



Agenda Item Report

Legislative Board:	Buda Economic Development Corporation
Date:	March 9, 2026
Contact:	Shannon Cameron, Office Manager
Agenda Item ID / Number:	2026-248- / 8.2

ITEM TITLE: Discussion and possible action to approve participant selection criteria for a retail incubator program.

1. EXECUTIVE SUMMARY

The Depot on Main Retail Incubator is intended to support early-stage and growing businesses by providing affordable, flexible retail space while activating a historic, high-visibility community asset. The incubator prioritizes businesses that contribute to local economic vitality, downtown activation, and entrepreneurship in Buda.

The Buda Economic Development Corporation (Buda EDC) has developed a standardized Tenant Selection Criteria and Evaluation Framework for businesses participating in the Depot on Main Retail Incubator Program. The purpose of this framework is to ensure that tenant selection aligns with the program's goals of supporting early-stage entrepreneurs, activating a historic downtown asset, and strengthening Buda's local economy.

The criteria prioritize businesses that are consumer-facing, locally connected, financially viable, and capable of contributing to the vibrancy of Downtown Buda. Preference will be given to entrepreneurs who have participated in or graduated from the Buda HIVE entrepreneurship program, ensuring continuity in the city's business development pipeline. The selection process will be administered by Buda EDC staff through a standardized evaluation process that considers program alignment, operational readiness, community impact, and tenant mix.

2. BACKGROUND/HISTORY

The Depot on Main Retail Incubator was established as part of Buda EDC's broader strategy to support entrepreneurship, small business development, and downtown activation. The incubator provides affordable, flexible retail space within a highly visible historic property and is designed to help emerging businesses test concepts, build customer bases, and transition into permanent brick-and-mortar locations within Buda.

To maintain the integrity and purpose of the program, formal tenant selection criteria were developed to evaluate applicants on business readiness, financial viability, operational compatibility, and alignment with community goals. Eligible businesses are generally retail, food, beverage, or experiential concepts that offer unique or locally produced products, generate sales tax revenue, and enhance the visitor and community experience at the Depot.

Selected tenants will operate under short-term license agreements ranging from 12–24 months, reinforcing the incubator's purpose as a launch platform rather than a permanent tenancy. Participating businesses will also be expected to engage in business coaching, marketing

collaborations, and reporting of performance metrics such as sales and customer engagement.

3. ANALYSIS

4. FINANCIAL IMPACT

NA

5. STRATEGIC PLAN/GOALS

6. STRATEGIC PLAN OBJECTIVES

7. PROS AND CONS

8. ALTERNATIVES

9. REQUESTED ACTION / SUGGESTED MOTION / RECOMMENDATION

Attachments:

[Depot Incubator Tenant Selection Criteria.docx](#)