



SEGUIN
TEXAS

ECONOMIC
DEVELOPMENT
CORPORATION

ANNUAL REPORT

2020-2021

Annual Report 2020-2021

Table of Contents:

1 About

- Mission Statement
- Seguin EDC Staff
- Seguin EDC Board of Directors
- Message from Seguin EDC Board of Directors President
- FY21 Quick Facts

5 Marketing and Recruitment

- Project Updates
- Marketing Campaigns
- Retail Recruitment
- Online Marketing

10 Business Retention and Expansion

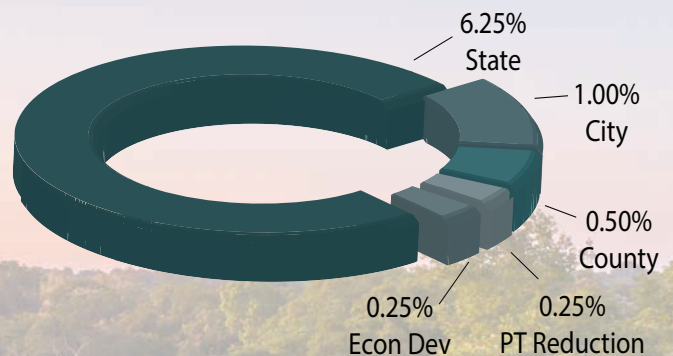
- BRE & Workforce Activities
- Grant Program

13 Financial Summary

- Revenues
- Expenditures

ABOUT THE SEGUIN EDC

The Seguin Economic Development Corporation (SEDC) was established in 1994 as a Type A Economic Development Corporation governed by Chapters 501, 502 and 504 of the Texas Local Government Code to create, attract, retain and expand business opportunities for Seguin and its residents. The SEDC's primary revenue source is a quarter-cent sales tax that is designated specifically for the SEDC. The SEDC may use Type A revenue for the funding of land, buildings, equipment, facilities expenditures, targeted infrastructure and improvements that are for the creation or retention of primary jobs. The SEDC is governed by a five-member Board of Directors comprised of community leaders that reside within the city of Seguin.



Mission

To strengthen and grow the City of Seguin's economic base and increase the standard of living for all its citizens by providing development support and resources for business attraction, retention and expansion with the ultimate goal of creating primary jobs and capital investments. This mission includes the promotion of workforce enhancement and other business development initiatives that provide economic diversification and stabilization.

SEGUIN EDC STAFF



Josh Schneuker
Executive Director



Lindsay Dennis
Assistant Director



Ashlynn Tovar-Read
Business Retention
Specialist



Brittney Watson
Marketing/Admin
Assistant

On May 7, 1994, a special election was held in the City of Seguin for the purpose of adopting a 1/4th sales and use tax within the City of Seguin for economic development, pursuant to the provisions of Section 4A of the Development Corporation Act of 1979. That measure was passed by voters and on September 29, 1994, a Certificate of Incorporation was issued, creating the Seguin Economic Development Corporation.

The business and affairs of the SEDC are exercised by or under authority of the SEDC Board of Directors which is appointed by the Seguin City Council. The five member Board of Directors is composed of residents of the City of Seguin that meet the following qualifications: (1) have either served as a Chief Executive Officer of a company; or (2) served in a position of executive management of a company; or (3) have served in some level of professional capacity. The term for Directors of the SEDC is three years, and no Director is eligible to serve more than two consecutive full terms.

The Seguin Economic Development Corporation Board of Directors has played a pivotal role in the economic growth and development of Seguin. The Board typically meets at 12 PM on the first Thursday of each month in the Seguin City Council Chambers. Per the Bylaws of the SEDC, the Board of Directors must meet at least six times per year. SEDC Board Meetings are open to the public and subject to the open meeting laws of the State of Texas.



Carlos Moreno
Board President



Don Keil
Vice President



Drew Engelke
Treasurer

OUR
BOARD

OF

DIRECTORS



Robert Meservey
Secretary



Elaine Bennett
Assistant Secretary

A letter from

Our Board President

My name is Carlos Moreno and I have the honor to serve the Seguin community as President of the Board of Directors for the Seguin Economic Development Corporation (SEDC). It is the mission of the Seguin EDC to strengthen and grow the City of Seguin's economic base and increase the standard of living for all its citizens by providing development support and resources for business attraction, retention and expansion with the ultimate goal of creating primary jobs and capital investments. I have served on the SEDC Board of Directors since 2019 and have had the opportunity to work with Economic Development Staff, City Management, the Seguin City Council and Mayor to help fulfill the mission of the SEDC. Cooperation and leadership by all parties has resulted in rapid economic growth and has made Seguin a premier destination to live, work, and play.

