

Regular Tomball EDC

Agenda Item

Data Sheet

Meeting Date: November 14, 2023

Topic:

Consideration and possible action by Tomball EDC to approve, as a Project of the Corporation, an agreement with T & R Harmon, LLC DBA Craving Kernels, to make direct incentives to, or expenditures for, rental assistance for new or expanded business enterprise to be located at 702 South Persimmon Street, Unit 3A, Tomball, Texas 77375. The estimated amount of expenditures for such Project is \$8,820.00.

- Public Hearing

Background:

The Tomball Economic Development Corporation has received a request from Randy Harmon, Co-Owner and Vice President of Craving Kernels for funding assistance through the TEDC's Rental Incentive Program.

Craving Kernels Gourmet Popcorn and Sweet Shoppe is a Tomball based company founded in 2018. They are currently located at 312 Market Street. This location serves as their retail storefront and has been widely successful. In 2022, due to substantial corporate sales they started looking for additional space to manufacture and distribute their product. At that time, they were unable to find a suitable space in Tomball that met their needs. The owners leased a secondary location near Spring to keep up with demand but continued to look for a place to lease in Tomball.

The proposed location is a 2,800 square foot lease space located at 702 South Persimmon Street Unit 3A. They will keep their retail space at 312 Market Street and move their manufacturing/distribution operations to the secondary location at 702 South Persimmon Street. This location will serve as the hub for the retail storefront.

The goal of the TEDC's Rental Incentive Program is to assist in the establishment of new businesses in existing vacant spaces and to stimulate commercial investment in the City of Tomball. In accordance with the Rental Incentive Program Policy, the proposed performance agreement is for 25% of the base monthly rent for the first year of operation only.

The lease agreement that was submitted in conjunction with the request letter shows a three-year lease commitment with a monthly rent amount of \$2,940.00 for the first 12 months. The proposed grant amount is \$8,820.00, payable after the first year of operation based on landlord verification of rents paid and meeting the performance agreement criteria.

Although this project does not create primary jobs, it does promote the development and expansion of business enterprise, which is considered a permissible project as outlined in Texas Economic Development Legislation. If this project is approved, it will go to the Tomball City Council for final approval by resolution at two separate readings.

Origination: Randy Harmon, Co-Owner, Craving Kernels Gourmet Popcorn and Sweet Shoppe

