

Case Study

Property Enhancement Program - Denton, TX

Overview

Develop programs that provide incentives for enhancements to private commercial properties

Program Highlights

- Reinvestment grant. 50/50 reimbursement
- Since inception of program in 2007, ROI has been 1:49. This year, ROI has been 1:191

Regulatory Aspects

- Review based on Secretary of the Interior's Standards for Rehabilitation and the City of Denton's Municipal Codes and Ordinances
- If approved work is altered within one (1) year from construction, the applicant may be required to reimburse the City for the full amount of the grant
- All ad valorem real property taxes shall be current
- Must meet current building codes and standards, and building permit requirements. Provide access and authorize inspections of the premise by City.

Benefits of Program

- Controls design. We have Design Guidelines, but no hard standards.
- Increases tax base
- Revitalizes downtown
- Reuse of buildings that have been unused or underutilized

Example Projects

- 217 E. Hickory, abandoned warehouse to restaurant conversion
- 102 N. Locust, neglected building, on face of square, restored

Lessons Learned

- If they need the grant to do the project, the project may not happen
- It's always going to cost more than anyone thought, especially when converting a historic building is involved

Local Contact

- **Julie Glover** - Denton, TX
 - ◇ Economic Development Program Administrator
 - ◇ (940) 349-7732, julie.glover@cityofDenton.com

Case Study Example

- **Mellow Mushroom / Denton Garage, 217 E. Hickory**
- Details
 - ◇ Been a homeless shelter, motorcycle ministry and a "full service junk removal" company, empty box when started.
 - ◇ Minimal electric and plumbing in building. Had to jack hammer out the floor and re-pour. Roof and leaks around skylight were repaired.
 - ◇ Now employs 80-100 people. Works with surrounding businesses to improve area.
- Financial Aspects
 - ◇ 2005 value of \$112,200; 2013 value of \$496,470, for a 342% increase
 - ◇ Invested almost \$1 million in project; received two Downtown Reinvestment Grants. Owner received \$15,000, tenant received \$7,235 for a total of \$22,235.
- Actions Taken
 - ◇ Façade improvements, increased water / sewer / electric capacity of building
 - ◇ Interior gutted, renovated
- Outcome / Results
 - ◇ Business has increased pedestrian traffic to area by 30%
 - ◇ Increase in property value of \$384,270



EDT Best Practices, LLC

Greg Last, CED, AICP, RLA
Chief Executive Officer
www.EDTBestPractices.com

