

TOMBALL

ECONOMIC DEVELOPMENT CORP.

TO: Honorable Mayor and City Council

FROM: Kelly Violette
Executive Director

MEETING DATE: October 16, 2023

SUBJECT: The Garza Agency

ITEM TYPE: Action

The Tomball Economic Development Corporation has received a request from Gabriel Garza, President of The Garza Agency, for funding assistance through the TEDC's Rental Incentive Program for an insurance and financial services firm.

The Garza Agency was established in 1996 and specializes in insurance and financial services to the public under the Farmers Insurance organization.

The proposed location is an 1800 square foot lease space located at 28427 SH 249.

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 \$6,495.06. The proposed grant amount is \$10,000.00 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.