

TO: City of Seguin Mayor and City Council

CC: Doug Faseler, City Manager

FROM: Josh Schneuker, Interim Director of Economic Development
Ashlynn Tovar, Economic Development Analyst
Karlee Scheel, Economic Development Specialist

DATE: July 19, 2016

RE: Seguin Economic Development Corporation
Semi-Annual Report For October 1, 2015 - March 31, 2016

1. REPORTING

In accordance with Section 4.04 of the Seguin Economic Development Corporation (SEDC) Bylaws, this SEDC Semi-Annual Report is submitted for your review and consideration. The period covered by this report is October 1, 2015 through March 31, 2016.

2. ACCOMPLISHMENTS AND ONGOING PROJECTS

Staff continues to work with additional prospective industries. Staff maintains a steady stream of communication with prospective industries and provides prospects with supplemental information as needed. Staff will continue to deliver the packages to prospects in a timely manner to ensure the prospects' interest remains solely with the City of Seguin. Staff has dedicated many long hours and hard work to these projects, as the prospects' demands have required staff to be very responsive and aggressive. Staff will continue to keep the Board informed of progress as it occurs.

SEDC Staff continues to send welcome packets to all new businesses in the community. The packets share valuable information about Seguin and the services/support that SEDC can provide. These efforts will help attract, as well as retain, new businesses in Seguin.

Central States Manufacturing

Central States Manufacturing: Staff continues to assist Central States Manufacturing as they have started construction on their future Seguin facility. It will be situated on a 7 acre parcel of land located on Heideke Street between Interstate 10 and State Highway 123 Bypass. Headquartered in Lowell, Arkansas, Central States Manufacturing manufactures metal roofing and building panels and serves over 2,000 post frame, commercial, residential, and architectural customers in the United States. Central States will employ 20 to 25 individuals at the start of operations and projects to employ 40 to 50 individuals within 5 years. Central States anticipates construction to wrap up in mid to late August, 2016 and begin operations shortly afterwards. No financial incentives from the SEDC were provided to Central States Manufacturing; however the SEDC will continue to assist Central States with their hiring process and as needed.

Tractor Supply Company Distribution Center Ribbon Cutting

On October 21, 2014, SEDC and the City of Seguin announced Tractor Supply Company would locate a regional distribution center in Seguin. An incentive package was approved to help recruit the project, which

will create over \$8,000,000 in new capital investment as well as 19 new jobs at an annual payroll of \$627,000. The City of Seguin and the SEDC officially welcomed the Tractor Supply Company Distribution Center to the business community on November 12, 2015. City staff, SEDC Board Members and Mayor Pro Tem Jeannette Crab attended the ribbon cutting and facility tour.

Siro Group

The Seguin Economic Development Corporation and the City of Seguin announced on October 28th, 2014 that Siro Group USA would be locating their first North American food manufacturing facility in Seguin. Siro Group will be creating over \$58.5 million in new capital investment and 212 new jobs over six years. To position Seguin competitively a local incentive package was utilized which included an \$800,000 state grant from the Texas Enterprise Fund and a five-year property tax abatement from the City and County. Over the five-year period of the incentive package, the City, County, Lateral Road and School District are expected to receive over \$5 million in new property tax revenue, net of the tax abatement. In addition, the SEDC Board of Directors also approved a land grant of 50 acres, as well as 50% of the needed funding for improvements to 8th Street, with the City funding the remainder and the necessary electrical upgrades. In exchange for the incentives, Siro Group is contractually required to meet performance criteria including the creation of new jobs and capital investment over a five-year period. On October 27, 2015, Siro Group closed on the 50 acres of land granted to them by the SEDC as a part of incentive package. Siro Group has recently hired an HR Manager and Plant Manager. Siro Group is expected to select a general contractor by the end of July, 2016 to manage the construction of their facility in Seguin. Construction of their Seguin facility is anticipated to commence by the end of 2016 and should be completed by the first quarter of 2018. The 250,000 square foot facility to be located at the intersection of Rio Nogales and Eight Street will include a food manufacturing facility, a R&D Center and a Special Employment Center.

Niagara Bottling

On June 30, 2015 Niagara Bottling announced they would be building their new 557,000 square foot bottling facility in Seguin. To position Seguin competitively, a local incentive package was utilized which included a five-year partial property tax abatement from Guadalupe County and a land grant incentive valued at approximately \$985,900 from the Seguin Economic Development Corporation. Over the five-year period of the incentive package, the City, County, Lateral Road and School District are anticipated to receive over \$6 million in new property tax revenue, net of the tax abatement. Niagara Bottling's 557,000 square foot facility is located on approximately 30.77 acres of land near the intersection of Rio Nogales Drive and Eight Street. Construction is complete on Niagara Bottling's facility and operations have commenced. An official grand opening for Niagara Bottling is tentatively scheduled for Fall, 2016.

Central Texas Technology Center (CTTC) Expansion

On May 14, 2015 CTTC broke ground on an approximately 26,000 square foot expansion of the workforce training facility. Multiple agencies contributed to the funding of the expansion project including the City of New Braunfels, the New Braunfels Industrial Development Corporation, U.S. Department of Commerce (Via EDA Grant) and the SEDC who contributed \$700,000.00. Construction of the CTTC expansion is scheduled to be complete in July 2016, just in time for the Fall, 2016 semester. SEDC staff is currently working alongside other CTTC partners to hold a ribbon cutting ceremony for the new section of the campus. This event is scheduled for Friday, September 9, 2016. Further details on the ceremony will be provided as they become available.

