



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Meeting Agenda

Economic Development Partnership Board

Wednesday, March 13, 2024

11:00 AM

CANCELLED

CANCELLED - MARCH 13, 2024 AT 11:19 A.M. DUE TO LACK OF QUORUM

After determining that a quorum is present, the Economic Development Partnership Board of the City of Denton, Texas, will convene in a Regular Meeting on Wednesday, March 13, 2024, at 11:00 a.m. in the Development Service Center Training Rooms 3, 4, and 5, at 401 N. Elm Street, Denton, Texas at which the following items will be considered:

1. ITEMS FOR CONSIDERATION

- A. [EDP24-023](#) Consider approval of the minutes of the February 14, 2024, Economic Development Partnership Board.

Attachments: [Exhibit 1 - Agenda Information Sheet](#)
[Exhibit 2 - Draft Minutes of February 14, 2024](#)

2. WORK SESSION

- A. [EDP24-024](#) Receive a report, hold a discussion, and give staff direction regarding the Incentive Evaluation Matrix.

Attachments: [Exhibit 1 - Agenda Information Sheet](#)
[Exhibit 2 - Incentive Evaluation Matrix](#)
[Exhibit 3 - MIT Living Wage Calculator](#)
[Exhibit 4 - Incentive Policies](#)
[Exhibit 5 - Presentation](#)

- B. [EDP24-025](#) Staff Reports:

1. EDPB Partnership Update - Jamie Adams
2. Downtown Master Plan Update - Cameron Robertson
3. Downtown Reinvestment Grant Update - Kristen Pulido
4. Future Agenda Items - Christine Taylor

Attachments: [Exhibit 1 - Agenda Information Sheet](#)
[Exhibit 2 - Queue of Future Agenda Items](#)

3. CONCLUDING ITEMS

A. Under Section 551.042 of the Texas Open Meetings Act, respond to inquiries from the Economic Development Partnership Board or the public with specific factual information or recitation of policy, or accept a proposal to place the matter on the agenda for an upcoming meeting AND Under Section 551.0415 of the Texas Open Meetings Act, provide reports about items of community interest regarding which no action will be taken, to include: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutary recognition of a public official, public employee, or other citizen; a reminder about an upcoming event organized or sponsored by the governing body; information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality; or an announcement involving an imminent threat to the public health and safety of people in the municipality that has arisen after the posting of the agenda.

NOTE: The Economic Development Partnership Board reserves the right to adjourn into a Closed Meeting on any item on its open meeting agenda consistent with Chapter 551 of the Texas Government Code, as amended, or as otherwise allowed by law.

CERTIFICATE

I certify that the above notice of meeting was posted on the official website (<https://tx-denton.civicplus.com/242/Public-Meetings-Agendas>) and bulletin board at City Hall, 215 E. McKinney Street, Denton, Texas, on March 8, 2024, in advance of the 72-hour posting deadline, as applicable, and in accordance with Chapter 551 of the Texas Government Code.

OFFICE OF THE CITY SECRETARY

NOTE: THE CITY OF DENTON'S DESIGNATED PUBLIC MEETING FACILITIES ARE ACCESSIBLE IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT. THE CITY WILL PROVIDE ACCOMMODATION, SUCH AS SIGN LANGUAGE INTERPRETERS FOR THE HEARING IMPAIRED, IF REQUESTED AT LEAST 48 HOURS IN ADVANCE OF THE SCHEDULED MEETING. PLEASE CALL THE CITY SECRETARY'S OFFICE AT 940-349-8309 OR USE TELECOMMUNICATIONS DEVICES FOR THE DEAF (TDD) BY CALLING 1-800-RELAY-TX SO THAT REASONABLE ACCOMMODATION CAN BE ARRANGED.



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
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Legislation Text

File #: EDP24-023, **Version:** 1

AGENDA CAPTION

Consider approval of the minutes of the February 14, 2024, Economic Development Partnership Board.



City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Economic Development

ACM: Christine Taylor, Assistant City Manager

DATE: March 13, 2024

SUBJECT

Consider approval of the minutes of the February 14, 2024, Economic Development Partnership Board.

BACKGROUND

The draft minutes of the February 14, 2024, meeting are attached for the Board's review and consideration.

EXHIBITS

Exhibit 1 – Agenda Information Sheet

Exhibit 2 – Draft Minutes of February 14, 2024

Respectfully submitted:
Matilda Weeden
Economic Development Specialist

**MINUTES
CITY OF DENTON
ECONOMIC DEVELOPMENT PARTNERSHIP BOARD
February 14, 2024**

After determining that a quorum was present, the Economic Development Partnership Board convened in a Regular Meeting on Wednesday, February 14, 2024, at 11:04 a.m. in Training Rooms 3, 4, and 5 at the City of Denton Development Services Center, 401 N Elm St, Denton, Texas, 76201 at which the following items were considered:

PRESENT: Erin Carter (ex-officio), Tony Clark, Brian Danhof, Steven Edgar, Jeremy Fykes, Kerry Goree, Gerard Hudspeth, Paul Meltzer, Aaron Roberts, Jason Tomlinson, Clyde Rick Woolfolk

ABSENT: Sara Hensley (ex-officio), Jimmy Mejia, Lee Ramsey, and Jamie Wilson (ex-officio)

STAFF: Ryan Adams, Scott Bray, Vanessa Esparza, Cassandra Ogden, Kristen Pulido, Cameron Robertson, Erica Sullivan, Christine Taylor, and Matilda Weeden

1. ITEMS FOR CONSIDERATION

A. EDP24-016 Consider approval of the minutes of the January 10, 2024 Economic Development Partnership Board.

Clark made a motion to approve the minutes of January 10, 2024. Goree seconded the motion. Motion carried (8-0).

AYES (8): Clark, Danhof, Edgar, Goree, Meltzer, Roberts, Tomlinson, Woolfolk

NAYS (0): None

ABSENT (2): Fykes and Hudspeth

B. EDP24-017 Receive training and hold a discussion regarding an Economic Development Partnership Board member orientation.

Hudspeth arrived at 11:11 a.m.

Staff presented the item.

C. EDP24-0018 Staff Reports

Fykes arrived at 11:35 a.m.

1. Fine Arts Theatre - Christine Taylor

2. City and Chamber Recruitment Update - Erin Carter and Christine Taylor

- 3. Downtown Reinvestment Grant Update - Kristen Pulido**
- 4. Future Agenda Items - Christine Taylor**

Staff presented each Staff Report and discussion was held after each item.

2. CONCLUDING ITEMS

With no further business, the meeting adjourned at 12:07 p.m.

Steven Edgar, Chair
Economic Development Partnership Board

Vanessa Esparza
Administrative Assistant

Minutes Approved On: _____



City of Denton

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215 E. McKinney St.
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Legislation Text

File #: EDP24-024, **Version:** 1

AGENDA CAPTION

Receive a report, hold a discussion, and give staff direction regarding the Incentive Evaluation Matrix.



AGENDA INFORMATION SHEET ECONOMIC DEVELOPMENT PARTNERSHIP BOARD

DEPARTMENT: Economic Development

ACM: Christine Taylor, Assistant City Manager

DATE: March 13, 2024

SUBJECT

Receive a report, hold a discussion, and give staff direction regarding the Incentive Evaluation Matrix.

BACKGROUND

The City of Denton first adopted a Tax Abatement Policy in 1989. Chapter 312 of the Texas Tax Code requires that the Policy for Tax Abatement must be approved by the City Council every two years. The 2020 Policy for Tax Abatement and Incentives expired in March 2022.

In 2019, the City engaged economic development consulting firm TIP Strategies to lead Denton's comprehensive economic development strategic planning process. The 2020 Economic Development Strategic Plan was approved in February of 2021. Staff worked to align the City of Denton Tax Abatement and Incentive Policy with the strategic plan and the City's Core Values. The Tax Abatement and Incentive Policy was separated into two policies: Denton Tax Abatement Policy and the Denton Chapter 380 Policy. An Incentive Evaluation Matrix incorporating these strategic initiatives and values was also developed at this time (Exhibit 2). Strategic Growth Areas (SGA), identified in the strategic plan for cultivation and recruitment, were incorporated into the policies and evaluation matrix.

At the February 9, 2022 Economic Development Partnership Board (EDPB) meeting, the board gave staff direction and recommended the Denton Tax Abatement and Chapter 380 incentive policies to City Council for consideration.

At the March 22, 2022 City Council meeting, Council had requested adding an additional consideration to encourage minimum and/or living wage along with creative industry additions to the SGAs.

At the April 13, 2022 EDPB meeting, this board reviewed the living wage and minimum wage calculations from the Texas from the Massachusetts Institute of Technology (MIT), The Department of Housing and Urban Development (HUD), and the Texas Workforce Commission (TWC). This board recommended that Council include the Living Wage from the most current MIT Living Wage Calculation for Denton, which was incorporated into the policies and Incentive Evaluation Matrix (Exhibit 3). The final policies recommended by this board were adopted by City Council on May 2, 2022 (Exhibit 4).

The Incentive Evaluation Matrix provides a framework for the consideration of the use of public resources and is divided into three sections: Strategic Growth Area (SGA) Targets, Priority Considerations and Public Benefit Factors. The SGAs, recommended by TIP Strategies replaced our former policy targeted industry sectors. The Priority Considerations address a living wage and quality jobs; utility usage and sustainable practices; infill development; headquarters and childcare assistance. The Public Benefit Factors include

fiscal and economic impacts, community investment, public private partnerships and use of local vendors. The evaluation criteria, taken directly from the incentive policies, has been implemented to review potential prospects and incentive applications. The plans, policies, evaluation criteria and ten-year fiscal and economic impact analysis were designed to help ensure an equitable evaluation process and more apples-to-apples comparisons among projects.

