

DECEMBER 2020



# ECONOMIC DEVELOPMENT STRATEGIC PLAN

CITY OF DENTON, TEXAS

# ACKNOWLEDGMENTS

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**TIP STRATEGIES, INC.**, is a privately held economic development consulting firm with offices in Austin and Seattle. TIP is committed to providing quality solutions for public sector and private sector clients. Established in 1995, the firm's primary focus is economic development strategic planning.

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# EXECUTIVE SUMMARY

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## INTRODUCTION

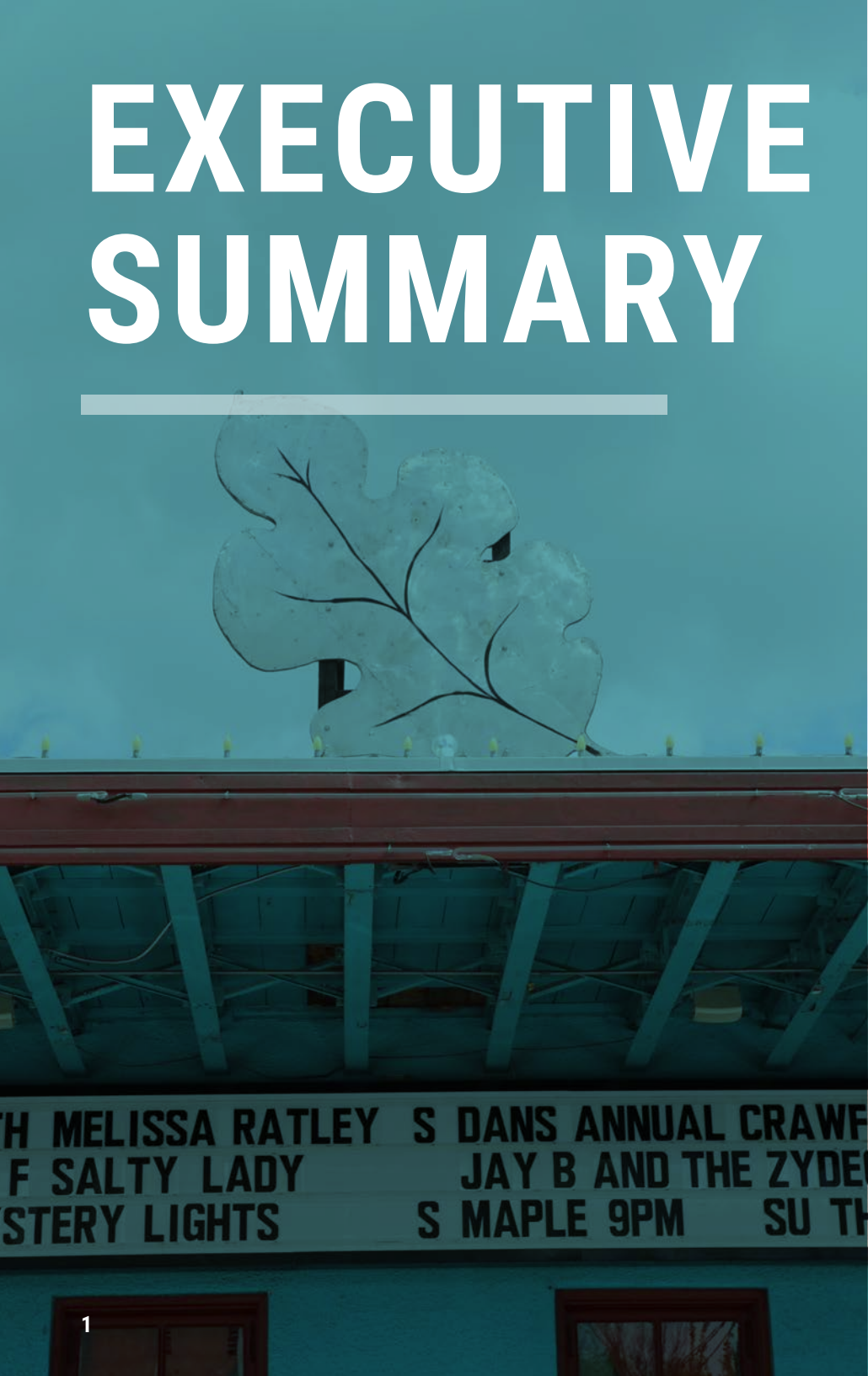
Denton has changed. Once considered a quiet college town on the outskirts of the Dallas-Fort Worth (DFW) Metroplex, Denton has grown significantly since the City's last comprehensive economic development plan. The City leaders must be commended for the investments made in downtown Denton and the Westpark Industrial Park over the past decade. These intentional efforts have put Denton squarely in the path of growth.

Today, Denton is well within the orbit of its surrounding DFW communities. The DFW Metroplex is one of the fastest-growing metropolitan regions in the country. As DFW grows, so will Denton. It is not only more connected to Dallas and Fort Worth but also the global markets and supply chains that are represented by a diverse array of industries across the region. All evidence points toward an upward trajectory for Denton.

But Denton is at an inflection point—one not about attracting growth, but instead about how to respond to and embrace it. Denton must determine how it will welcome the opportunities associated with growth while also preserving the culture that makes this community so unique. The community must open its arms to new residents without letting existing residents fall behind. This is no easy feat, but Denton has already demonstrated that it has the leadership and assets necessary to successfully navigate through and thrive with change. What Denton needs now is a modern approach to economic development that is appropriate for a community of its size and is capable of leveraging public and private resources to capitalize on the opportunities that lie ahead.

During this planning process, the coronavirus disease of 2019 (COVID-19) pandemic not only disrupted the writing of this plan but also upended almost every aspect of life for people around the world. The extent of the health crisis and economic damage cannot be understated. There is still immense uncertainty about the breadth and depth of the recession caused by this pandemic. The road to economic recovery will likely be bumpy, especially for a community like Denton that depends heavily on sales tax revenue to fund City operations and services. Denton's immediate focus should be on accelerating economic recovery with a special focus on serving vulnerable populations that have been disproportionately impacted by this crisis.

Still, there are a lot of reasons to be optimistic about Denton's future. All the things that make Denton so attractive—its major industries, universities, arts and culture, downtown square, authentic people, and unique charm—will also be the things that help Denton to recover.



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This plan is meant to help focus economic development efforts to be more strategic and effective in responding to forthcoming changes in Denton. The plan's framework, including guiding principles and goals are detailed in the next section. Strategic recommendations and actions are organized around three goals: accelerate recovery, foster growth, and strengthen community inclusion. Finally, the plan addresses the issue of organizational capacity and resources needed to modernize Denton's economic development approach.

| GUIDING PRINCIPLES   | ECONOMIC DEVELOPMENT GOALS   | STRATEGIC GROWTH AREAS  |
|--|--|---|
| <ul style="list-style-type: none"> <li>▶ Core Resiliency</li> <li>▶ Future Focused</li> <li>▶ Inclusive Growth</li> <li>▶ Entrepreneurial Spirit</li> <li>▶ Cultural Vitality</li> </ul> | <ul style="list-style-type: none"> <li>▶ Accelerate Recovery</li> <li>▶ Foster Growth</li> <li>▶ Strengthen Community Inclusion</li> </ul> | <ul style="list-style-type: none"> <li>▶ Connectivity</li> <li>▶ Creativity</li> <li>▶ Sustainability</li> <li>▶ Competitiveness</li> </ul> |

## PROJECT BACKGROUND AND SCOPE

In late 2019, TIP Strategies (TIP) was engaged by the City of Denton Economic Development Department to develop an economic development strategic plan for the City. A strategic plan helps to focus and maximize economic development and workforce development efforts, especially during times of crisis. The economic development landscape is undergoing significant changes, and the economic fallout from the COVID-19 pandemic will be immense.

Over the course of nine months, the TIP Strategies consulting team worked closely with the City of Denton (hereafter the City) to identify promising opportunities to capitalize on Denton's growth. The planning process was conducted in three phases: discovery, opportunity, and implementation.

The City should not view this strategic plan as a static document, but as one that invites revisions and amendments as conditions change. Now, more than ever, stakeholders should take a dynamic approach to implementation—one that revisits this plan on a regular basis to measure progress and to reprioritize strategies and actions as needed.

### PHASE 1 DISCOVERY

Conducted roundtable discussions and interviews with Denton stakeholders. Important constituencies were engaged during this process, including the following.

- ▶ The Economic Development Partnership Board
- ▶ Denton City Council members
- ▶ Denton Chamber of Commerce
- ▶ Business and industry representatives
- ▶ City and county staff
- ▶ Entrepreneurs
- ▶ Higher education leaders
- ▶ Real estate developers
- ▶ Workforce development organizations
- ▶ Young professionals

### PHASE 2 OPPORTUNITY

Identified major priorities for the strategic plan. A strengths, weaknesses, opportunities, and threats (SWOT) analysis, guiding principles, and strategies were developed based on input from discovery.

### PHASE 3 IMPLEMENTATION

Developed action items and tactical recommendations.

# PLAN FRAMEWORK



With rapid changes reshaping the global economy, the need for strategic focus and organization is greater now. The purpose of this plan is to enable Denton's Economic Development Department to better anticipate, respond, and evolve with changes affecting the economic success of residents and businesses. The framework, strategies, and actions detailed in this plan are informed by extensive data analysis and thorough stakeholder input, including interviews and roundtables with City, community, and business leaders.

## GUIDING PRINCIPLES

Guiding principles reflect the values of a community. In the context of an economic strategy, they are a set of statements expressing how a community defines economic development. These principles were crafted through input from Denton stakeholders throughout the planning process.



### CORE RESILIENCY

Protect the City's core economic base and major employers by retaining businesses and providing them with the support necessary to continue doing business in Denton.



### FUTURE FOCUSED

Position Denton for future growth by understanding trends and adopting a proactive approach to economic development.



### INCLUSIVE GROWTH

Enhance economic opportunity for all residents by utilizing different strategies that recognize the diverse needs and assets of different communities, especially those in south and east Denton.



### ENTREPRENEURIAL SPIRIT

Cultivate the City's entrepreneurial ecosystem by investing in quality of place and catalyzing innovation that will continue to attract creative professionals to Denton.



### CULTURAL VITALITY

Strengthen Denton's cultural vitality by continuing to promote arts and music while also marketing the City as DFW's cultural hub.

# ECONOMIC DEVELOPMENT GOALS

This plan is built around three major goals: accelerate recovery, foster growth, and strengthen community inclusion. Developed based on input from stakeholder engagement and economic assessments, the set of strategies and actions identified under each goal are meant to provide the City with a roadmap to organize its programs and bolster Denton's vitality over the next several years.

- 1 ACCELERATE RECOVERY**  
Coordinate short-term economic recovery efforts from the COVID-19 pandemic by aggregating information, collaborating with regional partners, and allocating resources to top priorities.
- 2 FOSTER GROWTH**  
Attract long-term economic growth aligned with community priorities by focusing on four strategic growth areas: connectivity, creativity, sustainability, and competitiveness.
- 3 STRENGTHEN COMMUNITY INCLUSION**  
Align economic, workforce, and community development efforts to meet critical community needs and to strengthen community inclusion.



# STRATEGIC RECOMMENDATIONS

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# GOAL 1 ACCELERATE RECOVERY

*Coordinate short-term economic recovery efforts from the COVID-19 pandemic by aggregating information, collaborating with regional partners, and allocating resources to top priorities.*

When the City of Denton and TIP Strategies began the planning process for this strategic plan, the original intent was to create a long-term vision for the City's economic development efforts. The context for the planning process was one of optimism. The US was experiencing one of the longest uninterrupted periods of economic growth in history. Texas had one of the lowest unemployment rates in the country, and the DFW Metroplex was one of the fastest-growing metropolitan regions in the US. Much of that growth and opportunity was headed in Denton's way.

But now that context has shifted for everyone, everywhere. Early signs indicate that the current economic crisis might be one of the worst in US history. It is difficult to predict how things will evolve over the new few weeks and months. The lasting health and economic effects of the COVID-19 pandemic are still unfolding. Because strategic plans are meant to be forward looking, this plan would be incomplete, maybe even irrelevant, if it did not address the challenges that Denton will face as a result of this crisis.

While the bulk of this strategic plan is still focused on Denton's long-term future, this section provides recommendations for how the City can work to accelerate economic recovery once the health risks subside and sheltering mandates are lifted. Many of these strategies will likely need to be implemented virtually, as social distancing measures might be in place for an extended time. The City's Economic Development Department team has already initiated positive efforts to support Denton's businesses and residents during the early phase of crisis relief. Those efforts should be leveraged and expanded as the community moves into a recovery phase. Recognizing that resources in Denton will be impacted by the crisis, many of the recommendations are centered around the City in a convening and coordinating role with other community and economic development partners.

## STRATEGIES AND ACTIONS

**1.1. ECONOMIC RECOVERY NERVE CENTER.** The City's Economic Development Department should function as Denton's economic recovery nerve center with a primary focus on a cross-functional coordination of resources and responses related to the economic fallout from the COVID-19 pandemic.

**1.1.1.** Pull together a small group of top-level leadership from the City, the Economic Development Partnership Board (EDPB), and the Denton Chamber of Commerce to form the economic recovery nerve center.

- The purpose of the nerve center is to set the overall tone of economic recovery work, aggregate all information and actions across cross-functional teams, and allocate resources to integrate the responses of smaller teams.

# GOAL 1 STRATEGIES

**1.1.2.** Shift the focus of the existing economic development structure from relief and policy enforcement to cross-functional elements of economic recovery, such as business retention, workforce development, and community services.

- ▶ **BUSINESS RETENTION.** Continue to focus on establishing a relationship with leaders in Denton's main businesses, understanding short-term and long-term needs of those businesses, and communicating information with a unified voice.
- ▶ **WORKFORCE DEVELOPMENT.** Continue to work closely with Workforce Solutions, human resource leaders from businesses, and City departments to support businesses in protecting their employees while also maintaining business productivity as sheltering mandates begin to ease.
- ▶ **COMMUNITY SERVICES.** Provide vital wraparound services to Denton residents. Representatives of major nonprofits, foundations, and City departments should work together on creating a centralized inventory of resources, understanding resident needs, and identifying gaps in available services.

## INTEGRATED NERVE CENTER RESPONSE

"In an unfamiliar crisis, such as the COVID-19 outbreak, the nerve center concentrates **crucial leadership skills and organizational capabilities** and gives leaders the best chance of getting ahead of events rather than reacting to them."

—McKinsey & Company, "Responding to Coronavirus: The Minimum Viable Nerve Center."

**1.1.3.** Develop an internal data dashboard to guide economic recovery efforts using a limited number of indicators that can be tracked over time and shared with partner organizations.

- ▶ Potential indicators include rate of full-time vs. part-time employment, retail sales, growth in construction permits, missed rent payments, access to broadband, and other qualitative information from business surveys (see Strategy 1.2).

- ▶ Where possible, indicators should be disaggregated by race and income levels to track how recovery efforts are reaching vulnerable communities.

**1.2. TAKING THE PULSE OF THE BUSINESS COMMUNITY.** As the health issues and economic fallout from COVID-19 evolve, the City should continue to implement strategies and tools to take the pulse of Denton's businesses on a regular basis.

**1.2.1.** Continue to coordinate with the Denton Chamber of Commerce and Denton Main Street Association to assess short-term needs and long-term projections for Denton's businesses.

- ▶ Ideally, the City and the chamber should distribute a joint survey to Denton businesses. Consistency in questions is integral to tracking data and information over time.
- ▶ As an alternative to surveys, the City could implement monthly virtual office hours or roundtables with businesses to gather information about their needs and challenges.

**1.2.2.** Stay connected to DFW organizations coordinating economic recovery and community service efforts across the DFW Metroplex.

- ▶ Organizations, such as the Dallas Regional Chamber, have created small business resources and a displaced workers job campaign that can be shared in Denton.

**1.3. VIRTUAL BUSINESS RETENTION.** The top economic development priority for the City is to continue supporting and retaining existing businesses through the recovery period. In-person visits might not be possible even after sheltering mandates are lifted, therefore, the City should create virtual business retention and expansion (BRE) options.

**1.3.1.** Continue to develop and maintain a database of Denton-based businesses.

**1.3.2.** Shift the City's business visitation efforts to a virtual setting and establish a cadence of meetings with businesses as soon as appropriate.

**1.3.3.** Expand existing goals for business touchpoints on a monthly, quarterly, and annual basis.

# GOAL 1 STRATEGIES

- 1.3.4. Reevaluate and adjust standard questions and protocols utilized in the City's BRE program to be more responsive to the COVID-19 crisis and recovery.
- 1.3.5. Prioritize business retention efforts based on strategic growth areas (see Goal 2), employer size, employer growth (number of employees, revenue growth, etc.), and lease terminations.
  - ▶ This data can be obtained through a database of existing businesses (see the "Internal Systems" section) as well as information from pulse surveys and other interactions with businesses.
- 1.3.6. Structure BRE efforts to serve several purposes.
  - ▶ Educate businesses about resources and services offered by the City to aid in recovery.
  - ▶ Collect answers to a short list of questions to quantify challenges the company is facing.
  - ▶ Identify short-term and long-term issues the companies are grappling with across a variety of topics, including workforce and infrastructure needs.
- 1.3.7. Act as a concierge to priority businesses to help navigate processes within other municipal departments (e.g., partner with a project facilitator from the City's Development Services Department).

## 1.4. WORKFORCE COLLABORATIVE. Focus on the workforce development function listed in Action 1.1.2 to develop broader strategies supporting Denton's talent pipeline through recovery.

- 1.4.1. Prioritize engagement with the Denton County Workforce Success Leadership Team (DCWSLT) to connect City efforts to the broader regional context.
  - ▶ While DCWSLT might be solely focused on the Asset Limited, Income Constrained, Employed (ALICE) population, the City should also focus on developing supports for unemployed residents, including those who have been displaced from jobs and might require upskilling or retraining in order to access new employment opportunities.

- ▶ The City can bring the perspectives of businesses to DCWSLT by aggregating and sharing information obtained through business retention activities and business engagement with the Denton Chamber of Commerce and the Denton Main Street Association.

## 1.4.2. Catalog which industries have been severely impacted by COVID-19 and determine if targeted resources can be deployed to support workers in those industries.

- ▶ For example, displaced retail workers might require special support in accessing training programs in order to switch occupations and/or sectors.

## 1.4.3. Use insights and data from business retention efforts and surveys of the business community as a baseline for employer demand. Couple this information with other data about unemployment rates and the needs of jobseekers.

## 1.4.4. Develop an inventory of training resources across providers, such as North Central Texas College (NCTC), Workforce Solutions for North Central Texas, and United Way. Include capacity levels and flexibility to streamline, redesign, or create new programs to meet employer needs.

## 1.4.5. Engage in demand planning to understand which businesses expect to hire and when.

- ▶ If specific occupations will be in demand, develop projections as well as competency requirements from employers. Communicate this information to training providers.
- ▶ Create a skills inventory using existing sources of data, such as Economic Modeling Specialists International (Emsi).

## 1.4.6. Identify barriers to accessing training and other workforce resources. Continue to coordinate with partner organizations to help remove these barriers for those seeking jobs.

## 1.5. INCLUSIVE ECONOMIC RECOVERY. The COVID-19 pandemic has had a disproportionate impact on low-income residents (of all races) and people of color (across socioeconomic status). Compared to other DFW cities, Denton has a larger proportion of its community (primarily in the southern and eastern parts of the City) that is more vulnerable to both

# GOAL 1 STRATEGIES

the health and economic fallout from COVID-19. Therefore, equitable and inclusive economic recovery strategies should be central in Denton's efforts to stabilize its economy and recover from the pandemic.

- 1.5.1.** Extend existing collaboration efforts with the City's Community Development Department to coordinate resources and efforts to support residents through economic recovery.
- 1.5.2.** Coordinate with the Denton Black Chamber of Commerce and other multicultural organizations to provide targeted information for businesses owned by women and people of color.
  - ▶ Research indicates that these small business owners face structural exclusion from traditional sources of capital and aid packages, including the US Small Business Administration (SBA) Paycheck Protection Program.
  - ▶ Partner with community development financial institutions in the DFW area to expand resources and programming into Denton to aid in economic recovery efforts.
- 1.5.3.** Continue to collaborate with local and regional nonprofits in gathering information about what challenges residents are facing due to the economic impact of the COVID-19 pandemic.
  - ▶ Use this information to work closely with other City departments, business leaders, and philanthropic entities to develop solutions that directly address resident needs.
  - ▶ Having more accurate information about challenges and needs can be helpful in attracting funding from public and philanthropic sources. It can also help the City take actions or design policies that directly benefit vulnerable communities.
- 1.5.4.** Disaggregate social and economic indicators by race and income levels to show how vulnerable populations are faring in comparison to other segments of the population.
- 1.5.5.** Highlight businesses owned by women and people of color in marketing materials and through digital marketing channels to increase awareness and promote their success.

**1.6. REGIONAL COLLABORATION.** The economic fallout from COVID-19 will impact US metropolitan regions in different ways. Denton's economic recovery is tied, in part, to recovery efforts in Denton County and in the broader DFW Metroplex. While Denton has unique assets and challenges as a college town, it can benefit from and contribute to regional resources and recovery efforts.

- 1.6.1.** Continue the City's existing support for the United Way of Denton County Information & Referral services to assist small businesses.
  - ▶ If possible, add extra support for entrepreneurs and businesses owned by people of color by soliciting volunteers with expertise in these areas.
  - ▶ Support DFW organizations, such as Capital Factory and Venture Dallas, to provide targeted support to Denton entrepreneurs and startups.
- 1.6.2.** Strengthen the Denton County chamber and economic development workgroup and continue to build this network throughout the economic stabilization and recovery periods.
  - ▶ In addition to information sharing, create task forces within the network to focus on critical issues and challenges that partner organizations are facing.
- 1.6.3.** Leverage the Denton Innovation Group to develop targeted supports and resources to assist entrepreneurs through economic recovery.
  - ▶ Continue to partner with organizations such as Stoke, the University of North Texas (UNT) Murphy Center for Entrepreneurship and Innovation, the Center for Women Entrepreneurs at Texas Woman's University (TWU), TechMill, Denton Angel Investment Group, and the Dallas Entrepreneur Center.
- 1.6.4.** Connect with regional DFW organizations, such as the Dallas Regional Chamber, to expand the information-sharing network beyond Denton County.

# GOAL 2 FOSTER GROWTH

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CORN-KITS

*Attract long-term economic growth aligned with community priorities by focusing on four strategic growth areas: connectivity, creativity, sustainability, and competitiveness.*

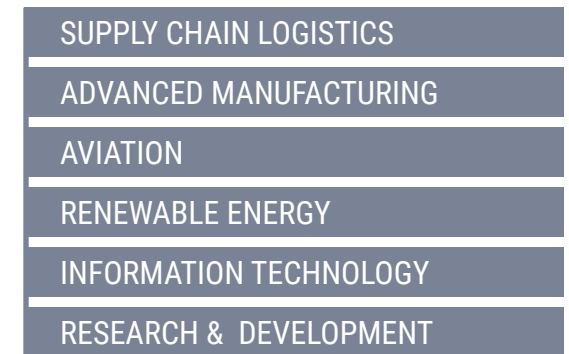
## THE TRADITIONAL APPROACH

Target industries have been a cornerstone of economic development programs. The six sectors in Figure 1 were identified as targeted sectors many years ago and have guided the work of Denton's Economic Development Partnership (EDP). While these targets made sense at the time, they now cover much of Denton's existing economy and do not capture the full extent of the City's assets.