3. INFRASTRUCTURE DEVELOPMENT

Interstate 10 Frontage Roads

Construction is complete on the first of two frontage road projects that will provide access to future development along Interstate 10 in Seguin. The \$5 million frontage road project between State Highway 46 and FM 464 was officially completed in July, 2014. The second project is currently under construction and being funded by TXDOT at a cost of just over \$30 million, will construct more than two miles of frontage roads on both sides of Interstate 10 between State Highway 46 and State Highway 123 Business. Specifically, this project will reconfigure State Highway 46/ Farm to Market 78/ Interstate 10 intersection, convert existing two-way frontage roads to one-way frontage roads, add frontage roads from State Highway 46 and State Highway 123 Business, construct turnarounds at State Highway 46, Farm to Market 78 and State Highway 123 Business and reverse Interstate 10 Exit & Entrance Ramps between State Highway 46 and State Highway 123 Business.

4. BUSINESS RETENTION AND EXPANSION

Niagara Bottling Job Fair

On November 18, 2015, SEDC Staff worked alongside Niagara Bottling to host a job fair at the Seguin Coliseum in order to fill positions at their new Seguin facility that has just commenced operations. Over 500 people attended the job fair, with attendance steady throughout the day. Representatives from Niagara Bottling were very pleased with both the turn out and the quality of the prospective job seekers present at the job fair.

SEDC Winter Job Fair

On December 1, 2015, the SEDC hosted a winter job fair that took place at the Seguin Silver Center. Approximately 200 job seekers attended the event. Local businesses participating in the job fair included Continental, Mini Grip, Seguin ISD, Tyson Foods, and many more. Staff received overwhelmingly positive feedback on the event from both job seekers and participating businesses.

Tank Partners Manufacturing Symposium

On January 13, 2016, Tank Partners held the first ever “Manufacturing Job Creation Symposium” at the Texas Theatre in Seguin. This symposium, sponsored by the SEDC, focused on the importance of manufacturing and job creation within the South Central Texas region. Over 70 business representatives from all over the world were in attendance at the symposium.

Additional Business Retention and Expansion Efforts

One of the goals outlined in the SEDC work plan is to continue focus on the Business Retention and Expansion program in existence. The importance of this program is to help maintain the list of existing industries and facilitate the growth and expansion as available. SEDC continues work on the Business Retention and Expansion program in order to assess the needs, opportunities, and challenges of Seguin’s existing businesses. Staff is in the process of streamlining the existing program to ensure the cooperation of existing businesses while simultaneously providing SEDC with important details necessary in facilitating opportunities

as they become available. Staff will continue focusing a strong effort to the SEDC Business Retention and Expansion program, as it's a crucial aspect in maintaining the vitality and employment rates in Seguin.

5. RETAIL ACTIVITIES

As part of SEDC's mission to diversify Seguin's retail base, increase sales tax revenues, satisfy constituents and improve overall quality of life, staff has aggressively continued recruit retail in a number of ways:

Buxton

SEDC Staff continues to work closely with Buxton in order to enhance the efforts of retail attraction for the community. Buxton utilizes advanced customer analytics that allow the City of Seguin to identify those retailers that match the analytics and demographics of a target area. Based upon those matches, the City of Seguin and SEDC staff are working to recruit the retailers that best fit the shopping and dining habits of consumers in Seguin's trade area and provide data-backed verification of retail potential in the community. SEDC staff is currently utilizing Buxton's provided "targeted retailers" as the basis for recruitment efforts both in-house and at the various retail recruitment events.

