the adoption by Council of a schedule of fees for the operation of Stoke Denton. To ensure continuity for the current members of Stoke Denton, no change is being made to the fees that were in place under the management of the Dallas Entrepreneur Center.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

February 21, 2017 – Work session regarding Stoke Denton and amendments to the Management Agreement with the Dallas Entrepreneur Center.

March 21, 2017 – Work session regarding amendments to the Management Agreement with the Dallas Entrepreneur Center.

March 28, 2017 – Individual consideration of amendments to the Management Agreement with the Dallas Entrepreneur Center.

August 22, 2017 – Work session presentation on the Stoke Denton management contract with the DEC; Council's direction is to not renew the contract with the Dallas Entrepreneur Center after it terminates on Sept. 30, 2017.

FISCAL INFORMATION

The following fees are proposed in the ordinance.

- \$30 key card deposit
- Up to \$50/month mentor program
- \$75/month virtual membership
- \$20/day drop-in coworking
- \$150/month coworking membership
- \$250/month dedicated desk
- \$900/month pod of 4 dedicated desks
- \$550-\$900/month office
- \$150/hour event space for non-members
- \$75/hour event space for members
- \$40/hour conference rooms for non-members
- 10% of the amount due as a late fee
- Return check charges of up to \$30

STRATEGIC PLAN RELATIONSHIP

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: Economic Development

Related Goal: 3.3 Promote a business-friendly environment

EXHIBITS

Exhibit 1 – Agenda Information Sheet

Exhibit 2 – Stoke Fee Schedule Ordinance

Respectfully submitted:

Caroline Booth

Director of Economic Development