Today, the City of Seguin is approaching a population of nearly 31,000 residents, and by 2040, the City could be home to more than 50,000 people. New residential developments in Seguin are visible in every corner of the City. There are currently more than 9,000 residential lots that are either tied to a residential subdivision that is under construction or tied to a residential subdivision that is moving through the entitlement process. This ongoing residential growth is fueled by the strong economic conditions in Seguin. Manufacturing remains the heart of the City's economy. Big name corporations

such as Caterpillar, Vitesco Technologies, Tyson Foods, Georgia Pacific, Niagara Bottling, Hexcel, and CMC Steel all have major manufacturing operations within the City of Seguin. In fact, there are over 4,000 manufacturing jobs just within the Seguin region; this is more than three times the national average. Our proximity to San Antonio and Austin enables our businesses to tap into a large, diverse, and skilled labor pool. We are located three hours away from the U.S. - Mexico Border via Interstate 35, and two and a half hours away from the Port of Houston. Seguin's strategic location provides businesses with great access to get materials and finished products in and out to their customers around the world.

Even though the pandemic and its impacts continue, the Seguin community and economy have never been stronger, and we owe that to our location, our existing industries and most importantly our people. The SEDC will build upon our recent successes to ensure that the Seguin economy continues to flourish for years to come.

CARLOS MORENO
Seguin EDC Board President





11,000+
Housing Units in
Development Pipeline

20+
New Residential
Subdivisions Under
Construction

855
New Single Family
Residential Permits
Issued

Source: City of Seguin

Top Employers

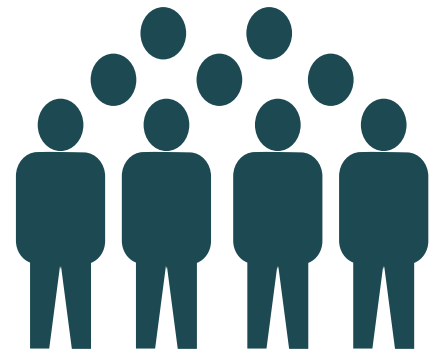
	# of Employees
Caterpillar	+/- 1500
Vitesco Technologies	+/- 1500
Seguin ISD	+/- 1045
CMC Steel	+/- 900
Guadalupe Regional Medical Center	+/- 765
Tyson Foods	+/- 550
Hexcel	+/- 260
Minigrip	+/- 220
Niagara Bottling	+/- 120

29,433

2021 Population

16.91%

Population Increase
(2010-2020)



Source: US Census

Top Workforce Industries

	FY21 Total
Manufacturing	30.4%
Health Care	11.2%
Retail Trade	9.9%
Education	8.6%
Accommodation/Food Service	8.0%

Source: JobsEQ

732
Jobs Added

4.2%
Unemployment Rate



13,295
Total Employed

13,874
Labor Force Population

Source: Texas LMI



MARKETING & RECRUITMENT

The SEDC works to attract primary employers that will add new investment and new jobs to the city of Seguin. In 2020, two notable economic development projects broke ground in Seguin, Teijin Automotive Technologies and United Alloy. Operations for Teijin Automotive Technologies and United Alloy commenced in 2021. These two projects will help create over 300 new well-paying jobs within the Seguin region.

3
Active Recruitment
Projects

\$100 MM
New Capital
Investment

300
New Jobs
Created

\$55,000
Average Annual
Salary

Company	Jobs Created	Total Capital Investment
Teijin Automotive Technologies	200	\$65 million
United Alloy, Inc.	100	\$35 million
Yukon Ventures	0	\$35 million

PROJECT UPDATES

Teijin Automotive Technologies

In July 2019, Teijin Automotive Technologies, a plastics manufacturer supplying compression molded components, primarily to the automotive and industrial industries, announced the company would build a new 200,000 square foot manufacturing facility, that would represent a total capital investment of at least \$50,000,000 and a commitment to create at least 200 new jobs at a total payroll of at least \$9,000,000 over a four year ramp up period.

Teijin has completed the physical construction for its new 200,000 square foot manufacturing facility and is in the process of installing the machinery and equipment within the facility. The company is on track to meet operational, employment, and payroll benchmarks that are due 12/31/2021.