EXHIBITS

- Exhibit 1 – Agenda Information Sheet
- Exhibit 2 – Incentive Evaluation Matrix
- Exhibit 3 – MIT Living Wage Calculation
- Exhibit 4 – Incentive Policies
- Exhibit 5 – Presentation

Respectfully submitted:
Erica Sullivan
Economic Development Program Administrator

Evaluation Matrix

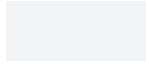
(145 points) + (30 "Other" bonus points) = 175 total points

SGA TARGETS	Targets (20 Points)	Points
	Connective	
	Creative	
	Sustainable	
	Competitive	
	Other Target Areas (Max 10 points):	
	SGA Targets Subtotal	
PRIORITY CONSIDERATIONS	Considerations (100 Points)	Points
	Generates New Utility Customers (Max Points 10) Project is a customer of City utilities, including water, wastewater, and electric. Higher points awarded for larger customers	
	Encourages New Business Markets/Suppliers And Entrepreneurship (Max Points 10) Project is from an industry not significantly represented in local economy or company is a new business startup or entrepreneurial endeavor	
	Engages in Sustainable Practices (Max Points 10) Project has adopted sustainable or green business practices (e.g. LEED certification, renewable energy commitment or use, energy efficient construction)	
	Increases High Wage Jobs (Max Points 10) Project includes new jobs with an average or has a significant percentage of jobs that earn an annual base salary of \$65,000 or more	
	Encourage Knowledge Base Jobs (Max Points 10) Project includes new jobs or has a significant percentage of jobs that require specialized and theoretical knowledge, usually acquired through experience or a college education, or other training which provides comparable knowledge; requires some research, analysis, or requires special licensing, certification	
	Pays a living wage for all new employees (Max 10 points) From the most current MIT Living Wage Calculator for Denton County	
	Spur Infill Development Or Redevelopment (Max Points 10) Project is to develop/redevelop a property or facility in a manner that reduces urban sprawl and or increases density in a desirable area; project includes use of existing facility that has been vacant for at least 2 years	
	Headquarters (Max Points 10) The project is an international or national headquarters facility	
	Child Care Assistance (Max Points 10) Provides on-site child care; vouchers or other financial assistance; backup services; flexible or remote work accommodations; and flexible spending accounts	
	Other Considerations (Max 10 points):	
	Priority Considerations Subtotal	
PUBLIC BENEFIT FACTORS	Public Benefit Factors (55 Points)	Points
	Expand The Tax Base (Max Points 10) Project provides new property, sales, HOT, or other taxes to the City, County, DISD, and DCTA through the development of property or facility or by making improvements to an existing property or facility, a new business or expansion, a new multi-tenant complex, or increase in jobs	
	Fiscal and Economic Impacts (Max Points 15) Project cost-benefit analysis to include net new, indirect and induced jobs; wages; contributions through property, sales, HOT and other taxes; and rate of return	
	Community Investment (Max Points 5) Project, company, or developer demonstrates a commitment to community support or involvement through monetary or in-kind support of local nonprofits, public institutions, or community organizations	
	Public-Private Partnership (Max Points 10) Project includes development of public infrastructure or amenities deemed beneficial, or developer assumes responsibility for development of infrastructure or public facilities beyond what is required. Project will involve a significant relationship with DISD or institution of higher education	
	Use of Local Contractors/Construction Vendors (Max Points 5) Project agrees to use vendors that have their principal place of business within the Denton City Limits	
	Other Factors (Max 10 points):	
	Public Benefit Subtotal	
TOTAL BY CATEGORY	Total by Category	Score
	Total	
	Poor (0-44 points)	
	Acceptable (45-84 points)	
	Excellent (85-175 points)	

MIT Living Wage Calculation: Denton County

	1 ADULT				2 ADULTS (1 WORKING)				2 ADULTS (BOTH WORKING)			
	0 Children	1 Child	2 Children	3 Children	0 Children	1 Child	2 Children	3 Children	0 Children	1 Child	2 Children	3 Children
Living Wage	\$23.73	\$38.96	\$48.20	\$62.26	\$31.81	\$37.71	\$42.01	\$45.14	\$15.90	\$21.69	\$26.45	\$30.71
Poverty Wage	\$7.24	\$9.83	\$12.41	\$15.00	\$9.83	\$12.41	\$15.00	\$17.59	\$4.91	\$6.21	\$7.50	\$8.79
Minimum Wage	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25

Updated February 14, 2024



RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DENTON, TEXAS, APPROVING THE ESTABLISHMENT OF POLICIES, GUIDELINES, AND CRITERIA GOVERNING CHAPTER 380 INCENTIVES; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City Council desires to promote economic development within Denton; and

WHEREAS, Chapter 380 of the Texas, Local Government Code allows the City to establish programs to promote state or local economic development and to stimulate business and commercial activity in the City, including programs for providing tax rebates and loans and grants of public money; and

WHEREAS, this policy seeks to promote economic development, increase employment, and stimulate business and commercial activity within the City of Denton for the benefit of the public and therefore meets the requirements under Chapter 380 of the Texas Local Government Code; and

WHEREAS, on March 17, 2020, the City Council of the City of Denton approved the current guidelines and criteria, known as the Denton Policy for Tax Abatements and Incentives ("Policy"), by passing Resolution No. R20-504; and

WHEREAS, the current Policy expires on March 17, 2022; and

WHEREAS, the City Council deems it in the public interest to continue to provide economic development loans, grants, and tax rebates and to adopt policies, guidelines, and criteria for those incentives; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY RESOVLES:

SECTION 1. The policies, guidelines, and criteria, set forth in Exhibit A, which is made a part of this Resolution and incorporated herein for all purposes, is approved and adopted, and shall be known as the Denton Chapter 380 Policy.

SECTION 2. From and after the effective date of this Resolution, the attached Denton Chapter 380 Policy shall constitute the policies, guidelines, and criteria for incentive agreements for the City of Denton in accordance with Chapter 380 of the Local Government Code.

SECTION 3. The City Council reasserts its decision to provide Chapter 380 incentives. The City Council provides certain incentives to applicable business enterprises which are established in the City in accordance with the applicable provisions of Chapter 380 of the Local Government Code and in accordance with the Denton Chapter 380 Policy .

SECTION 4. This Resolution shall become effective immediately upon its passage and approval.

The motion to approve this resolution was made by Alison Maguire and seconded by Jesse Davis, the ordinance was passed and approved by the following vote [7 - 0]:

	Aye	Nay	Abstain	Absent
Mayor, Gerard Hudspeth:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vicki Byrd, District 1:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Brian Beck, District 2:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jesse Davis, District 3:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alison Maguire, District 4:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Deb Armintor, At Large Place 5:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Paul Meltzer, At Large Place 6:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PASSED AND APPROVED this the 3rd day of May, 2022.



 GERARD HUDSPETH, MAYOR

ATTEST:
 ROSA RIOS, CITY SECRETARY

BY: 



APPROVED AS TO LEGAL FORM:
 MACK REINWAND, CITY ATTORNEY

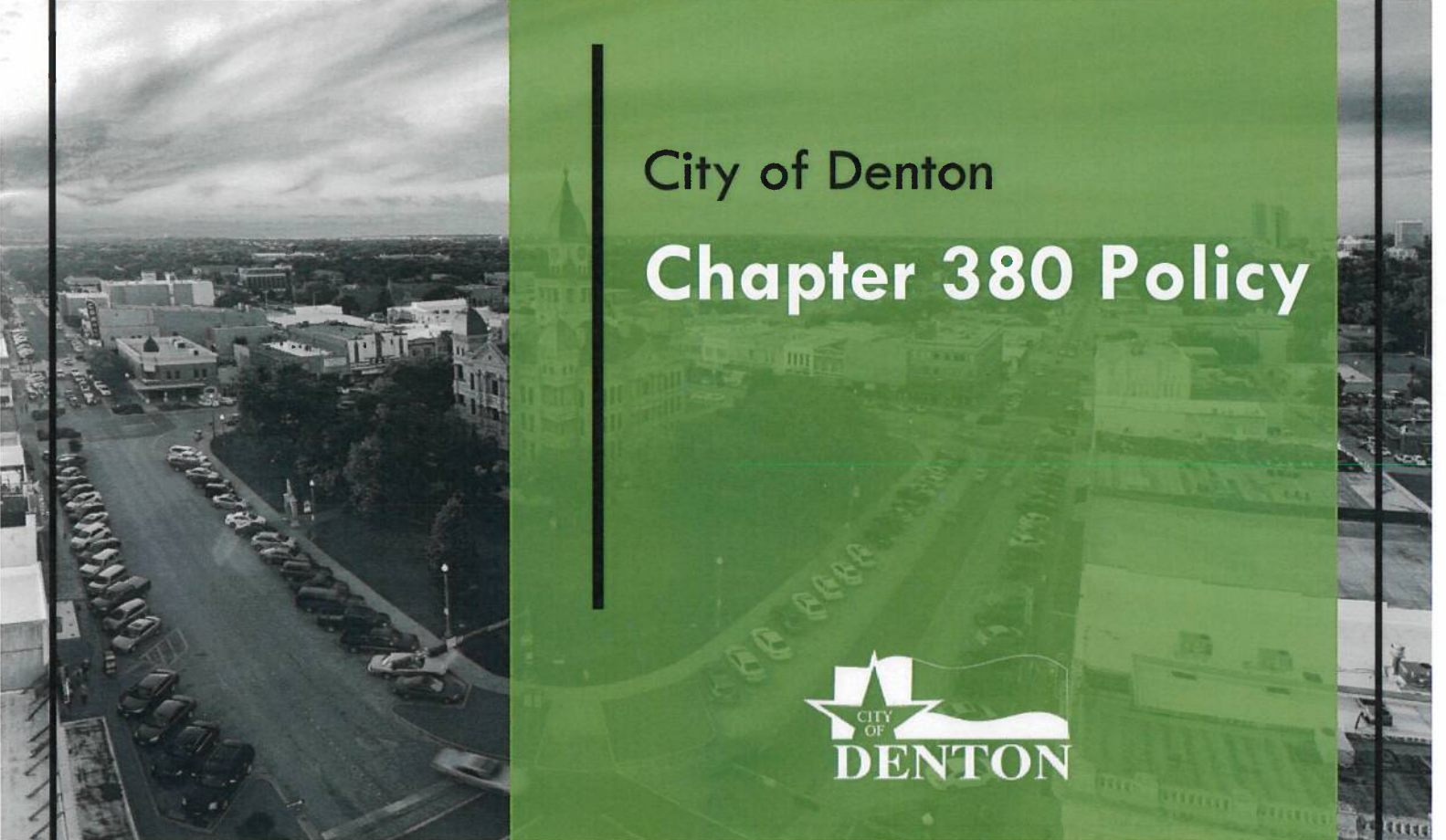
BY: 
 Deputy City Attorney

Digitally signed by Scott Bray
 Date: 2022.04.26 11:09:58 -05'00'

Exhibit A

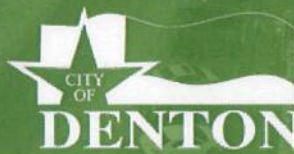
Denton Chapter 380 Policy

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City of Denton

Chapter 380 Policy



Statement of Policy

The City of Denton is committed to promoting economic growth and redevelopment that expands and diversifies the tax base; creates quality jobs; enhances the quality of life for residents; protects human health and the environment; and secures new customers for municipal utilities. The City is a national model for public power through Denton Municipal Electric, which incorporates 100 percent renewable energy into its portfolio. Local economic development incentives serve as a tool for the City to use in accomplishing those objectives. To provide a framework for the consideration of the use of public resources to stimulate economic activity, the City has established this policy to align the use of incentives with the City's strategic focus areas and ensure a positive return on investment for the community. Tax incentives, as described in this policy, will be available for new and/or existing facilities and structures and for businesses wanting to locate, expand, upgrade or modernize existing or new facilities and structures in the City of Denton. These tax incentives, as described herein, are governed by Chapter 380 of the Texas Local Government Code (hereinafter referred to as "Chapter 380"). This policy is adopted under the authority of the Constitution and Laws of the State of Texas and the City Charter of the City of Denton.