Traditionally, target industries are defined by quantitative analysis to identify a concentration of industries that exist in a city or a region. Figure 2 illustrates the process by which traditional targets are identified. Analysis of data from the North American Industry Classification System (NAICS) is used to highlight where a community already has a larger-than-average concentration of employers and jobs. For example, a community with clusters of advertising, legal services, and tax preparation services might identify corporate and professional services as a target sector.

This approach has several limitations. First, targets are identified using existing data that often fail to capture a community's full assets and advantages. Emerging industries with growing momentum might not be captured in the NAICS taxonomy. Second, traditional targets say nothing about the institutions and organizations that contribute to building a concentration of industries. Third, traditional targets

**FIGURE 1. DENTON'S EXISTING TARGETS**

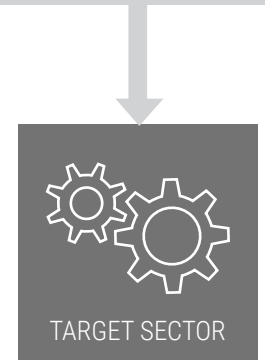


**FIGURE 2. TRADITIONAL TARGET INDUSTRIES**

Quantitative analysis is used to identify a concentration of industries that exist in a city...



Which are then grouped to form a target sector...



are a static measure that can quickly become outdated. Or, in the case of Denton, a list of targets can keep growing until it covers most of the economy. Finally, from an organizational standpoint, traditional targets can, by default, tempt economic development offices to focus their time and measure their performance in inefficient ways.

The challenge that Denton faces today is how to focus efforts and resources in a more strategic manner.

## THE PATH FORWARD

As the DFW Metroplex grows, much of that growth will spread into Denton County. Planned developments, most notably Cole and Hunter Ranch, will continue to connect Denton to the broader DFW ecosystem. While the COVID-19 crisis will affect the timing of these developments, there is reason to be optimistic that Denton will continue to experience growth after a period of economic recovery.

A modernized economic development approach is focused on cultivating strategic growth areas that fully leverage the community's major employers, institutions, and intangible elements. Quantitative data, like NAICS codes, are one of many factors that informs a community's strategic growth areas.

Instead of targeting sectors, the main role for economic development organizations is to build ecosystems around their strategic growth areas. An ecosystem is comprised of many elements, including anchor institutions, principal and emerging participants, competitions and events, building blocks, local capital, and public awareness. The ecosystem overview on the next page provides a description of each element.

The process of ecosystem building is illustrated in the case studies presented in this section.

- ▶ Connecting companies to top talent and innovations through the University of Arkansas Center of Excellence in Logistics and Distribution (CELDi) is one example of this concept in practice (page 19).
- ▶ An innovative business model mixing philanthropy with revenues earned from consulting services was part of building an entrepreneurial community in the Fargo, North Dakota, Emerging Prairie initiative (page 27).
- ▶ The focus of San Antonio, Texas, efforts to build a sustainable energy hub around its public utility was facilitating access to capital, expertise, and mentors through its Energy Partnerships Innovation center (EPIcenter) nonprofit (page 34).
- ▶ Chattanooga, Tennessee, efforts to upgrade its electrical grid with fiber optic cables laid the groundwork for the growth of a high-tech ecosystem and gave the city's its Gig City moniker (page 41).

Ecosystem building has several advantages. First, ecosystems factor in both quantifiable and intangible assets that a community possesses. Second, ecosystem building is a team sport that requires different contributions from different organizations so that economic growth is not the sole responsibility of one entity. Finally, ecosystems are more dynamic and more adaptable as elements change over time.

## DENTON'S STRATEGIC GROWTH AREAS

The question remains, how will Denton respond to incoming growth? There is a way for Denton to welcome and attract growth that leverages the community's assets and preserves its unique culture. Together the four growth areas below define a holistic approach to growth that applies to various aspects of Denton's economy.

By adopting growth areas, the City can ensure that Denton grows in a way aligned with both economic priorities and community needs. Furthermore, each of these growth areas can be used to organize economic development efforts. The following pages include more details about each growth area, including anchor institutions, principal and emerging participants, competitions and events, building blocks, local capital, and public awareness, that will drive growth in these areas. Appendix D includes more detailed information about trade associations, relevant conferences/events, and trade publications associated with each strategic growth area.



# STRATEGIC GROWTH AREAS ECOSYSTEM

## ANCHOR INSTITUTIONS

Anchor institutions—universities, hospitals, and schools—are interwoven in a community's economic, social, and cultural fabric. Partnering with anchors in economic development efforts can drive innovation and enrich economic vitality.

## EMERGING PARTICIPANTS

Every community has emerging players, including scrappy startups and innovative entrepreneurs, that have the potential to change the trajectory of the community. The buzz, innovation, and energy that emerging players bring is vital to renewing and reinventing a community's economy.

## COMPETITIONS & EVENTS

Events can drive growth by cultivating sector-based networks, attracting tourists, and building a community's brand. Competitions and events not only raise the profile of a community with outsiders, but also connect a community to a larger network of aligned stakeholders.

## BUILDING BLOCKS

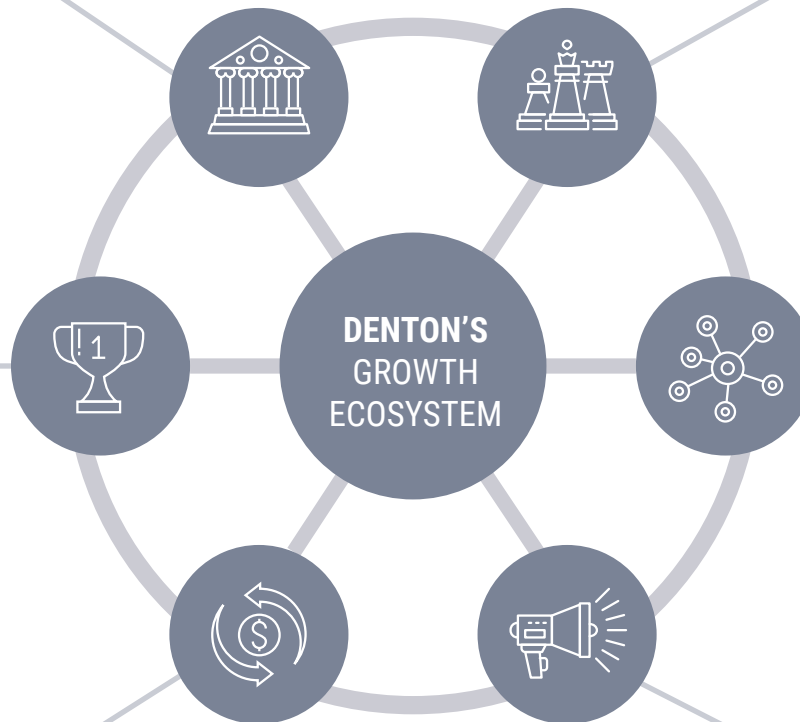
No ecosystem can thrive without a group of ecosystem builders that focus on collaboration across organizations, inclusion of diverse voices, and sustainability of economic development efforts. These builders can be coworking spaces, catalytic programs, or even visionary individuals.

## LOCAL CAPITAL

Access to capital can facilitate new ideas, deepen partnerships, and result in bigger impact for companies and community-based organizations. Ranging from venture capital to philanthropic grants, local capital is central to growth and success.

## PUBLIC AWARENESS

Branding and marketing are vital to growth. A community's success stories should be shared widely through traditional media, social media, and industry-specific channels. Bringing attention to the businesses and people that are the heartbeat of a community can drive investment and foster growth.





# 2A. CONNECTED DENTON

## THE VALUE

In the past, Denton was viewed as a community on the outskirts of the DFW Metroplex, both geographically and economically. That has changed. The combination of highway improvements and significant growth into areas north of Dallas and Fort Worth has brought Denton into the DFW community in a more intensive way. Recent growth in Denton's transportation and logistics-oriented businesses as well as improvements to the City's infrastructure position Denton as a hub for business connectivity.

## THE ANCHORS

Since the 1980s, Peterbilt has been one of Denton's largest employers and a cornerstone of the City's economy. Its success played a vital role in attracting other transportation and logistics companies to the west side of Denton. Both private sector businesses and publicly owned assets, such as Denton Enterprise Airport, contribute to Denton's impressive transportation infrastructure. The airport's recent addition of a second runway as well as the US Aviation Academy position the airport for increased business activity and usage.

## THE ECOSYSTEM

Denton's location at the intersection of I-35E and I-35W, as well as its proximity to three Class-1 railroad lines, makes it an ideal hub for transportation and logistics-focused businesses. Examples include companies that manufacture vehicles and transportation equipment, as well as warehousing and distribution activities. The expansion of e-commerce nationally, which has been accelerated by the COVID-19 pandemic, fuels demand for logistics firms. New entrants, such as United States Cold Storage and WinCo Foods, recognize Denton's strategic advantages. As the industry undergoes major technological change, Denton is poised to be a leader in connectivity. Leveraging existing businesses and higher education institutions will make the City a nexus for supply chain innovation, research, and development.



# CONNECTED DENTON ECOSYSTEM

## ANCHOR INSTITUTIONS

- ▶ Peterbilt
- ▶ Denton Enterprise Airport
- ▶ US Aviation Academy
- ▶ UNT Center for Logistics & Supply Chain Management
- ▶ North Central Texas College

## EMERGING PARTICIPANTS

- ▶ United States Cold Storage
- ▶ Tetra Pak
- ▶ WinCo Foods
- ▶ Tyson Foods

## COMPETITIONS & EVENTS

- ▶ International Conference on Information, Logistics and Supply Chain
- ▶ Accelerate! Conference & Expo
- ▶ Heavy Duty Aftermarket Week

## BUILDING BLOCKS

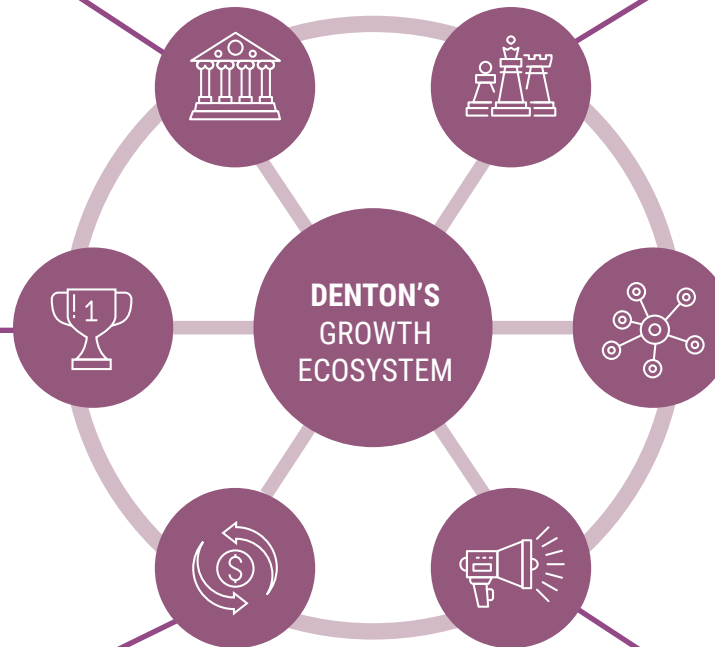
- ▶ DFW Roundtable, Council of Supply Chain Management Professionals
- ▶ North Texas Commission, Logistics Development and Marketing Committee
- ▶ Institute for Supply Management Dallas
- ▶ Texas Association of Manufacturers

## LOCAL CAPITAL

- ▶ Westpark Industrial Park TIRZ
- ▶ EDP Investment Fund

## PUBLIC AWARENESS

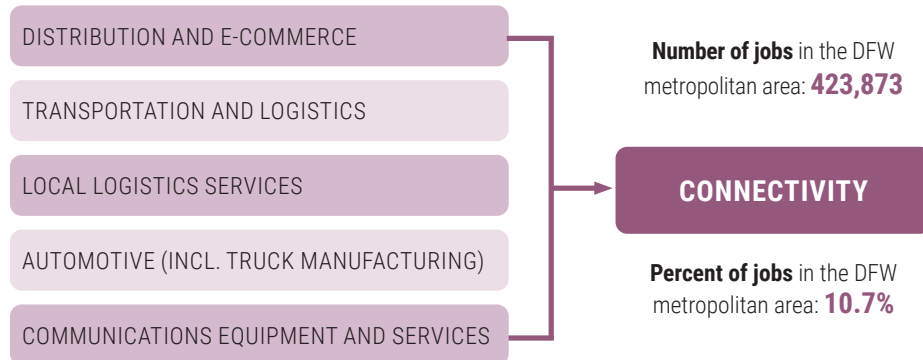
- ▶ *Item Journal of Commerce*
- ▶ *Advanced Manufacturing Insight*
- ▶ *Logistics Management*
- ▶ *International Journal of Shipping and Transport Logistics*



# CONNECTED DENTON STRATEGIES

## RELATED INDUSTRIES AND SECTORS

Sectors and industries that keep Denton connected include all aspects of transportation, distribution, logistics, and communication systems, as well as manufacturing of vehicles and parts related to these systems. Representative Economic Development Administration (EDA) clusters include the following.



Sources: US Bureau of Labor Statistics; Emsi 2020.1—QCEW Employees, Non-Quarterly Census of Employment and Wages (QCEW) Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School (HBS); TIP Strategies.

Note: The cluster methodology developed at HBS has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi.

## STRATEGIES AND ACTIONS

**2A.1. BUSINESS RETENTION AND EXPANSION (BRE).** A strong BRE program is the foundation of any economic development program. In addition to developing a virtual business retention program (see Strategy 1.3), Denton also needs to enhance its existing BRE program in order to support existing businesses in a more intensive and robust manner.

### EFFECTIVE BRE

Businesses already in the community are well-positioned to create jobs and contribute to the tax base. Yet, often their achievements are overshadowed by the headlines of a new business moving to town.

However, the effort and expense it can take to recruit a new business to town can be multiples of what it takes to support existing businesses, while the outcomes and impact of the two can be similar.

An effective BRE program focuses on building relationships with existing businesses, establishing lines of communications such that any needs or challenges are voiced, and responding to those needs or challenges.

One of the best means for doing this is to provide concierge services. Business concierges are often staff within an economic development organization who provide guidance to businesses in navigating planning, zoning, development, permitting, and construction processes. The concierge makes it easier for businesses to access services from different city departments so that any challenges are resolved efficiently.

- 2A.1.1.** Refine and enlarge the City's database of existing employers. The database should be expanded to include companies in the area that serve external markets or are suppliers to existing employers.
- 2A.1.2.** Revise and ramp up the business visitation program to track trends among Denton employers and identify business needs.
  - ▶ Virtual visits should be made until the COVID-19 health crisis recedes.
  - ▶ Establish a visitation protocol, a list of information to be collected during each visit, and a goal for the number of businesses visited each year.

# CONNECTED DENTON STRATEGIES

- ▶ Organize joint business visits with area workforce development partners, including higher education and training providers.

**2A.1.3.** Communicate success stories that result from BRE visits. These might not translate directly to new job creation or increased capital investment, but they can still be valuable to businesses.

- ▶ Examples include assistance with permitting, workforce training, or infrastructure challenges.

**2A.1.4.** Provide incentives and/or grants to existing companies to assist with business expansion and help retain these valuable assets in Denton.

**2A.2. ATTRACT NEW INVESTMENT.** Recruiting new businesses should remain a top priority for the City's Economic Development Department team. The City has a track record of success with business attraction, and efforts can be strengthened by focusing on external marketing and cultivating relationships in critical sectors.

**2A.2.1.** Cultivate relationships with real estate brokers and site selectors.

- ▶ Build a database of national and regional developers, brokers, and site consultants to identify targets, raise awareness of sites, development, and investment opportunities in Denton.
- ▶ Connect with site consultants in the DFW Metroplex and targeted regions on a regular basis.
- ▶ Host events that showcase specific assets, such as available sites, buildings, or new projects. Some communities host site tours or reverse pitch events where developers and brokers pitch their vision for a specific site or project.

**2A.2.2.** Create a centralized lead tracking system for Denton (see the "Capacity and Resources" section).

**2A.2.3.** Engage with regional economic development organizations, industry groups, and professional networks in the DFW Metroplex.

- ▶ Join regional industry associations and networks focused on Denton's growth areas to remain current on critical

issues, build stronger networks, and leverage resources.

- ▶ Attend conferences and trade shows held in the DFW Metroplex by national industry organizations aligned with Denton's growth areas.

**2A.2.4.** Maintain and enhance the site location factors that are essential for connectivity industries: labor availability, highway access, affordable land and facilities, and favorable tax incentives.

- ▶ Denton's triple freeport tax exemption is an example of a policy that is critical to business recruitment efforts in these sectors.

**2A.3. WESTPARK INDUSTRIAL PARK.** The industrial park is vital to Denton's economic growth. Success in attracting new businesses, such as WinCo Foods and Tyson Foods, as well as retaining major employers like Peterbilt, is crucial for the City's economic vitality. To build on this success, undeveloped land can be better marketed, and improvements can be made to core infrastructure.

**2A.3.1.** Prioritize infrastructure investments, particularly with respect to roads and utilities.

- ▶ Dedicate a set percentage of the City's capital improvements budget to projects in the area to ensure that improvements are made in a timely manner.
- ▶ Expand Jim Christal Road to improve the connection between the industrial park and I-35. Stakeholders believe that the existing road cannot accommodate a growing number of businesses. This will require additional investment from the City beyond the Westpark tax increment reinvestment zone (TIRZ).

**2A.3.2.** Continue to track vacant properties and parcels, partnering with brokers and developers on new developments or redevelopments to increase the usefulness and value of these properties.

**2A.3.3.** Partner with UNT on relocating the sports recreation fields located at Precision Drive and Airport Road to an area outside the industrial park to improve safety and make better use of the land.

# CONNECTED DENTON STRATEGIES

**2A.3.4.** Provide public infrastructure incentives (such as credits or reimbursements) for projects aligned to Denton's growth areas.

- ▶ The City already utilizes most economic development tools available to incentivize development. Continue using the Westpark TIRZ to support the industrial park.

**2A.4. CENTER OF EXCELLENCE.** Denton has all the necessary assets to create a center of excellence (COE) focused on logistics and supply

## WHAT IS A CENTER OF EXCELLENCE?

Centers of excellence are a collaboration between higher education institutions and businesses, leveraging the unique assets found within a region to support the advancement of research and training within a specific industry. They often serve as a **magnet for industry expertise** and are **dedicated to the success of companies within a region.**

Expected outcomes include the following.

- ▶ Generating statewide and national recognition.
- ▶ Supporting Denton's economic growth.
- ▶ Leveraging the unique assets of Denton's higher education institutions.

chain management. The presence of several logistics-oriented companies—Denton Enterprise Airport, NCTC, and UNT Center for Logistics & Supply Chain Management—provide Denton with a distinct advantage in the connectivity space.

**2A.4.1.** Leverage over \$2.8 billion in planned projects from Texas Department of Transportation (TxDOT) in Denton to increase connectivity between Denton and surrounding DFW communities (Figure 3).

- ▶ A significant number of planned infrastructure improvements will continue to make Denton a competitive community for logistics and transportation-oriented firms.
- ▶ Denton's continued competitiveness in the connectivity

space, coupled with other assets, should be the basis for creating a COE. It is essential for the partners interested in creating a COE to speak with a unified voice about the strategic advantages that Denton offers, which can be leveraged for even greater recognition and innovation.

**2A.4.2.** Explore the feasibility of a partnership between the businesses located in the Westpark Industrial Park, NCTC, UNT Center for Logistics & Supply Chain Management, and the City.

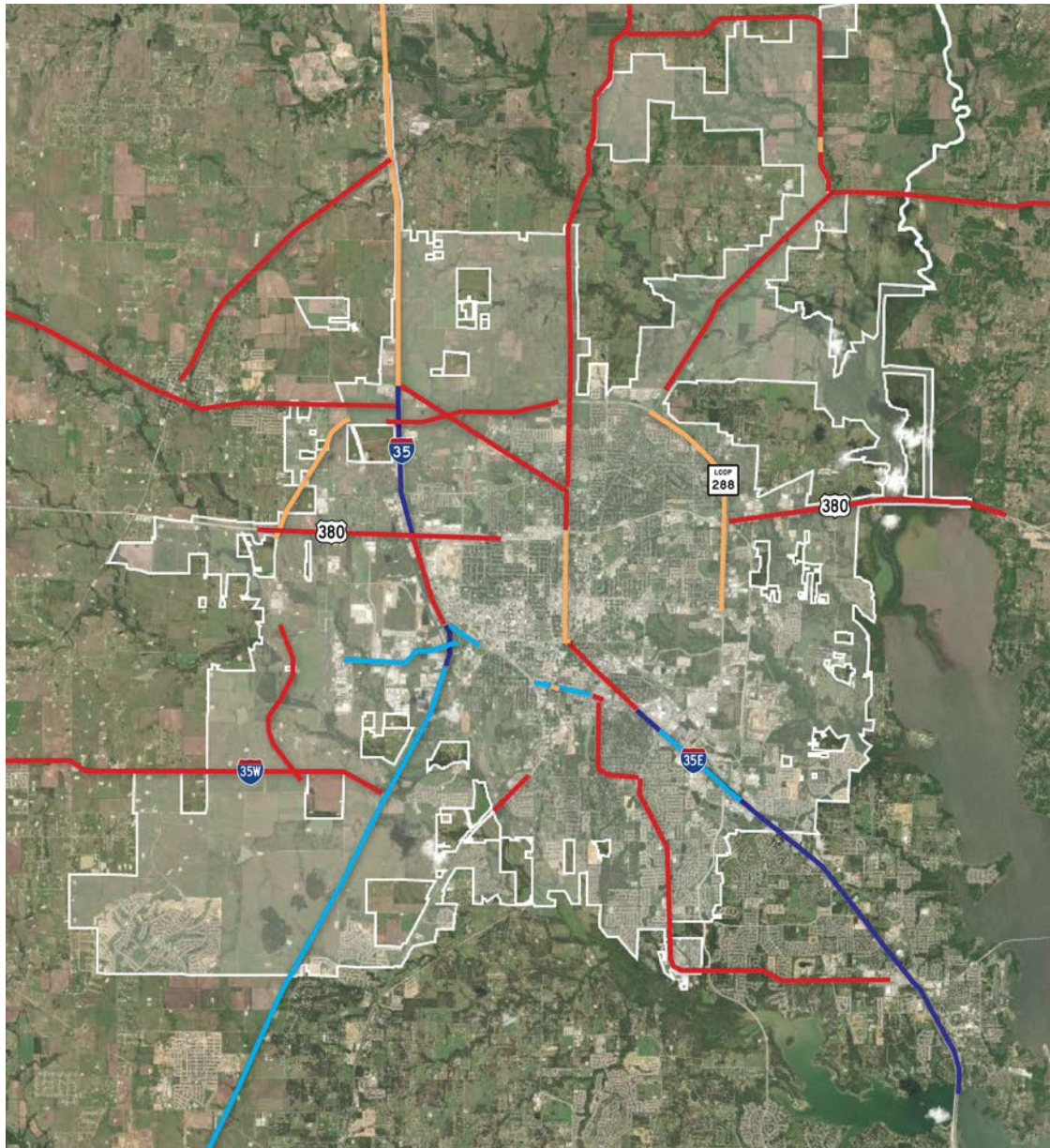
- ▶ Form a committee comprised of representatives from these organizations and other potential partners to meet regularly to move the concept forward.
- ▶ Compile an inventory of local and regional assets that would support the COE, including education and training programs, relevant university research, industry conferences and events, and companies.
- ▶ Research other COEs focused on logistics and distribution to understand potential organizational models, funding strategies, and areas of focus.
- ▶ Host a summit on topics affecting the logistics and distribution industry.
- ▶ Identify strategies for drawing researchers and faculty to the region, such as creating an endowed chair or designing opportunities for collaboration across institutions.

