



TEDC 2024 CEDA APPLICATION

All Applications Must Be Received by August 16, 2024

The 2024 CEDA nominations will be judged in each of the five categories that have made the most significant contribution to economic development in their community and the State of Texas.

AWARD CATEGORIES

The CEDA will be awarded to one community from each of the following five population categories: (as currently marketed). Mark the population category for which you are applying. In addition to CEDA by population, applicants will be considered for five criteria awards such as: Innovativeness, Transferability, Community Commitment & Leverage, Measured Objectives and Secondary Benefits.

- Population less than 10,000 _____
- Population 10,001 to 20,000 _____
- Population 20,001 to 50,000 _____
- Population 50,001 to 100,000 _____
- Population 100,001 to 250,000 _____
- Population 250,001 and above _____

NOMINATION:

Name of Community: _____

TEDC Member Name: _____ (individual member, not organization)

Telephone #: _____

Email Address: _____

Community Population (as currently marketed): _____

Community/Organization Linked-In Profile: _____

Application Submitted By: _____

Email Address: _____

Media Contacts: [optional]

Organization: _____ Contact Name: _____

Email Address: _____

Organization: _____ Contact Name: _____

Email Address: _____

TEDC – Community Economic Development Award application

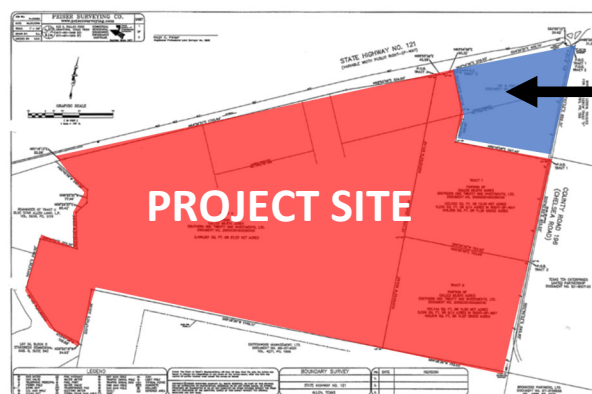
The 121 Tech Park, a Mixed-Use Development in Allen, TX *submitted by Allen EDC*

The Allen Economic Development Corporation (AEDC) was instrumental in securing the development of a mixed-use project called the 121 Tech Park, including 740,000-SF of technology-focused light industrial/flex space, 250,000-SF of mid-rise Class A office space, 30,000-SF of retail and restaurant space and 129 townhomes to create a walkable environment. Stillwater Capital broke ground on 340,000-SF of technology buildings in June of 2023 and is completing the initial buildings in Summer of 2024. The project is located on approximately 80 acres adjacent to State Highway 121 and one-half mile from US 75 in Allen, Texas. The project has not been previously nominated for a CEDA.

The AEDC was instrumental in securing Stillwater Capital as the developer and expanding the scope of the project to include mixed-use elements not initially contemplated by the developer. Several developers had previously approached the AEDC about developing light industrial buildings on this tract. The AEDC had declined to work with these developers because the City of Allen was concerned that developing the entire 80-acre site as light industrial buildings could negatively impact the neighboring 260-acre mixed-use office project, Sloan Corners. The City was also concerned that developing certain types of lower-cost light industrial buildings could attract lower quality distribution uses, as opposed to the technology manufacturing employers that bring higher paying jobs and more investment.

The AEDC worked initially to create a true mixed-use project with a focus on jobs/employment by addressing the following issues:

1. **The site contained an 8-acre out-parcel on the hard corner.** Previous developers had not been willing to purchase this tract (owned by a separate landowner) and incorporate it into the project. Without the hard corner, the project would be developed in a disjointed manner, with the likelihood that a future developer would construct a gas station or similar development on the corner that did not match the overall project. The AEDC was instrumental in facilitating Stillwater Capital purchasing and incorporating the hard corner site.



2. **The AEDC negotiated with the developer to ensure there was a 20-acre “buffer” between the 121 Tech Park and the neighboring Sloan Corners Project.** Sloan Corners is a future project that is expected to be the “crown jewel” of Allen’s mixed-use development efforts on Highway SH 121. This neighboring development is owned and being developed by Billingsley Company, a highly repudiated North Texas developer. It is planned to include 6 million SF of office, 300,000 SF of retail/restaurant, a 32-acre park and 4,000 urban apartments. Having light industrial buildings directly adjacent to Sloan Corners would have had a negative impact on its development.