International Council of Shopping Centers (ICSC) Conferences

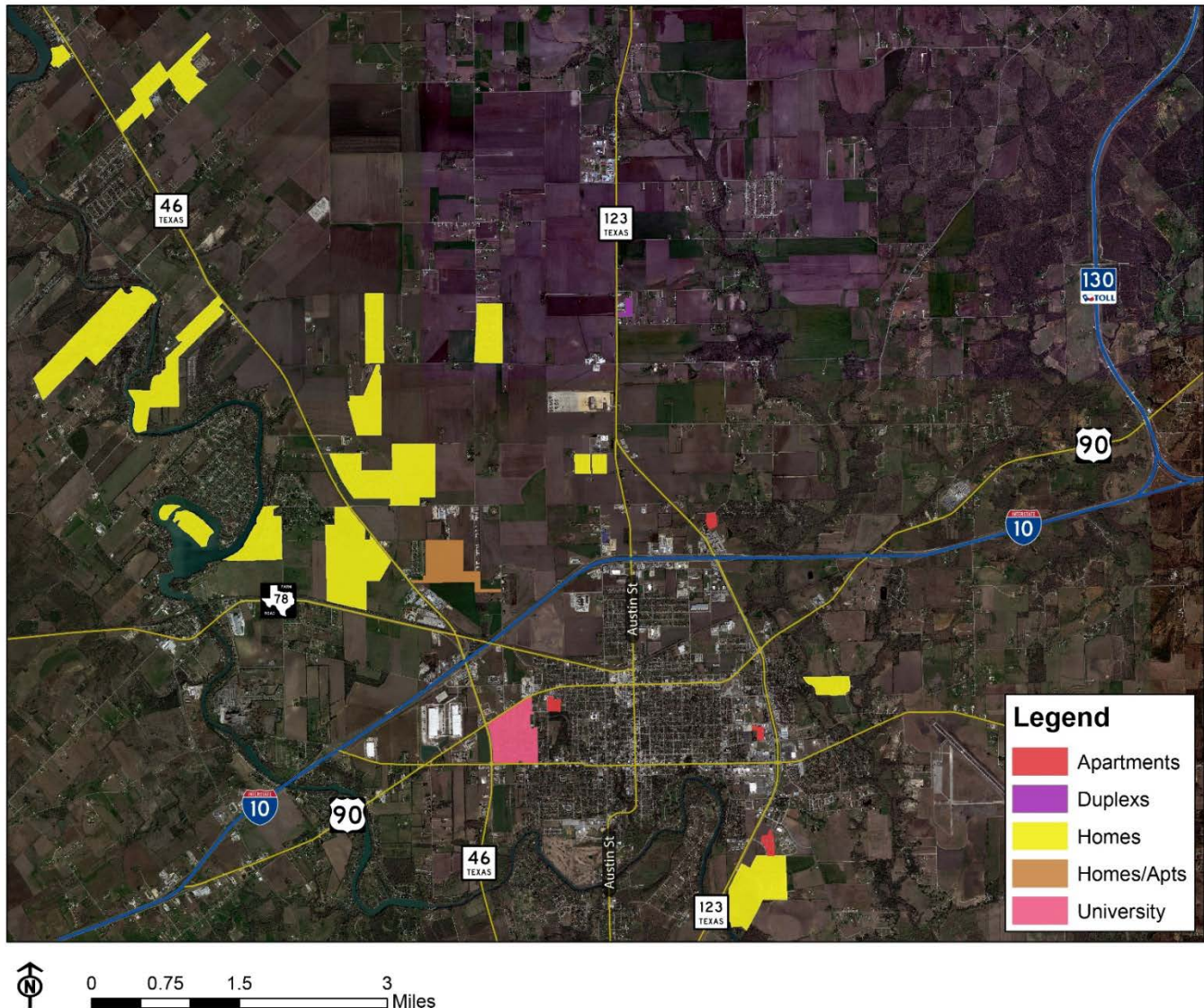
Terry Trevino, Josh Schneuker, and Ashlynn Tovar attended the 2015 ICSC Texas Conference in Dallas, Texas. The conference took place from November 4-6, 2015. The conference provided SEDC staff with the opportunity to create and build relationships with numerous retailers and retail developers in order to bring new retail opportunities to the City of Seguin. After returning from the event, staff began working on follow up emails and phone calls with the contacts and leads made through the conference. In addition, staff began working diligently on preparations for the ICSC RECon conference. Preparations for the conference included scheduling meetings with numerous national retailers and retail developers, developing a completely new and improved aerial map marketing product and also developing a one page retail fast facts sheet.

Seguin Town Center/New Quest Properties

New Quest Properties continues to make progress on their planned 545 acre mixed-use development, located north of IH-10 between Highway 46 and FM 464. The project is anticipated to include 120 acres of retail, 213 acres for single family residential development and 50 acres for multifamily residential development. Staff continues to work with New Quest Properties to recruit retail tenants for the Seguin Commerce Center. At ICSC Texas, SEDC Staff and the New Quest leadership team partnered to aggressively recruit large retail anchors and junior anchors for the development. The large and junior anchor stores will solidify verbal commitments from smaller stores already planning to locate in the development. Dialogue continues with certain anchor tenants that have expressed interest in the development. New Quest and the SEDC are hopeful that an anchor tenant can be secured by 2017, finally commencing work on the project.

6. HOUSING

With the abundant growth Seguin is experiencing, the number of single family homes is increasing rapidly. There are over 1,750+ single family homes planned for Seguin. Staff created a housing map illustrating the existing subdivisions and included the number of housing units available and planned. Staff is utilizing the map in various marketing efforts and will continue to maintain and update the map as new housing is introduced.



7. WORKFORCE DEVELOPMENT

Central Texas Technology Center (CTTC) Expansion

On May 14, 2015 CTTC broke ground on an approximately 26,000 square foot expansion of the workforce training facility. Multiple agencies contributed to the funding of the expansion project including the City of New Braunfels, the New Braunfels Industrial Development Corporation, U.S. Department of Commerce (Via EDA Grant) and the SEDC who contributed \$700,000.00. Construction of the CTTC expansion is scheduled to be complete in July 2016, just in time for the Fall, 2016 semester. SEDC staff is currently working alongside

other CTTC partners to hold a ribbon cutting ceremony for the new section of the campus. This event is scheduled for Friday, September 9, 2016. Further details on the ceremony will be provided as they become available.

8. SMALL BUSINESS AND ENTREPRENEURSHIP

The SEDC continues coordination and funding in partnership with the City of New Braunfels for The Alamo Academies and the UTSA Small Business Development Center (SBDC) satellite office. Funding of the satellite office includes training opportunities, minority business assistance, trade adjustment services to manufacturers, networking events and several others. Staff from the satellite office will continue to travel throughout Comal and Guadalupe counties to host training courses in all three of the sponsoring communities. The services are expected to serve 350+ clients by allocating 1,700 hours to consult business owners, offering 30-35 training courses and potentially creating 90 jobs and 15 businesses while retaining 60 jobs and 15 businesses. Additionally, SBDC staff will visit local entrepreneur businesses and perform retention calls to assist in retaining businesses.

9. NETWORKING OPPORTUNITIES

Seguin Chamber of Commerce

Staff has continued to attend various chamber meetings, serve on various boards and committees, attend ribbon cuttings and other. Some of the ribbon cuttings staff has attended recently include Guadalupe Printing Solutions, Sweet Treats and LaLa Gypsy Boutique.