**2A.4.3.** Include workforce partners to create career pathways for Denton students and residents into in-demand occupations for Denton's transportation and logistics businesses.

**2A.4.4.** Promote opportunities in the transportation, logistics, and supply chain fields to students in Denton and in economic development marketing materials.

# CONNECTED DENTON STRATEGIES

FIGURE 3. PLANNED TXDOT PROJECTS IN DENTON



- Construction underway or begins soon
- Construction begins within 4 years
- Construction begins in 5 to 10 years
- Corridor studies, construction in 10 years+

| PHASE                                       | PROJECTS  | EST. COST              |
|---|-----------|------------------------|
| Construction underway or begins soon        | 24        | \$99,035,892           |
| Construction begins within 4 years          | 8         | \$421,055,003          |
| Construction begins in 5 to 10 years        | 8         | \$756,529,022          |
| Corridor Studies, construction in 10+ years | 5         | \$1,394,440,290        |
| <b>TOTALS</b>                               | <b>45</b> | <b>\$2,671,060,207</b> |

Source: Texas Department of Transportation, Project Tracker.

# CONNECTED DENTON CASE STUDY

## CELDi | UNIVERSITY OF ARKANSAS, DEPARTMENT OF INDUSTRIAL ENGINEERING

[www.celdi.org](http://www.celdi.org)

### BACKGROUND

Headquartered at the University of Arkansas in Fayetteville, CELDi (Center for Excellence in Logistics and Distribution) is a multidisciplinary industry and university research center established in 2001. The cooperative is comprised of six university partners from across the nation and 31 companies, ranging from global corporations to municipalities like San Pedro, Mexico.

For universities, admission to CELDi is predicated on the expertise of each institution, while industry partners provide ongoing financial support for logistics research through tiered membership options. Companies benefit from increased efficiency in their supply chain as a direct result of the innovation created with university partners as well as having direct access to top students.

CELDi hosts biannual joint meetings in which researchers and the Industrial Advisory Board (comprised of representatives from member companies) coordinate new projects and offer continuing education courses. CELDi's mission is to produce the next generation of engineers in logistics and distribution centers while advancing the industry through innovations in products and systems..

### TAKEAWAYS FOR DENTON

- ▶ Establish a COE in Logistics at UNT with industry leaders in the area, like Peterbilt, to facilitate collaboration between the public and private sectors.
- ▶ Join CELDi to access an established network of universities, national companies, and funding.
- ▶ Creating a COE not only provides benefits to existing companies but also acts as a talent development strategy for Denton and its major employers.

### PROGRAM OUTCOMES (2019)

- ▶ UA has received over \$3 million in industry-funded research sponsorship.
- ▶ CELDi industry members include Walmart Stores, UPS—Chain Supply Solutions, Air Liquide, The Boeing Company, Lockheed Martin Aircraft & Logistics Center, and Medical Center Hospital in Odessa, Texas.

# 2B. CREATIVE DENTON



## THE VALUE

Denton's reputation for arts and culture makes it a standout destination within the DFW Metroplex. Its cultural assets not only foster quality of place but also create an economic advantage. Over the past decade, a budding creative economy has attracted entrepreneurs to Denton, making the City a hub for big ideas and innovation. Denton has a vibe unlike any other community in the region. By continuing to nourish this creative ecosystem, the City can flourish and become a vibrant destination for talent and investment.

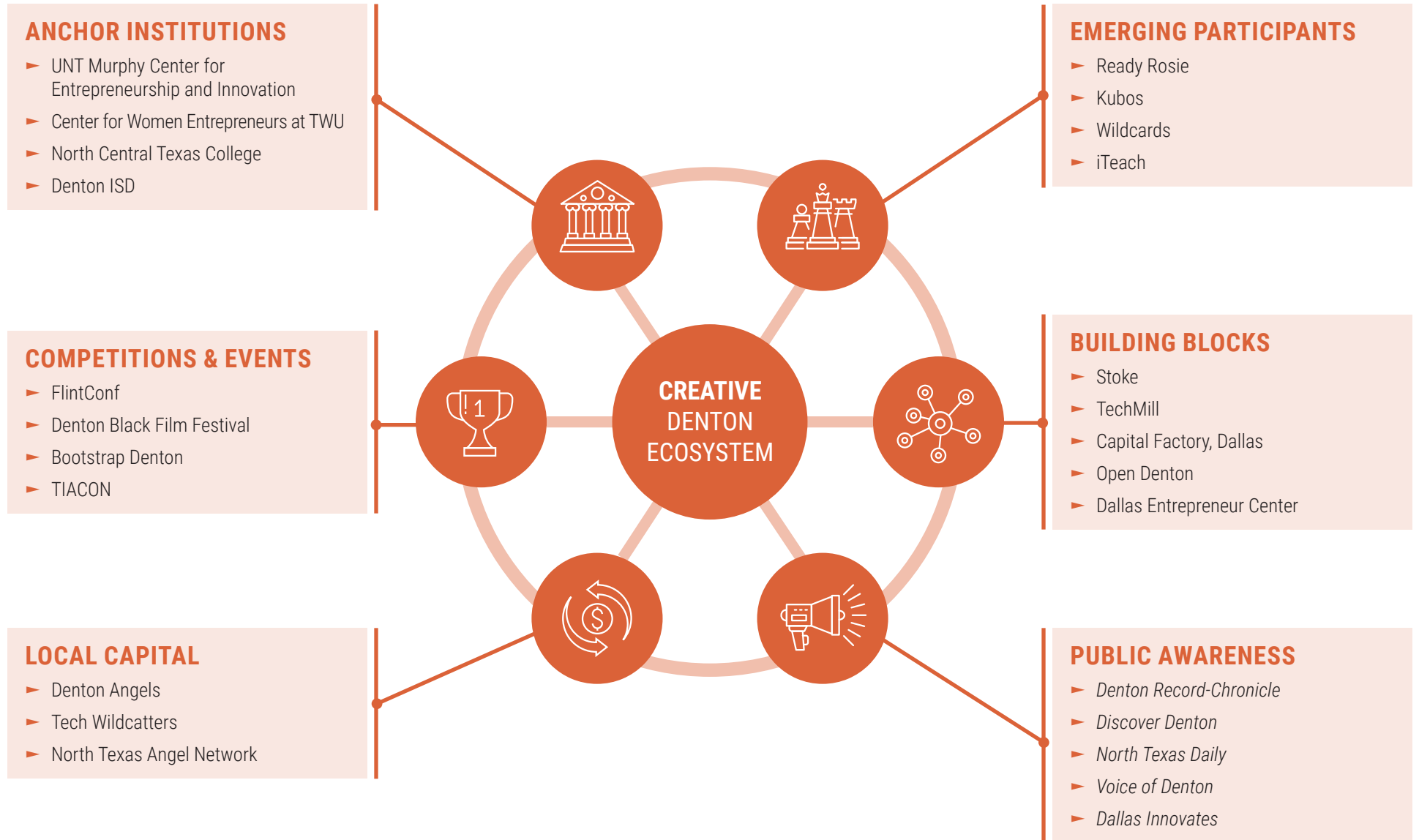
## THE ANCHORS

From higher education to coworking spaces, Denton's creative economy is anchored by diverse and thriving institutions. TWU and UNT are catalysts for innovation and drivers of the City's talent pipeline. Stoke is the heartbeat of Denton's startup scene, providing a hub for entrepreneurs near downtown amenities. Embracing and strengthening these anchor institutions will not only attract growth but also ensure that the creative elements at the heart of Denton's culture will continue to thrive.

## THE ECOSYSTEM

In recent years, a strong cluster of education technology companies has emerged in Denton. The presence of two universities along with strong support for entrepreneurs has made Denton an ideal location for edtech startups. Events such as the Denton Black Film Festival have also drawn tourists to Denton and strengthened community ties. However, Denton's creative economy requires additional support, including stronger connections to the DFW tech scene and venture capital. The City can nurture Creative Denton by cultivating relationships with DFW capital sources and raising public awareness of Denton artists and entrepreneurs.

# CREATIVE DENTON ECOSYSTEM

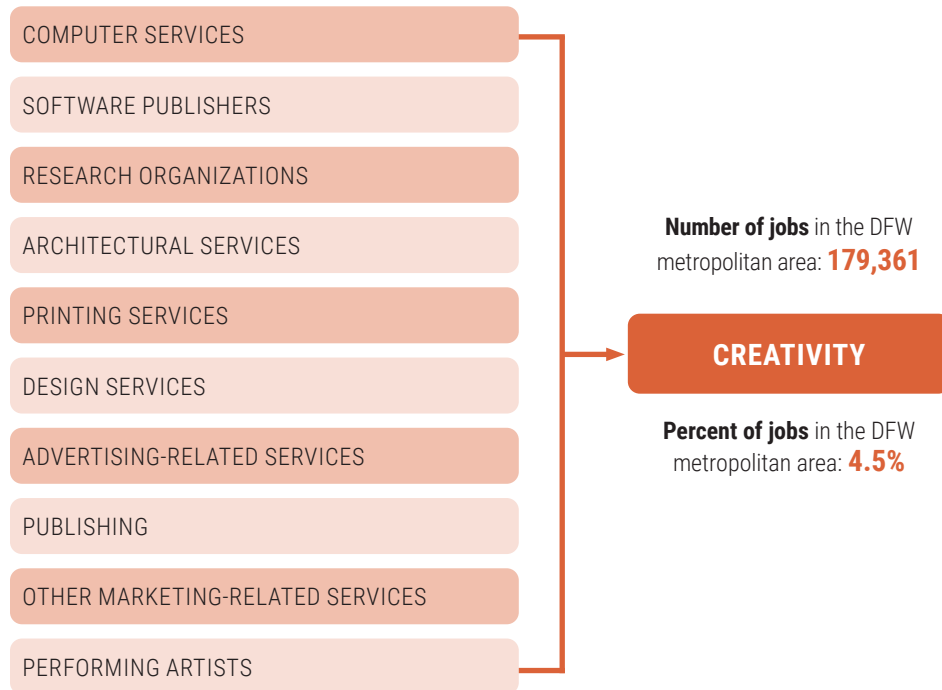




# CREATIVE DENTON STRATEGIES

## RELATED INDUSTRIES AND SECTORS

Sectors and industries that make Denton creative include computer technology, research, design, and the arts. Representative EDA clusters include the following.



Sources: US Bureau of Labor Statistics; Emsi 2020.1—QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School (HBS); TIP Strategies.

Note: The cluster methodology developed at HBS has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi.

## STRATEGIES AND ACTIONS

**2B.1. CHAMPION AND CONVENE.** The City can strengthen entrepreneurship in Denton by advocating for local startups and serving as a connector between entrepreneurs and the talent, capital, and networks they need.

*"There are a lot of pearls in Denton, but they're not on a string yet."*

—Denton entrepreneur

- 2B.1.1.** Support the expansion of networking channels and opportunities for relationship building among the region's entrepreneurs, startups, and students.
  - ▶ While the City might not directly oversee these programs, it can support the efforts of partner organizations, such as Stoke and universities.
- 2B.1.2.** Establish connections with DFW entrepreneurship organizations such as Dallas 1 Million Cups, 1 Million Cups Frisco, Dallas Innovates, Capital Factory, and the Dallas Entrepreneur Center.
  - ▶ Connecting with regional efforts not only helps make local entrepreneurs aware of available resources but also helps raise awareness in DFW about the Denton's assets and the City's commitment to creating an entrepreneurial ecosystem.
  - ▶ Networking with regional organizations and becoming more visible in these initiatives can also help attract entrepreneurs to Denton.
- 2B.1.3.** Assemble a knowledge resource network to support entrepreneurs and companies with access to financial, legal, policy, and research information needed to grow their businesses.
  - ▶ Communities take different approaches to creating "entrepreneur support mechanisms," a phrase coined by the Ewing Marion Kauffman Foundation, to connect

# CREATIVE DENTON STRATEGIES

entrepreneurs with the information they need. For example, KCSourceLink, an intermediary in the Kansas City region, created a Resource Navigator with over 240 businesses that can connect entrepreneurs to different types of knowledge and resources. More examples can be found through Kauffman's [ESHIP Communities initiative](#).

- ▶ Fargo's Emerging Prairie initiative provides an ecosystem that brings together entrepreneurs, large corporations, educational institutions, nonprofits, and students through networking events, coworking space, skills training, and more (see case study on page 27).

**2B.1.4.** Partner with local and regional partners to design reverse-pitch competitions to engage major corporations and organizations in the DFW Metroplex with needs for innovation.

- ▶ In a reverse-pitch competition, established businesses pitch a challenge to entrepreneurs and solicit solutions. Businesses have their challenges addressed while entrepreneurs benefit from establishing connections and increased awareness about their startups.
- ▶ Denton can customize a reverse-pitch competition for its entrepreneurship community by connecting local entrepreneurs with school districts in the region to tackle edtech challenges.
- ▶ Helping the City solve issues, such as sustainability, housing, and other community challenges through social entrepreneurship, is another area where this approach could be beneficial.

**2B.1.5.** Ensure that targeted resources are available for businesses owned by women and people of color, who have historically faced barriers to accessing traditional economic development tools (e.g., create a dedicated fund to assist historically underutilized businesses).

**2B.2. ACCESS TO CAPITAL.** Increase access to capital for Denton entrepreneurs by aggregating information about diverse sources of funding and developing relationships with potential funders.

**2B.2.1.** Cultivate relationships with the DFW venture capital (VC) community so that local companies are not forced to relocate after they grow beyond their initial rounds of capital.

- ▶ Gather information about trends in the DFW market, what local VCs are investing in, and projections for growth.
- ▶ Connect Denton's high-potential startups to local and regional funders.
- ▶ Create a database of capital resources, including local banks, angel investors, and high-net-worth individuals, to drive the City's internal work plan (e.g., guide networking strategies and establish priorities) and share with partner organizations (i.e., Denton Innovation Group).

**2B.2.2.** Partner with the Denton Angels to expand access to capital for Denton startups. Work with other angel networks in the DFW Metroplex, and across Texas, to improve deal flow for Denton companies and investors.

- ▶ The role of the City should be focused on facilitating connections between investors and startups in Denton and making connections to regional organizations.

**2B.2.3.** Network with regional entrepreneurship programs so that they become familiar with Denton and the resources available for businesses looking to grow within the DFW Metroplex.

**2B.2.4.** Revise the funding requirements for the EDP Investment Fund to be more inclusive of innovative startups that might not meet current thresholds for employment and capital investment.

- ▶ Over the long term, creating a separate fund dedicated to entrepreneurship in Denton is preferable, however, a short-term solution is to create an exception for startups seeking support from the EDP Investment Fund.

# CREATIVE DENTON STRATEGIES

- ▶ A potential model for a startup fund is the McKinney Innovation Fund (announced in January 2020) provided by the McKinney Economic Development Corporation. Eligibility and incentives are differentiated for startups at different phases of their life cycles. For example, growth startups have lower thresholds for minimum annual revenue and employees compared to established startups seeking to relocate to McKinney, Texas.
- ▶ A more rigorous analysis and exploration of the needs of startups in Denton is required to develop a new fund that effectively addresses barriers specific to this community. The City can convene a small task force of entrepreneurs and those connected to the DFW entrepreneurial ecosystem to provide input that can guide specific elements of a startup fund.
- ▶ Some elements that the City should consider for building a startup fund include differentiated support for startups at different phases of growth, target industries and sectors, hiring of targeted residents (such as women and Black, indigenous, and people of color [BIPOC]), number of jobs, and wages.

**2B.3. ECOSYSTEM BUILDERS.** Thriving entrepreneurial ecosystems rely on ecosystem builders to coordinate disparate organizations and initiatives. Denton has a handful of strong builders, including Stoke and TechMill. Their efforts to foster collaboration should be supported through financial resources and capacity building.

## WHAT IS ECOSYSTEM BUILDING?

*“Ecosystem building is emerging as a new profession at the **intersection of economic and community development**. Successful ecosystem builders must connect traditional, top-down economic development approaches with the grassroots, bottom-up, community-driven environments in which most entrepreneurs thrive.”*

—Ewing Marion Kauffman Foundation, “Entrepreneurial Ecosystem Building Playbook 3.0.”

- 2B.3.1.** Support the Denton Innovation Group to define a vision for entrepreneurship in Denton, establish goals, measure progress, and connect with DFW organizations.
  - ▶ The City’s role in this effort is envisioned as a supporting partner rather than a lead.
  - ▶ Support could include donating financial resources, such as helping to engage a consultant or facilitator to build out a detailed work plan, or the commitment of time and participation in this effort.
- 2B.3.2.** Launch an accelerator to support growth of existing companies.
  - ▶ Accelerators are programs that help startups scale-up by offering mentorship, facilitating connections to investors and other businesses, and building capacity for the startup to grow. Typically, accelerators support a small cohort of high-potential, early-stage startups that have already experienced some level of success or market validation.
  - ▶ A major challenge in Denton is the lack of resources for companies that seek to scale up. Startups tend to “outgrow” Denton and move to more well-resourced communities. Examples of successful accelerators include Techstars and Y Combinator. The Innovation Depot in Birmingham, Alabama, is another potential model to follow.
  - ▶ State and federal resources are available to support accelerators. For example, the US SBA Growth Accelerator Fund provides over \$4 million in prizes to accelerators across the country on an annual basis.
- 2B.3.3.** Host a Citywide pitch competition to identify and develop innovative entrepreneurs in Denton. This not only builds Denton’s creative brand but also provides the City with a way of identifying top talent in the community.
- 2B.3.4.** Support the development of office space where companies can expand. Continuing to prioritize redevelopment in the downtown area and using flexible zoning will facilitate these efforts.

# CREATIVE DENTON STRATEGIES

**2B.4. EDTECH CLUSTER.** Strong higher education presence and innovation in Denton independent school district (ISD) make Denton a competitive spot for education technology (edtech) companies. A growing cluster of edtech companies in Denton is applying advanced technologies in K–12, higher education, and adult learning environments.

**2B.4.1.** Capitalize on Denton’s status as an emerging hub for edtech companies to drive additional growth and investment in this sector and to attract more creative professionals to Denton.

- ▶ Promote Denton’s edtech companies and link them with potential business expansion/relocation prospects in other markets.

**2B.4.2.** Create an edtech alliance with entrepreneurial companies, Denton ISD, UNT Murphy Center for Entrepreneurship and Innovation, and the Center for Women Entrepreneurs at TWU to identify opportunities to strengthen and diversify edtech in Denton.

- ▶ Research other edtech alliances across the US to understand how they are structured.
- ▶ Hold an introductory meeting to identify the range of possible partners and to explore common opportunities and/or needs the alliance could address.
- ▶ Consider possible activities the alliance could take on, such as hosting networking events and conferences, publishing materials, and advocating for policies supportive of edtech.
- ▶ Establish channels for students to engage with edtech companies and leaders through internships and case competitions.

**2B.4.3.** Support the expansion of Denton ISD’s annual Technology in Action Conference (TIACON) about education technology and curriculum.

- ▶ Utilize the event to highlight existing edtech businesses that have been founded in Denton, including ReadyRosie, Wildcards, ALL In Learning, From the Future, and Kinful.

**2B.5. RECRUIT GROWING STARTUPS.** Target and recruit growing early-stage firms in the DFW Metroplex and other target markets in the US, including larger urban areas on the coasts. Companies growing out of the startup phase might be looking for ways to expand their businesses.

**2B.5.1.** Engage with DFW entrepreneurship organizations, talent networks, and industry associations to identify new companies.

**2B.5.2.** Target successful startups in business incubators/accelerators that are on the cusp of outgrowing their existing spaces and are positioned for expansion/relocation to Denton.

- ▶ Denton can target startups in several ways, including alignment with the four strategic growth areas of this plan and size of the startup (i.e., by revenue or number of employees). The City is poised to best support small to medium-sized firms that have outgrown initial rounds of funding or support from incubators. Firms that are interested in expansion but not large enough to need extensive office space in Denton are a good fit. The related industries and sectors listed for each growth area also offer a starting point for identifying aligned startups.
- ▶ Many universities in the DFW Metroplex operate incubators and/or accelerators for businesses started by students or faculty. The City could target entrepreneurs located at these institutions who are ready to expand beyond the university. For example, Denton could partner with the UNT Murphy Center for Entrepreneurship and Innovation to identify the next level of funding and support that its entrepreneurs need to expand or stay in Denton.
- ▶ Some chambers of commerce and economic development organizations in the region maintain lists of major incubators and accelerators that the City can use to begin outreach and relationship-building efforts. One example is the incubator list from [Say Yes to Dallas](#).

# CREATIVE DENTON STRATEGIES

**2B.5.3.** Track VC firms in DFW, Silicon Valley, Austin, and other markets that have recently funded high-growth, innovative businesses.

- ▶ Use this list to follow VC trends and identify high-growth businesses that might be targets for expansion or relocation. This will also help the City build relationships in the VC community and facilitate connections to Denton startups.

**2B.5.4.** Use resources like the Inc. 5000 (a list of the fastest-growing private firms in the US based on year-over-year revenue growth) to identify firms that would be a good fit for Denton. Additional resources include the following.

- ▶ Crunchbase (for identifying recipients of venture funding)
- ▶ *Fast Company* (magazine about the world's most innovative companies)
- ▶ *MIT Technology Review* (magazine about the smartest companies)

**2B.6. PROMOTING DENTON'S CREATIVE BRAND.** A foundational component of building an entrepreneurial ecosystem is making residents aware of how entrepreneurship can help to drive the economy. The City should collaborate in raising awareness of success stories, both locally and regionally. More information about the need for a revamp of Denton's marketing efforts is in the Capacity and Resources section.

**2B.6.1.** Revise marketing materials to include specific information about the economic impact of startups to Denton's economy and the incentives/resources provided specifically to startups.

**2B.6.2.** Aggressively utilize the City's social media channels to publicize successes.

**2B.6.3.** Pitch stories about successful Denton companies to media outlets, such as the *Denton Record-Chronicle*, *Dallas Morning News*, *Fort Worth Star-Telegram*, *Dallas Innovates*, and *D Magazine*.

**2B.6.4.** Develop a Citywide entrepreneurial recognition program to harness the strengths of local efforts that already exist in Denton.

# CREATIVE DENTON CASE STUDY

## EMERGING PRAIRIE | FARGO, ND

[www.emergingprairie.com](http://www.emergingprairie.com)

### BACKGROUND

Emerging Prairie opened in 2013 with the mission of growing the entrepreneurial community in North Dakota and furthering economic growth for the state. Originally a for-profit organization, EP became a non-profit in 2016 in order to remain a financially stable independent organization.