3. **The AEDC negotiated to plan two (2) Class A office buildings with a total of 250,000-SF, 300,000-SF of retail/restaurant space, and 129 townhomes on the 20-acre “buffer” land in order to create a true mixed-use environment.** The thoughtful planned development with office/retail/residential next to manufacturing development is rare. Combining these elements provided high wage, high investment manufacturers with the opportunity to locate near where their workers live, shop and dine.
4. **The AEDC negotiated to have Stillwater Capital contribute \$2 million to an escrow account to support the future development of Class A office in the park.** Knowing that the office market in 2023/2024 was uncertain, the AEDC agreed to provide future economic incentives (in the form of a parking garage grant and master lease) and induced the developer to contribute funding to support the future office development when market conditions (interest rate, lending) allow for office construction.
5. **The AEDC partnered with the developer to ensure a higher level of investment in the light industrial buildings to provide the adequate infrastructure, parking, exterior building facades and building layouts to support technology manufacturing companies.** A lower-quality design and build-out could have led to distribution tenants to minimal employment and equipment. The higher quality buildings are specifically designed and marketed by both the AEDC and Stillwater for manufacturing employers. See the company website: <https://stillwatercap.com/properties/121-technology-park/>
6. **The AEDC recruited Amphenol Fiber Systems International (AFSI) as the anchor tenant for the 121 Tech Park, with the company signing a 10-year lease at the Tech Park in November of 2023.** Amphenol is a global provider of interconnect, sensor and antenna solutions used in a variety of industries including automotive, telecommunications, defense aerospace, industrial, and information technology. The company originally located into 35,000 SF in Allen in 2002, later expanding to 50,000 SF. The AEDC provided a competitive Business Retention & Expansion (BRE) grant that allowed the company to nearly double in size, expand up to 250 employees and invest over \$10 million in the finish-out of the building. Amphenol now expects to double sales from \$55 million to nearly \$100 million. Had the AEDC not recruited Stillwater to develop this project, Amphenol would have been forced to leave Allen in order to find suitable space.

7. **The AEDC recently purchased the 10.42-acres at the northeast corner of the project to ensure the future development of office and retail/restaurant space in the project.** The AEDC used Type A funds for this purchase. The AEDC has a track record of making strategic land investments to hold land for desirable uses (i.e., office/employment center). This purchase allows the AEDC to weather the storm of the current economic cycle and ensure the land will be well positioned for office projects when the financial markets recover.

121 Tech Park has already seen significant success since it broke ground. Preleasing activity for the Tech Park has been strong and Xtera, a supplier of submarine telecommunications cables, recently signed a lease to take 21,200 SF in the project. Another user taking space in the park is a 23,000-SF telecommunications manufacturer. The high-quality finish out of the buildings, proximately to major highways and quality of workforce available in Allen have all been cited as compelling reasons for a company to locate in the 121 Tech Park.

The 129-acre high density, attached townhome project is already under construction and will provide the residential component for the live/work/play environment.

Here is some additional explanation on how the project meets the CEDA criteria:

Innovativeness

The 121 Tech Park is not your typical industrial park. AEDC efforts to partner on the high quality, high investment tech buildings will attract manufacturers that create greater employment and investment. Incorporated mixed-use elements into a light industrial project is unique. The AEDC land purchase, the developer escrow funding commitment, the AEDC planned Class A office incentives (including master lease), and the unique BRE incentive to double the size of existing employer, shows a unique and innovative set of tools that were combined to make this project a success.

Transferability

Allen is similar to many suburban communities that see strong interest from high tech manufacturing users. The approach to this project can be used by other similar communities that seek to incorporate high quality light industrial buildings into mixed-use projects that also allow for office, retail and even residential uses. Light industrial buildings do not need to sit on an island. Cities can use innovative strategies to incorporate tech buildings into walkable environments that give the best of both worlds.

Community Commitment and Leverage

The AEDC partnered with other local entities, including the City of Allen, the Allen Community Development Corporation, Collin College and Collin County. While AEDC incentives and land purchases were the primary direct incentive funding, the City of Allen was active in the structuring of complex Planned Development (PD) zoning to make the project possible. The Allen CDC has focused on the recruitment of parks and recreation users to the retail area. Collin College, which has its 340,000-SF Technical Campus just down the street, has already partnered with the anchor tenant (Amphenol Fiber Systems International) on a customized training programs and training grants. Collin County put funding into the portions of the major thoroughfare roads adjacent to the project, namely Ridgeview Drive and Chelsea Boulevard. This project would not have been possible without the team efforts that included all of these entities.

Measured Objectives and Secondary Benefits

This project has a number of measured benefits:

- Stillwater Capital is investing in excess of \$100 million in the tech manufacturing portion of the project.

- Amphenol Fiber Systems International (AFSI) retained 150 jobs and is growing to 250 jobs, with a \$10 million investment in the finish-out of a 94,000 SF building
- The AEDC spent millions on the purchase of a 10.42-acre tract that will increase in value in the future and allow the AEDC to provide competitive land offers to company prospects.
- The office, retail, restaurant and residential investments are expected to include investments in excess of \$300-400 million.

The project will also provide secondary benefits that ripple through the Allen and wider Collin County Community. Manufacturers locating in the project employ the highly educated engineering workforce that lives in and around Allen. They are part of the larger supply chain for the North Texas region, including the new semiconductor plants being located north of Allen in Sherman. This project also provides a location for local companies that would otherwise have to leave Allen for lack of available space.

Summary

This 80-acre mixed use project would not have been possible without years of planning and incentive structuring by the Allen EDC. The creative use of “buffer” land to create the mixed-use environment and the leveraging of developer escrow funds set the stage, while the implementation of the project provided an opportunity for a compelling BRE incentive that doubled the size of a local employer. The Allen EDC purchase of land provided an opportunity for further expansion of the project in a future market cycle. All of this was possible because a number of government agencies, including Collin College and Collin County, partnered with Allen to create a truly unique employment-driven mixed-use project.