

MINUTES
CITY OF DENTON
ECONOMIC DEVELOPMENT PARTNERSHIP BOARD
November 14, 2018

After determining that a quorum was present, the Economic Development Partnership Board convened on Wednesday, November 14, 2018, at 11:04 a.m. The meeting was held in the City Council Work Session Room at City Hall, 215 E. McKinney Street, Denton, Texas, 76201.

PRESENT: Bob Eames, Steve Edgar, Jimmy Mejia, Jill Jester, Keely G. Briggs, John Baines, Marty Rivers, Tony Clark, and Chris Davis

ABSENT: Carine Feyten, Neal Smatresk, Jason Thomlinson, Gerard Hudspeth, and Michael Rondelli

EX-OFFICIO: Present: Chuck Carpenter Absent: Jamie Wilson and Todd Hileman

STAFF PRESENT: Bryan Langley, Caroline Booth, Adam Gawarecki, Mack Reinwand, Karen Boenker, Erica Sullivan, Christina Davis, and Michelle Coughlin

1. ITEMS FOR INDIVIDUAL CONSIDERATION

A. EDP18-051 Elect a chairperson and vice-chairperson of the Economic Development Partnership Board for Fiscal Year 2018-2019.

Jester made a motion to nominate Marty Rivers to continue to serve as chairperson of the Economic Development Partnership Board. Briggs seconded the motion. The motion was approved unanimously by a vote of 9-0.

Briggs made a motion to nominate John Baines to continue to serve as chairperson of the Economic Development Partnership Board. Jester seconded the motion. The motion was approved unanimously by a vote of 9-0.

B. EDP18-042 Receive a report, hold a discussion, and make a recommendation to City Council regarding an Incentive application from Tyson Sales and Distribution.

Booth presented information regarding Tyson Sales and Distribution, which is based in Springdale Arkansas. Booth reported that Tyson is seeking a location for a 350,000+ square foot refrigerated distribution center to expand their service capacity. Tyson plans to hire 100 full-time, benefits eligible employees with hourly wages ranging from \$20.00 to \$45.00. Booth said the facility will have an approximate 2 megawatt annual electrical demand, and is expected to ship 700 million pounds of product annually from the facility.

Booth said that Tyson is vetting sites in Indianapolis, Indiana; Rogers, Arkansas; Tooele, Utah; and Denton. Denton is the only location under consideration in Texas. The Denton site is 65+/- acres at the Southeast corner of Jim Christal Road and Western Boulevard in the Westpark Tax Increment reinvestment Zone (TIRZ) Number Two.

Exhibit 1

Booth conveyed that Tyson is applying for the Texas Enterprise Zone Program. If Tyson is a successful applicant, they will be eligible to apply for State Sales and use tax refunds on a qualified basis. For the company to apply for the Texas Enterprise grant they must receive a local incentive. Under the City's economic development incentive policy, Tyson meets the priority considerations as outlined.

There was discussion about wages and also about the use of the KCS Rail Spur.

Three options, were presented to the EDPB, one of which was the staff recommendation: "Given the large capital investment, the significant tax revenue from business personal property that will not be captured by the TIRZ, number of quality jobs created, and an average salary for jobs that is 12.5% higher than the Denton County average, staff recommends a 25% tax abatement on business personal property only for a term of 6 years."

Baines made a motion to recommend to City Council the staff recommendation, which includes a 25% tax abatement on business personal property only for a term of 6 years, and the DME Economic Growth Rider for a total incentive in the amount of \$734,436.00. Jester seconded the motion. The motion was approved by a vote of 8 to 1.

"**Aye**" - Eames, Edgar, Mejia, Jester, Baines, Rivers, Clark, and Davis

"**Nay**" - Briggs

C. EDP18-054 Receive a report, hold a discussion and give staff direction regarding the annual marketing plan from the Chamber of Commerce's Office of Economic Development.

Gawarecki presented information regarding print and digital ad buys, and details regarding planned marketing trips.

D. EDP18-053 Consider approval of the minutes of the September 12, 2018 meeting.

Baines made a motion to approve the minutes of the September 12, 2018 meeting, with one amendment: Jester was present at the September 12, 2018 EDPB meeting, not absent. Keely seconded the motion. The motion was approved unanimously by a vote of 9-0.

E. EDP18-052 Staff Reports

1. September 2018 STaND Report
2. November 2018 Chamber Activity Report
3. S.H.O.P. Denton Holiday Shop Local Campaign

2. CONCLUDING ITEMS: The Board thanked Marty Rivers, EDPB President and John Baines Vice-President for their service to the EDPB. ■ Jester mentioned the upcoming Wreath Soiree, proceeds will go to Health Services of North Texas. Jester handed out invitations for the event on December 1st. ■ Rivers would like to have information regarding traffic studies in West Park, specifically regarding how the increased traffic will be handled. ■ Briggs would like a list of programs (possibly from banking institutions) that offer assistance for first-time homebuyers.

The meeting adjourned at 11:59 a.m.