

2021-2022 ANNUAL REPORT



SEGUIN
TEXAS

ECONOMIC
DEVELOPMENT
CORPORATION

Seguin, the place to be for
manufacturing, retail and
residential, all within one of the
fastest growing regions in Texas.



Annual Report 2021-2022

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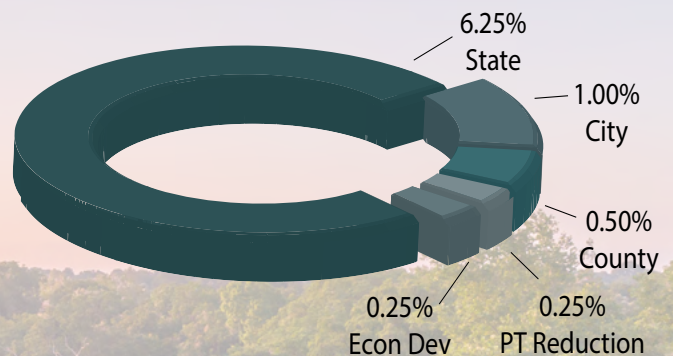
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ABOUT THE SEGUIN EDC

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



Carlos Moreno
Board President



Don Keil
Vice President



Drew Engelke
Treasurer

SEDC BOARD OF DIRECTORS



Robert Meservey
Secretary



Elaine Bennett
Assistant Secretary

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 last 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.

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 14,000 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 nearly 7,000 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

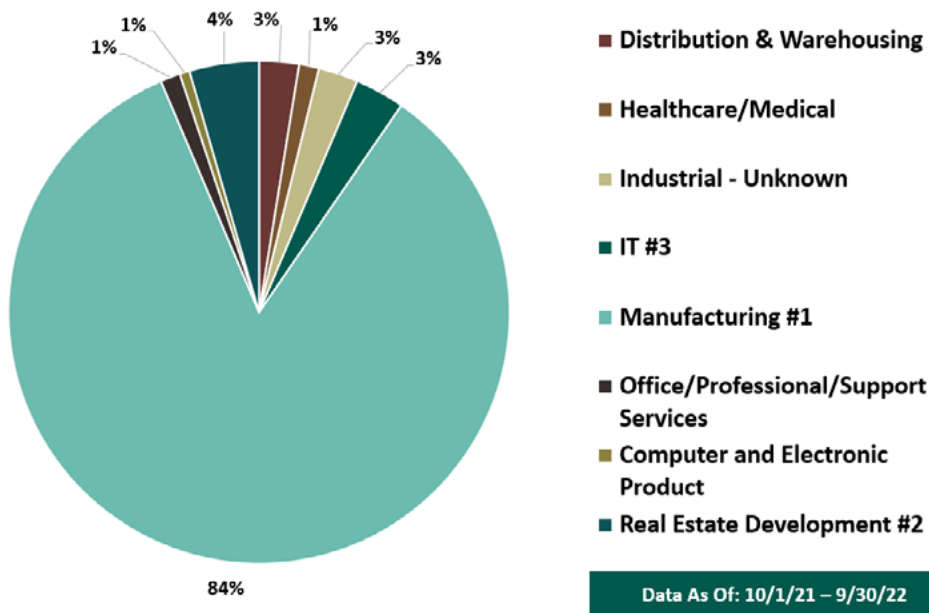


MARKETING AND RECRUITMENT

The SEDC engages in various marketing activities that enhance our targeted industry recruitment efforts. Marketing activities are lead by SEDC staff, or done in partnership with economic development marketing partners. Marketing activities include, but are not limited to, in-person and virtual out-of-market marketing campaigns (roadshows), in-bound marketing campaigns (FAM tours), attendance at targeted industry events and trade shows, and participation with the Site Selectors Guild. Marketing activities enhance the SEDC's exposure with site selection consultants, industrial developers, industrial real estate brokers, and prospective companies within targeted industries, ultimately leading to an increase in lead generation, new capital investments, and the creation of primary jobs with competitive wages within the City of Seguin.



2021-2022 Prospect & Project Activity by Industry



Targeted Industry Recruitment - By the Numbers

166
Leads and
Projects
Generated

+30.7%
Yr. to Yr. Change
Leads and
Projects
Generated

2
Announced
Projects

\$105 MM
New Capital
Investments
Announced

100+
Primary
Jobs
Announced

ANNOUNCED RECRUITMENT PROJECTS

Maruichi Stainless Tube Texas Corporation

In September 2022, the SEDC announced that Maruichi Stainless Tube Texas Corporation will build its 125,000 square foot state-of-the-art manufacturing facility in Seguin, Texas. Maruichi expects to break ground on the Project in the first quarter of 2023, with operations commencing by the first quarter of 2024. The project will represent a total capital investment of \$75 million and will result in the creation of at least 106 new jobs over a two year ramp up period.

Maruichi Stainless Tube Texas Corporation is a subsidiary of Maruichi Stainless Tube Co., LTD. which is headquartered in Shimonoseki, Japan, a group company of Maruichi Steel Tube Co, Ltd,. Since 1959, the Maruichi Stainless Tube Co., LTD has produced high-quality seamless, stainless steel pipes and tubes fabricated through the hot extrusion process and cold drawing process. Products produced by the Company are used in power plants, the chemical industry, the semiconductor industry, hydrogen gas stations, the automotive industry and for structural machinery.

