

TO: Honorable Mayor and City Council

FROM: Kelly Violette

Executive Director

MEETING DATE: August 15, 2022

SUBJECT: Della Casa Pasta LLC

ITEM TYPE: Action

The Tomball Economic Development Corporation has received a request from Luisa Obando, Owner of Della Casa Pasta, for funding assistance through the TEDC's Rental Incentive Program for a food manufacturing wholesale company.

Della Casa Pasta was established in Tomball in 2011 and grew out of the Tomball Farmers Market. The company provides wholesale fresh pasta, sauces, lasagna, and more. The company currently operates out of a 2,400 square foot lease space located at 1599 Hicks Street, Suite 2, Tomball, TX.

According to the owner's request letter, the company's growth is necessitating a larger space to accommodate more pasta manufacturing machines, freezers, refrigerated storage and other related equipment. This project includes an expansion into a 1,927 square foot adjacent space that has been vacant for several years. The requested rental incentive would apply only to the expansion area (1,927 sq ft).

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 five-year lease commitment with a monthly rent amount of \$2,167.87 for the first eleven months and a 3 % increase annually thereafter. The proposed grant amount is \$6,520.00, payable after the first year of operation based on landlord verification of rents paid and meeting the performance agreement criteria.

This project does create primary jobs, if approved, it will go to the Tomball City Council for final approval.