Hispanic Chamber of Commerce

Staff has continued to support the Hispanic Chamber of Commerce and communicate with the Board President. Staff recently supported the Hispanic Chamber of Commerce by attending their annual banquet and awards ceremony, in which Terry Trevino performed the role of emcee.

Office of the Governor-Economic Development and Tourism Roundtable

The SEDC participated in a roundtable discussion with the Staff of the Governor's Office Economic Development and Tourism Division, hosted by GVEC.

Holiday Greeting at the Capitol

The SEDC staff traveled to the State Capitol on December 11, 2015, to wish all of our government representatives and economic development partners a happy holiday.

Office of the Governor-Economic Development and Tourism SXSW Tech Meetup

During SXSW, SEDC attended a meetup at the Governor's Mansion with the Staff of the Governor's Office Economic Development and Tourism Division, economic development organizations from across Texas, and leaders within the technology industry.

10. STRATEGIC PLANNING

The 2015-2016 Plan of Work for the Seguin Economic Development Corporation was developed at the October, 2015 SEDC Board Workshop. The 2015-2016 work plan includes specific objectives and strategies necessary to achieve each respective goal set and measure progress throughout the year.

2015-2016 SEDC Work Plan Status

Goal #1: To attract new industries

Objectives + Strategies	Status
<ol style="list-style-type: none"> 1. Target industries to diversify employment base <ol style="list-style-type: none"> a. Work with site locators b. Develop a marketing package to market our highly educated workforce c. Website development 	<ul style="list-style-type: none"> • Staff continues to work with site selectors to diversify Seguin’s employment base. • Staff continues to work with area real estate representatives and existing land owners within Seguin to market their properties to potential developers and prospective businesses. • Staff continues to create a marketing package to market our highly educated workforce and the City of Seguin in general. • In preparation for ICSC RECon, staff completely redesigned and updated several pieces of marketing material including the SEDC Aerial Map and SEDC Retail Fast Facts Sheet. • Staff continues to work on website developing a new website, while maintaining website updates and improvements to the existing website. Staff is involved with the rebranding efforts of the City of Seguin and will incorporate those changes into the website upon completion.
<ol style="list-style-type: none"> 2. Identify resources <ol style="list-style-type: none"> a. Create a development plan for remaining properties b. Identify opportunities to acquire new assets c. Identify options for additional revenue generation 	<ul style="list-style-type: none"> • Staff continues to focus on infrastructure as a resource and incentive to recruit builders for spec buildings and develop SEDC properties. • SEDC recently acquired a new asset (50 acres of land). Staff continues to identify additional opportunities to acquire additional assets. • Staff continues to explore options for generating additional revenue. During the 2015-16 Fiscal Year, TQ Industries and Advanced Cutting Technologies paid off their loans given by the SEDC.
<ol style="list-style-type: none"> 3. Build relationships with area taxing entities <ol style="list-style-type: none"> a. Provide 1-2 Lunch & Learn events with partners b. Deliver an Annual Economic Development Report to each school district (Board & Staff) 	<ul style="list-style-type: none"> • Staff continues to work on building relationships with area taxing entities. In December, 2015, SEDC staff and the Board of Directors met with the new Seguin ISD Superintendent. The purpose of this meeting was to build a relationship with the new superintendent, inform him of the SEDC’s role within the community, and provide him with an update on the major projects that are ongoing throughout the City. In May, 2016, the SEDC held the Live, Work

<p>c. Deliver an Annual Economic Development Report to County Commission</p>	<p>and Play luncheon where local school district athletic directors were featured as keynote speakers for the event. HR representatives from existing industry within Seguin were invited to the event to learn about why Seguin is the perfect place to “Live, Work and Play.”</p>
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Goal #2: To Enhance the SEDC Business Retention and Expansion Program

Objectives + Strategies	Status
<p>1. To conduct existing industry visits</p> <ul style="list-style-type: none"> a. Minimum of 10 visits b. Highlight business of the month c. Board members to attend at least one BR&E with staff per calendar year d. To analyze data and create report for board on visit information 	<ul style="list-style-type: none"> • Staff has continued to work with existing industries to ensure they are provided the assistance they require in a timely manner. SEDC continues BR&E efforts and will continue to inform the SEDC Board of opportunities to participate in our efforts throughout the year. • Staff continues to highlight existing business and industry through social media and on print marketing material.
<p>2. To host industry appreciation events</p> <ul style="list-style-type: none"> a. Host annual luncheon - August b. Continue welcome packages for new businesses c. Host semi-annual industry leadership meeting 	<ul style="list-style-type: none"> • SEDC is currently in early stages of planning for the annual Business Appreciation Luncheon, which is scheduled to take place on August 25, 2016. • SEDC is also working with local manufacturers in order to begin planning industry leadership meetings. • Staff continues to send welcome packages every month to new businesses.
<p>3. To provide support to local small businesses</p> <ul style="list-style-type: none"> a. Educate more businesses about benefits of working with the Small Business Development Center (SBDC) b. Improve social media exposure 	<ul style="list-style-type: none"> • Staff continues to educate small businesses on the SBDC and their role in Seguin. We continue to refer small businesses to visit with SBDC Staff during their office hours that are held within the Annex Building Conference Room every Tuesday. • Staff continues to expose local businesses on our Facebook and Twitter accounts. Reoccurring featured posts include our “Shop Local” Social Media Campaign, and our “Now Hiring” Social Media Campaign.