Their revenue model is a mix of philanthropy and earned income, which is generated through consulting services, membership to the coworking space (the Prairie Den), and paid partnerships.

EP has three divisions: 1) the Ecosystem which includes the Prairie Den, events, conferences, and programming, 2) the Emerging Digital Academy, a full-time, 20-week coding school that launched in 2020, and 3) the Grand Farm Initiative, which will create an AI-based working farm prototype by the year 2025 while cultivating a support system for the future of farming.

### TAKEAWAYS FOR DENTON

- ▶ At a critical point in its history, EP changed its business model in order to diversify its funding sources and become more financially stable.
- ▶ While the coworking space is an important part of EP, its ecosystem consists of broader components aligned to clear economic goals and targets for growth.
- ▶ Equity and inclusion are viewed as a business imperative, and intentional efforts are made to diversify the entrepreneur pipeline.

### PROGRAM OUTCOMES (2019)

- ▶ Microsoft invested \$1.5 million in the Grand Farm Initiative
- ▶ EP held 135 events with more than 11,000 community members in attendance
- ▶ 41% increase in year-over-year membership

# 2C. SUSTAINABLE DENTON



## THE VALUE

Cities and regions are starting to embrace the growing importance of sustainability to economic vitality. Due to its 100 percent renewable energy goal, Denton is on track to becoming one of the most sustainable communities in the country. A select group of US cities have committed to this ambitious goal, and only a handful have achieved it. Aligning the City's economic development efforts with its sustainability goals can bring environmentally conscious growth to Denton that both enhances the City's environmental ethos and attracts business investment.

## THE ANCHORS

Denton Municipal Electric (DME) is one of Denton's greatest assets not only because of affordable rates but also because of its role in fostering sustainable development and growth. Denton's ability to meet 100 percent of its electric needs from renewable sources and have a local gas plant allows the City to maintain competitive rates, while also reducing its environmental impact. Building a sustainability-focused growth strategy with DME as a centerpiece will provide Denton with a strategic advantage in attracting green businesses and investment.

## THE ECOSYSTEM

Denton has a significant opportunity to lead the sustainability ecosystem in North Texas as well as the entire state. Its commitment to renewable energy and environmentalism is forward looking and progressive. Working closely with DME, the City's Economic Development Department can continue to build resources and incentives for greater energy efficiency among Denton's businesses. The City can leverage its reputation for sustainability to attract environmentally conscious businesses and be a thought leader in DFW's renewable energy sector. Strategies include identifying environmentally conscious businesses, preparing targeted marketing materials, helping developers and companies access federal energy incentives, and staying current on relevant trends.

# SUSTAINABLE DENTON ECOSYSTEM

## ANCHOR INSTITUTIONS

- ▶ Denton Municipal Electric
- ▶ UNT Department of Geography and the Environment
- ▶ UNT College of Engineering

## COMPETITIONS & EVENTS

- ▶ NTAEP TCEQ Trade Fair
- ▶ CleanTX GridNEXT Conference
- ▶ Society of Texas Environmental Professionals Annual DFW Meeting

## LOCAL CAPITAL

- ▶ Energy Efficiency Incentive
- ▶ Solar Installation Incentive
- ▶ Engineering Audit
- ▶ Standard Offer Incentive
- ▶ Green Business Program

## EMERGING PARTICIPANTS

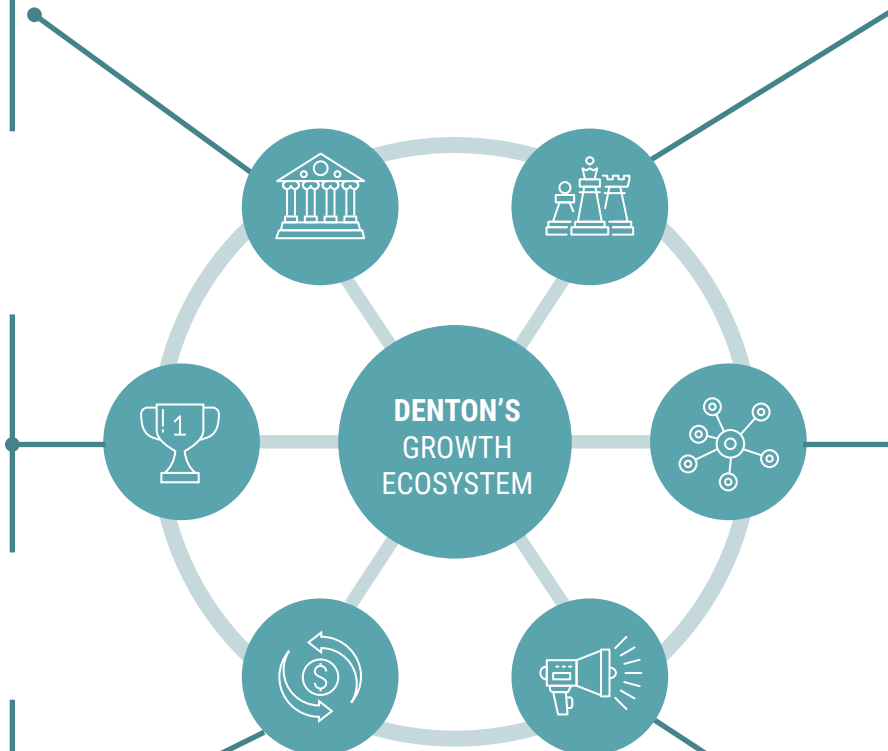
- ▶ Embassy Suites
- ▶ North Central Texas Council of Governments Public Works Council
- ▶ North Texas Green Council
- ▶ North Texas Renewable Energy Group
- ▶ Sierra Club Lone Star Chapter

## BUILDING BLOCKS

- ▶ North Texas Association of Environmental Professionals
- ▶ CleanTX
- ▶ Texas Municipal Utilities Association
- ▶ Advancing Data Center and IT (Information Technology) Infrastructure Professionals

## PUBLIC AWARENESS

- ▶ *Green Source DFW*
- ▶ *Renewable Energy*
- ▶ *Journal of Renewable and Sustainable Energy*
- ▶ *The Solar Reflector*

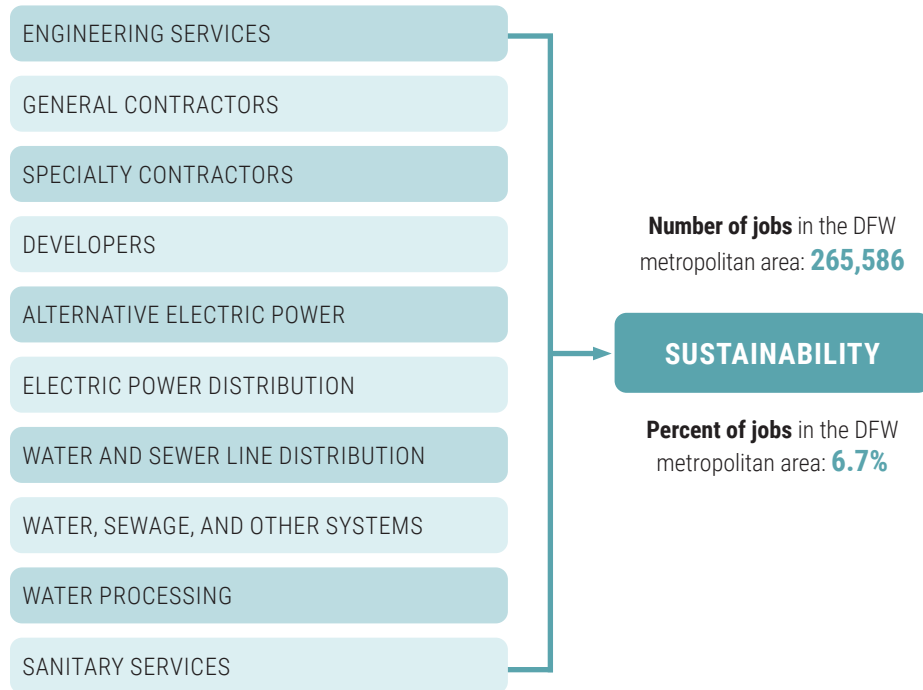




# SUSTAINABLE DENTON STRATEGIES

## RELATED INDUSTRIES AND SECTORS

Sectors and industries where Denton can have a sustainable impact include construction, utilities, and engineering. Representative EDA clusters include the following.



Sources: US Bureau of Labor Statistics; Emsi 2020.1—QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School (HBS); TIP Strategies.

Note: The cluster methodology developed at HBS has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi.

## STRATEGIES AND ACTIONS

**2C.1. SIMPLY SUSTAINABLE STRATEGIC PLAN.** Denton's *Simply Sustainable* strategic plan from 2012 was ahead of its time and offered a blueprint for improving the City's sustainability. Integrating economic development efforts with those goals can strengthen Denton's environmentally conscious identity and attract investments aligned with environmental priorities. This plan is not meant to replace other sustainability efforts from the City but is intended to draw attention to areas where the Economic Development Department can support and build on the City's existing sustainability strategies.

**2C.1.1.** Prioritize the energy efficiency and conservation goal from the *Simply Sustainable* plan by focusing on building standards and incentives for greener residential and business development.

- ▶ Explore options for putting this priority into practice, such as creating a green incentive fund, dedicating part of an existing fund, or establishing a point system for the award of incentives.

**2C.1.2.** Work with DME and the City's Development Services Department to better understand green building standards, including what is currently required of developers.

- ▶ Continue to incorporate leadership in energy and environmental design (LEED) certification and environmentally beneficial activities into incentive policies and development standards.
- ▶ Develop tiers of building standards that will promote sustainability and can be opted into by developers who want to build more environmentally friendly buildings.

**2C.1.3.** Build a more robust set of incentives to encourage developers to adopt green building standards. More incentives should be offered for developments that meet higher tiers of standards.

- ▶ Strengthen the commercial incentives currently offered by DME by offering stronger incentives differentiated by different levels of energy efficiency.

# SUSTAINABLE DENTON STRATEGIES

- ▶ Collaborate with the City's Development Services Department in adding structural incentives for green buildings, such as expedited review/permitting processes and density bonuses.
- ▶ Reduce or reimburse fees for developments that follow green building standards. Examples of fees include review/permitting fees and impact fees. This might require setting aside funds for fee reduction/reimbursement.

**2C.2. TARGET ENVIRONMENTALLY CONSCIOUS BUSINESSES.** Denton has an opportunity to target environmentally conscious businesses that are attracted to the community's sustainability and conservation efforts. The community's commitment to and actions toward sustainability will make Denton a national, and even global, leader in sustainable growth and green development.

## ENERGY EFFICIENT DATA CENTERS

"More and more IT companies are boasting of their **commitment to achieving 100 percent reliance on renewable energy**. To fulfil such pledges, some of the biggest are building their own energy campuses... More often, the data titans sign contracts to receive dedicated supply from existing wind and solar farms. In the U.S., those can still be hard to come by."

—Fred Pearce, "Energy Hogs: Can World's Huge Data Centers Be Made More Efficient?" *Yale Environment 360*.

- 2C.2.1.** Identify businesses that are high electricity users, such as data centers. DME's competitive rates and the ability to power businesses using 100 percent renewables is a good marketing opportunity for both the company and for Denton.
- ▶ While data centers do not bring many jobs to a community, they consume vast amounts of electricity, which will provide Denton with additional revenue. Global innovation is focused on making data centers more energy efficient, and Denton can be on the cutting edge of this movement because of its renewable resources.

- ▶ According to a CBRE US Data Center Trends report, the DFW Metroplex was the second fastest-growing market for data centers in 2019. Low utility costs, ease of transportation access, incentives, and safe climate conditions make DFW an ideal location for data centers.

**2C.2.2.** Provide technical assistance to developers and businesses that want to leverage federal incentives, such as the Business Energy Investment Tax Credit, or obtain LEED certification.

**2C.2.3.** Network with regional and statewide organizations focused on clean energy, municipal utilities, and data centers to understand trends and develop relationships with industry leaders.

**2C.2.4.** Connect with real estate developers and site selectors who have experience supporting environmentally conscious firms or industries that would benefit from renewable energy.

- ▶ For example, there are data center operators and developers who specialize in data center development. Example firms include Edgecore Networks, Aligned Energy, and CBRE's Data Center Solutions group. The City should develop relationships with these firms and pitch Denton's value proposition for data centers, including low utility rates, 100 percent renewable energy, and other incentives offered to businesses seeking to expand or relocate to Denton.
- ▶ Denton should also build stronger relationships with site selectors, both general and those specializing in specific industries. The list of related industries and sectors provided earlier in this section provides a starting point. It is worth noting that priority relocation and attraction factors still include land availability, low utility rates, access to skilled labor, and easy logistics. Denton's renewable energy is a value-add but should not be relied on alone to drive site selection and relocation decisions.

# SUSTAINABLE DENTON STRATEGIES

**2C.3. THINK GLOBAL, ACT LOCAL.** In 2015, the United Nations Member States adopted 17 Sustainable Development Goals (SDGs). The SDGs create a vision for economic prosperity, sustainability, and equity that is shared by many cities around the world, including Denton. The City's leaders have an opportunity to think global and act local by adopting several SDGs focused on sustainability and economic growth.

**2C.3.1.** Adopt the SDGs as part of the City's work plan and formally make them a priority for the City of Denton through Council approval. The four SDGs most related to Denton's sustainability and economic development efforts are highlighted here.

- ▶ **SDG 7: AFFORDABLE AND CLEAN ENERGY.** Ensure access to affordable, reliable, sustainable, and modern energy for all.
- ▶ **SDG 8: DECENT WORK AND ECONOMIC GROWTH.** Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.
- ▶ **SDG 9: INDUSTRY, INNOVATION, AND INFRASTRUCTURE.** Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation.
- ▶ **SDG 11: SUSTAINABLE CITIES AND COMMUNITIES.** Make cities and human settlements inclusive, safe, resilient, and sustainable.

**2C.3.2.** Align performance metrics with the targets and indicators associated with each SDG. Not all targets will be directly applicable, so Denton can also set its own targets aligned to the SDGs. See the "Strategic Performance Metrics" section for more details.

**2C.4. GREEN MARKETING.** Denton should be commended for the ambitious sustainability goals and significant progress toward those goals. These sustainability efforts should not be distinct from the City's economic development activities. With better marketing of Denton's sustainability as a business advantage, the City can achieve both its environmental and economic ambitions. See the "Marketing" section for more details.

**2C.4.1.** Incorporate Denton's Green Business Program in economic development digital marketing. The program can benefit from more targeted promotion to the business community.

- ▶ Add an annual award or appreciation period for Denton's most sustainable and energy efficient businesses.
- ▶ Promote the Green Business Program during BRE visits and include information on participation in the City's database of existing businesses.

**2C.4.2.** Revise digital marketing materials to include a greater focus on Denton's sustainability goals and 100 percent renewable energy resources.

- ▶ According to the Sierra Club, over 150 US cities have committed to 100 percent renewable electricity for their entire communities. Fewer than 10 cities have already achieved this milestone, and soon Denton will be in that elite group. This should be promoted widely and used as a focal point in economic development materials.
- ▶ Create more specific resources to target companies in the clean energy sector and include information on incentives for those companies to relocate or expand to Denton.

**2C.4.3.** Cultivate relationships with regional and statewide clean energy networks. Treat these networks as a channel for promoting Sustainable Denton as well as furthering business attraction efforts.

# SUSTAINABLE DENTON STRATEGIES

FIGURE 4. UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



Source: United Nations, Sustainable Development Goals Knowledge Platform.

# SUSTAINABLE DENTON CASE STUDY

## EPICENTER

SAN ANTONIO, TX

[www.epicenterus.org](http://www.epicenterus.org)

### BACKGROUND

Cofounded in 2015 by CPS Energy (San Antonio's municipal electric utility company) and three energy technology companies (OCI Solar Power, Itron and Landis+Gyr), EPI (EPIcenter) is a nonprofit innovation hub focused on sustainable energy research with a local, national, and global perspective.

EPI advances the industry through the EEIA (EPI Energy Incubator and Accelerator) program, advisory services, and networking events and conferences. EEIA's mission is to support early-stage startups with commercially viable technologies and services related to sustainable energy innovation.

EEIA matches startups with mentors and subject matter experts to help create and refine business plans as well as connect to the funding, legal, and capital sources needed to achieve commercialization and financial sustainability. EEIA also offers tiered membership for businesses and entrepreneurs who are looking for select services or virtual support.

### TAKEAWAYS FOR DENTON

- ▶ Municipal utilities can support economic development efforts in a variety of ways beyond providing utilities.
- ▶ DME can play a central role in facilitating green energy innovation in Denton, especially as the City reaches its 100 percent renewable resource goal.
- ▶ The combination of Denton's entrepreneurial scene and broader sustainability goals makes Denton a prime location for clean tech and green energy startups.

### PROGRAM OUTCOMES (2019)

- ▶ Since its inception in 2017, EEIA has supported six to seven startups per cohort.
- ▶ EPI has hosted three international summits and conferences focused on sustainable energy.
- ▶ San Antonio-based EEIA member, Terra Solar, won \$50,000 in the Department of Energy's 2020 American-Made Solar Prize.
- ▶ University of Texas at San Antonio Leaptran won a Smart 50 Award for its energy monitoring and control system for buildings in 2019.

# 2D. COMPETITIVE DENTON



Photo by Annie Spratt via Unsplash

## THE VALUE

Planned developments and improved infrastructure will continue to elevate Denton as a vibrant economic node in the DFW Metroplex. Denton already has unique assets in its universities, hospital systems, and authentic town square that make it stand apart from other DFW communities. As new housing developments and transportation improvements are made over the next 10 years, Denton will be in a more competitive position for business development and talent attraction.

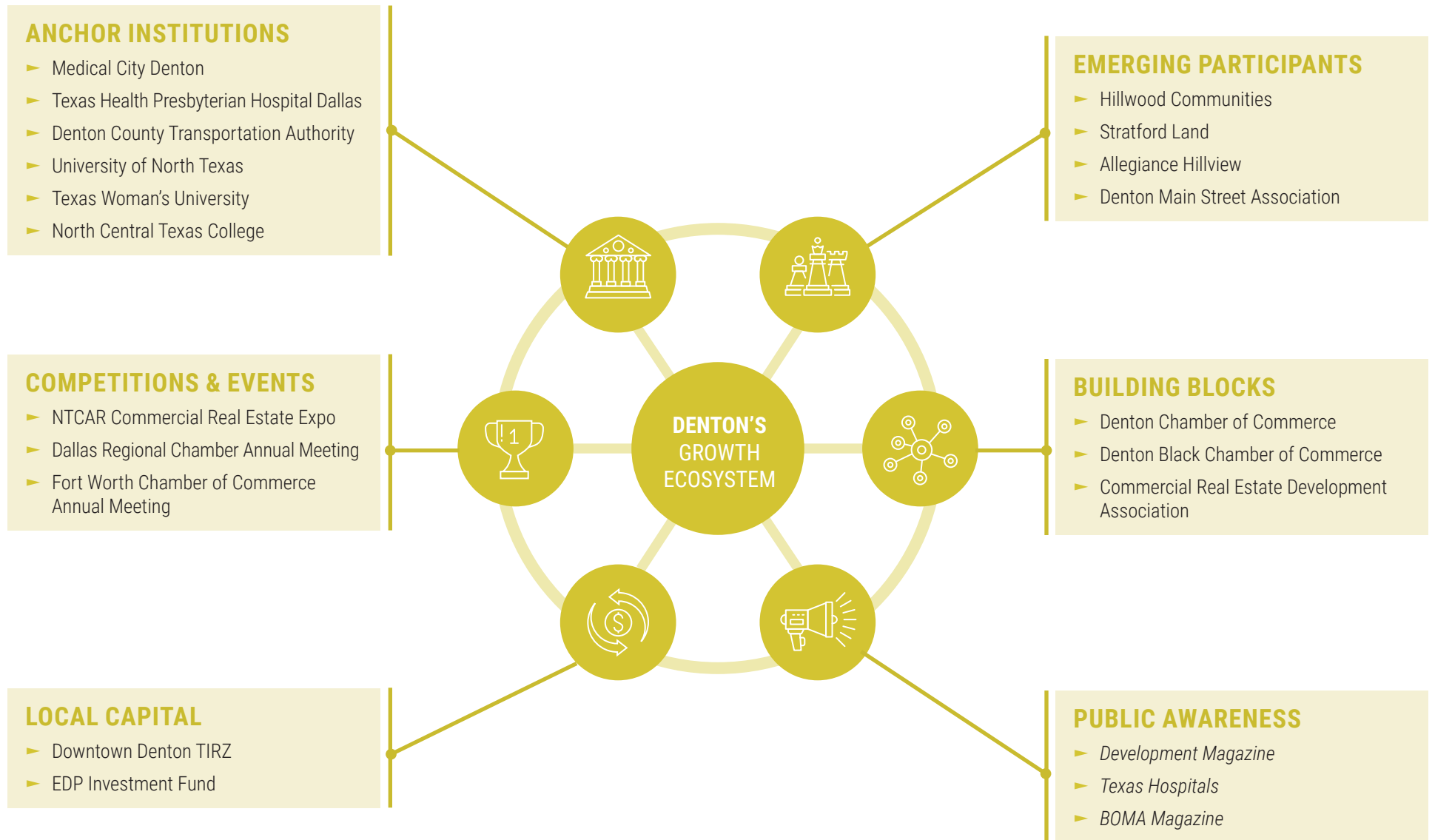
## THE ANCHORS

Denton's strong hospital systems draw visitors to the City to receive vital medical services. These hospitals provide a fundamental service for the entire county and contribute significant tax revenue for the City of Denton both directly and indirectly. Furthermore, the A-train rail service and bus system operated by the Denton County Transportation Authority (DCTA) provide critical transit infrastructure that many other DFW communities lack. Leveraging these anchors for future development is crucial for Denton's long-term growth.

## THE ECOSYSTEM

Numerous recent and planned developments are raising Denton's profile and will position the community for more business investment and new residents. Most notably, the Cole and Hunter Ranch development off I-35W will alter Denton's profile for the better and make the City a formidable competitor for DFW businesses and talent. Facilitating the success of these developments, continuing to incentivize downtown growth, and improving vital infrastructure will lay the groundwork for Denton's long-term vitality.

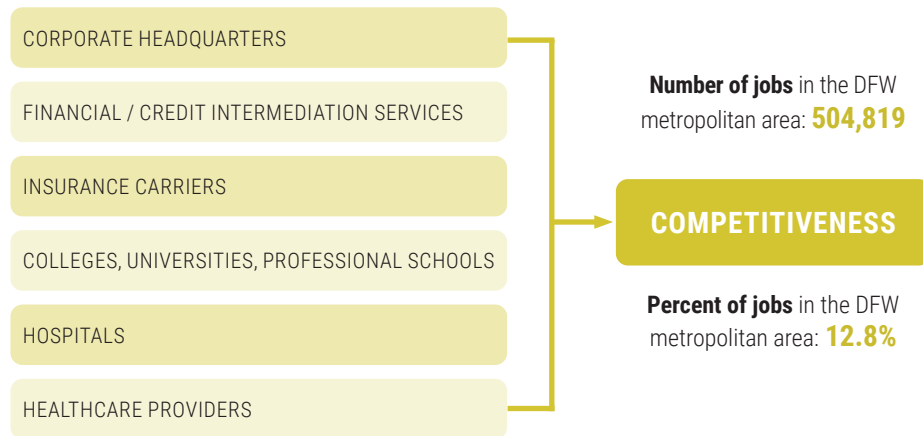
# COMPETITIVE DENTON ECOSYSTEM



# COMPETITIVE DENTON STRATEGIES

## RELATED INDUSTRIES AND SECTORS

With the Hunter Ranch and Cole Ranch developments, Denton is poised for a major expansion of both residents and jobs. To be competitive, Denton must capture an adequate share of DFW's growth in areas such as higher education, healthcare, and office campuses. Representative EDA clusters include the following.



