

MINUTES
CITY OF DENTON
ECONOMIC DEVELOPMENT PARTNERSHIP BOARD
May 8, 2019

After determining that a quorum was present, the Economic Development Partnership Board convened on Wednesday, May 8, 2019, at 11:08 a.m. The meeting was held in the City Council Work Session Room at City Hall, 215 E. McKinney Street, Denton, Texas, 76201.

PRESENT: Chris Davis, Pamela Padilla, Jimmy Mejia, Bob Eames, Keely G. Briggs, Jill Jester, John Baines, and Gerard Hudspeth

ABSENT: Marty Rivers, Steve Edgar, Jason Tomlinson, and Tony Clark

EX-OFFICIO: Present: Erica Pangburn Absent: Jamie Wilson, Todd Hileman

STAFF PRESENT: Jessica Rogers, Scott Gray, Mack Reinwand, Julie Glover, Michelle Cunningham, Erica Sullivan, Karen Boenker, Christina Davis, and Michelle Coughlin

Prior to the start of the Regular Meeting, on behalf of the Economic Development Partnership Board, John Baines, EDPB Vice-Chairman, welcomed Jessica Rogers, the new Director of Economic Development.

1. ITEMS FOR INDIVIDUAL CONSIDERATION

A. EDP19-019 Consider approval of the Economic Development Partnership Board meeting minutes of April 10, 2019.

Jester made a motion to approve the Economic Development Partnership Board meeting minutes of April 10, 2019 as presented. Briggs seconded the motion. The motion was approved by a vote of 7-0.

B. EDP19-021 Staff Reports:

1. City ED Strategic Performance Report

Rogers asked if there were any questions regarding the Economic Development reports, and there were none. Rogers noted Staff Report item number four on today's agenda. Rogers conveyed that staff utilizes the Future Agenda Item Matrix as a planning tool, and moving forward this information will be included in the EDPB meeting agenda in order for the EDPB to have a list of future EDPB items.

2. March 2019 STaND Report

3. May 2019 Chamber Activity Report

Gawarecki was not present at the meeting, as he was traveling on business. Pangburn mentioned the Chamber staff is excited to report they are well ahead of meeting their goals by September as per the City/Chamber contract.

4. Future Agenda Item Matrix

C. EDP19-020 Receive a report, hold a discussion, and make a recommendation to the City Council regarding nominating Tyson Sales and Distribution, Inc. to the Office of the Governor, Economic Development and Tourism through the Economic Development Bank (“the Bank”) as an Enterprise Project.

Sullivan gave a report regarding Tyson Sales and Distribution, Inc. and their application to the Office of the Governor for consideration of their project as an Enterprise Zone, and said the objective today is for the EDPB to make a recommendation on the nomination of Tyson Sales and Distribution, Inc. to the Office of the Governor, Economic Development and Tourism through the Economic Development Bank as an Enterprise Zone.

Sullivan explained the Enterprise Zone is a State program that is utilized as an economic tool to provide job creation and capital investment in economically distressed areas of the State of Texas (areas consisting of economically disadvantaged individuals, residents of an Enterprise Zone within the City’s jurisdiction, or veterans). There was discussion about the number of employees in the categories required by recipients of an Enterprise Zone. Sullivan explained that Tyson would need to hire 25% of their workforce from these categories.

Sullivan spoke about the project and said Tyson is constructing a 350,000 square foot, refrigerated, distribution center on 65 acres at the Southeast corner of Western Boulevard and Jim Chrystal Road in the West Park TIRZ. Their business personal property investment is \$29 million. Their total investment in the project will be \$52 million.

Sullivan said that in February of 2019, the City Council voted to incentivize Tyson with a tax abatement of 25% of their business personal property only, which does not go into the TIRZ for a period of six years.

Jester made a motion to recommend to City Council nomination of Tyson Sales and Distribution, Inc. to the Office of the Governor, Economic Development and Tourism for a Texas Enterprise Zone. Davis seconded the motion. The motion was approved by a vote of 6-1 (Briggs opposed).

D. EDP19-022 Receive a report, and hold a discussion regarding activities and development at Denton Enterprise Airport.

Scott Gray, Denton Enterprise Airport Manager, gave a report and provided a presentation regarding the activities and developments at the Denton Enterprise Airport. Gray highlighted several items from his presentation:

- There are 84 ground leases on site
- 30 Businesses
- Currently there is one runway that is long enough to land any corporate air jet. There are plans to add a second runway in the future
- Denton Enterprise Airport is the 8th busiest airport in Texas

Baines asked if there are landing fees. Gray answered that we do not charge landing fees in order to stay competitive. The main forms of revenue are land leases and fuel.

Eames asked about how long the planned runway will be. Gray said that plans are for a 5,000 foot x 75 foot runway.

Council Member Hudspeth arrived.

E. EDP19-024 Receive a report, hold a discussion, and make a recommendation to City Council regarding a Downtown Reinvestment Grant request for 119 W. Hickory Street (The Loophole).

Glover gave a report regarding the Downtown Reinvestment Grant request for 119 W. Hickory Street (The Loophole Gastropub and Ale House). The Downtown Task Force recommended a grant in the amount of \$10,000 by a vote of 4-1.

Glover gave background information regarding the current application and said that originally the Downtown Task Force had approved a \$5,000 grant. The Loophole, after having completed new projects, came back with a second application that identified the new projects that had not been started as of the first application. On the second application, the Downtown Task Force recommended a \$10,000 grant.

Briggs made a motion to approve a \$10,000 grant for 119 W. Hickory Street (The Loophole). Eames seconded the motion. The motion was approved by a vote of 8-0.

F. EDP19-025 Receive a report, hold a discussion, and give staff direction regarding the number of Economic Development Partnership annual business awards and selection criteria.

Cunningham gave a report and asked for staff direction regarding the number of EDPB annual business awards. The number of recipients was previously discussed at last month's EDPB meeting. It was noted during the meeting in April that the EDPB would like to recognize a small business and a large business and award both.

Briggs said she likes the idea of recognizing a small business. Davis said nominating a small business is a good idea, Davis said that we need to be recognizing small businesses in Denton. Eames said it was a great idea, and Baines said it is good to recognize a small and large business.

The EDPB chose to move forward with awarding two Denton based companies, one a small business and one large business at the Mayor Council Breakfast on September 20, 2019. Nominations for both are scheduled for the EDPB meeting in June and selections in July.

2. CONCLUDING ITEMS

Rogers asked the EDPB members if they would be open to holding a joint City Council and EDPB meeting on Monday, September 9, 2019 (with the regular EDPB meeting following on Wednesday, June 11, 2019). Baines asked if the EDPB could take the date under advisement, and mentioned that since Rivers initiated the first joint meeting date, that he might have some input. Rogers said absolutely and staff will circle back with the EDPB to make certain the date works for everyone.

Rogers apprised the EDPB of the Cultural District meeting (Special Called meeting of the Public Art Committee), on May 28, 2019 at 4:00 p.m. in the City Council Work Session Room.

Briggs requested the cultural district be presented to the EDPB at the next board meeting.

Boenker mentioned this is Economic Development National Tourism Week, and Shop Small Business Week.

The meeting adjourned at 12:15 p.m.

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