Goal #3: To develop a robust marketing and communications strategy

Objectives + Strategies	Status
<p>1. Internal Strategy (City, Local, Chamber)</p> <ul style="list-style-type: none"> a. Rotate banner stand + single page brochure among major public places (library, GRMC, banks, etc.) b. Enforce attendance by board at public meetings w/ SEDC identification c. Diversify approach to local advertising d. Participate in branding campaign e. Toot our own horn individually + in local media 	<ul style="list-style-type: none"> • SEDC board members attend public meetings on behalf of the SEDC. These events include chamber banquets, ribbon cuttings, project announcements and SEDC events. • Staff continues to explore ways to diversify our approach to local advertising. Currently the SEDC is testing out enhanced advertisement efforts on social media through Facebook Boost Posts. These forms of advertisement seem to be a bit more cost effective than general print form. • SEDC continues our monthly e-newsletters to “toot our horn” locally, statewide, nationally and internationally. Open and click rates remain above the industry average each month.
<p>2. External Strategy</p> <ul style="list-style-type: none"> a. Continue attending trade shows, conferences, recruitment/mission trips b. Update and maintain social media, website, Google presence c. Maintain strong relationships with site selectors 	<ul style="list-style-type: none"> • SEDC continues to attend trade shows, conferences and recruitment/mission trips. • SEDC social media pages and website content continues to be updated and maintained. These online marketing channels give readers the opportunity to learn more about Seguin’s manufacturers, and encourage citizens to “Shop Local, Shop Seguin”. Staff continues to stay up-to-date on the most current social media tools and trends.

11. MARKETING ACTIVITY

In alignment with the SEDC 2015-2016 Work Plan, staff works to coordinate all communications and marketing efforts with a primary focus of promoting Seguin as an ideal community in which to live, work and play.

Aerial Map Redesign and Production

In effort to attract retailers to Seguin, staff implemented a redesign of our existing aerial map marketing material. This item is the main marketing tool used at ICSC conferences. The redesign process included a complete reconfiguration of the existing aerial map. After outlining all of the city-wide elements to be included in the new aerial map, staff called upon Aerial Focus, a Dallas based company that specializes in aerial imagery for numerous industries. The production of the new aerial map included a complete redesign of the front side, which now consists of a cleaner, more visually appealing map of Seguin that includes defined city limit and ETJ borders, an emphasis on the three mixed-use developments staff will push at ICSC RECon (Bauchman Development, Greenspoint Development, Seguin Town Center), major employers and major retailers, active housing developments and other key developments in Seguin. The production of the new aerial map also included a complete redesign of the back portion of the map, where staff chose to really emphasize Seguin’s Retail Trade Area. The newly defined Retail Trade Area involved an in-depth analysis of Seguin’s demographics and emphasized the external draw of consumers traveling to Seguin to shop. More

specifically, the map illustrated that Seguin is the major retail hub for three counties in which consumers from the neighboring communities of Gonzales, Luling, Nixon, La Vernia, Stockdale, New Berlin, McQueeney, Marion, Kingsbury etc. travel to Seguin to do the majority of their shopping. This external draw of consumers creates a total Retail Trade Area population of 114, 882 versus Seguin's population of 30,006. The back side of the new aerial map also included an in-depth drive time analysis of Seguin's three major "retail hubs" (I-10 and Hwy 46, I-10 and Hwy 123 Byp., Hwy 123 Byp. and Court St.). The analysis of the three trade areas consisted of 5, 10 and 15 minute drive time analysis for each retail area that included the 2015 population, the 2015 total daytime population, the population growth rate (2010-2015), the 2015 total housing units, the 2015 average household income and a leakage/surplus analysis for different retail sectors. The newly designed back side of the map also included a traffic count analysis which illustrated the percent increases in traffic for each major artery in Seguin and an overview of residential developments occurring in Seguin.

Website

The SEDC's portion of the City's website continues to be one of the most visited sections. The website allows SEDC staff to have control over the content that appears on the site. The site includes an available property search function, a business directory, a business resource page and much more. In 2016, a city-wide website redevelopment and branding campaign commenced. The website redevelopment project will include complete overhauls of the city's central and supplemental websites. The goal is to create a more efficient way to fully engage with members of the community and those looking to live and work here. SEDC staff will work concurrently with the redesign and redevelopment process on a full scale reorganization and update to data and information included within our portion of the website.

Social Media

The SEDC continues to increase its visibility on both Facebook and Twitter. Staff's main mission for social media is to inform citizens of city-wide development occurring, support small business, attract manufacturing and retail prospects, serve as a source of public information and to illustrate that Seguin is indeed a great place to live, work and play. Some examples of recent social media posts made on the SEDC Facebook and Twitter pages include updates on various ongoing developments in Seguin including: Niagara Bottling, the Corner Store, the new HEB, Park Plaza Hotel, Garcia's #2, Sweet Treats, Seguin Public Library progress, Seguin High School progress, residential development growth, and the City's Utility Operations Center progress. Staff has also published multiple "Thriving Thursday" posts to highlight city-wide growth including: the growth of the reinvestment dollars and occupancy rate in downtown Seguin, local unemployment rate reductions, pro-growth manufacturing statistics, and industry trends and information from sources such as the Manufacturing Leadership Council, the UTSA Small Business Development Center, Texas One, the U.S Labor Department and Bloomberg Businessweek.