Sources: US Bureau of Labor Statistics; Emsi 2020.1—QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School (HBS); TIP Strategies.  
Note: The cluster methodology developed at HBS has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi.

## STRATEGIES AND ACTIONS

**2D.1. COLE AND HUNTER RANCH.** Denton City Council's approval of the Cole and Hunter Ranch development will bring significant change to Denton. The addition of new homes, an employment center, retail amenities, and greenways stretched across 6,400 acres will transform Denton into a major economic hub. The development also opens the potential for more industrial and commercial development, especially south of the airport.

**2D.1.1.** Dedicate staff resources to supporting Hillwood and Stratford in making the Cole and Hunter Ranch vision come to fruition.

**2D.1.2.** Provide concierge services to help the developers navigate processes across City departments and solve challenges that arise.

**2D.1.3.** Continue to work with Hillwood and Stratford to ensure that a mix of housing options, from high-density to low-density, are built to increase the diversity in Denton's housing stock.

- ▶ The development will bring higher-end housing options that are necessary to attracting and retaining many high-paying jobs and professional talent.
- ▶ The City can work with Hillwood and Stratford to ensure that a mix of commercial, industrial, and retail opportunities unfold as planned. The developers already have a master plan for the development; therefore, the City should continue to work with them, maintain flexibility as issues arise, and help resolve challenges in a timely manner to not delay development.

**2D.2. DOWNTOWN DEVELOPMENT.** Successful downtown development and an authentic town square are among Denton's top economic development achievements. The City should continue to prioritize the downtown area by incentivizing residential and commercial development beyond the square.

**2D.2.1.** Sustain implementation of the City's *Downtown Implementation Plan* adopted in 2010.



# COMPETITIVE DENTON STRATEGIES

- ▶ The plan's recommendations to create more mixed use, pedestrian-friendly development extending off the downtown square are still essential to Denton's success.

**2D.2.2.** Continue utilizing various tools (development incentives, Chapter 380 agreements, TIRZ financing, and historic tax exemptions) to stimulate new private investment in the downtown.

- ▶ Some communities offer incentives to developers in order to build developments aligned with the goals of the cities. Incentives for developers often come in the form of fee reimbursements, density bonuses, expedited processing, and other rebates. Developer incentives are commonly used to stimulate development of affordable housing (or mixed-income housing in dense areas) as well as energy-efficient buildings.

**2D.2.3.** Prioritize development of additional residential and commercial office space in downtown Denton, especially the corridors extending off the square.

- ▶ It is important to incentivize the location of new industrial businesses and the relocation of existing industrial businesses to Westpark Industrial Park so that downtown Denton can be more pedestrian friendly and accommodate nonindustrial companies.
- ▶ Though the downtown square is thriving, more focus on the corridors extending off the square will help transform downtown Denton into a thriving residential and commercial district.

**2D.3. PROFESSIONAL OFFICE SPACE.** Denton's lack of professional office spaces poses a barrier to the growth of existing companies as well as the attraction of larger professional services firm. To boost Denton's competitiveness for business investment, the City must incentivize the development of office spaces.

**2D.3.1.** Promote the development of Class A buildings for office space and creative redevelopment of existing structures to attract professional services and tech-oriented companies.

- ▶ The City could utilize a Chapter 380 agreement to incentive the development of new or refurbished office space in the downtown for small businesses and entrepreneurs.

▶ Alternatively, the City might apply for a grant from the US EDA to support the public infrastructure needed for a development project.

- ▶ Ensure that new Class A building office space is developed as planned in the Cole and Hunter Ranch developments to create a new employment center for Denton.

**2D.3.2.** Utilize financial incentives to support the development of new or refurbished office space.

- ▶ For example, Sugar Land, Texas, created an incentive focused on Class A building development. The existing incentives (e.g., grants, loans, tax abatements) to real estate developers who create new Class A building office space according to a range of guidelines.

**2D.3.3.** Strengthen relationships with the regional real estate development and brokerage community by hosting quarterly or annual meetings with DFW real estate professional and trade associations.

**2D.4. INFRASTRUCTURE.** As Denton continues to grow, the need for its infrastructure to keep up is paramount. The City's Economic Development Department team should work with the City's Development Services Department in prioritizing improvements that will provide the most return on investment and catalyze other transformational projects.

**2D.4.1.** Extend basic infrastructure to north Denton around Loop 288 to lay the groundwork for future residential and commercial development after TxDOT completes reconstruction of the loop.

**2D.4.2.** Improve the aesthetics and accessibility of main corridors leading into the downtown square. Dallas Drive and Fort Worth Drive are the main entrances from I-35 into the City core.

# COMPETITIVE DENTON STRATEGIES

**2D.4.3.** Launch a Denton Fiber initiative to expand broadband connectivity and access to all businesses and residents.

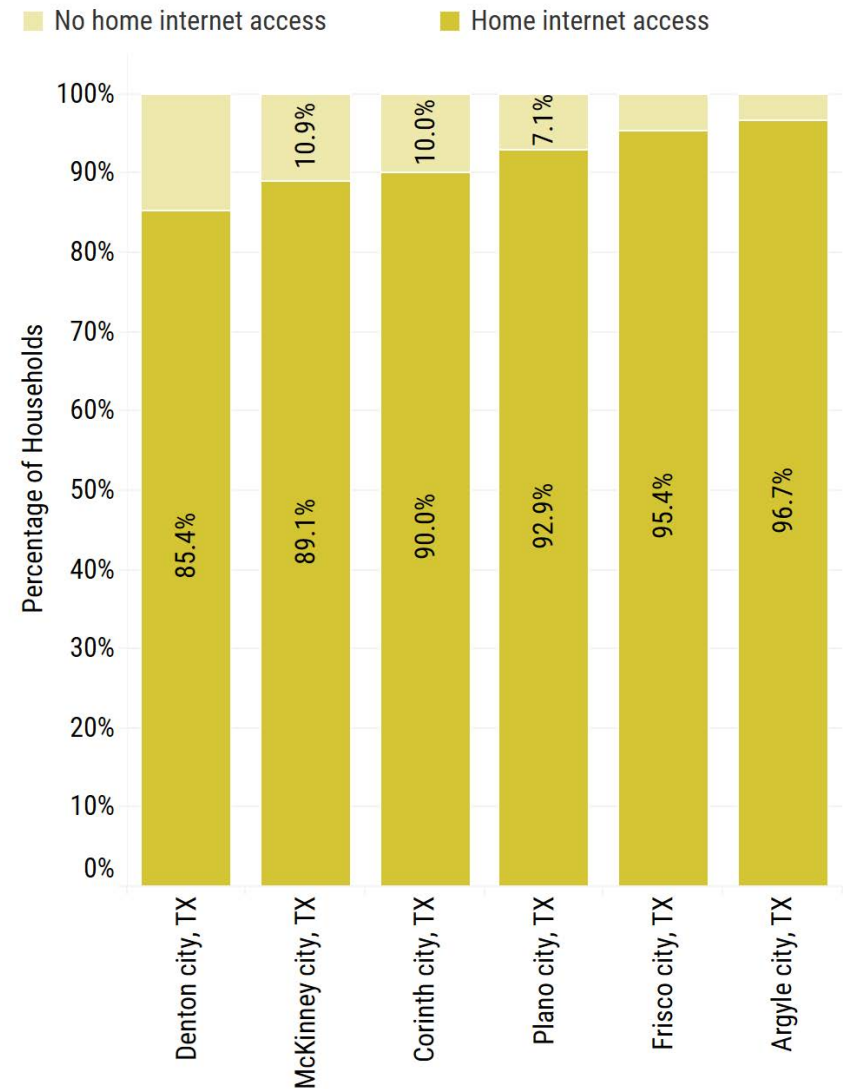
- ▶ Work with all broadband internet providers in Denton to create an initiative under one brand as a tool to attract technology companies, investors, and talent.
- ▶ Develop procedures and requirements for the installation of 5G infrastructure in new developments to prepare Denton for future technology.
- ▶ Close the digital divide by targeting resources to expand internet access for Denton residents. As seen in Figure 5, a larger share of Denton’s residents lacks broadband internet at home compared to surrounding communities.
- ▶ Explore building a municipally owned broadband network and leasing it to internet service providers to incentivize last-mile services to residents in low- and moderate-income neighborhoods.
- ▶ The City can also apply for an EDA grant to help cover infrastructure costs associated with an initiative to expand broadband connectivity in Denton.

**2D.5. DIGITAL MARKETING.** One of the most common challenges cited by stakeholders is the ability to tell the “Denton story” in a way that fully captures the City’s advantages and leverages modern communications platforms. Digital marketing resources are necessary for a modernized economic development program.

**2D.5.1.** Refresh the Denton EDP website so that it serves as the City’s primary online portal for economic development prospects, site location consultants, commercial real estate brokers, and other business decision-makers. The new sites should include features and information such as the following.

- ▶ The City’s specific functions related to economic development (e.g., incentive programs, economic development initiatives, staff directory).

**FIGURE 5. BROADBAND CONNECTIVITY IN DENTON**  
SHARE OF HOUSEHOLDS WITH ACCESS TO BROADBAND INTERNET AT HOME



Sources: American Community Survey, 2018 5-year sample; TIP Strategies.

# COMPETITIVE DENTON STRATEGIES

- ▶ Focus on providing relevant details highlighting what makes Denton competitive for investment and talent in its strategic growth areas.
- ▶ Present in-depth profiles and descriptions of local and regional workforce strengths.
- ▶ Include testimonials from business leaders about why Denton is a great place to do business. This information can be captured during BRE visits.

**2D.5.2.** Establish a digital marketing campaign to highlight Denton's economic development advantages and success stories. Develop baseline digital marketing tools and engage in regular digital marketing activities, including the following.

- ▶ Infographics created to visually highlight Denton's core assets and advantages.
- ▶ Periodic LinkedIn Pulse articles that describe Denton's competitive business advantages, using interviews with existing businesses to tell their story.
- ▶ Weekly Facebook, LinkedIn, and Twitter posts linking to the Pulse article.
- ▶ Short YouTube videos created to highlight what makes Denton a great community for businesses and residents. These videos can also be aired on Denton Television.

**2D.5.3.** Collaborate with the Denton Chamber of Commerce to create digital materials aimed at commercial real estate brokers, describing the attractive environment for business relocation.

- ▶ Use the material to teach local brokers about the top selling points of Denton and why it stands out compared with the rest of the DFW Metroplex.

# COMPETITIVE DENTON CASE STUDY



## GIG CITY

CHATTANOOGA, TN

[www.chattanoogaigig.com](http://www.chattanoogaigig.com)

## BACKGROUND

In the last half of the twentieth century, Chattanooga was a city in decline. Many residents did not have access to broadband services, and talent was fleeing in search of better opportunities. TEC (The Enterprise Center), a nonprofit public-private partnership, was created and tasked with growing a high-tech ecosystem in Chattanooga and improving its citizens' lives through technology.

To minimize power outages and create a smart grid for the city, EPB (Chattanooga's municipal electric utility company) began to update its electrical grid with fiber optic cables. EPB and city officials realized that universal access to fiber could also slow the outflow of talent and attract businesses.

Since then, TEC has prioritized research and development of the smart grid by connecting EPB and the University of Tennessee at Chattanooga with organizations across the nation. In 2019, EPB remains the only provider in the nation to offer residential 10-gigabit internet service. EPB's territory extends over 600 miles and includes more than 100,000 customers for its telecom services.


## TAKEAWAYS FOR DENTON

- ▶ Leverage DME's workforce and capabilities to lay the foundation for advanced technology benefitting both residents and businesses.
- ▶ Create an inclusive and affordable broadband network for residents and businesses to enable growth and prosperity.
- ▶ Market Denton as a technologically advanced and inclusive community to attract new residents and drive business investment in the city.

## PROGRAM OUTCOMES (2019)

- ▶ In 2009, EPB received \$111 million from the US Department of Energy to build its fiber network.
- ▶ Between 2011 and 2016, almost 4,000 jobs were created or maintained in Hamilton County, Tennessee. Chattanooga generated nearly \$1 billion as a direct result of its fiber optic network.
- ▶ Having the fastest internet connection in the nation has attracted major businesses (e.g., Volkswagen and Amazon), startups and investors, and led to the creation of an Innovation District.

# GOAL 3 STRENGTHEN COMMUNITY INCLUSION



*Align economic, workforce, and community development efforts to meet critical community needs and to strengthen community inclusion.*

Many in the economic development field are beginning to recognize the importance of inclusive economic growth to provide opportunity for all residents, particularly those with lower incomes or levels of educational attainment. An economic development strategic plan that does not address how to deliver broader prosperity to all constituents would be shortsighted. This is especially imperative for Denton, which has a larger share of low-income residents than its peers. The median household income in Denton is \$56,500, falling below the overall median household income in Denton County of \$83,400 (American Community Survey, 2018 5-year sample).

Efforts to grow Denton's existing industries and attract new business investment will not guarantee that Denton's vulnerable communities will be able to share in this prosperity. Denton cannot afford to leave existing residents behind. Addressing the challenges and barriers that low- and moderate-income residents face will be crucial to creating a more economically vibrant and resilient community.

The City's Economic Development Department and Community Development Department teams already recognize this reality and are collaborating on efforts to expand affordable housing in Denton. This collaboration should be expanded on and integrated with workforce development priorities. Expanding affordable housing options and building career pathways in high-demand industries are two central ways that the City can align its economic, workforce, and community development efforts to benefit Denton's most vulnerable residents.

## STRATEGIES AND ACTIONS

- 3.1. WORKFORCE COLLABORATIVE.** Successful communities across the US are focused on aligning the needs of businesses and creating workforce pathways for residents. Denton should convene businesses, training providers, and nonprofits to work together in creating meaningful career pathways in critical sectors.
- 3.1.1.** Build off the workforce collaborative, detailed in Strategy 1.4, to focus on workforce needs during the period of economic recovery.
    - ▶ Convening a workforce collaborative should be an ongoing task of the City's Economic Development Department team.
    - ▶ Connect any efforts of a Denton-specific workforce collaborative to the work of the DCWSLT focused on the ALICE population.
  - 3.1.2.** Continue to convene regular meetings with major employers, Workforce Solutions, NCTC, and other providers to identify business needs and connect unemployed residents to jobs.

# GOAL 3 STRATEGIES

- ▶ Considering COVID-19, the immediate focus should be on supporting unemployed residents in connecting to jobs or reskilling them for new opportunities.

**3.1.3.** Over the long term, identify two to three occupations and/or skills that are critical to Denton employers and develop pathways to support residents in moving into those roles.

**3.1.4.** Organize the collaborative around sharing data, coordinating demand and supply, aligning efforts to build talent pipeline, and streamlining BRE efforts.

## TALENT-DRIVEN ECONOMIC DEVELOPMENT PRIORITIES

1. “Realign state economic development spend to invest in proven training solutions, such as customized job training grants and community college partnerships.
2. Target economic development incentives towards opportunity-rich business practices that help build local talent pipelines.
3. Develop and disseminate new skills-based hiring tools that facilitate more efficient and equitable hiring practices.
4. Test new local talent financing solutions, such as revolving loan funds, that target training toward high-demand jobs.
5. Experiment with new regional Talent Exchange intermediaries that connect middle schools, high schools, community colleges, higher education institutions, and in-demand skills providers with businesses in key growth sectors.”

—Joseph Parilla and Sifan Liu, *Talent-Driven Economic Development: A New Vision and Agenda for Regional and State Economies*, Brookings Institution, 2019.

**3.2. HOUSING AFFORDABILITY.** In addition to needing higher-end housing options (see Appendix A for more details), Denton also has a housing affordability issue. Compared to surrounding cities, Denton has a larger share of high-need populations. City leaders must address the needs of low- and moderate-income residents to ensure that Denton’s growth is equitable and inclusive.

**3.2.1.** Continue to collaborate with the City’s Community Development Department in supporting the development or redevelopment of affordable housing in south and east Denton.

**3.2.2.** Preserve existing housing by offering financial assistance for repairs or retrofitting to maintain naturally occurring affordable housing.

- ▶ Work with community development organizations to leverage and scale up existing programs (versus creating new ones).
- ▶ Coordinate with the organizations and individuals preparing the City’s affordable housing strategic plan to identify the best approach.

**3.2.3.** Leverage the federal Opportunity Zones incentive and New Markets Tax Credit to support the development of valuable projects that will support the needs of existing residents.

- ▶ Work with the Community Development Department and community organizations to identify projects that need access to capital and can add value to under-resourced neighborhoods.
- ▶ Identify specific projects that would benefit the community and pitch the projects to investors in the DFW area with Opportunity Funds.
- ▶ Offer financial and other incentives to facilitate the development of these projects. Utilize community development block grants and other economic development grants as well as support through City processes.
- ▶ Seek philanthropic funding to support project finances in order to reduce risk for developers and make affordable housing projects more financially feasible.

**3.2.4.** Identify opportunities for adaptive reuse of existing buildings that can be converted into multiunit housing and preserve existing structures and utility connections.

**3.2.5.** Improve the development review process to decrease costs for those committed to building workforce and affordable housing.

- ▶ Expedited reviews, fee reimbursements, and preapproved plans at low or no cost are best practices used by other communities.

# GOAL 3 STRATEGIES

**3.3. GROW YOUR OWN TALENT INITIATIVE.** One of Denton's top assets is the young talent and energy that the City possesses, due in part to the presence of multiple universities. Over 58 percent of Denton's population is below the age of 35. By strengthening youth programs and retaining more graduates, Denton can significantly strengthen its talent pipeline and competitiveness for business investment.

**3.3.1.** Support youth entrepreneurship programs at the local level to foster a culture of innovation and cultivate an entrepreneurial spirit.

- ▶ Support could include promotion of activities, programs, and events; financial sponsorships; or participation in the event and/or planning.
- ▶ Entrepreneurship education is significant for helping low-income youth to develop skills and knowledge that will support their future success and benefit their communities.
- ▶ The National Consortium for Entrepreneurship Education provides resources and technical assistance for entrepreneurial education (<http://www.entre-ed.org>).

**3.3.2.** Encourage Denton ISD to incorporate entrepreneurship into academic curricula and increase exposure and access to Denton's startups.

**3.3.3.** Gather data from UNT, TWU, and NCTC about graduates, including how many students stay in Denton and the DFW Metroplex versus relocating to other parts of the state or country.

- ▶ Identify programs or departments that produce graduates in industries and sectors related to Denton's strategic growth areas.
- ▶ Enhance student connections to the Denton community and businesses by creating internship opportunities, showcasing Denton businesses on campus, and targeting digital marketing for some events and programs to students.

# CAPACITY AND RESOURCES

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**NOTICE**

**SHOES OPTIONAL  
BEYOND THIS POINT**



Denton’s ability to successfully modernize its economic development programs and implement this plan will depend on a revised approach to its governance and funding mechanisms for economic development. Additionally, the City will require more robust customer relationship management (CRM) systems to track leads and manage information about Denton’s businesses.

This section describes considerations for Denton’s capacity and resources to carry out a modernized economic development approach. Recommendations and considerations are provided related to Denton’s EDP, funding resources for short-term economic recovery and long-term success, and internal systems for the City.

## ECONOMIC DEVELOPMENT PARTNERSHIP

The Denton EDP was created in 1987 to formalize shared economic development responsibilities and functions between the City and the Denton Chamber of Commerce. One of TIP’s primary recommendations in the 2003 economic development strategic plan was to create the EDPB to oversee activities of both the City and the chamber. Since then, the EDPB has grown to include representatives from the public and private sectors, anchor institutions, and major constituencies across Denton.



The goals and mission of the EDP remain relevant and appropriate for Denton’s economic development efforts. As Denton navigates economic recovery from the COVID-19 pandemic, the EDP will play a critical role in supporting businesses and residents. The economic fallout will be too great for individual organizations and entities to manage alone. It is pivotal that the EDP coordinates efforts to accelerate recovery.

Once Denton’s economy recovers from the COVID-19 effects, the EDP will play a leading role in fostering growth and capitalizing on planned investments, such as the Cole and Hunter Ranch development. It will be more necessary than ever to have a high-functioning EDP that can be aggressive, targeted, and strategic in its approach to economic development. Figure 6 provides an overview of the EDP governance structure.

Recommendations for the EDP structure include three changes.

1. Creating a partners working group with staff to coordinate core economic development activities.
2. Aligning representation on the EDPB with priorities and strategic growth areas outlined in this plan.
3. Changing the EDPB’s meeting cadence to a quarterly, rather than monthly, basis.

FIGURE 6. ECONOMIC DEVELOPMENT PARTNERSHIP STRUCTURE

|                   | <br><b>PARTNERS WORKING GROUP</b>               | <br><b>EDP BOARD</b>                     |
|-------------------|--|---|
| Membership        | City, Chamber, DME staff, EDPB Chair or Vice-Chair   | Broad group of stakeholders   |
| Meeting Frequency | Monthly  | Quarterly   |
| Purpose           | Coordinate economic development tasks and activities with a focus on prospect generation, business attraction, BRE, and marketing. | Make strategic decisions related to Denton’s economic development goals and the resources necessary to meeting those goals. |

To facilitate closer coordination, the EDP needs a smaller **working group**, including primary partners who can manage day-to-day economic development activities.

- ▶ This working group should be comprised of staff from the City, the chamber, and the DME. Regular participation from the EDPB chair and/or vice-chair should be included to bridge between the working group and full EDPB.
- ▶ Monthly meetings of the partners working group will provide a regular cadence of check-ins about prospects and progress toward implementing the strategies and actions in this plan.

A more focused and strategic **EDPB** should be revised to include representatives from critical sectors and organizations in Denton aligned to the strategies outlined in this plan.

- ▶ EDPB meetings should be shifted to a quarterly schedule and focused on Denton’s broad economic development goals and the resources necessary to meeting those goals.
- ▶ The current size of the EDPB should be maintained, but seats on the board should be revised to include new representation from the following sectors and functions.
  - ▶ Denton Municipal Electric
  - ▶ Entrepreneurship and/or technology
  - ▶ Workforce development
  - ▶ Community development
  - ▶ Marketing and/or tourism

- ▶ Additionally, the EDPB should explore using informal, ad hoc task forces (as needed) to advance work around significant issues like COVID-19 economic recovery and workforce development.

## FUNDING

One of the reasons why Texas is one of the most economically competitive states in the country is a statewide policy allowing local communities to dedicate a portion of their sales tax to fund economic development corporations (EDCs). Communities across the state utilize Type A (focused on industrial development) or Type B (focused on industrial development, parks, museums, sports facilities, and affordable housing) EDCs in order to fund economic development projects. As evidenced in Figure 7, many of Denton's surrounding neighbors dedicate resources toward economic development in this way.

