

TOMBALL

ECONOMIC DEVELOPMENT CORP.

TO: Honorable Mayor and City Council

FROM: Kelly Violette
Executive Director

MEETING DATE: February 5, 2024

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 specializes in the manufacturing and distribution of fresh pasta products and supply over 150 food facilities across Houston, Dallas, Austin, and San Antonio. The company currently operates out of a 2,400 square foot lease space located at 1599 Hicks Street, Suite 3, Tomball, TX.

Per the request letter, their current facility is no longer able to accommodate their current production needs. The company has experienced significant growth and needs to relocate to a larger space that will allow the appropriate space needed for new machinery and retail space. The proposed location is a 6,350 square foot lease space located at 22525 Hufsmith-Kohrville Rd.

In July 2022, the TEDC Board of Directors did take formal action to approve a grant with Della Casa Pasta for rental assistance. Shortly after that meeting the landlord decided he would sell the building she was leasing. Mrs. Obando then applied for assistance through our Job Performance Grant program in November 2022 for the purchase of the building and additional equipment. Due to significant issues getting that building financed, Mrs. Obando had to look for a new location. At this time, both the Rental Incentive and the Job Performance Grant that have been previously approved are inactive and will come off the Active Project Grants Worksheet.

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, not to exceed \$10,000 per business.

The lease agreement that was submitted in conjunction with the request letter shows a five-year lease commitment with a monthly rent amount of \$11,050.00 for the first 12 months. 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.

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