

Regular Tomball EDC

Agenda Item

Data Sheet

Meeting Date: September 12, 2023

Topic:

Consideration and possible action by Tomball EDC to approve, as a Project of the Corporation, an agreement with The Garza Agency to make direct incentives to, or expenditures for, rental assistance for new or expanded business enterprise to be located at 28427 SH 249, Tomball, Texas 77375. The estimated amount of expenditures for such Project is \$10,000.00

- Public Hearing

Background:

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.

Origination: Gabriel Garza, President, The Garza Agency

Recommendation: Staff recommends approval of the proposed Performance Agreement with The Garza Agency.

Party(ies) responsible for placing this item on agenda: 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 _____ Approved by _____
Staff Member-TEDC Date Executive Director-TEDC Date