Denton has elected to dedicate its sales tax resources to the DCTA rather than create an EDC. With a sizeable portion of the City's land off the tax rolls, most of the City's total revenue comes from sales tax and property taxes from a smaller group of businesses and households. Denton needs to find creative ways to increase the level of resources dedicated to economic development efforts. Successful implementation of this strategic plan will demand increased investment.

## ECONOMIC RECOVERY AND RELIEF

In the short term, Denton's resources should be focused on providing relief to and accelerating recovery for business and residents. This can be challenging for many communities, as the level of need far exceeds the resources and capacity available. Furthermore, local governments will likely see a decline in their budgets as revenue from sales and other taxes have decreased during the COVID-19 pandemic. Fortunately, Denton County received a large share of the federal 2020 Coronavirus Aid, Relief, and Economic Security (CARES) Act and plans to use \$24 million for business support.

Communities across the US have implemented a few best practices in supporting economic recovery that might be models for Denton. In addition to the strategies highlighted under Goal 1 Accelerate Recovery, the City should apply for federal stimulus funds, repurpose existing tools, and create public-private initiatives.

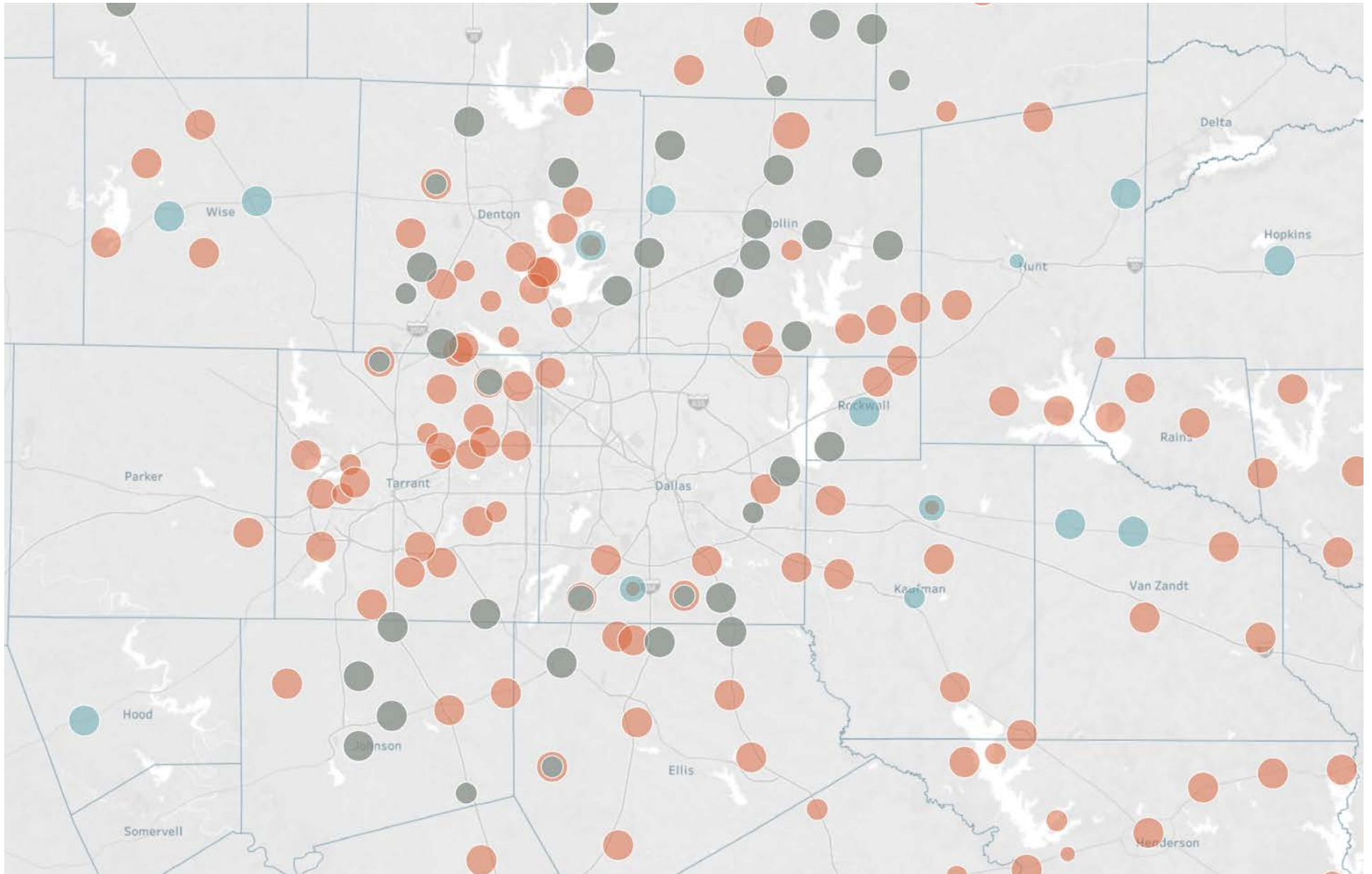
- ▶ **APPLY FOR FEDERAL STIMULUS FUNDS.** The EDA allocated \$1.5 billion from the CARES Act to supplement existing funds dedicated to the Public Works and Economic Adjustment Assistance programs. These programs

provide economically distressed communities and regions with funds to support job creation and retention, innovation, enhanced manufacturing, workforce development, and business investment. Some census tracts within Denton meet economic distress criteria. The City's Economic Development Department team has already identified potential projects that will benefit important communities and priorities in Denton. Efforts to package a possible grant submission to the EDA should be prioritized, as this is a prime opportunity to leverage federal funds to accelerate economic recovery and to support catalyst projects.

- ▶ **REPURPOSE EXISTING TOOLS.** As Denton businesses start to reopen, it is possible that county-level funds will be enough to meet the needs of the business community. However, as the City continues to develop an understanding of how economic recovery is unfolding, there might be gaps in relief and recovery tools that can be filled by temporarily revising existing tools. For example, the EDP Investment Fund, TIRZ funds, and Chapter 380 grants might need to be repurposed to benefit groups that are unable to access county or federal funds. The City could provide targeted supports by creating more flexibility within existing tools.
- ▶ **CREATE PUBLIC-PRIVATE INITIATIVES.** Some communities have formed a public-private partnership to coordinate resources across organizations, provide technical assistance for businesses applying for federal funds and sharing information about the effects of COVID-19 across their cities. Denton is already doing this to provide rental and residential utility assistance. A more robust example of this is #BhamStrong, a public-private partnership formed in Birmingham, Alabama. The partnership includes local businesses, the United Way, the municipal government, and more. Partners have created a resource directory for businesses and residents seeking relief, financial assistance, and information.

While existing resources might be limited for the City, creating an economic relief fund in collaboration with the chamber might be helpful in aiding recovery efforts. Alternatively, repurposing the EDP Investment Fund in the short term to provide relief and recovery aid is another option. The regional economic development group formed with the chamber, Denton County, and other economic development partners could potentially be expanded to play a stronger role in aggregating information, providing technical assistance, and offering other resources during economic recovery.

FIGURE 7. SALES AND USE TAX ELECTIVES AS OF MARCH 2020



Sources: Texas Comptroller of Public Accounts; TIP Strategies.  
Note: Larger bubble sizes indicate higher elective rates.

## DENTON CATALYST FUND

Denton's economic competitiveness over the long term will require more significant investment in economic development. Many strategies outlined in this plan depend on an increased investment in economic development efforts. It is paramount that Denton's leaders make a strong commitment to increasing resources dedicated to economic development. Figure 8 provides information about the level of resources invested in economic development by some of Denton's surrounding communities.

Many communities in Texas dedicate a portion of their sales tax for economic development. These resources are often funneled through local EDCs that are categorized by the intended use of those funds. Type A EDCs support industrial development projects, such as business infrastructure, manufacturing, research and development, job training, and public transportation. Type B EDCs can support not only all projects eligible for Type A funding but also parks, museums, sports facilities, and affordable housing.

Without sales tax election for economic development, Denton's best course of action is to establish a catalyst fund that can be used not only to provide incentives but also fund specific programs to grow Denton's economy. Catalyst funds can also be used to support transformational projects or provide seed funding for innovative initiatives. Several successful communities in Texas are turning to similar funds as either an alternative to Type A or Type B EDCs or to supplement the work of their EDCs.

Developing a catalyst fund will allow Denton to better meet the strategic objectives and goals of this plan; however, maintaining flexibility in determining

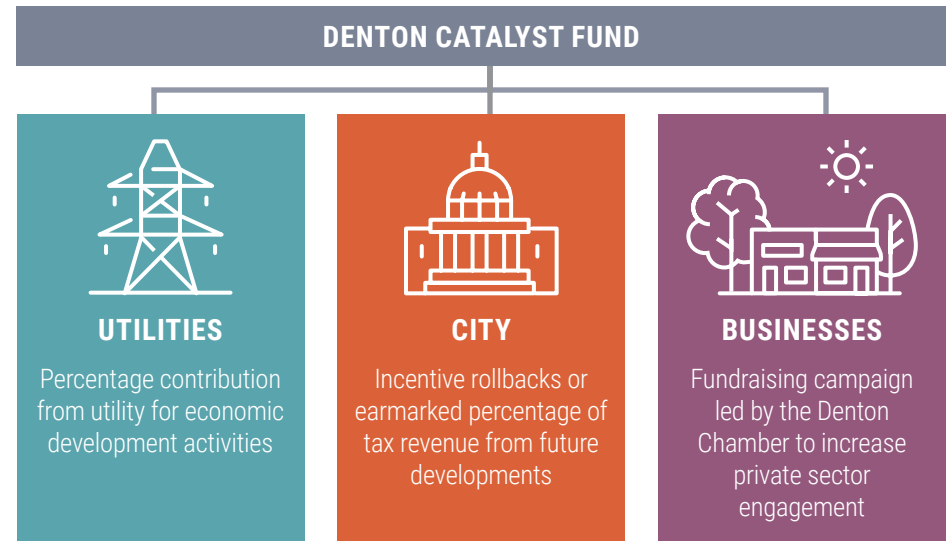
**FIGURE 8. ECONOMIC DEVELOPMENT CORPORATION REVENUE FOR SELECTED DFW CITIES (2019)**

| CITY         | SALES TAX TYPE | TOTAL EDC REVENUE (\$ MILLION) |
|--------------|----------------|--------------------------------|
| Allen        | Type A         | \$13.5                         |
|              | Type B         | \$11.1                         |
| Coppell      | Type B         | \$13.1                         |
| Flower Mound | Type B         | \$3.2                          |
| Frisco       | Type A         | \$43.0                         |
|              | Type B         | \$29.6                         |
| Grapevine    | Type B         | \$19.3                         |
| Lewisville   | Type B         | \$9.0                          |
| McKinney     | Type A         | \$16.7                         |
|              | Type B         | \$14.1                         |
| Southlake    | Type A         | \$6.3                          |
|              | Type B         | \$8.0                          |

Source: Texas Comptroller of Public Accounts.

how to build resources to meet those goals will be necessary. What is possible and reasonable for other DFW communities might not be for Denton. It is up to Denton's leaders to determine what level of commitment and investment they should make for economic development. Increasing Denton's level of investment in economic development will require gradually building resources over time, and the level of resources needed to carry out the City's strategic goals will likely not be static from year to year. Ultimately, a catalyst fund will provide Denton with more options and mechanisms to better support economic development initiatives and projects aligned with the City's strategic priorities.

**FIGURE 9. RECOMMENDED STRUCTURE FOR A DENTON CATALYST FUND**



A catalyst fund is often comprised of resources from both the public and private sectors. Aggregating resources from several sources not only increases the level of resources available but also builds broad community support for economic development. Typically, contributions to a catalyst fund come from major businesses and institutions as well as public investments from local and/or regional governments. In addition to public and private resources, one of Denton's greatest untapped assets for economic development is DME. Denton can draw on its utility, public resources, and businesses to create a robust catalyst fund appropriate for modernized economic development efforts (Figure 9).

- **UTILITIES.** Communities with municipally owned utilities often leverage their utilities to support economic development efforts. Beyond providing competitive rates and supporting incentive packages, some utilities transfer a percentage of utility revenues into a fund dedicated to economic development. This contribution is made on top of revenue transfer into a

city's general fund. In addition to contributing financial resources, a utility can also support economic development through education and workforce development programs that build the talent pipeline for a city's primary industries. More information about creative uses of municipal utility funds can be found in Appendix C.

- ▶ **CITY RESOURCES.** Cities often contribute resources to an economic development fund that can be used to provide incentives for business attraction or to support economic development programs. There are several ways that cities set aside resources for economic development. The most common way is to fund economic development through a general fund. Alternatively, cities can adopt policies to roll back expired incentives into other economic development efforts. Some communities earmark a portion of anticipated tax revenue from future developments to support economic development. For example, the City could earmark a portion of future tax revenue from the Cole and Hunter Ranch development for an investment in the catalyst fund. This would require consideration by and approval from City Council members.
- ▶ **BUSINESS INVESTMENT.** It is critical that existing businesses continue supporting economic development efforts that will grow Denton's economy. Successful and effective catalyst funds require significant business engagement in both financial support and participation in economic development efforts, such as business attraction and support for education and workforce development. Existing businesses often invest in a catalyst fund to maximize the effectiveness of their investments in their communities and efforts to improve economic conditions. A business-oriented organization, such as a chamber of commerce, is usually responsible for leading a fundraising campaign and ensuring continued business engagement. These organizations can set up and manage funds more easily than public sector partners.

## INCENTIVES

Cities invest in economic development efforts in many ways. Most cities provide financial and/or operational support for programs and initiatives that support residents and businesses. For example, entrepreneurship and business recruitment programs often receive municipal support. In addition, cities make infrastructure improvements that have a significant effect on growth and development. Marketing, site selection support, and data analysis are also common functions provided by municipal economic development departments.

Incentives are also common ways that cities support economic development efforts. They are only one tool used by cities, and there are many types of incentives that can be offered to support economic growth. Figure 10 highlights the portfolio of incentives provided by a select group of DFW communities. Denton already utilizes most incentives used by other cities; therefore, the City should update its incentive policies to align with the goals of this strategic plan in order to continue being competitive in the DFW market.

Resources from a catalyst fund should support the development of various incentive funds that will promote the goals and priorities listed in this strategic plan. Currently the City's primary vehicles for economic development investments are the EDP Investment Fund, the Westpark TIRZ, and the downtown TIRZ. Allocating resources for more targeted incentive funds will allow the City to better support its goals. Figure 11 includes a listing of recommended incentive funds. The City will likely need to adopt a phased approach to building these funds.

**FIGURE 10. ECONOMIC DEVELOPMENT INCENTIVES OFFERED BY SELECTED DFW CITIES**

|   | ALLEN | CARROLLTON | COPPELL | FARMERS BRANCH | FLOWER MOUND | FRISCO | GRAPEVINE | IRVING | LEWISVILLE | MCKINNEY | RICHARDSON | SOUTHLAKE | DENTON |
|---|-------|------------|---------|----------------|--------------|--------|-----------|--------|------------|----------|------------|-----------|--------|
| Job cash grants   |       |            |         |                |              |        |           |        |            |          |            |           |        |
| Property tax abatements                                   |       |            |         |                |              |        |           |        |            |          |            |           |        |
| Sales tax rebates/credits                                 |       | *          |         |                |              |        |           | *      |            |          |            |           |        |
| Fee waivers ( <i>impact or permit</i> )                   |       |            |         |                |              |        |           |        |            | *        |            |           |        |
| Infrastructure grants                                     |       |            |         |                |              |        |           |        |            |          |            |           |        |
| Special district financing ( <i>TIRZ, TIF, FTZ, PID</i> ) |       |            |         |                |              |        |           |        |            |          |            |           |        |
| Expedited services  |       |            |         |                |              |        |           |        |            |          |            |           | *      |

**FIGURE 11. PROPOSED INCENTIVE FUNDS**

| FUND PURPOSE  | GOAL ALIGNMENT                         | DESCRIPTION   |
|---|--|---|
| Business recruitment                                    | Multiple goals                         | Fund for recruiting and attracting new businesses to Denton.  |
| Business retention and expansion                        | Goal 2A: Connected Denton              | Fund for the retention and expansion of existing businesses, particularly in the Westpark Industrial Park area. |
| Infrastructure, utilities, and development assistance   | Goal 2D: Competitive Denton            | Fund to support major infrastructure and development needs, including broadband connectivity.                   |
| Job-based grants  | Multiple goals                         | Grants to businesses based on number of jobs and wages.   |
| Innovation and entrepreneurship                         | Goal 2B: Creative Denton               | Fund to grow and expand Denton’s entrepreneurship ecosystem.  |
| Access for historically underutilized businesses (HUBs) | Goal 2B: Creative Denton               | Fund to provide resources to businesses owned by women and people of color in Denton.                           |
| Green incentives  | Goal 2C: Sustainable Denton            | Fund providing incentives to attract environmentally conscious businesses or support greater energy efficiency. |
| Class A office space development                        | Goal 2D: Competitive Denton            | Fund to incentivize the development of Class A office space, especially in the downtown area.                   |
| Affordable housing or housing redevelopment             | Goal 3: Strengthen Community Inclusion | Fund to support the City’s affordable housing goals and priorities.   |

\*Carrollton only provides sales tax rebates for data centers. Irving provides sales tax rebates for certain retail projects. McKinney provides general permitting and inspection assistance. Denton provides expedited development services for a fee. Acronyms are defined as follows: TIRZ (tax increment reinvestment zone), TIF (tax increment financing), FTZ (foreign trade zone), and PID (public improvement district).  
Source: TIP Strategies research.

# PROGRAMS AND POLICIES

The strategies and actions outlined in this plan will require significant changes to the City’s current economic development program; however, it is important to remember that this is a long-term plan intended to be refined and implemented over a 5-year horizon. TIP will provide the City with a detailed implementation matrix with recommendations for how to phase all the strategies and actions in this plan. Figure 12 summarizes potential new programs and policies that will need to be enacted.

While this plan has laid the foundation for what the City needs to do, the process to implement the strategies and actions will likely require several additional steps for the Economic Development Department and its partners. A framework for developing new programs and policies for adoption includes the following steps.

- ▶ **RESEARCH AND ANALYSIS.** The City’s Economic Development Department might need to conduct additional research and analysis to provide details for a new program or policy. For example, the development of an edtech alliance (see Strategy 2B.4.2) will likely require additional research about models of similar alliances from which Denton can adopt. Analysis of existing edtech companies in Denton and trends in the edtech sector should also be conducted to inform a new program.
- ▶ **PARTNER CONVENING.** Many of the strategies recommended require the City to work in partnership with other economic and workforce development organizations in Denton and the DFW Metroplex. Where existing partnerships do not yet exist, the City might need to convene potential partners to discuss how the entities can collaborate and for what purpose. For example, the Denton Innovation Group and Stoke could be partners with the City in developing an entrepreneurship knowledge resource network.
- ▶ **POLICY DEVELOPMENT.** Once specific parameters of a new program or fund are identified, the City’s Economic Development Department should draft policies for adoption by the EDPB and the City Council. Not all programs might require formal policy adoption. New incentive funds will likely require new policies to outline fund eligibility and requirements. Figure 12 lists a few policies that might need to be developed or revised in order to meet the strategic goals of this plan. Staff will be able to craft more detailed policies after conducting additional research and gathering information from partners for the specific focus area.

- ▶ **IMPLEMENTATION.** The City can move into an implementation phase once these additional steps have been completed. Again, not all programs or policies will require staff to go through each step. Additional work required to implement new programs and policies will vary based on numerous factors, including the level of resources required, whether there are existing partnerships, and the level of oversight by the EDPB and/or City Council. Implementation is also an iterative process that will require the City to continually refine and improve its strategies and actions. Flexibility is necessary for the City to adapt to changing economic conditions, address challenges in a timely manner, and respond to new opportunities that will emerge.

**FIGURE 12. RECOMMENDED NEW PROGRAMS AND POLICIES**

| NEW PROGRAMS  | NEW OR REVISED POLICIES   |
|---|---|
| <ul style="list-style-type: none"> <li>▶ Center of excellence for logistics and supply chain management</li> <li>▶ Entrepreneurship knowledge resource network</li> <li>▶ Pitch and reverse-pitch competitions</li> <li>▶ Startup accelerator</li> <li>▶ Edtech alliance</li> <li>▶ Broadband connectivity initiative</li> <li>▶ Expanded workforce collaborative</li> <li>▶ Youth talent initiative</li> </ul> | <ul style="list-style-type: none"> <li>▶ Eligibility requirements and policies for each incentive fund (Figure 11)</li> <li>▶ Adoption of sustainable development goals (SDGs)</li> <li>▶ Revision of policies associated with the EDP Investment Fund, Westpark TIRZ, and downtown TIRZ (as needed)</li> </ul> |

# MARKETING

How a city is perceived—by the public, by visitors, by the media, by corporations, and by site selectors—is crucial to its economic health. This perception can be heavily influenced by marketing programs. The most effective city marketing efforts build on a community’s existing brand and tell authentic stories that highlight local assets. A common theme that emerged from stakeholder input was that Denton needed to do a better job of marketing itself and telling the “Denton story” to a variety of audiences, including prospective residents, business prospects, and visitors. Effective marketing can also foster a greater sense of community and build stronger ties of existing residents to Denton.

While this plan is not meant to serve as a comprehensive marketing assessment, Denton could benefit from refreshed and rebranded marketing. Given the new priorities and focus areas outlined in this strategic plan, the City should conduct a more extensive review of its current marketing efforts, realign marketing to the goals of this plan, and create more sophisticated branding that promotes Denton's people, businesses, and assets.

The City should consider undertaking the following steps to refresh its marketing and branding efforts.

- ▶ **REGIONAL MARKETING AUDIT.** A marketing audit will allow Denton to gain a sense of the image it is projecting. What do people think of when they think of Denton? What is Denton's current image to different audiences? Marketing audits typically include a review of other organizations' websites to assess how Denton is conveyed and promoted (if at all) by other economic and workforce development organizations.
- ▶ **MARKETING PLAN.** Based on information gathered through the marketing audit, the City should create a more comprehensive marketing plan that includes new messaging and branding. A marketing plan will help the City determine the kind of image and messaging it wishes to convey to potential residents and businesses. While a stronger marketing plan will be beneficial, TIP has also identified a few strategies in this plan that touch on the need for marketing improvements.
  - ▶ **2B.6. PROMOTING DENTON'S CREATIVE BRAND.** Incorporate entrepreneurship into Denton's marketing. The purpose of this is to both identify specific resources for entrepreneurs and to raise awareness about entrepreneurial success stories in Denton.
  - ▶ **2C.4. GREEN MARKETING.** Include Denton's sustainability goals and successes in the City's marketing materials. Denton's leadership in renewable energy and sustainability is a way to distinguish this community from others for both placemaking and economic efforts.
  - ▶ **2D.5. DIGITAL MARKETING.** Lean on more digital channels to communicate the "Denton story" to different audiences. The City can do more to leverage digital platforms to raise awareness about Denton as a desirable place for people and businesses.
- ▶ **DIGITAL MARKETING MATERIALS.** Information from a marketing audit and plan will inform what kinds of information should be included in new digital marketing materials. Modern economic development programs rely on digital marketing materials and social media to communicate to external audiences. Information such as the City's specific economic development functions (e.g., incentives, initiatives, staff contacts) should still be included. Additionally, the City needs to communicate its specific value proposition for

different industries and sectors (i.e., what does Denton offer for entrepreneurs and companies interested in sustainability). Leading examples of high-quality economic development marketing include [Tampa Bay EDC](#), [Fairfax County Economic Development Authority](#), [One Columbus](#), and [Thrive in Fort Worth](#).

