



Legislation Text

File #: ID 17-254, Version: 1

Agenda Information Sheet

DEPARTMENT: Economic Development

CM/ ACM: Bryan Langley

Date: March 21, 2017

SUBJECT

Consider adoption of an ordinance approving a grant application from Seth Morgan, representing Denton County Brewing Company, from the Downtown Reinvestment Grant Program not to exceed \$25,000; and providing for an effective date. The Economic Development Partnership Board recommends approval (8-0).

BACKGROUND

Seth Morgan, Owner of Denton County Brewing Company, 200 E. McKinney Street, submitted a Downtown Reinvestment Grant application on January 8, 2016.

The building at 200 E. McKinney was the former Purvis Bearing Company. By changing the use of this warehouse to a brew pub, we expect pedestrian traffic to increase. This will add to the growing "brewery district" that is developing in downtown with Armadillo Ale, the Bearded Monk, East Side, Oak Street Drafthouse, and Barley and Board.

Upgrades include all electrical and plumbing, adding roll-up patio doors (facing the Bearded Monk to the west) and façade improvements. An unexpected expense occurred when the owners discovered there is not enough water pressure in the existing lines to run the fire suppression system, so the water lines had to be run back to East Oak Street to meet that requirement.

RECOMMENDATION

The Economic Development Partnership Board recommends to Denton City Council a grant in the amount of \$25,000.

ESTIMATED SCHEDULE OF PROJECT

The project will be completed in the summer of 2017.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

September 21, 2016 -- The Economic Development Partnership Board reviewed this grant and recommends a grant in the amount of \$25,000 (8-0)

August 11, 2016 -- The Downtown Task Force reviewed the grant and recommends a grant in the amount of \$25,000. (9-0)

FISCAL INFORMATION

As of September 30, 2016, the Downtown Reinvestment Grant fund balance was \$224,573. Council approved \$100,000 in budget authority for FY 2016-17, but directed staff not to transfer new funds of \$100,000 from mixed beverage tax revenue into the Downtown Reinvestment Grant fund for FY 2016-17.

Two grants have been approved by Council to date in FY 2016-17: \$20,000 to J.T. Clothiers (paid) and \$25,000 to Armadillo Ale (payment pending project completion). Should the \$25,000 grant to Denton County Brewing Company be approved, there will be \$30,000 remaining in expenditure authority for Downtown Reinvestment Grants in FY 2016-17.

The total amount of private investment in the Denton County Brewing Company project is \$575,000. With a \$25,000 grant, the return on investment is 1:23.

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

1. Ordinance/Agreement

Respectfully submitted:
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