United Alloy



In December 2019, United Alloy (UA), a serial production metal fabrication and powder coating company that produces high quality leak-proof metal fuel tanks, reservoirs, skids, frames, chassis, trailers, heavy metal fabrications, and complex weldments for an extensive list of Fortune 500 OEM customers, announced the company would expand their operations in Seguin to include manufacturing and large-scale production.

UA has now completed construction for its 120,000 square foot manufacturing facility and has commenced business operations. The company has submitted their Annual Compliance Report to the

SEDC and verified their compliance to the various obligations outlined within the SEDC Performance Agreement and City of Seguin Tax Abatement Agreement.

Yukon Ventures

Yukon Ventures, a Texas based leader in cold storage development announced in May 2021 that it will locate its second location in the state of Texas to the intersection of I-10 and State Highway 46 in Seguin. Upon completion, the roughly 170,000 sf state-of-the-art facility will provide storage for 21,000 pallets and 600 blast freezing positions. The facility's strategic location will have the unique ability to service both Austin and San Antonio within less than a one-hour drive, and the Houston Ports and the US-Mexico border in less than a three-hour drive in either direction.



Marketing Campaigns

Membership Organizations

To support our primary job recruitment efforts, the SEDC participates in multiple membership based organizations. These organizations grant the SEDC participation in virtual campaigns, conferences, roadshows, and trade shows which help to enhance our exposure to site selection consultants and prospective businesses within targeted industries, ultimately leading to the creation of primary jobs in Seguin.

The SEDC maintains memberships with

- **Team Texas** - the member-based state business attraction program through Texas Economic Development Council, the professional association for Texas economic developers;
- **Site Selectors Guild** - the only association of the world's foremost professional site selection consultants;
- **Industrial Asset Management Council (IAMC)** - the leading professional association for corporate real estate executives focused on the needs of an industrial portfolio;
- **Greater SATX** - the regional partnership recruits new companies, creates global business relationships, helps local companies grow, and builds the local workforce.
- **Southern Economic Development Council** - the oldest and largest regional economic development association in North America



Recruitment Events

Virtual Campaigns	3
Roadshows	1
Conferences	3
Tradeshows	1

Assistant Director Lindsay Dennis attended FabTech, North America's largest metal forming, fabricating, welding, and finishing event, with Team Texas in September. This event allowed the SEDC to meet with targeted manufacturing companies.

Commercial Real Estate Luncheon - December 2020

On December 10, 2020, the SEDC hosted our annual Commercial Real Estate Update and Seguin Economic Update. Due to COVID-19, this year's event took place in a virtual format. Over 30 commercial real estate professionals from across the San Antonio and Austin region attend the event. Attendees received an update on economic development activities within the City of Seguin. In addition, Mr. Keith Phillips with the Federal Reserve Bank of Dallas provided an update on the regional, state, and national economy. Many of the commercial real estate professionals that attend this event, work with developers and prospective retailers. The SEDC uses this event as a way to encourage new development and investment in the city of Seguin.



Federal Reserve
Bank of Dallas



Texas Economic Performance and Outlook Amidst COVID-19 Pandemic

Keith R. Phillips
Federal Reserve Bank of Dallas
12/10/2020

Marketing and Recruitment

Retail Recruitment

State Hwy 123 & Court St. Retail Area

Retailers, Hotworx and Sport Clips are open for business. Shipley Donuts is renovating the former JJ's building and has plans to open in December 2021.

I-10 & SH 46 Retail Area

Retailers, DaVita and Burger King are open for business. Chicken Express has broken ground and will be operational early 2022. The developer currently has the 2.3-acre pad site located at the hard corner of SH 46 and SH Matthies listed for sale with several potential retailers interested. The developer is currently marketing the remaining pad sites along SH 46 to target retailers, with the assistance of the SEDC.

Seguin Crossroads Shopping Center

The Seguin Crossroads Shopping Center is located at the northeast corner of SH 123 Bypass and Court Street. The 127,240 square foot class B shopping center was built in 1985 and is home to national retailers such as Burkes Outlet and Pet Supplies Plus. Due to several different factors, the shopping center has deteriorated in both physical and economic condition over the past several years. Currently only about 40% to 50% of the shopping center is occupied. Several major national retailers that occupied space at the shopping center have since ceased operations or relocated to other retail centers in the City of Seguin. The shopping center changed ownership this year and the new owners are currently in discussions with several national-brand targeted retailer to lease space at the center.