## INTERNAL SYSTEMS

In addition to a revised governance structure and increased funding, the City can also benefit from modernizing internal systems to track data and manage information about businesses. Like all business enterprises, the ability to quickly access reliable data is an essential feature of successful economic development organizations. Creating and maintaining well-organized information systems helps facilitate the best decision-making.

The City's Economic Development Department has already made great strides in improving its internal systems over the past few years. As Denton navigates economic recovery and returns to a path of growth, the need for strong systems will be even greater. High-functioning economic development organizations all have organized and centralized information systems that are flexible enough to easily share information with partners.

The core systems that the City should invest in and continue to improve include the following.

- ▶ **DATABASE OF DENTON BUSINESSES.** A database of existing businesses is central to BRE efforts. Information gathered about business needs, challenges, and successes should be recorded in the database on a regular basis. It is paramount that this database is up to date so the City can generate timely reports, identify potential warning signs, and make decisions about how to support Denton's businesses and employers.
- ▶ **CENTRALIZED PROSPECT/LEAD GENERATION SYSTEM.** Having a centralized system to track prospects and leads is crucial so that information (and therefore opportunities) is not lost between partner organizations. Standardized information gathered about prospects should be entered into the system and be used to develop a package for potential businesses.
- ▶ **RELATIONSHIPS/CONTACTS DATABASE.** As the Economic Development Department team builds relationships across the City, the DFW Metroplex, and beyond, maintaining an updated contacts database is vital. As noted throughout the plan, networking with VC firms, entrepreneurship organizations, and regional economic development entities is a central function that the City needs to play. A relationships/contacts database is vital to facilitating that relationship building.



- ▶ **PROCESS AND POLICY DOCUMENTATION.** The City needs a more organized way to document different processes and polices associated with economic development. For example, the process and cadence by which the City conducts BRE visits should be clearly documented for the benefit of current and future staff as well as more consistency in business engagement. Updates to policies should also be documented in a clear and accessible manner for both City staff as well as partners, including the EDPB and the chamber.
- ▶ **PERFORMANCE MEASUREMENT.** Tracking a short set of meaningful metrics is important for evaluating progress toward desired outcomes. The City should establish a mechanism for tracking reporting metrics to the EDPB and the City Council to establish transparency and accountability for achieving economic development goals. Metrics can rally partners around a common vision and standard for progress. Suggested metrics are provided in the next section.



# STRATEGIC PERFORMANCE METRICS

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A critical component of a successful strategic plan is the set of metrics by which the plan's implementation is tracked. It is imperative that the EDPB and the City Council focus on a set of strategic metrics to track progress on critical economic outcomes. Staff should create a performance dashboard that can be used to communicate performance metrics to City leadership on a regular basis. This is vital to tracking progress as well as maintaining accountability throughout the implementation of this plan.

Figure 13 provides a list of performance metrics that are intended to focus the EDPB and the City Council on high-level strategy and outcomes; however, the City's staff will also need to identify programmatic and operational metrics to track progress toward program-specific goals. TIP strongly recommends that the City disaggregate metrics by race and ethnicity where possible and that disaggregated data is shared in a transparent manner.

**FIGURE 13. RECOMMENDED STRATEGIC PERFORMANCE METRICS**

**GOAL ALIGNMENT LEGEND:** ■ Economic Recovery ▲ Connected Denton ▲ Creative Denton ▲ Sustainable Denton ▲ Competitive Denton ● Community Inclusion

| METRIC                            | DESCRIPTION  | SOURCE   | GOAL |
|-----------------------------------|--|--|------|
| Unemployment rate                 | Unemployment rate, overall and by gender and race/ethnicity.   | Texas Workforce Commission   | ■    |
| Labor force participation         | Civilian labor force participation rate.   | US Census Bureau American Community Survey                               | ■    |
| Employment gap                    | Percentage difference in employment rate between white and people of color (ages 16-64).               | US Census Bureau American Community Survey                               | ■    |
| Retail sales growth               | Rate of growth or decline in retail sales within Denton.   | Texas Comptroller  | ■    |
| Job growth                        | Number of jobs created and retained.   | Texas Workforce Commission, business surveys, and interviews             | ▲    |
| Vacancy rate                      | Percentage of Westpark Industrial Park area with vacancies.  | In-house data collection, business surveys, and interviews               | ▲    |
| Startup survival                  | Percentage of startups that are active after 1 year and 5 years.                                       | In-house data collection, business surveys, and interviews               | ▲    |
| New business establishments       | Number of new businesses in Denton and year-to-year growth.  | In-house data collection, business surveys, and interviews               | ▲    |
| Access to capital                 | Number and dollar value of venture capital, angel investment, or other capital for startups.           | In-house data collection, business surveys, and interviews               | ▲    |
| Energy competitiveness            | Electricity cost rate (and comparison to peers).   | DME  | ▲    |
| Energy efficient businesses       | Percentage of businesses benefiting from federal energy efficiency tax credits or local rebates.       | In-house data collection, business surveys, and interviews               | ▲    |
| Downtown retail occupancy         | Occupancy rate of downtown retail spaces (or vacancy decline).   | In-house data collection, business surveys, and interviews               | ▲    |
| Downtown housing                  | Increase in downtown housing units over time.  | In-house data collection, business surveys, and interviews               | ▲    |
| Office space                      | Amount of new office space (square feet) added as well as vacancy rate.                                | Regional commercial real estate brokerage (e.g., Jones Lang LaSalle–JLL) | ▲    |
| Broadband internet access         | Percentage of population without access to broadband internet access.                                  | US Census Bureau American Community Survey                               | ▲    |
| Talent availability               | Population 25+ with associate's degree or higher.  | US Census Bureau American Community Survey                               | ●    |
|                                   | Population 25+ with bachelor's degree or higher.   | US Census Bureau American Community Survey                               | ●    |
| Cost-burdened households          | Percentage of households spending more than 30 percent of income on rent or mortgage.                  | US Census Bureau American Community Survey                               | ●    |
| Portion of jobs at a livable wage | Percentage of jobs in Denton that pay a living wage (see <a href="#">MIT living wage calculator</a> ). | Texas Workforce Commission, Massachusetts Institute for Technology       | ●    |

# APPENDICES

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# APPENDIX A. DATA FINDINGS

## ECONOMIC INDICATORS AND DEMOGRAPHICS

- ▶ **ESTABLISHED AND GROWING INDUSTRIES.** The education and healthcare sectors continue to dominate in Denton, together accounting for nearly one-third of total employment in 2019.<sup>1</sup> Manufacturing employment has steadily risen in recent years, focused on automobile and related component manufacturing, and has overtaken retail and accommodation/food services as the third largest industry sector in the City. The transportation and warehousing sector has also become a significant source of jobs in Denton since 2017, employing nearly 4,000 workers in 2019.<sup>1</sup> These employment trends support the notion that Denton has been successful in strengthening some of its existing target sectors, such as supply chain logistics and advanced manufacturing.
- ▶ **BUILDING AN INCLUSIVE AND DIVERSE DENTON.** Compared to neighboring communities, Denton is racially and ethnically diverse with BIPOC residents accounting for more than 40 percent of the population in 2018.<sup>2</sup> Among these, the Hispanic or Latinx population is the largest, representing more than half the non-white population and nearly one-quarter of all residents. Leaders should pay close attention to the developing needs of Denton's relatively large, BIPOC population in the wake of the COVID-19 crisis in order to promote inclusive economic recovery across racial, ethnic, and socioeconomic groups.
- ▶ **TRAINING AND RETAINING TALENT.** Though the presence of two major higher education institutions can attract economic and research activity and talent, Denton has not been able to retain a workforce as educated as its neighboring communities. Denton is educating a substantial number of workers with potential to enter the labor market.<sup>2</sup> However, less than 40 percent of Denton residents 25 and older have a bachelor's degree or higher, compared to well over 50 percent in neighboring Plano and Frisco.<sup>2</sup> This suggests that Denton's college graduates are leaving the City to work elsewhere, possibly to seek higher wages. Denton's relatively low household median income is partially attributable to the presence of two large universities, where students tend to have lower incomes, but Denton also lacks a base of moderate-to-high-income households compared to nearby communities—there are about 4,000 households in Denton (<10 percent) with an income over \$150,000, compared to about 14,000 in McKinney (about 25 percent) and over 22,000 in Frisco (>40 percent).<sup>2</sup>

<sup>1</sup> US Bureau of Labor Statistics; Emsi 2019.4—QCEW (quarterly census of employment and wages) Employees, Non-QCEW Employees, and Self-Employed. The City of Denton is based on the aggregation of 10 ZIP Codes (76201, 76202, 76203, 76204, 76205, 76206, 76207, 76208, 76209, and 76210).

<sup>2</sup> American Community Survey, 2018 5-year sample.

## HOUSING

- ▶ **MORE MULTIFAMILY HOUSING.** Denton has a larger share of multifamily housing and renters compared to its neighbors, in part because of the student population's need for short-term housing options. Almost half (47.8 percent) of all housing units in Denton were occupied by renters in 2018, compared to about one-third in Plano and McKinney, respectively, and less than one-quarter in Frisco, Corinth, and Argyle.<sup>2</sup> Moreover, multifamily housing accounted for nearly 40 percent of Denton's housing stock as of 2018, compared to one-third of Plano's and less than one-quarter of McKinney's, Frisco's, Corinth's, and Argyle's.<sup>2</sup>
- ▶ **STRADDLING AFFORDABILITY.** The median home value and rent in Denton were much lower than the surrounding communities in 2018 (more than half of Denton's owner-occupied housing was valued under \$200,000).<sup>2</sup> Relatively lower housing costs than neighboring communities make Denton more attractive for those seeking affordable housing in the northern DFW Metroplex. However, more than one-quarter of Denton homeowner households are cost-burdened (spend more than 30 percent of income on housing)—a higher rate than the surrounding communities with higher housing costs.<sup>2</sup> Because Denton household incomes tend to be lower than those in neighboring communities, many households struggle with housing costs even at relatively reduced rates. For instance, suppose a Denton household earning the median income (\$56,500) who currently rents at the median monthly rate (\$1,046) wants to buy a median-priced home (\$196,900).<sup>2</sup> Depending on the mortgage terms, monthly payments range from \$800 to \$1,200.<sup>3</sup> While those able to get more favorable loan terms might be able to make payments without financial strain, other households with lower down payments and higher interest rates would likely find the mortgage payment unaffordable.
- ▶ **HIGHER-VALUE HOUSING.** In addition to its affordable housing challenge, Denton also has fewer high-value homes that are often needed to attract professional service businesses. Denton lacks a substantial stock of high-value housing (less than 18 percent of owner-occupied homes were valued over \$300,000 in 2018),<sup>2</sup> which stakeholders cited as a challenge in recruiting high-paying jobs and professionals to the City. In comparison, over 47 percent of Plano's and over 67 percent of Frisco's owner-occupied homes are valued above \$300,000.

<sup>3</sup> Estimated mortgage payments and associated affordability calculated using a modified version of Texas A&M University Real Estate Center's Housing Affordability Index.

## COMMUTING PATTERNS

- ▶ **EXCHANGING LABOR IN DFW.** In 2017, more than 43,000 Denton residents had jobs outside the City.<sup>4</sup> More than half those jobs (22,000) were in nine DFW cities with Dallas and Fort Worth together accounting for over 10,000 jobs. Among those 22,000 jobs, about half earned less than \$40,000 annually.<sup>4</sup> In contrast, about 39,000 Denton workers who lived outside the City in 2017 had residences spread more evenly across DFW communities (i.e., 30 DFW cities account for about half these workers), and more than two-thirds of these workers (27,000) earned less than \$40,000 annually.<sup>4</sup> This suggests that the jobs in Denton that attract workers from outside the region tend to be lower-earning positions compared to the jobs many Denton residents seek outside the City. In other words, the commuting story in Denton also reflects the notion that the City might be losing skilled labor to neighboring regions with higher-wage job opportunities.

## ECONOMIC DEVELOPMENT RESOURCES

- ▶ **GROWING DIVERSE TAX REVENUE STREAMS.** Denton's tax revenue sources have followed the same general trend between 2009 and 2018; property tax accounts for more than one-third of revenues (averaging 38 percent over 10 years), sales and use tax generate an average of 20 percent, franchise fees at 15 percent, and other sources make up the remaining 25 percent.<sup>5</sup> Additionally, the City saw substantial revenue growth in 2017 (11 percent increase) and 2018 (19 percent increase) driven mostly by increased property tax revenues and other sources.<sup>5</sup> Denton appears to have more diverse tax revenue sources than neighboring communities that depend more heavily on property and sales and use taxes.
- ▶ **AN OPPORTUNITY FOR MORE ROBUST ENTREPRENEURSHIP.** The DFW Metroplex has received more than \$6 billion in capital funding for startups since 2009, and about two-thirds of this capital was invested in Dallas, Plano, and Irving startups.<sup>6</sup> Though investors tend to be based in the capital hubs outside the state (nearly half of investment funds are sourced from California, Massachusetts, and New York), Texas accounts for about one-fifth of the funding, with most dollars coming from Dallas investors (>\$500

million).<sup>6</sup> Denton's startups have not received much of this funding (\$3.2 million).<sup>6</sup> It might benefit the City's developing entrepreneurial ecosystem to network with VC firms and startups in the DFW Metroplex.

<sup>4</sup> LODES (Longitudinal Employer-Household Dynamics' Origin-Destination Employer Statistics).

<sup>5</sup> TIP Strategies analysis of the most recent CAFRs (comprehensive annual financial reports) for Denton and selected DFW communities. Revenue categories are generally consistent across most Texas municipal CAFRs: property taxes, sales and use taxes, and franchise fees. Other revenues is a catchall term for all other taxes and service fees for government and business-type activities. Denton's CAFR specifically notes on page 119 that the electric fund is not shown separately due to confidentiality of information necessary for competitive rates.

<sup>6</sup> Investment data from Crunchbase—a crowdsourced data set that is not comprehensive. Analysis of VC funding should be interpreted with this limitation in mind.

# APPENDIX B. SWOT ANALYSIS

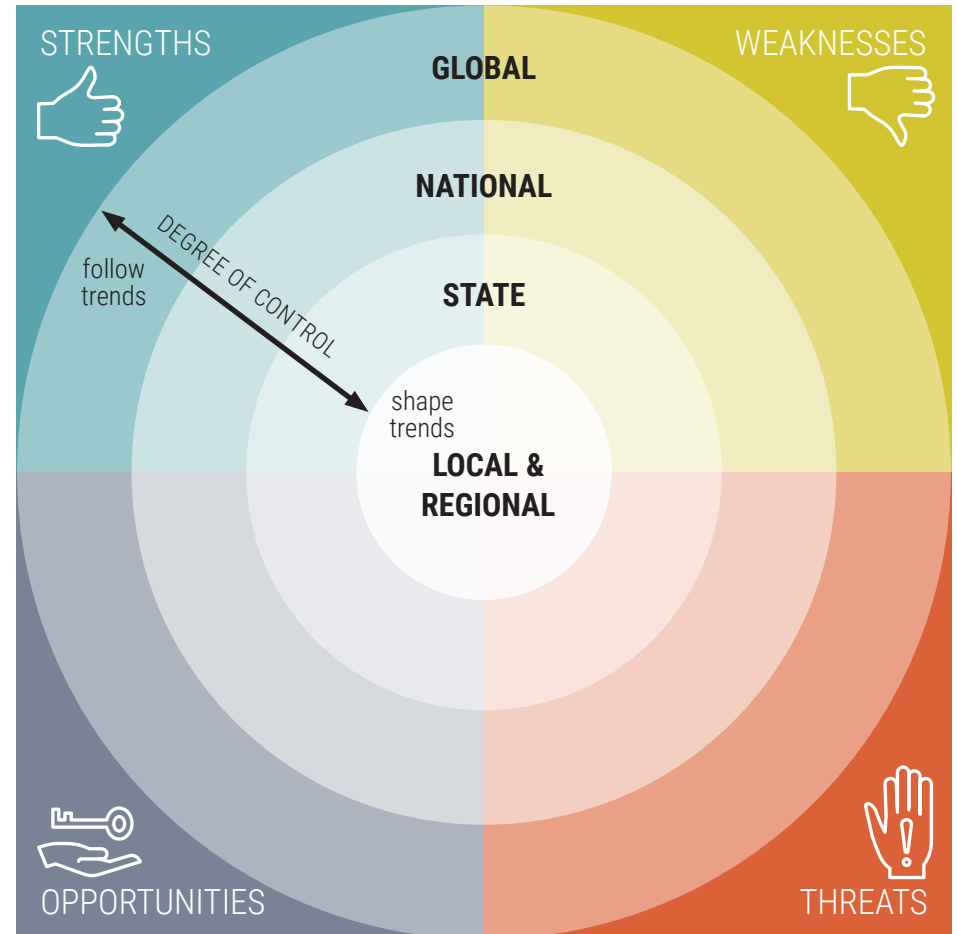
A thorough SWOT analysis of Denton was developed based on direct input from stakeholders through interviews and roundtable discussions. These findings offer insights into areas that can be leveraged or strengthened to support economic growth as well as potential challenges and risks that might impede growth.

Areas of the SWOT are defined as follows.

- ▶ **STRENGTHS:** Advantages that can be leveraged and strengthened to bolster economic vitality.
- ▶ **WEAKNESSES:** Challenges and risks to economic development that might stifle growth.
- ▶ **OPPORTUNITIES:** Positive trends and assets that have potential to increase prosperity.
- ▶ **THREATS:** External factors and risks that might negatively affect the local/regional economy.

Though the City has less influence over national and global trends, it can focus on how Denton should respond to those trends and prioritize local/regional opportunities (see Figure 14). The graphics on the subsequent pages summarize the results of the analysis.

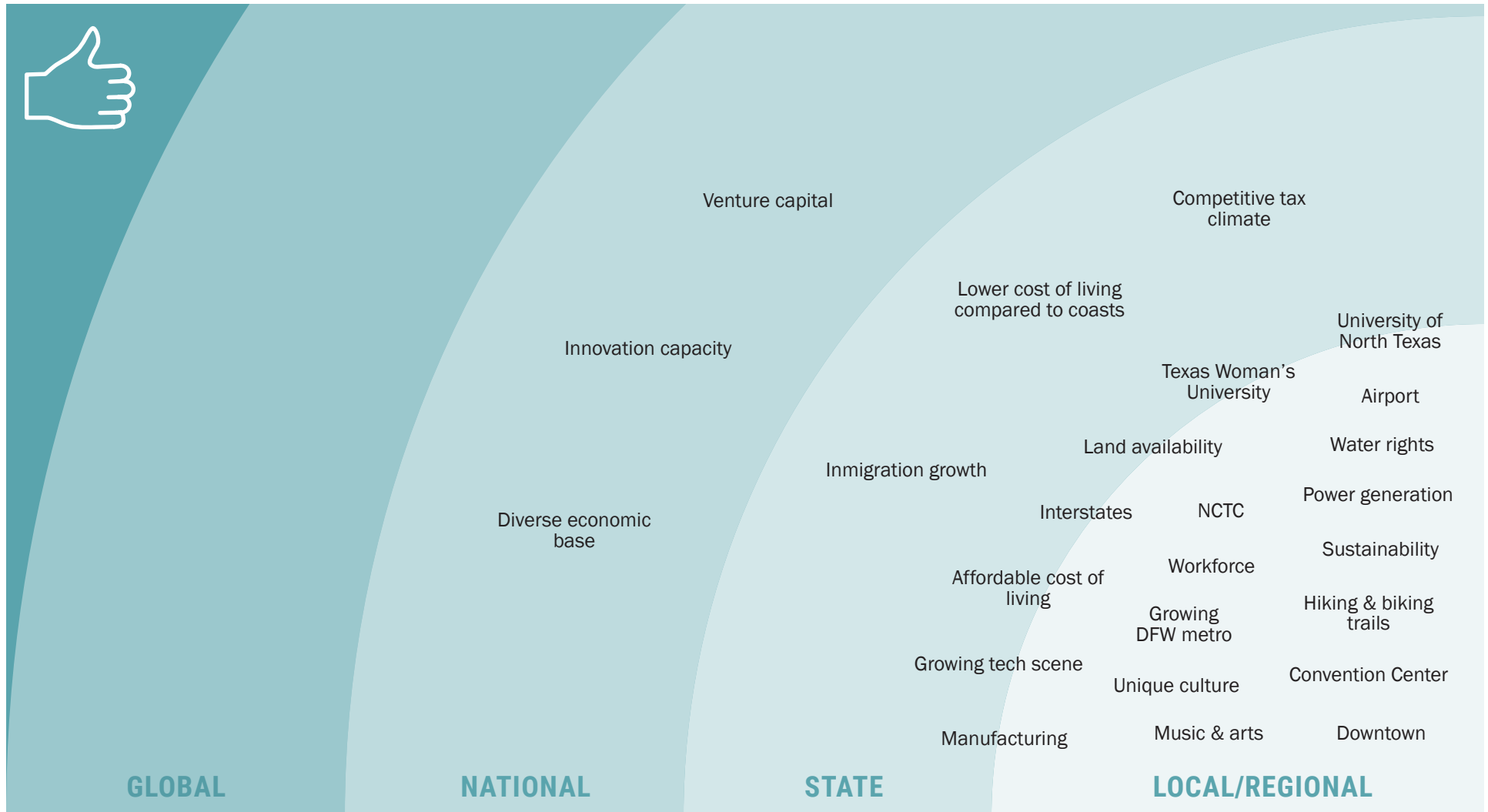
FIGURE 14. SWOT FRAMEWORK



# STRENGTHS

Denton's numerous strengths should be leveraged to attract business investment and to develop talent pipelines for the City's major industries. Certainly, Denton's higher education assets make it stand out among other DFW communities. A robust arts and culture scene has also attracted students, tourists, and new residents to Denton over the years. Much of this development and growth has centered around Denton's downtown square.

What is less known about Denton is its strong base of transportation and logistics-oriented companies that benefit from the City's proximity to the intersection of I-35E and I-35W. Denton's location in the DFW Metroplex is one of its biggest strengths, especially as the DFW Metroplex continues to grow. Furthermore, the community's commitment to sustainability puts Denton in an elite group of US cities that will rely on 100 percent renewable resources. A strategic focus on these strengths will continue to make Denton an attractive place to live and work.