The City of Denton has adopted the core values of Integrity, Transparency, Inclusion, Fiscal Responsibility, and Outstanding Customer Service. These values are exemplified in our operations and are considered when contemplating any request for incentives.

The 2020 Economic Development Strategic Plan has five guiding principles that provide a framework for economic development in Denton: Core Resiliency, Future Focused, Inclusive Growth, Entrepreneurial Spirit and Cultural Vitality. The plan is also built around three major goals: Accelerate Recovery, Foster Growth, and Strengthen Community Inclusion.

Chapter 380 grants offered by the City of Denton are not entitlement programs and the City is not under any obligation to provide an incentive to any applicant. The City considers incentives to be strategic investments in organizations, developments, or projects that benefit the community, are in alignment with the economic development strategic plan, and must comply with all program criteria, policies, and guidelines adopted by the City Council.

All applications or requests are considered on a case-by-case basis by the Economic Development Partnership Board (EDPB) and the City Council. The City will conduct significant due diligence when an application is submitted, which could include reviewing an applicant's submission, requesting information to verify any claims, reviewing any other incentives received by the applicant from other jurisdictions, and conducting an independent economic and fiscal analysis for any proposed project. Incentives may not be considered if a building permit for new construction has been issued, a permit for commercial alterations has been issued, or purchase of an existing building has been executed (excluding existing businesses seeking to expand).

The City has strategic growth areas and related industries, organized by North American Industry Classification System (NAICS) codes. These industries have been identified in the Strategic Plan for cultivation and recruitment and will be given priority consideration. The strategic growth areas include: Connectivity, Creativity, Sustainability, and Competitiveness. Exhibit A provides additional information on the industry by strategic growth areas. While these growth area

ecosystems will be given priority consideration, not being in a strategic growth area or related industry does not disqualify a business from applying for an incentive if it meets other requirements under the policy.

All incentives offered will be evaluated through a cost-benefit analysis. The economic impacts evaluated may include net new jobs, wages, and contributions through property tax, sales taxes, hotel occupancy taxes, mixed beverage taxes, or other significant public benefit.

All agreements will be based on performance. Successful applicants must demonstrate performance with agreed upon metrics to continue to receive funding. Failure to meet performance standards will result in recapture, reduction of rebates, or termination of agreement(s). Grantees will also be responsible for making periodic reports on their investments, hiring, and provide the City access to records to verify their reports.

Guidelines for various incentive programs have been adopted by the Denton City Council. These include objectives, qualification criteria, reporting requirements, and other key program elements. Grantees are responsible for ensuring they meet the requirements of the overall policy and the program guidelines.

Denton County will not utilize Chapter 381 of the Texas Local Government Code to administer a community and economic development program to provide grants as a form of economic development. The Denton County Tax Abatement Policy states that applicants whose projects will be located in or are currently located in a municipality within the county must have an approved and executed Tax Abatement Agreement with that municipality prior to applying for a Denton County tax abatement.

Definitions

“Agreement” means a contract between an Incentive recipient and the City clarifying the terms, performance measures, and obligations of the parties.

“Assessed Taxable Value” means the value of the real and business personal property, as appraised by the Denton Central Appraisal District (“DCAD”/or “District”), after any exemptions have been applied.

“Base Year Value” means the Assessed Taxable Value as of January 1 preceding the execution of the agreement, excluding land value, inventory, vehicles and supplies, as determined by the DCAD.

“Business Park” is defined as a multi-building, multi-tenant, master planned complex of approximately one million square feet or more under roof, constructed to house manufacturing, distribution, assembly, and office facilities.

“Business Personal Property” means property associated with a Project other than Real Property and excluding inventory, vehicles and supplies.

“Capital Investment” means the total actual capital cost to grantee for the acquisition of land, development, and construction of the Project, including a reasonable capital operating reserve, and the furniture and equipment installed at the Project.

“City” means the City of Denton, Texas, and its governing and operating bodies.

“City HOT Returns” means City of Denton Hotel/Motel Occupancy Tax Reports on which the grantee or other persons report and remit City of Denton hotel occupancy taxes imposed under Chapter 351 of the Texas Tax Code on amounts paid for hotel rooms in the Project.

“Community Support and Involvement” may include but is not limited to monetary or active investment in local nonprofits, public institutions or community organizations.

“Construction Sales and Use Tax Grant” This incentive involves a rebate of a portion of the local sales and use taxes for the purchase of construction materials and furniture/fixtures/equipment that would generate additional tax revenue that the City of Denton would not otherwise receive.

“Council” is the City Council of the City of Denton, Texas.

“Default” is an event in which a party to an Agreement has failed to meet Performance Measures and to perform under prescribed cures.

“Ecosystem” incorporates a number of elements, which include: anchor institutions, major emerging players, competitions and events, building blocks, local capital and public awareness.¹

“Established Resident” means an individual hired by applicant/grantee with a primary dwelling place inside the corporate limits of the City of Denton at the time an employment application was submitted and/or the date the employee was offered the position with Grantee.

“Expansion” means an investment in fixed assets that will result in an increase in occupied building areas, increased employment, or higher Assessed Value of Real Property or Business Personal Property by a firm already located in the City.

“Facility” means combined Real and Business Personal Property Improvements that house an economically purposeful activity.

“Higher Wage” means having an average annual wage of \$65,000 or greater for all positions or at least 25% of the positions have an annual wage of \$75,000 or greater.

“Improvement” means a building, structure, or fixture erected on or affixed to land.

“Incentive” means any inducement for economic activity given by the City such as a tax abatement or rebate or any other incentives not prohibited by state or federal law.

¹ TIP Strategies. Economic Development Strategic Plan: City of Denton Texas. 2020.

“Job” means a permanent, full-time employment position that has provided or will result in employment of at least 2,080 hours per position per year. Part-time positions may be aggregated to create a full-time position for consideration in this policy.

“Knowledge-based jobs” are defined as occupations which require specialized and theoretical knowledge, usually acquired through a college education or through work experience or other training which provides comparable knowledge; require some research, analysis, report writing and presentations; or require special licensing, certification, or registration to perform the job task.

“Leadership in Energy and Environmental Design” (LEED) certification is a voluntary internationally recognized green building certification system, with verification by a third party that a building or community was designed and built using strategies aimed at improving performance across the following metrics: energy savings, water efficiency, CO₂ emissions reduction, improved indoor environmental quality, and stewardship of resources.

“Living Wage” is the wage necessary to provide the basic family expenses “basic needs budget” plus all relevant taxes.²

“Local Contractors” and “Local Sub-Contractors” refers to vendors that have their “principal office or place of business,” as reported to the Texas Secretary of State Office, located within Denton City Limits or Extraterritorial Jurisdiction (ETJ).

“Modernization” means the replacement and upgrading of existing facilities which increases the productive input or output, updates the technology, or substantially lowers the unit cost of operation, and extends the economic life of the facility. Modernization may result from the construction, alteration, or installation of buildings, structures, fixed machinery, or equipment.

“New Resident” means an individual hired by applicant/grantee with a primary dwelling place outside the corporate limits of the City of Denton at the time an employment application was submitted and/or the date the employee was offered the position with Grantee, but establishes a primary dwelling place inside the corporate limits of the City of Denton after an employment application was submitted and/or the date the employee was offered the position.

“North American Industry Classification System (NAICS)” is the standardized system utilized for the publication of statistical data by the federal government and other entities to classify businesses by the type of economic activity.³

“Performance Measures” are the performance indicators for a Project established by Agreement and reported to the City annually using a certificate of compliance provided in the Agreement or as otherwise prescribed by the Agreement.

² Online Internet. Massachusetts Institute of Technology’s (MIT) Living Wage Calculator for Denton County. <https://livingwage.mit.edu/counties/48121>.

³ Online Internet. NAICS Association. 2022. NAICS.com.

“Primary Employer” refers to employers that produce products or services which are sold outside of the community or region.

“Project” means the combination of proposed investment, improvements, and economic activity that is submitted in an application for an economic incentive.

“Real Property” means land or an improvement affixed thereto.

“Retail” means the selling of consumer goods or services to customers.

“Retail Leakage” means that local residents are spending more for products or services than local businesses capture and indicates there is an unmet demand in the community for certain types of products. Keeping sales tax dollars in the City is the goal of minimizing retail leakage.

“Sales Tax” means the 1% general municipal sales and use taxes imposed by the City of Denton pursuant to Section 321.103(a) of Texas Tax Code and 0.5% additional municipal sales and use tax imposed by the City of Denton from property tax reduction pursuant to Section 321.103(b) of the Texas Tax Code and arising (i) from any person’s collection of sales taxes as a result of sales of taxable items consummated at the Project during the term of this Agreement, (ii) from any person’s payments to vendors or directly to the Texas Comptroller of Public Accounts of City Sales Taxes on purchases of taxable items consummated at the Project during the term of this Agreement, and (iii) from City Sales Taxes paid by any person in connection with the construction or equipping of the Project.

“Sustainable materials” or products related to manufacturing may include but are not limited to: biobased; recyclable; pollution reduction equipment or systems; and reclaimed goods.

“Tax Rebate” means the full or partial refund of municipally imposed tax liability.

“Texas Comptroller of Public Accounts’ Monthly Sales Tax Report” means reports from the Comptroller to the City as provided in Section 321.3022 of the Texas Tax Code that identify amounts paid from the Comptroller to the City, by period, of Sales Taxes. If during the term of this Agreement, due to a change in law or policy the Comptroller ceases providing such reports with respect to the Sales Taxes, “Texas Comptroller of Public Accounts’ Monthly Sales Tax Report” means alternative documentation that the Parties agree establishes the amounts of Sales Taxes received by the City.

“Texas Direct Payment Permit” means that permit issued by the State of Texas authorizing Grantee to self-assess and pay applicable state and local use taxes directly to the State of Texas related to selected portions of Grantee’s taxable purchases.

“Texas Sales and Use Tax Return” means a return or other statement in a form acceptable to the City setting forth the Grantee’s collection of use tax imposed by the City and received by the City from the State of Texas, for the use of taxable items by Grantee at the Property for the applicable grant period which are to be used to determine Grantee’s eligibility for a Grant, together with such supporting documentation required herein, and as the City may reasonably request.

Public Benefit

If, upon initial application, a project qualifies for an incentive under the guidelines set forth in this Policy, the City may consider the following factors in evaluating its public benefit:

- Expands the tax base through property, sales, Hotel Occupancy Tax (HOT), or other taxes to the City, County, DISD, and DCTA through the development of property, facility or by making improvements to an existing property or facility, through the development of a new business or expansion of an existing business, through the development of a new multi-tenant complex where businesses can locate, or through the addition or increase in jobs available in the City.
- Community Investment demonstrates a commitment to community support or involvement through monetary or in-kind support of local nonprofits, public institutions, or community organizations;
- Public Private Partnerships includes development of public infrastructure or public amenities that City deems beneficial, or developer assumes responsibility for development of infrastructure or other public facilities beyond what is required. Project will involve a significant relationship with a public school district or institution of higher education.
- 25% of local contractors used in construction or 25% of new jobs filled by Denton residents
- Other priorities or considerations as determined by City Council

Application Procedure

To ensure fairness, accountability, and compliance with all applicable regulations, every incentive request must proceed through a uniform application process. Nothing within these guidelines implies or suggests that the City is under any obligation to provide an incentive to any applicant.