To support Seguin's small business sector, staff ran a mini campaign featuring local businesses selling merchandise fit for the San Antonio Rodeo. Staff consulted with business owners/managers to discuss current promotions and take high quality photos, later posted on our social media outlets. Some of these businesses included D&D Texas Outfitters, Bling and More, Serenity Boutique, Tracy's Trends and More, Gift and Gourmet, The Grain Bin, Where 2 or More Country Store and The Gift Shop at GRMC. Additionally, staff partnered with five local businesses this past holiday season for the "Eat, Drink, and be Merry in Seguin" shop local campaign. The five local businesses that participated were Granzin's Meat Market, Chupacabra Java, Sheek By J, Zella's Liquor, and Z's Toys and More. Each week a business would hold a special promotion in store and if a customer took advantage of that promotion they were entered into a drawing for a \$50 gift card at that retailer. The campaign kicked off on November 23, 2015 with Granzin's and concluded on December 23, 2015 with Z's Toys and More. Each of the participating local businesses provided overwhelmingly positive feedback to the SEDC after the campaign ended.

On December 2, 2015 the SEDC Facebook page reached 859 “likes.” As of July 6, 2016 the SEDC Facebook Page now has 1,198 “likes.” This attainment is far beyond staff’s six month goal of 1,055 which was set in September 2015. The SEDC Twitter is currently up to 732 followers. SEDC continues to strategize its social media efforts to promote the City, the business community, and its quality of life.



Advertisements

The SEDC continues to maintain a local presence with weekly advertisement in the print edition of the Seguin Daily News. With all of the recent commercial, residential and infrastructure developments occurring lately in Seguin, curious minds have presented staff with multiple questions via social media. To answer these questions, staff designed a formal Question and Answer graphic to run in the Seguin Daily News that included an update on the progress on multiple projects including the Seguin Commerce Center, the Greenspoint Development, the new Walmart and the city website project. Other ads included in the Seguin Daily News include promotion of the UTSA Small Business Development Center training provided as a free resource to local businesses, local hiring announcements, Job Fair ads, and info graphics illustrating city-wide growth. SEDC also purchased ad space in the Seguin Area Chamber of Commerce Newcomers and Information Guide and the Seguin Gazette’s “Welcome to Seguin” publication. SEDC has also utilized radio advertisement spots through KWED 1580.

Email Blasts

SEDC utilizes Constant Contact software to send targeted email blasts to carefully crafted distributions lists including retail, housing, and manufacturing. These email blasts allow for effective distribution of information about new developments, programs, or available properties. The software has in depth statistic tracking capabilities and also allows recipients to opt out at any time. The SEDC email blasts consistently maintain a “green” report, verifying the emails are opened and receives interact with various links, videos, etc. included.

Staff continues to publish a regular monthly newsletter which is sent out to our mailing list via Constant Contact. Recent monthly newsletters have featured stories on the SEDC Business Appreciation event, the HEB Expansion, Alamo Industrial, SEDC Holiday Shop Local Campaign, Tractor Supply Company ribbon cutting, SEDC participation in the Holiday Stroll campaign, the Tank Partners Manufacturing Symposium, Siro Group, Niagara Bottling, the Greenspoint Development, the Corner Store, the Seguin Commerce Center and small business highlights including: Mimi’s Mini Mart, Ollie’s Gift and Imports and the Park Plaza Hotel.

In addition to the monthly newsletter, staff has also prepared and published multiple retail newsletters in preparation for ICSC Texas Deal Making and ICSC RECON. In effort to attract retailers to Seguin, the retail newsletters have emphasized Seguin’s Retail Trade Area and illustrated an in-depth analysis of Seguin’s

demographics including the external draw of consumers traveling to Seguin to shop. More specifically, the newsletters illustrated that Seguin is the major retail hub for three counties in which consumers from Gonzales, Luling, Nixon, La Vernia, Stockdale, New Berlin, McQueeney, Marion, Kingsbury etc. all travel to Seguin to do the majority of their shopping. Like the new aerial map, the retail newsletters detailed that this external draw of consumers creates a total Retail Trade Area population of 114, 882 versus Seguin's population of 30,006. The newsletters also included an in-depth drive time analysis of Seguin's three major retail hubs (I-10 & Hwy 46, I-10 & SH 123 Bypass, SH 123 Bypass. & Court St.) and information on three Mixed-Use developments Staff would push at ICSC RECON (Bauchman Development, Greenspoint Development, Seguin Town Center). Additionally, the newsletters included a traffic count analysis which illustrated the percent increases in traffic for each major artery in Seguin and an overview of residential developments occurring in Seguin.

Both monthly and retail newsletters were distributed to the targeted mailing lists via email and Constant Contact. They were also published on SEDC Social Media accounts.

12.RECRUITMENT/LEAD GENERATION/TRADE SHOW EVENTS

10/35 Economic Development Alliance (EDA)

SEDC and Build New Braunfels (Build NB) continue their partnership in the 10/35 Economic Development Alliance. This partnership allows the two member cities to leverage marketing dollars by sharing the costs of regional marketing initiatives.

The Alliance is a member of Texas One, the marketing arm of the Governor's Office. Texas One allows the Alliance the opportunity to travel with the Office of the Governor's Economic Development Office and other economic development professionals throughout the State of Texas on business recruitment mission trips. In February, 2016, Terry Trevino represented Seguin and the Alliance at the Invest in Texas Seminar in San Antonio. The event allowed the various economic development organizations in attendance to network with an influential group of executives whose companies are on the cutting edge of international business and commerce. In March, 2016, Josh Schneuker represented Seguin and the Alliance at the SXSW Trade Show. This trade show allowed the 10/35 EDA to network with promising tech startups and tech industry leaders who were exhibiting. It also provided us with an opportunity to examine how other cities were exhibiting at the event.

Team Texas

SEDC participates as a member of Team Texas, a statewide marketing arm of the Texas Economic Development Council (TEDC). This program helps leverage SEDC marketing funds and allows access to premier events.

