

Regular Tomball EDC

Agenda Item

Data Sheet

Meeting Date: January 10, 2023

Topic:

Consideration and possible action by Tomball EDC to approve, as a Project of the Corporation, an agreement with Hufsmith-Kohrville Business Park, LLC to make direct incentives to, or expenditures for, assistance with infrastructure costs to be required or suitable for the promotion of new or expanded business development related to the development and construction of a multibuilding office/warehouse park to be located on the West side of Hufsmith-Kohrville and Werich Road, Tomball, Texas 77375. The estimated amount of expenditures for such Project is \$122,722.00.

- Public Hearing

Background:

The TEDC has received a request from Matthew Lawrence, President, Hufsmith-Kohrville Business Park, LLC, for grant funding assistance for a proposed multibuilding office/warehouse development.

Hufsmith-Kohrville Business Park, LLC is a project of the parent company, Lone Star Development, which builds and manages first-class buildings and properties with above industry standard amenities. Currently, Lone Star Development owns and manages over 150,000 square feet of office/warehouse space in the Houston area.

The development will consist of four separate pre-engineered metal buildings totaling 44,050 square feet. The site will include an 11,050 square foot retail building and 3 office/warehouse buildings ranging in size from 7,500 to 16,500 sq. ft. The estimated capital investment for the project is \$7.5 million.

The eligible infrastructure improvements include water, sanitary sewer, storm drainage, electric and gas utilities and related site improvements totaling approximately \$1,227,200.00.

Targeted infrastructure that will promote the development and expansion of business enterprise is 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.

An economic impact analysis is included with the agreement to show the impact of this project on Tomball's economy. Per the analysis, the estimated 5-year net benefit of this project is \$974,805.00.

If the agreement between the TEDC and Hufsmith-Kohrville Business Park, LLC is approved as a Project of the Corporation, the grant funding amount will not exceed \$122,722.00, based on 10% of the actual expenditures for the eligible infrastructure improvements.

Origination: Matthew Lawrence, President, Hufsmith-Kohrville Business Park, LLC

Recommendation: Staff recommends approval of the proposed Performance Agreement with Hufsmith-Kohrville Business Park, LLC.

Party(ies) responsible for placing this item on agenda: Kelly Violette

Kelly Violette

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: X No:

If yes, specify Account Number: # Project Grants

If no, funds will be transferred from account #

To account #

Signed _____

Staff Member-TEDC

Date _____

Approved by _____

Executive Director-TEDC

Date _____