1. Applicant shall complete the attached Incentive Application (Exhibit B). The application will not be considered until it is administratively complete. The Economic Development Director or the City Manager, or their designee, may amend the Application at their discretion from time to time. Applicant shall be responsible for obtaining and submitting the most recent Application form from the City.
2. Applicant shall prepare a map or other documents providing the following: precise location of the property and all roadways within 500 feet of the site; existing uses and conditions of real property; proposed improvements and uses; zoning changes; compatibility with the Denton 2040 Plan and applicable building codes and City ordinances; and a complete legal description as provided in the deed granting title to the owner of the property. This information will be submitted with the completed Incentive Application or the application may be considered incomplete.
3. Applicant shall complete a Due Diligence Form which authorizes the City to obtain and review any and all information needed to evaluate an application for an economic development incentive, including business financial statements, creation documents, and credit rating. The City may request additional information related to the creditworthiness or financial position of a business in the process of reviewing and evaluating the application for economic development incentive.
4. Applicant shall complete all forms and information detailed in the Incentive Application and submit the Incentive Application and all additional required information to the Economic Development Department, City of Denton, 401 N. Elm

Street, Denton, TX 76201.

5. All information in the application package detailed above will be reviewed for completeness and accuracy. Additional information may be requested as needed.
6. The application will be distributed to the appropriate City departments for internal review and comment. Additional information may be requested as needed.
7. Fiscal agents of the City may review the application for comment and recommendation. Additional information may be requested as needed.
8. The Denton Economic Development Partnership board (EDPB) serves as an advisory body, which makes recommendations to the City Council regarding whether economic development incentives should be offered in each individual case. Its recommendation shall be based upon an evaluation of information submitted in the incentive application and any additional information requested by the EDPB or presented to the EDPB. The EDPB will consider the application at a regular or special-called meeting(s). All meetings of the EDPB shall be held in compliance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code. Additional information may be requested as needed. The recommendation of the EDPB will be forwarded, with all relevant materials, to the City Council.
9. The City Council may consider adoption of an ordinance or resolution approving the terms and conditions of a contract between the City and the applicant governing the provision of the incentive and the commitments of the applicant, including all the terms required by Chapter 380 and such other terms and conditions as the City Council may require.
10. The City reserves the authority to enter into incentive agreements at differing rebate percentages and/or terms as set forth in the guidelines of this Policy, consistent with the requirements of Chapter 380.

Section 522.131 of the Texas Government Code (Texas Public Information Act) makes confidential information which relates to economic development negotiations between the City and a business prospect that the City seeks to have locate, stay or expand in or near the territory of the City. The information must relate to a trade secret of the business prospect or commercial or financial information which the business prospect can demonstrate based on specific factual evidence that disclosure would cause substantial competitive harm to the person from whom the information was obtained or information about a financial or other incentive being offered to the business prospect by the City or by another person. Information about a financial or other incentive being offered to the business prospect is required to be disclosed when an agreement is made with a business prospect. The City will respond to requests for disclosure as required by law and will assert exceptions to disclosure as it deems relevant. The City will make reasonable attempts to notify the applicant of the request so it may assert its own objections to the Attorney General.

Any incentive agreement will address various issues, including but not limited to, the following:

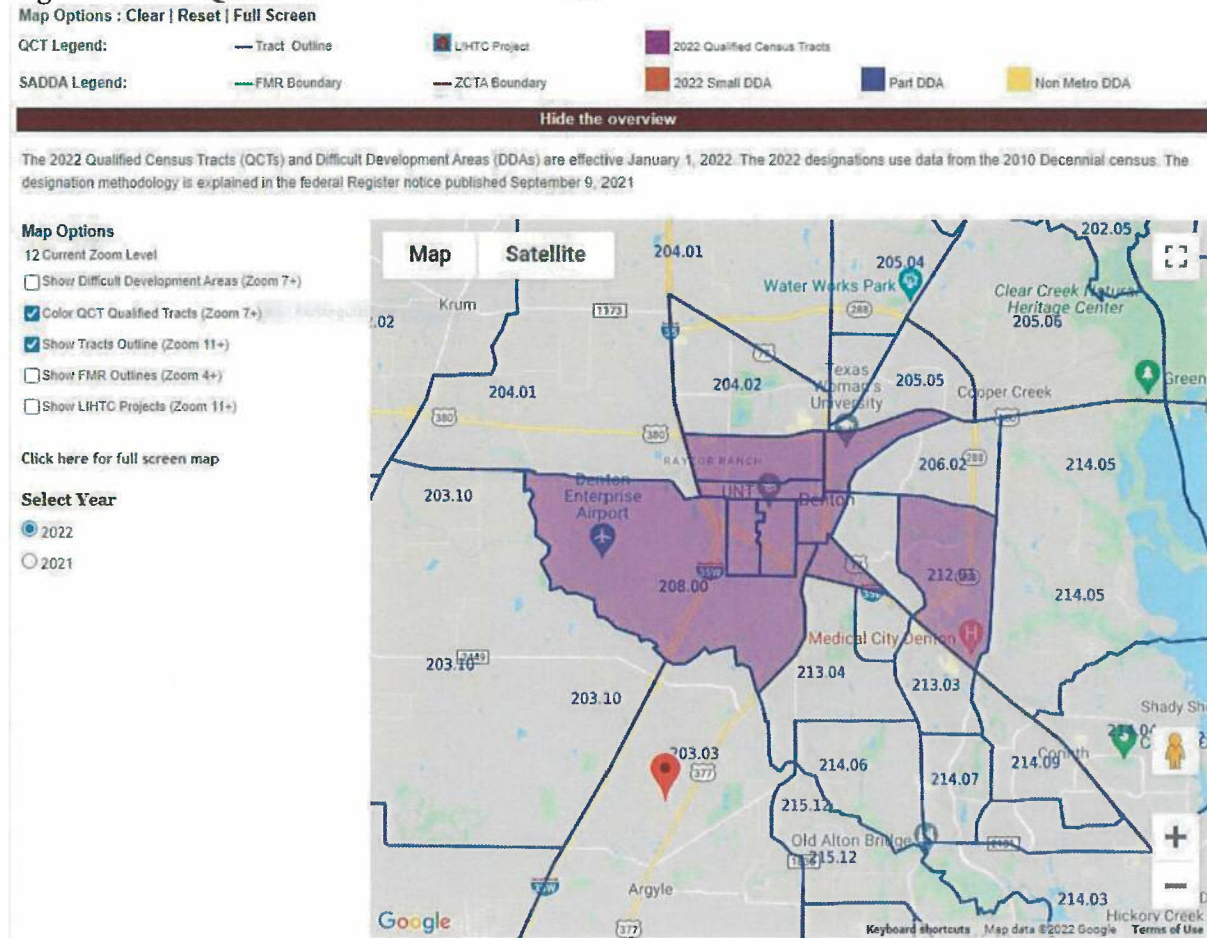
1. General description of the project
2. Amount of the incentive and percent of value to be rebated each year
3. Method of calculating the value of the incentive
4. Duration of the rebate, including commencement date and termination date
5. Complete legal description of the property as provided in the deed granting title to the

- owner of the property
6. Kind, number, location and timetable of planned improvement
 7. Specific terms and conditions to be met by applicant, which will be based on the information submitted by the applicant in the Incentive Application and/or other appropriate criteria
 8. The proposed use of the facility and nature of construction
 9. Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture, any decrease in valuation, administration and assignment.

Businesses receiving an incentive are asked to use diligent efforts to purchase all goods and services from Denton businesses whenever such goods and services are comparable in availability, quality and price. The City of Denton also encourages the use, if applicable, of qualified contractors, subcontractors and suppliers who are historically underutilized businesses based on information provided by the General Services Commission pursuant to Chapter 2161 of the Government Code. Businesses receiving an incentive are encouraged to use diligent efforts to hire local contractors and local subcontractors where possible during construction of the project.

Businesses receiving incentives are asked to endeavor to make available, or endeavor to cause lessees or assignees to make available full-time or part-time employment for Denton residents. In this effort, the business, lessee or assignee is encouraged to recruit from the low-moderate income Census tracts as further defined by the U.S. Department of Housing and Urban Development's (HUD) Qualified Census Tracts (QCT) map shown in Figure 1. HUD defines QCTs as "census tracts in which one-half or more of the households have incomes below 60 percent of the area median income or the poverty rate is 25 percent of [or] higher.

Figure 1: 2022 Qualified Census Tracts in Denton



Incentive Tools and Programs

New, expanding, and modernizing businesses may be considered for an incentive. Once a determination has been made that a project is eligible for an incentive, the following will serve as a basis for determining amount and term of the grant or rebate. Additional public benefit factors and considerations may increase the grant and/or rebate percentage.

To qualify to receive the grant or rebate, companies must meet the minimum threshold of projected tax value for the project in the first 24 months from the execution of the agreement or as specified in the agreement. The minimum threshold is at least 90% of the incentivized projected tax value for new projects and 75% of the tax value for expansion projects. A job based grant may be provided once per year on each new eligible job added. Eligible new jobs are capped in the agreement and are reimbursable over the term of the grant.

If, upon initial application, a project qualifies for an incentive under the guidelines set forth in this Policy, the City may consider the following considerations in evaluating the project and the grant or rebate percentage:

- Generates new utility customers (priority consideration for larger customers);
- Encourages new business markets/suppliers and entrepreneurship (the project is from an industry not significantly represented in the local economy or is a new business startup or entrepreneurial endeavor)
- Creates knowledge-based jobs, as documented by the applicant (An average wage that is above the average wage in Denton County or at least 25 percent of jobs requiring a college bachelor's degree);
- Increases higher wage jobs (includes an average annual wage of \$65,000 or greater for all positions or at least 25% of the positions have an annual wage of \$75,000 or greater);
- Pays a living wage for all new employees in accordance with the current "Living Wage" from the MIT Living Wage Calculator for Denton County;
- Engages in sustainable practices (Renewable energy will be generated, stored, or utilized for the project or the project incorporates significant environmentally sustainable practices that include: Leadership in Energy and Environmental Design (LEED) certification, recycling initiatives, the manufacture of sustainable materials or products that support sustainable industries, or the incorporation of clean technology);
- Spur infill development or redevelopment (Project is to develop/redevelop a property in a manner that reduces urban sprawl and or increases density in a desirable area; project includes use of existing facility that has been vacant for at least two years);
- The project is an international or national headquarters facility; and
- Provides child care assistance to employees that may include: on-site child care services; vouchers or other financial assistance for child care; backup or temporary child care services; flexible hours or remote work accommodations; and flexible spending accounts for child care expenses.