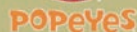
I-10 & Austin St. Retail Area

QuickTrip (QT) is an American chain of convenience stores based in Tulsa, Oklahoma. QT has recently expanded into South Texas, with 19 operational stores in the San Antonio and Austin areas, and about 15 to 20 more slated to be built over the next several years. QT opened their first Seguin store at the northeast corner of Interstate 10 and Austin Street in December 2020. More retail is in the pipeline for this area.

RECENTLY LOCATED RETAIL



TARGETED RETAIL



AND MORE!

Online Marketing

The Seguin EDC's recruitment initiatives are critical to ensure that Seguin is marketed to site selectors, brokers and executives across the globe. To further strengthen and support its recruitment initiatives, the Seguin EDC maintains an online presence through social media and a stand-alone website.

 **3,634**
Facebook
Followers

 **622**
LinkedIn
Followers

 **Instagram**
Followers

 **1,247**
Twitter
Followers

Seguin EDC Website

Visits
33,500

Unique Visits
30,443

Page Views
69,706

Average Page Views
2.10

The Seguin EDC website launched in May 2019 as a way for the SEDC to a tool to increase its online presence and to better inform its target audience of Seguin's growing business environment. The SEDC actively uses its website as a primary marketing tool offering information on demographics, workforce, available properties, incentives, business resources, and quality of life amenities.

Heavily Trafficked SEDC Web-pages



Home Page



Job Board



News Feed



Housing



BUSINESS RETENTION AND EXPANSION

The purpose of the Business Retention and Expansion (BRE) Program focuses on retaining and expanding local primary job creating companies through a variety of business support initiatives. These initiatives help to address the following business needs:

- Expansion or relocation of facilities
- Workforce and training needs
- Facility and operation needs

4
Incentivized
Expansion
Projects

12
Workforce
Development
Events

Business Retention & Expansion Initiatives	FY21 Total	FY21 Goal	% Of Goal
Business Visits	23	24	96%
Industry Roundtables	6	10	60%
Job Fairs, Retention & Workforce Development Events	33	15	220%
Business Support	54	50	108%
COVID-19 Manufacturers Update Meetings	12	X	X

Business Retention and Expansion

BRE & Workforce Activities

Workforce Development Activities

The Seguin Economic Development Corporation partners with local industry, area school districts and post-secondary schools in an effort to keep area students local after graduation by providing opportunities for students to learn about local career opportunities, while in turn, developing a strong, local workforce. These initiatives have helped identify skills gaps, created new educational partnerships between schools and industry and increased industry awareness with the next generation of workers in Seguin.

The SEDC hosted the following Workforce Development Events in FY21

- Made in Seguin Virtual Manufacturing Day Event
- Seguin EDC/Schertz EDC Creators Wanted Manufacturing Day Event
- Seguin All Industry Panel Recording for CTE Month
- Seguin Career Day 2021
- Seguin Industry Signing Day 2021
- Job Fairs



Vitesco Technologies demonstrates their robot to students during Seguin Career Day 2021. Seguin Career Day is an interactive and dynamic experience that facilitates a connection between high school students and local Seguin businesses. During Seguin Career Day, employers from the Seguin community gather at one of our local high schools to showcase their company's operations, career pathways and highlight the educational attainment and skill sets that are required for success in that company's industry.

Business Retention & Expansion Activities

CEO, HR, and Workforce Development Roundtables

The SEDC hosts quarterly roundtables for three groups of individuals within the Seguin community, manufacturing executives, manufacturing human resources professionals, and key workforce development individuals. These roundtables provide a place for these groups to network and exchange information, ideas and insights. Due to the COVID-19 pandemic, these meetings were held virtually for most of FY21.

COVID-19 Manufacturing Update Meetings

The SEDC also hosted a COVID-19 manufacturing update meeting that allowed Seguin's manufacturers to hear COVID-19 updates from the City of Seguin, Guadalupe County, Guadalupe Regional Medical Center, and, on occasion, the State and local school districts. . In addition to the updates, these meetings served as a great way for our manufacturers to share best practices with one another in terms of dealing with the pandemic. The SEDC hosted 12 COVID meetings throughout FY 20-FY 21.



Texas Comptroller Glenn Hegar speaks at the Seguin Business Appreciation & Economic Outlook Event held in August.

Seguin Business Appreciation and Economic Outlook Event

Each year the SEDC hosts a Business Appreciation & Economic Outlook Luncheon as a way of saying "thank you" to the businesses that invest in our community. This was the 9th year in a row that the SEDC hosted this event. This year, the event was held in person at the Soel Venue located in downtown Seguin. The theme was "A Whole New World", showcasing the major economic changes that have happened over the last year. Comptroller Glenn Hegar served as the keynote speaker. Six businesses were recognized for their outstanding efforts. Over 80 people attended.