Texas One

Texas One is a program of Texas Economic Development Corporation created with the mission of marketing and promoting Texas as a premier business location. No tax dollars from the State of Texas fund the Texas One Program. Instead, funds for Texas One come from its members and other donors and are used for special events, outreach programs, and other marketing and communications programs. These programs are directed at a targeted audience of corporate decision makers and site selectors. Marketing activities include trade and industry events, business recruitment missions, special events, advertising and public relations and

allow an interactive web presence. Texas One efforts champion Texas as the premier location for business expansion and relocation and have resulted in a significant number of new jobs, relocations, and expansions benefitting Texas. As mentioned previously, the SEDC participates with Texas One as a part of the 10/35 Economic Development Alliance.

Alamo Manufacturing Partnership

Staff continues to attend monthly meetings for the Alamo Manufacturing Partnership (AMP). SEDC has a seat on the executive board of the AMP. The Department of Commerce has designated the Alamo Manufacturing Partnership as an Investing in Manufacturing Communities Partnership (IMCP) Community. The AMP is one of 12 regions throughout the country that has received this designation. This IMCP designation helps accelerate the region's ability to compete within key manufacturing industry sectors through the availability of federal assistance. Discussions at prior meetings have provided the SEDC and other executive board members with the opportunity to learn about federal grant opportunities that are designated as IMCP priority. The board has also been discussing ways to work together within the region to attract federal funding in order to develop new ways improve workforce training and meet the needs of existing industry.

13. MEMBERSHIPS/AFFILIATIONS/PUBLIC RELATIONS

Seguin Area Chamber of Commerce

Staff continues to support the Seguin Area Chamber of Commerce by attending monthly luncheons and meetings, ribbon cuttings, membership in the Industrial Relations Committee, Marketing Committee and Governmental Affairs meetings. In February 2016, the SEDC participated in the annual "Showcase Seguin" event and had a booth at the event.

Seguin-Guadalupe Hispanic Chamber of Commerce

Staff continues to support the Hispanic Chamber of Commerce and communicate frequently with the Board President. Staff recently supported the Hispanic Chamber of Commerce by attending their annual banquet and awards ceremony, in which SEDC was a silver level sponsor and Terry Trevino performed the role of emcee.

Texas Economic Development Council (TEDC)

Staff participates in quarterly conferences hosted by the TEDC. These events provide an opportunity for professional development by allowing staff the opportunity to attend seminars on economic development's best practices, industry trends, and networking with economic development professionals from throughout the state.

In October and December 2015, various City and SEDC staff and SEDC Board Members attended the TEDC's Economic Development Sales Tax Workshop in San Antonio and Austin. The workshop is designed specifically for economic development board members and local elected officials and includes information about economic and community development in general, in addition to changes to the Economic Development Sales Tax Law.

Texas Legislative Conference

In March, 2016, Josh Schneuker attended the 2016 Texas Legislative Conference. The event featured numerous sessions on economic development topics and trends as well as an overview of the upcoming legislative session, a legislative panel discussion and networking opportunities.

Public Relations Outreach

In December, 2015, staff delivered holiday gifts of Seguin pecans to state legislators and key government offices in Austin.

Staff also participates in the Central Texas Technology Center Advisory Board meetings, various community civic organizations, City Council meetings and continuous meetings with prospective developers and industries.

Other key public relations activities have included meeting with the executive staff of local industries to discuss future expansion in the community.

Seguin Rotary Club

In February, 2016, Terry Trevino presented at the Seguin Rotary Club Monthly Luncheon. The presentation provided members information about the role of the SEDC in our community and provided updates on SEDC's latest developments.

Area Real Estate Groups Presentations

In February, 2016, Terry Trevino presented at the Four Rivers Council of Realtors Monthly Luncheon and also at the Coldwell Banker Realtors Breakfast. The presentations were done at the request of both groups and highlighted the growth and potential for new residents and commercial development in Seguin.

14. STAFF DEVELOPMENT

SEDC staff continues to enhance their understanding of economic development through available options including conferences, webinars, course work, and many other avenues to maintain a professional edge and keep Seguin's growth on a positive and forward path.

15. CHALLENGES

Retail

The Seguin Economic Development Corporation continues to seek an expanded and diversified retail base in addition to primary job creation. The nationwide retail market continues to make great improvements from the hit that was taken due to the Great Recession. Some retailers have scaled back or halted expansion plans, or shifted focus to metro markets with proven track records. Despite these challenges, staff continues to aggressively market Seguin's retail opportunities to insure Seguin is positioned well as the market continues to improve. Current focus is on direct recruitment of retailers at ICSC events, coordination with retail developers such as New Quest, targeted marketing campaigns and exploring strategic infrastructure

development opportunities. Staff has also utilized important site selection data and demographics from Buxton to build a stronger case for desired retailers to enter and expand in the Seguin market.

Workforce Development

In discussions with major employers in Seguin, it is apparent that a continued focus on developing an available, skilled workforce is essential to remaining competitive. In an effort to address regional workforce development needs in Seguin, the CTTC created the Advanced Technology and Manufacturing Academy through the Alamo Academies. This program trains junior and senior high school students in manufacturing trade. Seguin and New Braunfels high school students earn up to a total of thirty college credit hours, allows students to graduate with a diploma and enroll in a two or four year college to earn a degree. Given the fact that the availability of a trained workforce is one of the most important site selection variables for companies, this workforce training system has the potential of providing a steady flow of new trained workers putting Seguin and New Braunfels at a distinct advantage. During this reporting cycle, an overwhelming interest in the dual placement program drove the need for additional funding for Accuplacer exams to be administered. Currently the CTTC is undergoing an expansion project which will add 26,000+ square feet to campus. Multiple agencies contributed to the funding of the expansion project including the City of New Braunfels, the New Braunfels Industrial Development Corporation, U.S. Department of Commerce EDA Grant and the SEDC who is contributing \$700,000.00. Construction of the CTTC expansion is estimated to be completed in July, 2016, just in time for the Fall, 2016 semester.