All incentives are subject to final approval of the City Council. Even though a project may meet the criteria as set forth in this Policy, an application may be denied at the discretion of the City. The incentive shall not apply to any portion of the land value of the project.

The City may consider the use of incentives to retain existing businesses, which propose to improve or redevelop property within the City limits. The City may also take into consideration the expansion/redevelopment of existing businesses that create new or additional higher wage or knowledge-based jobs. The incentive will only apply to the increased valuation of the improvements over the appraised value of the property prior to such improvements as same is established by the Denton Central Appraisal District the year in which the agreement is executed. The City may also consider other tax incentives authorized by law.

Chapter 380 Grants or Loans

The City may consider incentives to businesses utilizing its authority under Chapter 380 of the Texas Local Government Code. Chapter 380 states that a municipality may establish and provide for the administration of one or more programs for making loans and grants of public money and providing personnel and services of the municipality, to promote state or local economic development and to stimulate business and commercial activity in the municipality. The City of Denton may consider the use of grants and loans as incentives to accomplish one or more of the following economic development purposes:

- Supply chain recruitment initiatives
- Capital grants or loans for start-up and small businesses to promote entrepreneurship
- Grants to offset costs associated with public infrastructure improvements or impact fees
- Cash incentives to gain a competitive position when in direct competition for a project
- Increase jobs paying \$75,000 per year or more
- Incentives for the development of Class A office space, particularly in downtown

When the City determines that incentives are required to retain existing businesses that propose to improve or redevelop property within the City limits, the City Council may consider, on a case-by-case basis, and reserve the right to waive the minimum threshold and/or exceed the percentage and term for a grant.

The City of Denton may also take into consideration the expansion/redevelopment of existing businesses that create new or additional higher wage or knowledge-based jobs. Ad valorem rebates will only apply to the increased valuation of the improvements over the appraised value of the property prior to such improvements as same is established by the Denton Central Appraisal District the year in which the grant agreement is executed.

Job-based grants may be considered for businesses creating higher-wage or knowledge-based jobs.

The City may also consider other tax incentives authorized by law.

Economic Development Investment Fund: The City may offer cash incentives and grants from the Economic Development Investment Fund (established by Ordinance No. 2016-229) when appropriate and necessary. Such incentives require EDPB and Council approval of a Chapter 380 Agreement. To be eligible for consideration, the company must meet at least two of the following criteria:

- higher wage or knowledge-based jobs;
- substantial capital investment (minimum of \$15 million);
- recruitment in strategic growth areas and related industries, by North American Industry Classification System (NAICS) codes, that have been identified in the Strategic Plan for cultivation and recruitment. The strategic growth areas include: connectivity, creativity, sustainability, and competitiveness. Exhibit A provides additional information on the industry by strategic growth areas.

Based Aircraft Incentive: Specific considerations for a based aircraft incentive will include expansion of the tax base, annual fuel consumption, and contribution to the growth and development of Denton Enterprise Airport (DTO). Newly based aircraft may be eligible for an incentive if a minimum of \$1 million in ad valorem value will be created by the aircraft. Aircraft must be operational, air worthy, and based at DTO. Values may not be combined to reach the \$1 million minimum.

Entrepreneurial/Tech Incentive: Fostering the entrepreneurial ecosystem is one of the five guiding principles in the 2020 Economic Development Strategic Plan. The City works with the Denton Chamber of Commerce, educational institutions, Stoke, and other partners to encourage a culture and climate that promotes entrepreneurship and tech development. The City may offer cash incentives through relocation, expansion and job based grants to support entrepreneurs, tech, tech enabled, startups and encourage knowledge based and high wage jobs in Denton. A residency bonus grant may also be granted for each eligible new job with a primary dwelling in the city limits of Denton during the coverage period. The Economic Development Investment Fund is the source of funds utilized for this program. This program has a separate Entrepreneurial/Tech Incentive application.

Table 1 below establishes a stratified job based grant framework. A job grant may be provided once per year on each new eligible job added. The amount may vary depending whether the employee is an established resident or new resident. A job grant may be provided once per year on each new eligible job added. The amount may vary depending whether the employee is an established resident or new resident.

Table 1: Job Based Grant Table

Salary	Grant per New Eligible Job
Jobs equal to or > than \$100,000	\$5,000
Jobs equal to \$90,000-\$99,999	2,500
Jobs equal to \$75,000-\$89,999	\$1,000
Jobs equal to \$65,000-\$74,999	\$500

RESOLUTION NO. 22-356

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DENTON, TEXAS APPROVING THE ESTABLISHMENT OF POLICIES, GUIDELINES, AND CRITERIA GOVERNING TAX ABATEMENTS; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City Council desires to promote economic development within Denton; and

WHEREAS, the Property Development and Tax Abatement Act (“the Act”), Chapter 312, Texas Tax Code allows the City to establish its own criteria for tax abatements; and

WHEREAS, the Act requires the City to establish guidelines and criteria prior to entering into a tax abatement agreement; and

WHEREAS, guidelines and criteria adopted under the Act are effective for two years from the date adopted; and

WHEREAS, on June 6, 2000, the City Council approved guidelines and criteria, known as the Denton Policy for Tax Abatements and Incentives (“Policy”); by passing Resolution No. R2000-28; and

WHEREAS, the City previously adopted, amended, and reauthorized guidelines and criteria for tax abatement by passing Resolution Nos. R90-18, R98-004, R2000-028, R2001-020, R2003-021, R2005-057, R2008-003, R2010-009, R2012-009, R2014-016, R2015-042, R2016-009; R2018-148 and

WHEREAS, on March 17, 2020, the City Council of the City of Denton approved the current Policy by passing Resolution No. R20-504; and

WHEREAS, the current Policy expired on March 17, 2022; and

WHEREAS, the City Council held a public hearing on April 5, 2022, as required by the Act, to receive public feedback regarding the proposed adoption of the Policy attached hereto as Exhibit A and incorporated herein for all purposes; and

WHEREAS, the City Council deems it in the public interest to continue to be eligible for participation in tax abatements and to adopt policies, guidelines, and criteria for tax abatements by adopting the Policy attached hereto as Exhibit A and incorporated herein for all purposes; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY RESOVLES:

SECTION 1. The policies, guidelines, and criteria, set forth in Exhibit A, which is made a part of this Resolution and incorporated herein for all purposes, is approved and adopted, and shall be known as the Denton Texas Abatement Policy.

SECTION 2. From and after the effective date of this Resolution, the attached Denton Tax Abatement Policy shall constitute the policies, guidelines, and criteria for tax abatement agreements for the City of Denton in accordance with Chapter 312 of the Texas Tax Code.

SECTION 3. Pursuant to Texas Tax Code Section 312.002(c), the Denton Tax Abatement Policy approved herein shall be effective for two (2) years from the date of the approval of this Resolution, during which time it may amended or repealed by a vote of $\frac{3}{4}$ of the members of Council.

SECTION 4. The City Council reasserts its decision to become eligible to participate in tax abatements. The City Council provides certain tax abatements to applicable business enterprises in various reinvestment zones which are established in the City in accordance with the applicable provisions of Chapter 312 of the Texas Tax Code and in accordance with the Denton Tax Abatement Policy.

SECTION 5. The Denton Tax Abatement Policy shall be filed in the official records with the City Secretary and posted on the City's website in accordance with Texas Tax Code Section 312.002(c-2).

SECTION 6. This resolution shall become effective immediately upon its passage and approval.

The motion to approve this resolution was made by Brian Beck and seconded by Jesse Davis, the resolution was passed and approved by the following vote [7 - 0]:

	Aye	Nay	Abstain	Absent
Mayor, Gerard Hudspeth:	<u>✓</u>	_____	_____	_____
Vicki Byrd, District 1:	<u>✓</u>	_____	_____	_____
Brian Beck, District 2:	<u>✓</u>	_____	_____	_____
Jesse Davis, District 3:	<u>✓</u>	_____	_____	_____
Alison Maguire, District 4:	<u>✓</u>	_____	_____	_____
Deb Armintor, At Large Place 5:	<u>✓</u>	_____	_____	_____
Paul Meltzer, At Large Place 6:	<u>✓</u>	_____	_____	_____

PASSED AND APPROVED this the 3rd day of May, 2022.


GERARD HUDSPETH, MAYOR

ATTEST:
ROSA RIOS, CITY SECRETARY

BY: 



APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY:  Digitally signed by Scott Bray
Date: 2022.04.26 11:10:38
-05'00'
Deputy City Attorney

EXHIBIT A
Denton Tax Abatement Policy



City of Denton

Tax Abatement Policy

2022 - 2024



Statement of Policy

The City of Denton is committed to promoting economic growth and redevelopment that expands and diversifies the tax base; creates quality jobs; enhances the quality of life for residents; protects human health and the environment; and secures new customers for municipal utilities. The City is a national model for public power through Denton Municipal Electric (DME), which incorporates 100 percent renewable energy into its portfolio. Local economic development incentives serve as a tool for the City to accomplish those objectives. To provide a framework for the consideration of the use of public resources to stimulate economic activity, the City has established this policy to align the use of tax abatement incentives with the City's strategic focus areas and ensure a positive return on investment for the community. Tax incentives, as described in this policy, will be available for new and/or existing facilities and structures and for businesses wanting to locate, expand, upgrade or modernize existing or new facilities and structures in the City of Denton. These tax incentives, as described herein, are governed by Chapter 312 of the Texas Tax Code. This policy is adopted under the authority of the Constitution and Laws of the State of Texas and the City Charter of the City of Denton.

The City of Denton has adopted the core values of Integrity, Transparency, Inclusion, Fiscal Responsibility, and Outstanding Customer Service. These values are exemplified in our operations and are considered when contemplating any request for incentives.

The 2020 Economic Development Strategic Plan has five guiding principles that provide a framework for economic development in Denton: Core Resiliency, Future Focused, Inclusive Growth, Entrepreneurial Spirit and Cultural Vitality. The plan is also built around three major goals: Accelerate Recovery, Foster Growth, and Strengthen Community Inclusion.

Tax abatements offered by the City of Denton are not entitlement programs and the City is not under any obligation to provide an incentive to any applicant. The City considers incentives to be strategic investments in organizations, developments, or projects that benefit the community, are in alignment with the economic development strategic plan, and must comply with all program criteria, policies, and guidelines adopted by the City Council.

All applications or requests are considered on a case-by-case basis by the Economic Development Partnership Board (EDPB) and the City Council. The City will conduct significant due diligence when an application is submitted, which could include reviewing an applicant's submission, requesting information to verify any claims, reviewing any other incentives received by the applicant from other jurisdictions and conducting an independent economic and fiscal analysis for any proposed project. Incentives may not be considered if a building permit for new construction has been issued, a permit for commercial alterations has been issued, or purchase of an existing building has been executed (excluding existing businesses seeking to expand).

