

## MEMORANDUM

**Date:** October 2, 2024  
**To:** Chairman Kevin Mosher and Members of the Caddo Mills EDC  
**From:** John R. Hubbard, Ph.D., CEcD  
**SUBJECT:** **Discussion on Relocation of Caddo Mills EDC Office**

**Objective:** To discuss the potential relocation of the Caddo Mills Economic Development Corporation (EDC) office, considering possible locations, Certificate of Occupancy (CO) approval, associated costs, potential tenants, and the timetable for relocation.

### Discussion Points:

#### 1. Location Options:

Review of two possible locations for the new EDC office:

- Property at 2402 2<sup>nd</sup> Street. – near City Hall. Just a few items needed for CO.
- Former Pre-School Building at 270 Covenant Ranch Road – Large room to go. Could serve as a business incubator. Great future will City offices move on the property. Still need to determine what is needed for CO.

Either location can be ready by the end other the year. Below is a breakdown of the pros and cons of moving the EDC offices to either location based on accessibility, space, and long-term goals:

#### 2402 2nd Street (Near City Hall)

##### Pros:

- **Proximity to City Hall:** Being close to Cown Hall enhances coordination with city officials and departments. The proximity to City Hall can streamline communication and collaboration on projects.
- **Minimal Modifications:** Only a few items are needed for a Certificate of Occupancy (CO), with an estimated cost of \$12,000, mainly due to fence replacement. This is a relatively manageable cost in the long term and in the FY2024-24 Budget.
- **Familiar Location:** The area is likely already well-known by the local business community and residents, making the transition smoother for both staff and visitors.
- **Community Engagement:** Its central location could allow the EDC to maintain a visible presence in the heart of local government activity, enhancing its public profile.

##### Cons:

- **Limited Space:** Depending on the specific needs of the EDC, the available space may not be sufficient for long-term growth or additional functions, like creating a business incubator.
- **Cost:** The \$12,000 cost is higher than the alternative
- **Future Expansion:** As the EDC grows, 2402 2nd Street might not offer the flexibility needed for future expansions without additional renovations or moving again.

## **270 Covenant Ranch Road (Former Preschool Building)**

### **Pros:**

- **Lower Cost:** The estimated cost for a CO at this location is less than \$3,000, which is significantly cheaper than the 2nd Street option. This frees up funds for other investments.
- **Larger Space:** The preschool building offers a larger room, making it suitable for creating a business incubator, which aligns well with the EDC's long-term goal of supporting local entrepreneurs and startups.
- **Future Planning:** If the city plans to move offices to the property in the future, it could become a central hub for economic development, providing opportunities for collaboration and expansion.
- **Flexibility:** The large space offers flexibility for events, meetings, or additional office needs as the EDC grows, making it adaptable to future needs.

### **Cons:**

- **Ownership:** The building is owned by the City of Caddo Mills and Caddo Mills EDC.
- **Location:** Being farther from City Hall may make it less convenient for staff who need to frequently interact with city officials, reducing face-to-face collaboration.
- **Unknown CO Requirements:** While the initial cost estimate is lower, there may still be unknown factors regarding modifications or repairs to meet CO requirements.
- **Visibility:** The property might be less visible and accessible to the business community or residents compared to 2402 2nd Street, depending on its location within the city.

### **Conclusion**

- **2402 2nd Street** is ideal if the focus is on maintaining proximity to City Hall for coordination and visibility, but space could be an issue for future growth.
- **270 Covenant Ranch Road** offers more room for growth and the potential to support a business incubator at a lower initial cost, but it lacks the immediate convenience of being near City Hall.

The decision should be guided by the EDC's long-term priorities: if fostering entrepreneurship and providing flexible space are key, Covenant Ranch Road may be the better option. If the focus is on maintaining strong ties with city operations and visibility, 2nd Street might be preferable.

### **Other discussion points on either location and next steps**

- Identification of potential tenants for unused space in the new office location.
- Discussion on leasing terms, rental income, and benefits of co-tenancy.
- Proposed timeline for office relocation, considering CO approval and any necessary preparations.