16.SUMMARY OF REVENUES AND EXPENDITURES

**SEDC BUDGET - OPERATING FUND
STATEMENT OF REVENUES AND EXPENDITURES
FOR PERIOD OCTOBER 1, 2015 - APRIL 18, 2016**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Balance Forward as of October 1	\$458,316	\$440,484	(\$17,832)
Revenue			
Sales Tax (through 02/29/16)	\$1,200,000	\$520,912	(\$679,088)
Interest Revenues / Interest-Investment Pools	\$500	\$261	(\$239)
Interest Revenues / Restricted Cash	\$0	\$115	\$115
Interest Revenues / Tucker/Davis Properties	\$15,502	\$9,256	(\$6,246)
Interest Revenues / Advancing Cutting	\$5,794	\$5,794	\$0
Interest Revenues / City of Seguin-(Pure/Gntl)	\$500	\$297	(\$203)
Misc. Revenues / Misc.	\$0	\$1,629	\$1,629
Lease Revenues/Tecni-Quip Building	\$18,000	\$3,000	(\$15,000)
Lease Revenues / Ewald Property House	\$7,200	\$3,600	(\$3,600)
Lease Revenues / Land for Billboard	\$3,888	\$324	(\$3,564)
Principal Revenue / Tucker/Davis Properties	\$31,962	\$18,431	(\$13,531)
Principal Revenue / Advanced Cutting	\$268,711	\$268,711	(\$0)
Principal Revenue / City of Seguin (Pure/Gntl)	\$1,450	\$841	(\$609)
Sale of Fixed Assets / Sale of Real Estate	\$0	\$0	\$0
	<u>\$1,553,507</u>	<u>\$833,171</u>	<u>(\$720,336)</u>
Expense			
Professional Services / Professional Services	\$75,000	\$6,764	\$68,236
Professional Services / Annual Audit	\$5,500	\$4,000	\$1,500
Professional Services / Attorney Fees	\$48,000	\$28,000	\$20,000
Professional Services / Business Dev/Public Rel.	\$150,000	\$66,281	\$83,719
Professional Services / Small Bus. Development	\$58,000	\$57,881	\$119
Professional Services / Infrastructure Dev-Manfg.	\$254,188	\$219,100	\$35,088
Professional Services / Infrastructure Dev-Retail	\$50,000	\$0	\$50,000
Professional Services / Economic Dev. Services	\$250,000	\$85,673	\$164,327
Professional Services / Facility Development	\$20,000	\$0	\$20,000
Professional Services / Work Force Development	\$191,000	\$172,208	\$18,792
Repair and Maintenance / Property Maintenance	\$10,000	\$3,374	\$6,626
General Supplies / Operating Supplies	\$15,000	\$11,777	\$3,223
Education / Professional Development	\$10,000	\$2,185	\$7,815
Principal Payments	\$300,000	\$0	\$300,000
Interest Payments	\$42,925	\$22,712	\$20,213
	<u>\$1,479,613</u>	<u>\$679,956</u>	<u>\$799,657</u>
Net Revenues (Expenses) before Transfers	\$73,894	\$153,216	\$79,322
Transfers to SEDC Incentive/Infrastructure Fund	<u>(\$265,256)</u>	<u>(\$265,256)</u>	<u>\$0</u>
Net Revenues (Expenses) after Transfers	<u>(\$191,362)</u>	<u>(\$112,040)</u>	<u>\$79,322</u>
Balance as of March 3, 2016	<u>\$266,954</u>	<u>\$328,444</u>	<u>\$61,490</u>

17.SUMMARY OF REVENUES AND EXPENDITURES – CONTINUED

**Incentive/Infrastructure Fund
Project Activity Statement
For Active Projects through April 18, 2016**

	<u>Project Budget</u>	<u>Project Expenditures</u>	<u>Outstanding PO's</u>	<u>Balance</u>
Budgeted Commitments				
SH123 Sewer Extension	\$156,000	\$156,000	\$0	\$0
Stempel Road Sewer	\$200,000	\$200,000	\$0	\$0
CTTC Contribution	\$600,000	\$600,000	\$0	\$0
Schaefer Sewer Project	\$175,000	\$25,217	\$3,699	\$146,084
Downtown Infrastructure	\$50,000	\$1,600	\$48,400	\$0
Future Land Purchase	\$265,256	\$0	\$0	\$265,256
Total Budgeted Commitments	\$1,446,256	\$982,817	\$52,099	\$411,340
Incentive/Infrastructure Fund Balance as of April 18, 2016	\$423,027			

18.AWARDS & RECOGNITIONS

Showcase Seguin Award

The annual Showcase Seguin tradeshow was held on February 18, 2016, at the Seguin Coliseum. All booth holders were encouraged to decorate their booths according to the theme for the event, "Game On." Staff designed a booth that featured decorations and creative games that mimicked the game show, "The Price is Right." During the "Show me the Money" party SEDC won the "Best Decorated Booth Award" out of 54 exhibitors.