The City has strategic growth areas and related industries, organized by North American Industry Classification System (NAICS) codes. These industries have been identified in the Strategic Plan for cultivation and recruitment and will be given priority consideration. The strategic growth areas include: Connectivity, Creativity, Sustainability, and Competitiveness. Exhibit A provides additional information on the industry by strategic growth areas. While these growth area

ecosystems will be given priority consideration, not being in a strategic growth area or related industry does not disqualify a business from applying for an incentive if it meets other requirements under the policy.

All incentives offered will be evaluated through a cost-benefit analysis. The economic impacts evaluated may include net new jobs, wages, and contributions through property tax, sales taxes, hotel occupancy taxes, mixed beverage taxes, or other significant public benefit. Applicants for tax abatement must make specific repairs or improvements to the property that provide a benefit both to the property and City that will last beyond the expiration of a tax abatement agreement.

All agreements will be based on performance. Successful applicants must demonstrate performance with agreed upon metrics to continue to receive funding. Failure to meet performance standards will result in recapture, reduction of abatement(s), or termination of agreement(s). Grantees will also be responsible for making periodic reports on their investments, hiring and provide the City access to records to verify their reports.

Guidelines for various incentive programs have been adopted by the Denton City Council. These include objectives, qualification criteria, reporting requirements, and other key program elements. Grantees are responsible for ensuring they meet the requirements of the overall policy and the program guidelines.

The Denton County Tax Abatement Policy states that applicants whose projects will be located in or are currently located in a municipality within the county must have an approved and executed Tax Abatement Agreement with that municipality prior to applying for a Denton County tax abatement. Denton County will not utilize Chapter 381 of the Texas Local Government Code to administer a community and economic development program to provide grants as a form of economic development.

Definitions

“Agreement” means a contract between an Incentive recipient and the City clarifying the terms, performance measures, and obligations of the parties.

“Assessed Taxable Value” means the value of the real and business personal property, as appraised by the Denton Central Appraisal District (“DCAD”/or “District”), after any exemptions have been applied.

“Base Year Value” means the Assessed Taxable Value as of January 1 preceding the execution of the agreement, excluding land value, inventory, vehicles and supplies, as determined by the DCAD.

“Business Park” is defined as a multi-building, multi-tenant, master planned complex of approximately one million square feet or more under roof, constructed to house manufacturing, distribution, assembly, and office facilities.

“Business Personal Property” means property associated with a Project other than Real Property and excluding inventory, vehicles and supplies.

“Capital Investment” means the total actual capital cost to grantee for the acquisition of land, development, and construction of the Project, including a reasonable capital operating reserve, and the furniture and equipment installed at the Project.

“City” means the City of Denton, Texas, and its governing and operating bodies.

“Community Support and Involvement” may include but is not limited to monetary or active investment in local nonprofits, public institutions or community organizations.

“Council” is the City Council of the City of Denton, Texas.

“Default” is an event in which a party to an Agreement has failed to meet Performance Measures and to perform under prescribed cures.

“Ecosystem” incorporates a number of elements, which include: anchor institutions, major emerging players, competitions and events, building blocks, local capital and public awareness.¹

“Expansion” means an investment in fixed assets that will result in an increase in occupied building areas, increased employment, or higher Assessed Value of Real Property or Business Personal Property by a firm already located in the City.

“Facility” means combined Real and Business Personal Property Improvements that house an economically purposeful activity.

“Higher wage” means having an average annual wage of \$65,000 or greater for all positions or at least 25% of the positions have an annual wage of \$75,000 or greater.

“Improvement” means a building, structure, or fixture erected on or affixed to land.

“Incentive” means any inducement for economic activity given by the City such as a tax abatement or rebate or any other incentives not prohibited by state or federal law.

“Job” means a permanent, full-time employment position that has provided or will result in employment of at least 2,080 hours per position per year. Part-time positions may be aggregated to create a full-time position for consideration in this policy.

“Knowledge-based jobs” are defined as occupations which require specialized and theoretical knowledge, usually acquired through a college education or through work experience or other training which provides comparable knowledge; require some research, analysis, report writing and presentations; or require special licensing, certification, or registration to perform the job task.

¹ TIP Strategies. Economic Development Strategic Plan: City of Denton Texas. 2020.

“Leadership in Energy and Environmental Design” (LEED) certification is a voluntary internationally recognized green building certification system, with verification by a third party that a building or community was designed and built using strategies aimed at improving performance across the following metrics: energy savings, water efficiency, CO₂ emissions reduction, improved indoor environmental quality, and stewardship of resources.

“Living Wage” is the wage necessary to provide the basic family expenses “basic needs budget” plus all relevant taxes.²

“Local Contractors” and “Local Sub-Contractors” refers to vendors that have their “principal office or place of business,” as reported to the Texas Secretary of State Office, located within Denton City Limits or Extraterritorial Jurisdiction (ETJ).

“Modernization” means the replacement and upgrading of existing facilities which increases the productive input or output, updates the technology, or substantially lowers the unit cost of operation, and extends the economic life of the facility. Modernization may result from the construction, alteration, or installation of buildings, structures, fixed machinery, or equipment.

“North American Industry Classification System (NAICS)” is the standardized system utilized for the publication of statistical data by the federal government and other entities to classify businesses by the type of economic activity.³

“Performance Measures” are the performance indicators for a Project established by Agreement and reported to the City annually using a certificate of compliance provided in the Agreement or as otherwise prescribed by the Agreement.

“Primary Employer” refers to employers that produce products or services which are sold outside of the community or region.

“Project” means the combination of proposed investment, improvements, and economic activity that is submitted in an application for an economic incentive.

“Real Property” means land or an improvement affixed thereto.

“Reinvestment Zone” is a geographic area designated as blighted and in need of revitalization for the purpose of granting incentives as authorized by law.

“Tax Abatement” means the full or partial exemption of ad valorem taxes for eligible properties in a reinvestment zone designated as such for economic development purposes for new or expanded business development for a period of up to 10 years. Abatement may be granted for real property improvements and/or business personal property.

² Online Internet. Massachusetts Institute of Technology’s (MIT) Living Wage Calculator for Denton County <https://livingwage.mit.edu/counties/48121>

³ Online Internet. NAICS Association. 2022. NAICS.com.

“Sustainable materials” or products related to manufacturing may include but are not limited to: biobased; recyclable; pollution reduction equipment or systems; and reclaimed goods.

Public Benefit

If, upon initial application, a project qualifies for tax abatement under the guidelines set forth in this Policy, the City may consider the following factors in evaluating its public benefit:

- Expands the tax base through property, sales, Hotel Occupancy Tax (HOT), or other taxes to the City, County, DISD, and DCTA through the development of property, facility or by making improvements to an existing property or facility, through the development of a new business or expansion of an existing business, through the development of a new multi-tenant complex where businesses can locate, or through the addition or increase in jobs available in the City.
- Community Investment demonstrates a commitment to community support or involvement through monetary or in-kind support of local nonprofits, public institutions, or community organizations;
- Public Private Partnerships include development of public infrastructure or public amenities that City deems beneficial, or developer assumes responsibility for development of infrastructure or other public facilities beyond what is required. Project will involve a significant relationship with a public school district or institution of higher education.
- 25% of local contractors used in construction or 25% of new jobs filled by Denton residents
- Other priorities or considerations as determined by City Council

Application Procedure

To ensure fairness, accountability, and compliance with all applicable regulations, every incentive request must proceed through a uniform application process. Nothing within these guidelines implies or suggests that the City is under any obligation to provide an incentive to any applicant.

1. Applicant shall complete the attached Incentive Application (Exhibit B). The application will not be considered until it is administratively complete. The Economic Development Director or the City Manager, or their designee, may amend the Application at their discretion from time to time. Applicant shall be responsible for obtaining and submitting the most recent Application form from the City.
2. Applicant shall prepare a map or other documents providing the following: precise location of the property and all roadways within 500 feet of the site; existing uses and conditions of real property; proposed improvements and uses; zoning changes; compatibility with the Denton 2040 Plan and applicable building codes and City ordinances; and a complete legal description as provided in the deed granting title to the owner of the property. This information will be submitted with the completed Incentive Application or the application may be considered incomplete.
3. Applicant shall provide metes and bounds, legal description and or plat information of the property in order for staff to prepare the reinvestment zone materials required under Chapter 312 of the Texas Tax Code.
4. Applicant shall complete a Due Diligence Form which authorizes the City to obtain and review any and all information needed to evaluate an application for an economic development incentive, including business financial statements, creation

documents, and credit rating. The City may request additional information related to the creditworthiness or financial position of a business in the process of reviewing and evaluating the application for economic development incentive.

5. Applicant shall complete all forms and information detailed in the Incentive Application and submit the Incentive Application and all additional required information to the Economic Development Department, City of Denton, 401 N. Elm Street, Denton, TX 76201.
6. All information in the application package detailed above will be reviewed for completeness and accuracy. Additional information may be requested as needed.
7. The application will be distributed to the appropriate City departments for internal review and comment. Additional information may be requested as needed.
8. Fiscal agents of the City may review the application for comment and recommendation. Additional information may be requested as needed.
9. The Denton Economic Development Partnership board (EDPB) serves as an advisory body, which makes recommendations to the City Council regarding whether economic development incentives should be offered in each individual case. Its recommendation shall be based upon an evaluation of information submitted in the incentive application and any additional information requested by the EDPB or presented to the EDPB. The EDPB will consider the application at a regular or special-called meeting(s). All meetings of the EDPB shall be held in compliance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code. Additional information may be requested as needed. The recommendation of the EDPB will be forwarded, with all relevant materials, to the City Council.
10. If the City Council decides to grant a tax abatement, it shall call a public hearing to consider establishment of a tax reinvestment zone in accordance with Section 312.201 of the Texas Tax Code. The reinvestment zone must meet one or more of the criteria of Section 312.202 of the Texas Tax Code.
11. The City Council may consider adoption of an ordinance or resolution approving the terms and conditions of a contract between the City and the applicant governing the provision of the tax abatement or incentive and the commitments of the applicant, including all the terms required by Section 312.205 of the Texas Tax Code and such other terms and conditions as the City Council may require.
12. The City reserves the authority to enter into tax abatement agreements at differing percentages and/or terms as set forth in the guidelines of this Policy, consistent with the requirements of Chapter 312 of the Texas Tax Code. The City also reserves the authority to enter into incentive agreements under Chapter 380 of the Texas Local Government Code. The City has a separate policy for Chapter 380 incentive programs.

Section 312.003 of the Texas Tax Code makes confidential information provided to the City as a part of this application that describes the specific processes or business activities to be conducted or the equipment or other property to be located on the property. This information is not subject to public disclosure until the incentive agreement is executed. Section 522.131 of the Texas Government Code (Texas Public Information Act) makes confidential information which relates to economic development negotiations between the City and a business prospect that the City seeks

to have locate, stay or expand in or near the territory of the City. The information must relate to a trade secret of the business prospect or commercial or financial information which the business prospect can demonstrate based on specific factual evidence that disclosure would cause substantial competitive harm to the person from whom the information was obtained or information about a financial or other incentive being offered to the business prospect by the City or by another person. Information about a financial or other incentive being offered to the business prospect is required to be disclosed when an agreement is made with a business prospect. The City will respond to requests for disclosure as required by law and will assert exceptions to disclosure as it deems relevant. The City will make reasonable attempts to notify the applicant of the request so it may assert its own objections to the Attorney General.