Business Retention and Expansion

Grant Program

Seguin Fabricators

Seguin Fabricators, Ltd. is an established steel fabrication business that serves the industry in water and wastewater treatment plants. Previously located at 779 W. Court Street, growing business demands called for a larger facility. Seguin Fabricators purchased an existing property located within the Crossroads Industrial Park at 1001 Schriever Road to expand its operations. The 65,700 square foot facility required an estimated \$500,000 in improvements to meet the needs of Seguin Fabricators's operations. Improvements included the installation of bridge cranes and general office area improvements. To assist with the facility improvement costs, the SEDC proposed a performance-based incentive to the Company in the amount of \$15,000. In exchange, the company committed to retaining at least 30 full-time jobs and maintaining the at least the same annual payroll.



Rave Gears



Established in 2011, Rave Gears and Machining, located at 425 Stempel Road, is a gear manufacturer that produces high-quality spiral bevel, hypoid, spur, and helical gears. In 2020, Rave Gears started construction on a new 20,000 sf warehouse facility in order to meet the needs of their rapidly growing business. As the project progressed, costs began to rise due to unanticipated utility improvements. Inadequate flow and pressure from their current water/wastewater infrastructure resulted in the need for new infrastructure to be extended to the new building. In addition to the cost to run that infrastructure, Rave Gears was also assessed \$25,347.70 in Water and Wastewater Utility Impact Fees. The SEDC proposed a

financial incentive to the Company in the amount of \$12,674.00, or half the Water /Wastewater Impact and Tap Fees that were assessed to the project. Rave Gears committed to retaining at least 60 full-time jobs at a total annual payroll of at least \$3,600,000 and to the creation of at least an additional five full-time New Jobs with an annual Payroll Creation of \$300,000.00 within one year of the execution of the agreement.

Fujirebio Diagnostics, Inc.

Fujirebio Diagnostics, Inc. (FDI) is a global leader in the field of high-quality in-vitro diagnostics (IVD) testing. FDI currently employs 22 full-time employees at an average annual salary of \$57,728.00. In September, FDI announced expansion plans to build a new 11,478 sf warehouse and laboratory on their existing 5-acre lot, plans to purchase and install a new automated filler machine, and plans to add a clean room onto their existing facility. The total expansion project will represent a total capital investment of \$3.1 million. To assist with the expansion project's costs, the SEDC proposed a performance-based incentive to FDI in the amount of \$22,000. In exchange, FDI is committed to retaining at least 22 full-time jobs, maintaining at least a payroll of \$1.27 million, and a capital investment of \$3.1 million.



FY 2020-21 Financial Summary (Unaudited)

Revenue and Expenditures

FY 2020-21 | Financial Summary - Revenues

Economic Development Sales Tax (quarter cent).....	\$ 1,624,265
Investment Pools Interest Earnings.....	\$ 1,220
Restricted Cash.....	\$ (653)
Principal/Interest - Pure & Gentle.....	\$ 286
Miscellaneous Revenue.....	\$ 46,154
Sale of Real Estate.....	\$ 662,801

Total Fiscal Year Revenues	\$ 2,334,073
-----------------------------------	---------------------

FY 2020-21 | Financial Summary - Expenditures

Annual Audit	\$ 4,350
Attorney Fees.....	\$ 17,286
Board of Directors.....	\$ 1,188
BRE and Workforce Development.....	\$ 27,075
Economic Development Services.....	\$ 334,580
Infrastructure Development	\$ 0
Interest Payments.....	\$ 1,379
Marketing and Promotion.....	\$ 67,763
Operating Supplies	\$ 6,961
Principal Payments	\$ 0
Professional Development	\$ 6,309
Professional Services	\$ 85,928
Project Development	\$ 35,174
Property Maintenance.....	\$ 8,6890

Total Fiscal Year Expenditures	\$ 596,683
---------------------------------------	-------------------



**ECONOMIC
DEVELOPMENT
CORPORATION**

205 N River Street Seguin, TX 78155 | (830) 401-2476 | Seguinedc.com
economicdevelopment@seguintexas.gov

[Twitter.com/seguinedc](https://twitter.com/seguinedc) | [Facebook.com/seguinedc](https://facebook.com/seguinedc)
[Linkedin.com/company/seguin-economic-development-corporation](https://linkedin.com/company/seguin-economic-development-corporation)