



Legislation Text

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Agenda Information Sheet

DEPARTMENT: Economic Development

CM/ ACM: Bryan Langley

Date: March 28, 2017

SUBJECT

Consider adoption of an ordinance approving amendments to the term of the agreement, adding baseline metrics, adding a general termination clause, and adding an appropriations clause to the Management Agreement between the City of Denton and the Dallas Entrepreneur Center.

BACKGROUND

On March 21, staff presented a work session to Council regarding Stoke Denton's six-month action plan for membership recruitment, programming, and mentoring. Staff also reviewed the proposed amendments to the management agreement with the Dallas Entrepreneur Center.

On February 21, staff presented a work session to Council regarding Stoke Denton, including the project's history, budget information, and occupancy/activity. Council's discussion centered on the management agreement with the Dallas Entrepreneur Center, in particular how members of Stoke Denton are vetted, how to establish performance metrics for the Dallas Entrepreneur Center's management of Stoke Denton, and proposed amendments to the management agreement with the Dallas Entrepreneur Center.

RECOMMENDATION

Staff recommends the following amendments to the Management Agreement with the Dallas Entrepreneur Center:

- Add initial baseline measurements for number of events held/attendees per event, number of visitors, number of mentor sessions available/used, and number of entrepreneurs assisted.
- Modify the language regarding the term to read "*may* be renewed annually" instead of "*will* be renewed annually."
- Change the agreement expiration date from March 1, 2017, to September 30, 2017.
- Add a general 30-day prior written notice termination option.
- Add an appropriations clause.
- Specify remittance of the 10% of membership fees directly to the City of Denton instead of to Rail Yard, Ltd.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

March 21, 2017 - City staff presented a work session to Council regarding Management Agreement amendments and a six-month action plan for Stoke

February 21, 2017 - City staff and Dallas Entrepreneur Center CEO Trey Bowles presented a work session to Council regarding current status of the Stoke Denton Entrepreneur Center

October 30, 2015 - Council adopts Ordinance #2015-328 authorizing the City Manager to execute a management agreement with the Dallas Entrepreneur Center for the management of the entrepreneur center to be located at 608 E. Hickory, Suite 128

September 15, 2015 - Council adopts Ordinance #2015-300 approving a 5-year commercial lease agreement with Rail Yard Partners, Ltd. for 608 E. Hickory, Suite 128 and a 5-year incentive grant (\$76,000 annually) to Rail Yard Partners, Ltd.

January 16, 2015 - The Tax Increment Reinvestment Zone Number One (“Downtown TIF”) Board recommended approval of an incentive to Rail Yard Partners, Ltd.

October 14, 2014 - The Economic Development Partnership Board recommended that staff proceed to the Tax Increment Reinvestment Zone Number One (“Downtown TIF”) Board for a vote on using TIF funds for an incentive related to the Tech Denton Economic Development Initiative

October 1, 2014 - Tech Denton Economic Development Initiative is funded in the FY 2014-15 budget

August 19, 2014 - Staff presented a Work Session to Council regarding the request for \$220,000 to fund the Tech Denton Economic Development Initiative

July 31, 2014 - Staff presented a Budget Workshop to Council requesting \$220,000 to fund the Tech Denton Economic Development Initiative

April 7, 2014 - Economic Development staff presented program components of what would become the Tech Denton Economic Development Initiative during a joint meeting of the City Council and the Economic Development Partnership Board; staff was directed to develop the program

FISCAL INFORMATION

The Dallas Entrepreneur Center retains 90% of the membership fees generated by Stoke Denton and remits the other 10% to the City. The Dallas Entrepreneur Center uses this portion of the fees to fund marketing, promotion, events, office supplies, member amenities such as coffee and snacks, and general and administrative expenses for Stoke Denton incurred by the Dallas Entrepreneur Center.

Per a letter from City staff to the Dallas Entrepreneur Center dated October 31, 2016, the City will provide \$48,750 during FY 2016-17 to fund the Stoke Denton director position.

STRATEGIC PLAN RELATIONSHIP

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

Related Key Focus Area: Economic Development

Related Goal: 3.4 Encourage development, redevelopment, recruitment, and retention

EXHIBITS

Exhibit 1 - Ordinance and Amended Agreement

Exhibit 2 - Presentation

Respectfully submitted:
Caroline Booth

Director of Economic Development