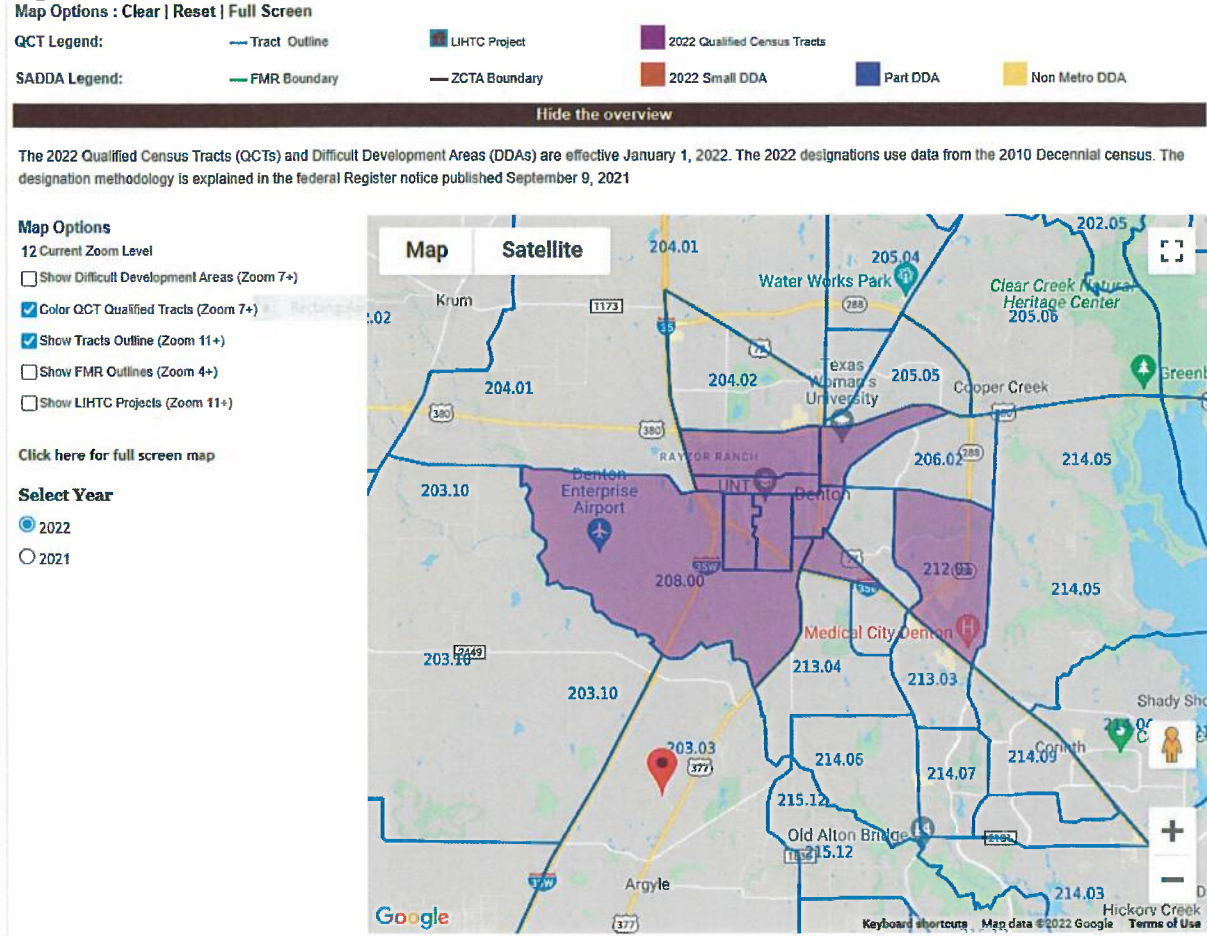
Any incentive agreement will address various issues, including but not limited to, the following:

1. General description of the project
2. Amount of the incentive and percent of value to be abated each year
3. Method of calculating the value of the abatement
4. Duration of the abatement, including commencement date and termination date
5. Complete legal description of the property as provided in the deed granting title to the owner of the property
6. Kind, number, location and timetable of planned improvement
7. Specific terms and conditions to be met by applicant, which will be based on the information submitted by the applicant in the Incentive Application and/or other appropriate criteria
8. The proposed use of the facility and nature of construction
9. Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture, any decrease in valuation, administration and assignment.

Businesses receiving an incentive are asked to use diligent efforts to purchase all goods and services from Denton businesses whenever such goods and services are comparable in availability, quality and price. The City of Denton also encourages the use, if applicable, of qualified contractors, subcontractors and suppliers who are historically underutilized businesses based on information provided by the General Services Commission pursuant to Chapter 2161 of the Government Code. Businesses receiving an incentive are encouraged to use diligent efforts to hire local contractors and local subcontractors where possible during construction of the project.

Businesses receiving incentives are asked to endeavor to make available, or endeavor to cause lessees or assignees to make available full-time or part-time employment for Denton residents. In this effort, the business, lessee or assignee is encouraged to recruit from the low-moderate income Census tracts as further defined by the U.S. Department of Housing and Urban Development's (HUD) Qualified Census Tracts (QCT) map shown in Figure 1. HUD defines QCTs as "census tracts in which one-half or more of the households have incomes below 60 percent of the area median income or the poverty rate is 25 percent of [or] higher.

Figure 1: 2022 Qualified Census Tracts in Denton



Tax Abatement

New, expanding, and modernizing businesses may be considered for a tax abatement if a minimum threshold of \$5 million in ad valorem value will be created by the project. Once a determination has been made that a project is eligible for a tax abatement, the strategic growth areas, public benefit factors and considerations will serve as a basis for determining amount and term of abatement.

To qualify to receive the grant or rebate, companies must meet the minimum threshold of projected tax value for the project in the first 24 months from the execution of the agreement or as specified in the tax abatement agreement. The minimum threshold is at least 90% of the incentivized projected tax value for new projects and 75% of the tax value for expansion projects. Minimum job related thresholds, if applicable, will be at least 90% of the jobs in the application for that year, or as required by the agreement.

If, upon initial application, a project qualifies for tax abatement under the guidelines set forth in this Policy, the City may consider the following considerations in evaluating the project and the abatement percentage:

- Generates new utility customers (priority consideration for larger customers);
- Encourages new business markets/suppliers and entrepreneurship (the project is from an industry not significantly represented in the local economy or is a new business startup or entrepreneurial endeavor)
- Creates knowledge-based jobs, as documented by the applicant (An average wage that is above the average wage in Denton County or at least 25 percent of jobs requiring a college bachelor's degree);
- Increases higher wage jobs (includes an average annual wage of \$65,000 or greater for all positions or at least 25% of the positions have an annual wage of \$75,000 or greater);
- Pays a living wage for all new employees in accordance with the current "Living Wage" from the MIT Living Wage Calculator for Denton County;
- Engages in sustainable practices (Renewable energy will be generated, stored, or utilized for the project or the project incorporates significant environmentally sustainable practices that include: Leadership in Energy and Environmental Design (LEED) certification, recycling initiatives, the manufacture of sustainable materials or products that support sustainable industries, or the incorporation of clean technology);
- Spur infill development or redevelopment (Project is to develop/redevelop a property in a manner that reduces urban sprawl and or increases density in a desirable area; project includes use of existing facility that has been vacant for at least two years);
- The project is an international or national headquarters facility; and
- Provides child care assistance to employees that may include: on-site child care services; vouchers or other financial assistance for child care; backup or temporary child care services; flexible hours or remote work accommodations; and flexible spending accounts for child care expenses.

All abatements are subject to final approval of the City Council. Even though a project may meet the criteria as set forth in this Policy, an application may be denied at the discretion of the City. The incentive shall not apply to any portion of the land value of the project.

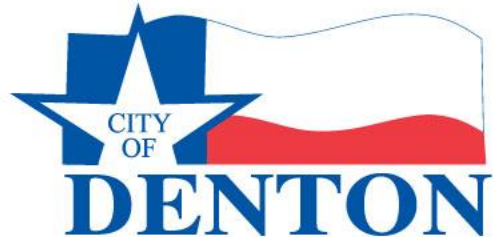
The City may consider the use of incentives to retain existing businesses, which propose to improve or redevelop property within the City limits. The City may also take into consideration the expansion/redevelopment of existing businesses that create new or additional higher wage or knowledge-based jobs. The incentive will only apply to the increased valuation of the improvements over the appraised value of the property prior to such improvements as same is established by the Denton Central Appraisal District the year in which the tax abatement agreement is executed. The City may also consider other tax incentives authorized by law.

Incentive Evaluation Matrix

Erica Sullivan

Economic Development Program Administrator

March 13, 2024



Background and History

- First Tax Abatement Policy approved in 1989
- Chapter 312 of the Texas Tax Code requires that the Policy for Tax Abatement must be approved by the City Council every two years.
- The 2020 Policy for Tax Abatement and Incentives expired in March 2022.
- The 2020 Economic Development Strategic Plan was approved in February of 2021.
- In 2022 staff worked to align Incentive Policies with the strategic plan and the City's Core Values.
- The EDPB and Council reviewed and made recommendations on the policies. The final policies were adopted by City Council on May 2, 2022.
- This board will review the incentive policies for updates at the April 2024 Board meeting, as the Tax Abatement Policy expires in May 2024.