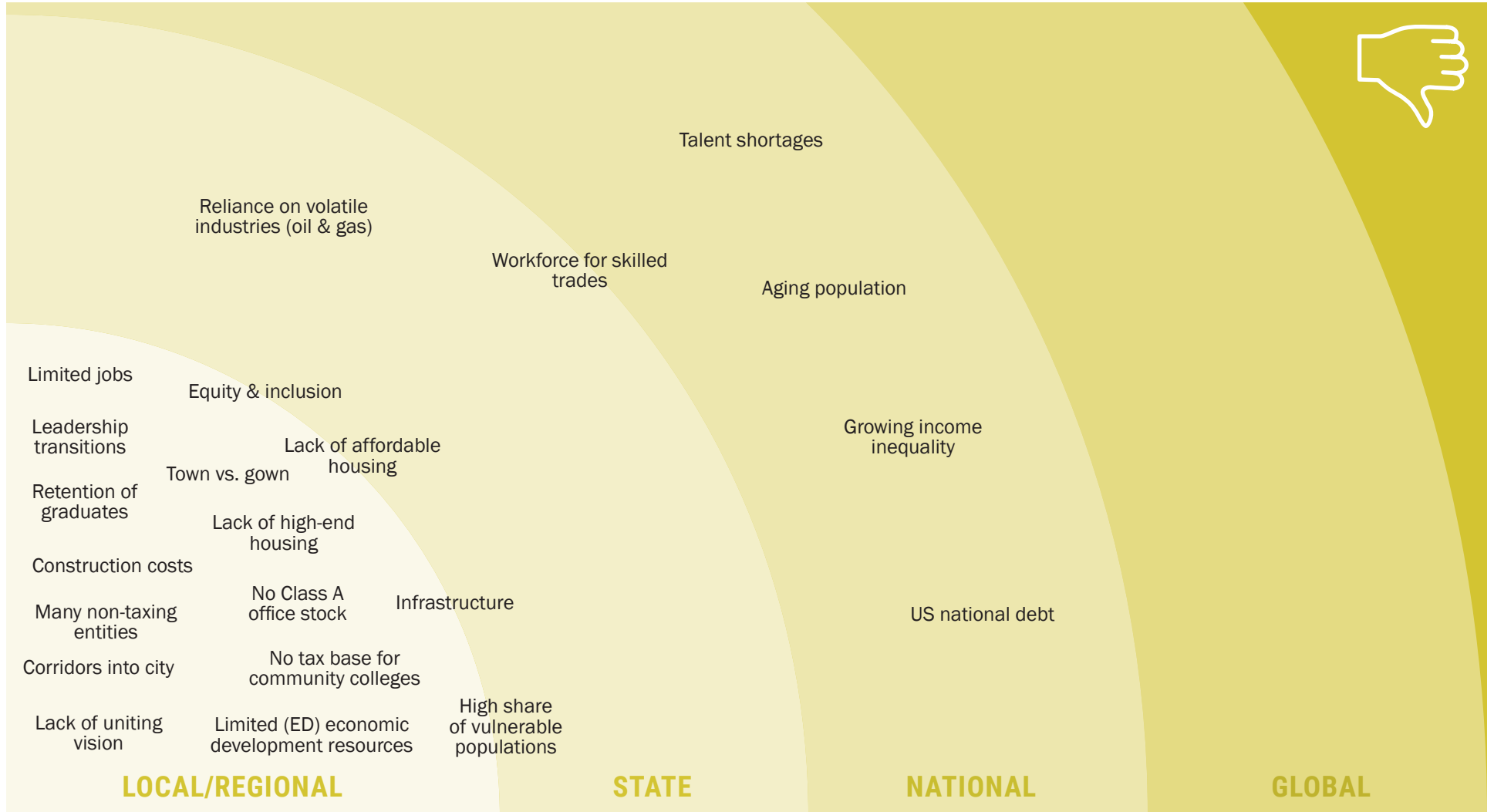




# WEAKNESSES

Stakeholder input highlighted housing as one of Denton's top challenges. Housing—both affordable housing and higher-value homes—is one of the top barriers to Denton's growth. Compared to its DFW peers, Denton has a higher share of low-income and moderate-income residents who cannot afford to live in Denton. At the same time, Denton's housing value tends to be lower than that of other communities, making it difficult to attract professional service businesses, medical professionals, and more.

Beyond housing, Denton's lack of resources available for economic development makes it difficult for the City to compete for business investment and talent. The lack of an EDC or fund, along with reduced tax revenue, will require Denton to find creative ways to invest more significantly in its business attraction, retention, and expansion efforts.

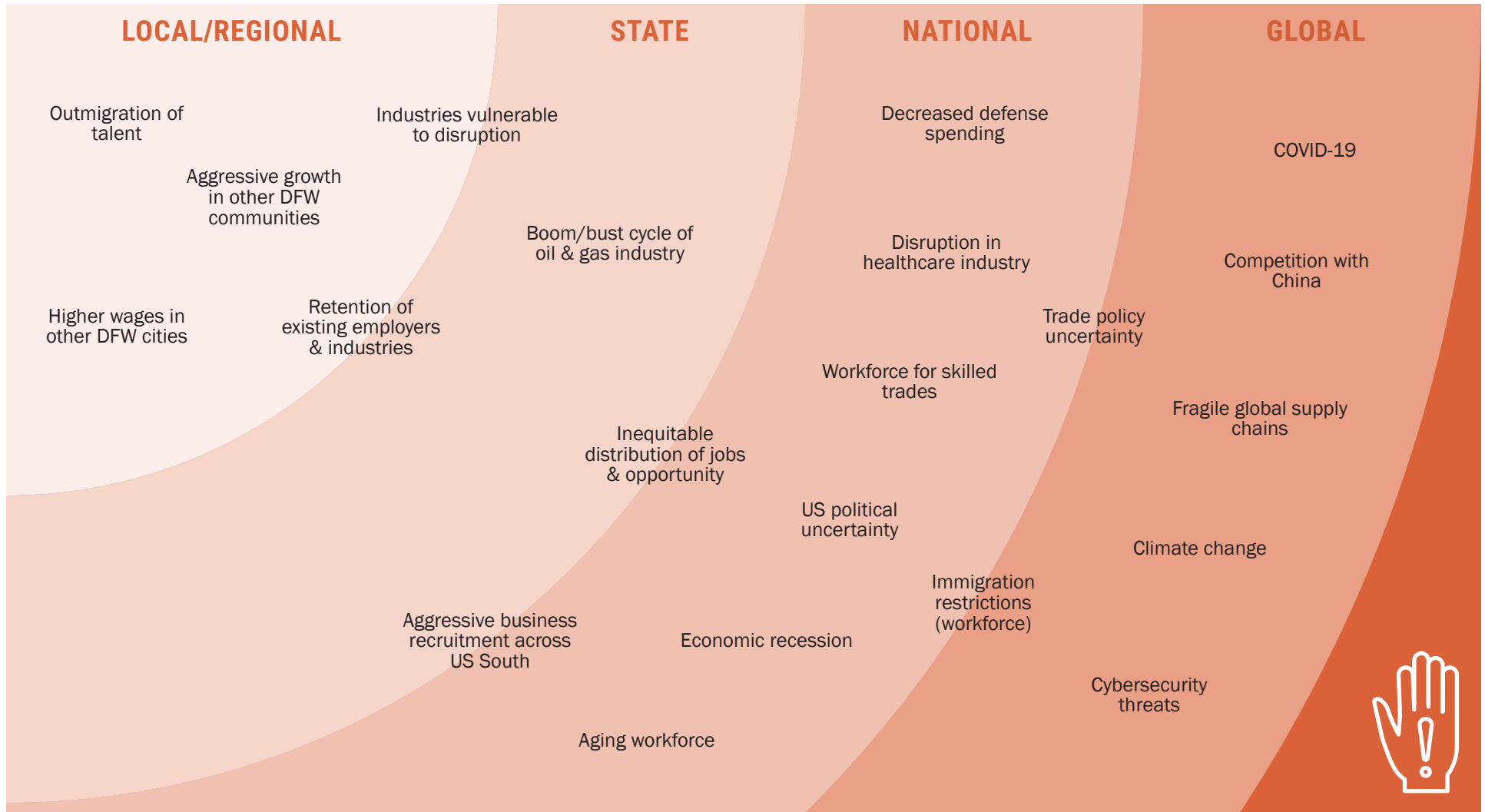




# THREATS

It is necessary to understand threats not in order to control them, but instead to develop a proactive response to factors that are often outside the influence of local and regional organizations. Before COVID-19 became a pandemic, it was a looming threat that had the potential to disrupt every aspect of life. There are other looming threats that can impact Denton soon or over a long horizon. Climate change is a threat to which the City is already developing a response by investing in renewable energy sources.

On a smaller scale, threats to Denton’s vitality include outmigration of talent because of a lack of professional opportunities, attractive housing, or amenities. Coupled with aggressive growth in other parts of the DFW Metroplex, the need to develop and retain talent in Denton has never been greater. Many of the recommendations offered throughout this plan are meant to support Denton’s leaders in proactively responding to these threats.



# APPENDIX C. MUNICIPAL UTILITY COMPARISON

| Utility Company                     | AE (AUSTIN ENERGY) 2018   | CPS (CPS ENERGY) 2019  | EPB (2019)   | CU (CITY UTILITIES) 2019   |
|-------------------------------------|---|--|--|--|
| City                                | Austin, TX  | San Antonio, TX  | Chattanooga, TN  | Springfield, MO  |
| City Population                     | 962,469   | 1,547,253  | 182,799  | 167,882  |
| Economic Development Budget         | \$47,261,386  | \$15,354,284   | \$8,268,037  | \$481,989  |
| ED Budget Per Person                | \$49.10   | \$9.92   | \$45.23  | \$2.87   |
| Electricity Customers               | ~485,000  | ~ 820,000  | ~170,000   | ~111,000   |
| Total Utility Revenue               | \$945,000,000   | \$2,744,159,000 (includes gas)   | \$741,651,000  | \$474,126,000  |
| Revenue Transferred to General Fund | \$109,000,000<br>(12% of total revenue)   | \$361,351,000<br>(13% of total revenue)  | \$7,618,000<br>(1% of total revenue)   | \$14,559,000<br>(3% of total revenue)  |
| Workforce and Education Initiatives | <ul style="list-style-type: none"> <li>▶ Energy and education program with eight school districts in its service territory to increase interest in green energy.</li> <li>▶ Summer internship program for college-aged students.</li> </ul>   | <ul style="list-style-type: none"> <li>▶ Three paid internship programs for high school juniors and a Corporate College Internship Program.</li> <li>▶ New Energy Economy program generated \$23M for local schools and created 600 jobs.</li> </ul>   | <ul style="list-style-type: none"> <li>▶ STEP-UP paid summer internship program for high school students.</li> <li>▶ EPB Institute of Technology and Networking to prepare students for careers in coding and IT.</li> </ul>   | <ul style="list-style-type: none"> <li>▶ Workforce development program with local high school covering team building, goal setting, conflict resolution, and career exploration.</li> </ul>  |
| Sustainability Initiatives          | <ul style="list-style-type: none"> <li>▶ Climate Protection Plan seeks to achieve 100% carbon-free electricity generation by 2035.</li> <li>▶ 65% renewable energy by 2027.</li> <li>▶ AE offers commercial and residential rebates when using smart thermostats and other technologies.</li> </ul> | <ul style="list-style-type: none"> <li>▶ Solar powers more than 55K homes in the region.</li> <li>▶ Cut nitrogen oxide emissions by 75% since 1997.</li> <li>▶ Invested in a smart grid for the city and, in 2017, installed the one millionth advanced meter or gas meter-enhancing device, completing 90% of the project.</li> </ul> | <ul style="list-style-type: none"> <li>▶ EPB-owned fiber optic communications network provides a smart grid for the entire service area.</li> <li>▶ \$3M Chattanooga Clean Energy for Low Income Communities Accelerator.</li> <li>▶ Green and Healthy Homes pilot to reduce childhood asthma through better air quality.</li> </ul> | <ul style="list-style-type: none"> <li>▶ Since 2006, CU generates electricity from methane gas produced by the city's landfill.</li> <li>▶ CU Solar Farm (powers 902 homes) leased to CU through Purchased Power Agreement with purchase option after 25 years.</li> <li>▶ Commercial and residential rebates for adoption of smart technology.</li> </ul> |

# APPENDIX D. ECOSYSTEM DIRECTORY

## CONNECTIVITY

### TRADE ASSOCIATIONS

Industrial Supply Association  
[www.isapartners.org](http://www.isapartners.org)

Institute for Supply Management—Dallas  
[www.ismdallas.org/index.cfm](http://www.ismdallas.org/index.cfm)

Intermodal Association of North America  
[www.intermodal.org](http://www.intermodal.org)

Logistics & Transportation Association of North America  
[www.ltna.org](http://www.ltna.org)

National Industrial Transportation League  
[www.nitl.org](http://www.nitl.org)

Southern Association of Wholesale Distributors  
[the-southern.org](http://the-southern.org)

Texas Airports Council  
[texasairportscouncil.org](http://texasairportscouncil.org)

Texas Association of Manufacturers  
[manufacturetexas.org](http://manufacturetexas.org)

Texas Commercial Airports Association  
[www.texas-airports.com](http://www.texas-airports.com)

Texas Trucking Association  
[www.texastrucking.com](http://www.texastrucking.com)

Texas Warehouse Association  
[www.texaswarehouseassociation.org](http://www.texaswarehouseassociation.org)

Transportation Club of Dallas/Fort Worth  
[www.tcdfw.org](http://www.tcdfw.org)

### RELEVANT CONFERENCES / EVENTS

Design-2-Part Show  
February 26–27, 2020 | Grapevine, TX  
[www.d2p.com](http://www.d2p.com)

International Conference on Information, Logistics and Supply Chain  
April 22–24, 2020 | Austin, TX  
[10times.com/ils-austin](http://10times.com/ils-austin)

Aviation Conference to Focus on Innovation  
June 11, 2020 | Virtual  
[www.texas-airports.com/p/getinvolved](http://www.texas-airports.com/p/getinvolved)

Accelerate! Conference & Expo  
September 23–25, 2020 | Dallas, TX  
[www.womenintrucking.org/accelerate-conference](http://www.womenintrucking.org/accelerate-conference)

Heavy Duty Aftermarket Week  
January 25–28, 2021 | Grapevine, TX  
[www.hdma.org/content/heavy-duty-aftermarket-week-hdaw](http://www.hdma.org/content/heavy-duty-aftermarket-week-hdaw)

HOUSTEX  
February 23–25, 2021 | Houston, TX  
[houstexonline.com](http://houstexonline.com)

### TRADE PUBLICATIONS

*American Shipper*  
[americanshipper.com](http://americanshipper.com)

*American Trucker*  
[www.trucker.com/american-trucker-magazine](http://www.trucker.com/american-trucker-magazine)

*International Journal of Adv. Manufacturing Technology*  
[www.springer.com/engineering/industrial+management/journal/170](http://www.springer.com/engineering/industrial+management/journal/170)

*Int'l. Journal of Shipping and Transport Logistics*  
[www.inderscienceonline.com/loi/ijstl](http://www.inderscienceonline.com/loi/ijstl)

*Journal of Commerce*  
[www.joc.com](http://www.joc.com)

*Logistics Management*  
[www.logisticsmgmt.com](http://www.logisticsmgmt.com)

*Manufacturing Technology Insights*  
[www.manufacturingtechnologyinsights.com](http://www.manufacturingtechnologyinsights.com)

*Supply Chain*  
[www.supplychaindigital.com/magazine](http://www.supplychaindigital.com/magazine)

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# CREATIVITY

## TRADE ASSOCIATIONS

Denton County India Cultural Association  
[www.dcica.org](http://www.dcica.org)

Denton Film Society  
[www.facebook.com/DentonFilmSociety](http://www.facebook.com/DentonFilmSociety)

Denton Main Street Association  
[www.dentonmainstreet.org](http://www.dentonmainstreet.org)

Keep Denton Beautiful  
[kdb.org](http://kdb.org)

Master Networks, Denton Chapter  
[www.meetup.com/Master-Networks-Denton-Chapter](http://www.meetup.com/Master-Networks-Denton-Chapter)

North Texas State Fair Association  
[www.ntfair.com](http://www.ntfair.com)

Stoke  
[stokedenton.com](http://stokedenton.com)

TechMill  
[techmill.co](http://techmill.co)

Technology Resource Center of America  
[www.trca.com](http://www.trca.com)

UNT Murphy Center for Entrepreneurship and Innovation  
[cob.unt.edu/murphycenter](http://cob.unt.edu/murphycenter)

## RELEVANT CONFERENCES / EVENTS

FlintConf 2020  
*April 29–May 1, 2020 | Virtual*  
[stokedenton.com/events/2020/4/10/flintconf-2020](http://stokedenton.com/events/2020/4/10/flintconf-2020)

Business Success Summit  
*May 4–8, 2020 | Virtual*  
[www.mnbusinesssuccesssummit.com](http://www.mnbusinesssuccesssummit.com)

1 Million Cups Frisco  
*June 2, 2020 | Virtual*  
[www.meetup.com/1-Million-Cups-Frisco/events/skvdrrybcjfbf](http://www.meetup.com/1-Million-Cups-Frisco/events/skvdrrybcjfbf)

CONNECT 2020  
*August 6–8, 2020 | Allen, TX*  
[www.attend-connect.com/connect-2020](http://www.attend-connect.com/connect-2020)

Techstars Startup Week Waco  
*October 19–22, 2020 | Waco, TX*  
[waco.startupweek.co](http://waco.startupweek.co)

Denton Arts & Jazz Festival  
*April 23–25, 2021 | Denton, TX*  
[dentonjazzfest.com](http://dentonjazzfest.com)

DFW Open Data Day  
*TBD 2021 | Frisco, TX*  
[www.dfwopendataday.com](http://www.dfwopendataday.com)

## TRADE PUBLICATIONS

*Arts and Culture Texas*  
[artsandculturetx.com](http://artsandculturetx.com)

*Journal of Innovation and Entrepreneurship*  
[innovation-entrepreneurship.springeropen.com](http://innovation-entrepreneurship.springeropen.com)

*Stoke Newsletter*  
[stokedenton.com/join-newsletter](http://stokedenton.com/join-newsletter)

*Techstars Startup Digest*  
[www.startupdigest.com](http://www.startupdigest.com)

*Texas Highways*  
[texashighways.com](http://texashighways.com)

*Texas Monthly*  
[www.texasmonthly.com](http://www.texasmonthly.com)

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# SUSTAINABILITY

## TRADE ASSOCIATIONS

Conserve North Texas  
[conservenorthtexas.org](http://conservenorthtexas.org)

Environment Texas  
[environmenttexas.org](http://environmenttexas.org)

North Texas Association of Environmental Professionals  
[www.ntaep.org](http://www.ntaep.org)

North Texas Green Council  
[northtexasgreencouncil.org](http://northtexasgreencouncil.org)

North Texas Renewable Energy Group  
[www.ntreg.org](http://www.ntreg.org)

Society of Texas Environmental Professionals  
[txstep.org](http://txstep.org)

Texas Conservation Alliance  
[www.tcatexas.org](http://www.tcatexas.org)

Texas Municipal Utilities Association  
[tmua.org](http://tmua.org)

Texas Public Power Association  
[www.tppa.com](http://www.tppa.com)

Texas Renewable Energy Industries Alliance  
[www.treia.org](http://www.treia.org)

Texas Solar Energy Society  
[txses.org](http://txses.org)

## RELEVANT CONFERENCES / EVENTS

NTAEP Fourth Annual Texas Commission on Environmental Quality (TCEQ) Trade Fair  
May 12, 2020 | Austin, TX  
[www.ntaep.org/happyhour](http://www.ntaep.org/happyhour)

GRIDNEXT 2020  
June 3, 2020 | Houston, TX  
<https://www.treia.org/gridnext-2020-virtual>

Texas STEP Annual Joint DFW Meeting  
July 21, 2020 | Grapevine, TX  
[txstep.org/meetings/annual-dfw](http://txstep.org/meetings/annual-dfw)

Regional Centre of Expertise North Texas Symposium  
September 16, 2020 | Arlington, TX  
[sustainability.uta.edu/rce/events/rce-symposium](http://sustainability.uta.edu/rce/events/rce-symposium)

TMUA Utility Leadership and Management Conference  
April 28–30, 2021 | Round Rock, TX  
[tmua.org/future-conference-dates](http://tmua.org/future-conference-dates)

## TRADE PUBLICATIONS

*Green Source DFW*  
[www.greensourcedfw.org](http://www.greensourcedfw.org)

*Journal of Renewable and Sustainable Energy*  
[aip.scitation.org/journal/rse](http://aip.scitation.org/journal/rse)

*POWER Magazine*  
[www.powermag.com](http://www.powermag.com)

*Renewable Energy*  
[www.journals.elsevier.com/renewable-energy](http://www.journals.elsevier.com/renewable-energy)

*Utilities Policy*  
[www.journals.elsevier.com/utilities-policy](http://www.journals.elsevier.com/utilities-policy)

*Texas Journal of Oil, Gas, and Energy Law*  
[tjogel.org](http://tjogel.org)

*The Solar Reflector*  
[txses.org/the-solar-reflector](http://txses.org/the-solar-reflector)

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# COMPETITIVENESS

## TRADE ASSOCIATIONS

Association of Texas College & University Facilities Professionals

[www.t-cuf.org](http://www.t-cuf.org)

BOMA Greater Dallas

[www.bomadallas.org](http://www.bomadallas.org)

Career & Technical Association of Texas

[www.ctat.org](http://www.ctat.org)

NAIOP North Texas

[www.northtexasnaiop.com](http://www.northtexasnaiop.com)

National Association of Colleges and Employers

[www.naceweb.org](http://www.naceweb.org)

North Texas Commercial Association of Realtors and Real Estate Professionals

[www.ntcar.org](http://www.ntcar.org)

Texas Association of Healthcare Facilities Management

[www.tahfm.org](http://www.tahfm.org)

Texas Higher Education Human Resources Association

[www.txhehra.org](http://www.txhehra.org)

Texas Hospital Association

[www.tha.org](http://www.tha.org)

Texas Medical Association

[www.texmed.org](http://www.texmed.org)

## RELEVANT CONFERENCES / EVENTS

TMA Winter Conference

January 29–30, 2021 | Austin, TX

[www.texmed.org/Winter](http://www.texmed.org/Winter)

2020 NACE Conference + Expo

June 2–5, 2020 | Minneapolis, MN

[www.naceweb.org/conferenceexpo/default.htm](http://www.naceweb.org/conferenceexpo/default.htm)

2020 Commercial Real Estate Expo

September 9, 2020 | Dallas, TX

[www.ntcar.org/ntcar-events/2020-expo](http://www.ntcar.org/ntcar-events/2020-expo)

NTCAR Reunion and Hall of Fame

September 22, 2020 | Dallas, TX

[www.ntcarhalloffame.org](http://www.ntcarhalloffame.org)

THEHRA Summer 2020

October 18–20, 2020 | Galveston, TX

[www.txhehra.org/conferences.html](http://www.txhehra.org/conferences.html)

2021 TAHFM Annual Conference

March 28–31, 2021 | Fort Worth, TX

[www.tahfm.org/general/custom.asp?page=2020conference](http://www.tahfm.org/general/custom.asp?page=2020conference)

## TRADE PUBLICATIONS

BOMA Magazine

[www.boma.org/BOMA/Research-Resources](http://www.boma.org/BOMA/Research-Resources)

Development Magazine

[www.naiop.org/en/Research-and-Publications/Magazine](http://www.naiop.org/en/Research-and-Publications/Magazine)

Texas Hospitals

[www.tha.org/TexasHospitalsMagazine](http://www.tha.org/TexasHospitalsMagazine)

The American Journal of Medicine

[www.amjmed.com](http://www.amjmed.com)

The Journal of Continuing Higher Education

[www.tandfonline.com/loi/ujch20](http://www.tandfonline.com/loi/ujch20)

The Journal of Higher Education

[www.tandfonline.com/loi/uhej20](http://www.tandfonline.com/loi/uhej20)

The Journal of Real Estate Research

<https://aresjournals.org/loi/rees>

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