Incentive Evaluation Matrix

SGA TARGETS	Targets (20 Points)	Points	
	Connective		
	Creative		
	Sustainable		
	Competitive		
	Other Target Areas (Max 10 points):		
SGA Targets Subtotal			
PRIORITY CONSIDERATIONS	Considerations (100 Points)	Points	
	Generates New Utility Customers (Max Points 10) Project is a customer of City utilities, including water, wastewater, and electric. Higher points awarded for larger customers		
	Encourages New Business Markets/Suppliers And Entrepreneurship (Max Points 10) Project is from an industry not significantly represented in local economy or company is a new business startup or entrepreneurial endeavor		
	Engages in Sustainable Practices (Max Points 10) Project has adopted sustainable or green business practices (e.g. LEED certification, renewable energy commitment or use, energy efficient construction)		
	Increases High Wage Jobs (Max Points 10) Project includes new jobs with an average or has a significant percentage of jobs that earn an annual base salary of \$65,000 or more		
	Encourage Knowledge Base Jobs (Max Points 10) Project includes new jobs or has a significant percentage of jobs that require specialized and theoretical knowledge, usually acquired through experience or a college education, or other training which provides comparable knowledge; requires some research, analysis, or requires special licensing, certification		
	Pays a living wage for all new employees (Max 10 points) From the most current MIT Living Wage Calculator for Denton County		
	Spur Infill Development Or Redevelopment (Max Points 10) Project is to develop/redevelop a property or facility in a manner that reduces urban sprawl and or increases density in a desirable area; project includes use of existing facility that has been vacant for at least 2 years		
	Headquarters (Max Points 10) The project is an international or national headquarters facility		
	Child Care Assistance (Max Points 10) Provides on-site child care; vouchers or other financial assistance; backup services; flexible or remote work accommodations; and flexible spending accounts		
	Other Considerations (Max 10 points):		
	Priority Considerations Subtotal		

PUBLIC BENEFIT FACTORS	Public Benefit Factors (55 Points)	Points	
	Expand The Tax Base (Max Points 10) Project provides new property, sales, HOT, or other taxes to the City, County, DISD, and DCTA through the development of property or facility or by making improvements to an existing property or facility, a new business or expansion, a new multi-tenant complex, or increase in jobs		
	Fiscal and Economic Impacts (Max Points 15) Project cost-benefit analysis to include net new, indirect and induced jobs; wages; contributions through property, sales, HOT and other taxes; and rate of return		
	Community Investment (Max Points 5) Project, company, or developer demonstrates a commitment to community support or involvement through monetary or in-kind support of local nonprofits, public institutions, or community organizations		
	Public-Private Partnership (Max Points 10) Project includes development of public infrastructure or amenities deemed beneficial, or developer assumes responsibility for development of infrastructure or public facilities beyond what is required. Project will involve a significant relationship with DISD or institution of higher education		
	Use of Local Contractors/Construction Vendors (Max Points 5) Project agrees to use vendors that have their principal place of business within the Denton City Limits		
	Other Factors (Max 10 points):		
	Public Benefit Subtotal		
	TOTAL BY CATEGORY	Total by Category	Score
		Total	
	Poor (0-44 points)		
	Acceptable (45-84 points)		
	Excellent (85-175 points)		

Sample Evaluations of Projects

The following were selected as examples:

- A project with a significant investment and tax value that was awarded a tax abatement
- A local expansion project that received a Chapter 380 rebate
- An entrepreneur/tech project that was awarded an expansion and job-based grant

Incentive Evaluation Matrix: Strategic Growth Areas

SGA TARGETS	Targets (20 Points)	Capital Sample	Expansion Sample	Tech/Entrep. Sample
	Connective	10	10	
	Creative			10
	Sustainable			
	Competitive			
	Other Target Areas (Max 10 points):		8	6
	SGA Targets Subtotal	10	18	16



Incentive Evaluation Matrix: Priority Considerations

PRIORITY CONSIDERATIONS	Considerations (100 Points)	Capital Sample	Expansion Sample	Tech/Entre p. Sample
	Generates New Utility Customers (Max Points 10) Project is a customer of City utilities, including water, wastewater, and electric. Higher points awarded for larger customers	7	6	3
	Encourages New Business Markets/Suppliers and Entrepreneurship (Max Points 10) Project is from an industry not significantly represented in local economy or company is a new business startup or entrepreneurial endeavor			9
	Engages in Sustainable Practices (Max Points 10) Project has adopted sustainable or green business practices (e.g. LEED certification, renewable energy commitment or use, energy efficient construction)	7		
	Increases High Wage Jobs (Max Points 10) Project includes new jobs with an average or has a significant percentage of jobs that earn an annual base salary of \$65,000 or more	4	5	9

Incentive Evaluation Matrix: Priority Considerations Continued

PRIORITY CONSIDERATIONS CONTINUED

Considerations (100 Points)	Capital Sample	Expansion Sample	Tech/Entrep. Sample
<p>Encourage Knowledge Base Jobs (Max Points 10) Project includes new jobs or has a significant percentage of jobs that require specialized knowledge, usually acquired through experience, college education, or other training which provides comparable knowledge; requires research, analysis, or special licensing, certification</p>	4	5	9
<p>Spur Infill Development or Redevelopment (Max Points 10) Project to develop/redevelop a property in a manner that reduces urban sprawl and/or increases density in a desirable area; project includes use of existing facility that has been vacant for 2 years</p>		9	3
<p>Encourage a living wage for all employees (Max 10 points) From the most current MIT Living Wage Calculator for Denton County</p>	6	5	9
<p>Headquarters (Max Points 10) The project is an international or national headquarters facility</p>			
<p>Child Care Assistance (Max Points 10) Provides on-site child care; vouchers or other financial assistance; backup services; flexible or remote work accommodations; and flexible spending accounts</p>			
<p>Other Considerations (Max 10 points):</p>	7	5	3
<p>Priority Priority Considerations Subtotal</p>	36	35	45



Living Wage Consideration: MIT Living Wage Calculation for Texas

	1 ADULT				2 ADULTS (1 Working)				2 ADULTS (Both Working)			
	0 Childr en	1 Child	2 Childr en	3 Childr en	0 Childr en	1 Child	2 Childr en	3 Childr en	0 Childr en	1 Child	2 Childr en	3 Childr en
Living Wage	\$23.73	\$38.96	\$48.20	\$62.26	\$31.81	\$37.71	\$42.01	\$45.14	\$15.90	\$21.69	\$26.45	\$30.71
Poverty Wage	\$7.24	\$9.83	\$12.41	\$15.00	\$9.83	\$12.41	\$15.00	\$17.59	\$4.91	\$6.21	\$7.50	\$8.79
Minimum Wage	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25



Incentive Evaluation Matrix: Public Benefit Factors

Public Benefit Factors (55 Points)		Capital Sample	Expansion Sample	Tech/Entrep. Sample
PUBLIC BENEFIT FACTORS	Expand the Tax Base (Max Points 10) Project provides new property, sales, HOT, or other taxes to the City, County, DISD, and DCTA through the development of property or facility or by making improvements to an existing property or facility, a new business or expansion, a new multi-tenant complex, or increase in jobs	9	7	1
	Fiscal and Economic Impacts (Max Points 15) Project cost-benefit analysis to include net new, indirect and induced jobs; wages; contributions through property, sales, HOT and other taxes; and rate of return	14	11	10
	Community Investment (Max Points 5) Project or developer demonstrates a commitment to community support or involvement through monetary or in-kind support of local nonprofits, public institutions, or community organizations	5	5	4
	Public-Private Partnership (Max Points 10) Project includes development of public infrastructure or amenities deemed beneficial, or developer assumes responsibility for development of infrastructure or public facilities beyond what is required. Project will involve a significant relationship with DISD or institution of higher education	8	4	5
	Use of Local Contractors/Construction Vendors (Max Points 5) Project agrees to use vendors that have their principal place of business within the Denton City Limits	4	4	2
	Other Factors (Max 10 points):			
	Public Benefit Subtotal	40	31	22



Incentive Evaluation Matrix: Total by Category

TOTAL BY CATEGORY	Total by Category	Capital Sample	Expansion Sample	Tech/Entrep. Sample
	Total	86	84	83
	Poor (0-44 points)			
	Acceptable (45-84 points)		X	X
	Excellent (85-165 points)	X		



Questions?



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Legislation Text

File #: EDP24-025, Version: 1

AGENDA CAPTION

Staff Reports:

1. EDPB Partnership Update - Jamie Adams
2. Downtown Master Plan Update - Cameron Robertson
3. Downtown Reinvestment Grant Update - Kristen Pulido
4. Future Agenda Items - Christine Taylor



AGENDA INFORMATION SHEET

DEPARTMENT: Economic Development

ACM: Christine Taylor

DATE: March 13, 2024

SUBJECT

Staff Reports:

1. EDPB Partnership Update – Jamie Adams
2. Downtown Master Plan Update – Cameron Robertson
3. Downtown Reinvestment Grant Update – Kristen Pulido
4. Future Agenda Items – Christine Taylor

BACKGROUND

EDPB Partnership Update:

A recap of recent and upcoming happenings within the Economic Development Partnership (EDP). Overview of key focus areas, EDP investor highlights, and meetings with key stakeholders in Denton. Additionally, a new BRE (Business Retention and Expansion) data collection document was created and built into the shared CRM for everyone to view. Finally, two upcoming events were scheduled: an Industrial Roundtable (April 19) and EDP Quarterly Forum (May 9).

Downtown Master Plan Update:

The updated Downtown Master Plan will help guide decisions in Downtown Denton over the next 20 years. The updated plan will address key downtown opportunities and challenges, which include but are not limited to parking, mobility, housing, open space, historic preservation, drainage, infrastructure, and other public service needs. The project officially kicked off on July 19, 2023, and is in Phase 3 of the plan.

Downtown Reinvestment Grant Update:

One project, 212 W Sycamore presented their Grant Application to the Downtown Economic Development Committee on March 7, 2024 and is slated to present to the Tax Increment Reinvestment Zone Number One board on March 27, 2024. This is the third Downtown Reinvestment Grant to move through the process this calendar year. Staff are expecting one more and to be submitting an application this spring and have received questions about the grant from several interested investors.

Future Agenda Items:

An overview of current items in the Agenda Queue and discussion of possible future agenda items.

EXHIBITS

Exhibit 1 – Agenda Information Sheet

Exhibit 2 – Queue of Future Agenda Items

Respectfully submitted:
Matilda Weeden
Economic Development Specialist

EDPB Future Agenda Items

Meeting Dates	Item	Staff	Time
14-Feb-24			
	Orientation	Erica Sullivan	
	Staff Reports: -Fine Arts Theatre -Recruitment update: City and Chamber -Downtown Façade grants -Future agenda items	Various	
13-Mar-24			
	Matrix Evaluation	Erica Sullivan	20
	Staff Reports: -EDPB Parnership Update -Future agenda items	Various	20
10-Apr-24			
	Atmos Gas Utility Overview	Christine T/Guest	
	Stoke	Heather Gregory	
	Loop 288 Extension	Farhan B	
	Downtown Economic Development Committee (DEDC) quarterly update	Jeremy Fykes	
	Incentive Policies Update	Erica Sullivan	
	Staff Reports: -EDPB Parnership Update -Future agenda items		
8-May-24			
	Project Orange		
	Staff Reports: -EDPB Parnership Update -Future agenda items		
12-Jun-24			
	Staff Reports: -EDPB Parnership Update -Future agenda items		
10-Jul-24			
	DEDC quarterly update	Jeremy Fykes	

	Staff Reports: -EDPB Parnership Update -Future agenda items		
14-Aug-24			
	Stoke	Heather Gregory	
	Staff Reports: -EDPB Parnership Update -Future agenda items		
11-Sep-24			
	Staff Reports: -EDPB Parnership Update -Future agenda items		
9-Oct-24			
	DEDC quarterly update	Jeremy Fykes	
	Staff Reports: -EDPB Parnership Update -Future agenda items		
13-Nov-24			
	Staff Reports: -EDPB Parnership Update -Future agenda items		
11-Dec-24			
	Staff Reports: -EDPB Parnership Update -Future agenda items		
TBD:			
	Economic Development Partnership Activity Report (quarterly report)		
	STaND Report Update		
	Main Street Program Update	Kristen Pulido and Kristen Kendric	