Maruichi Stainless Tube Texas Corporation's future Seguin facility will produce seamless stainless steel precision tube to support customers in the semiconductor industry. The demand for stainless steel precision Bright Annealed (BA) tubes used for semiconductor manufacturing is significantly increasing, due to global increase in semiconductor demand. The Seguin facility will help Maruichi further meet demand in the United States from multiple construction projects for large-scale semiconductor manufacturing plants.

Maruichi will build their future Seguin facility on a 33-acre site to be purchased from the SEDC. The site is situated between 8th Street and Guadalupe Street, just south of Interstate 10, within the Rio Nogales Industrial Park. The SEDC Board of Directors and the Seguin City Council approved a Purchase and Sale Agreement. and a Performance Based Cash Grant formalized through a Performance Agreement. Maruichi is required to meet capital investment, job creation, and payroll performance benchmarks over the term of the agreement in order to realize the SEDC incentive.



Yukon Ventures



ability to service both the Austin and San Antonio Markets. The facility is also located within a three hour drive time of the Port of Houston and the US-Mexico Border. Yukon Venture's Seguin facility will represent a capital investment of at least \$30 Million.

On May 6, 2022, the City of Seguin and the SEDC approved an economic incentive package for Yukon Ventures, a real estate investment and development company focused on the development and acquisition of cold storage and food logistic focused assets. Yukon Ventures will build it's second facility in the State of Texas on a 15-acre tract of land located at U.S. Highway 90 and Lawson Street. Upon completion, the roughly 170,000 square foot 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

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;
- **Texas Economic Development Corporation** - The public-private partnership markets Texas as a premier business destination to let corporate decision makers and site selection consultants know that they can Go Big in Texas.

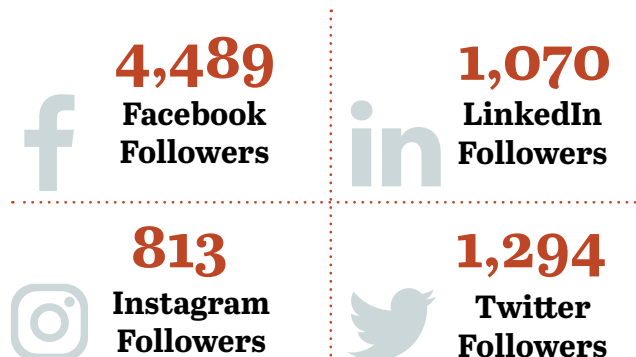


Site Selectors Guild Annual Conference - March 2022

Dates	What	Target Audience/ Industries	Where
November 8-10, 2021	Site Selectors Guild Fall Forum	Site Selectors	Dallas, TX
December 1-3, 2021	San Antonio Regional FAM Tour	Site Selectors	San Antonio Region
February 7-9, 2022	DFW Marketing Mission	Site Selectors, Industrial Brokers	Dallas, TX
March 2-4, 2022	Site Selectors Guild Annual Conference	Site Selectors	San Diego, CA
April 30-May 4, 2022	IAMC Spring Forum	Site Selectors, Industrial Brokers, Corporate Real Estate	Fort Lauderdale, FL
May 17-20, 2022	SATX Regional Marketing Mission	Site Selectors, Industrial Brokers, Corporate Real Estate	Los Angeles, CA
July 18-19, 2022	Team Texas Road Show	Site Selectors	New York, NY
August 23-24, 2022	Texas Economic Summit	Site Selectors	Conroe, TX
August 29-31, 2022	SATX Regional Marketing Mission	Site Selectors, Industrial Brokers, Corporate Real Estate	Atlanta, GA

ONLINE MARKETING

The Seguin EDC's marketing and 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.



Seguin EDC Website



The SEDC Website is one of the most important components of our marketing and recruitment efforts, helping to increase our online presence and helping to better inform our target audience of latest economic development activities occurring within the City of Seguin. The SEDC began working with its website developer in July 2022 to redesign and update the website. The new design is expected to launch in early 2023. 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.

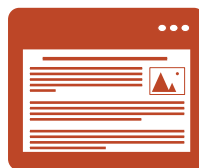
Heavily Trafficked SEDC Web-pages



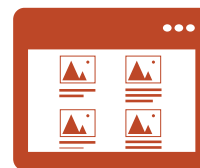
Home Page



Job Board



News Feed



Housing

RETAIL INDUSTRY RECRUITMENT



Commercial Real Estate Luncheon - November 2021

The SEDC participated in five retail recruitment events during 2021-2022 including the CCIM San Antonio Annual Symposium, ICSC Here We Go in Las Vegas, ICSC Red River in Dallas, Retail Live in Austin, and the CREW San Antonio Annual Forum. In addition, the SEDC also hosted our annual Commercial Real Estate Luncheon. The retail recruitment and marketing activities enhance the SEDC's exposure with stakeholders, ultimately leading to an increase in retailer and retail development lead generation and new retail locating within the City of Seguin.



ICSC Here We Go - December 2021

State Hwy 123 & Court St. Retail Area

Shipley Donuts renovated the former JJ's building and opened in December 2021. Renovations and modifications are underway at 1380 E. Court Street. This is the former Bealls Building within the King Plaza Shopping Center. Modifications include changes to the façade and adding a dock height door on the rear of the building. Upon completion of the renovations, the 40,000 square foot building will be home to Marshall's and Ross.

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. Houston based commercial real estate investment group PBC Interests, led by Joan Collum and Stephen Pheigaru purchased the Seguin Crossroads Shopping Center in late 2021 with plans to redevelop the center. Boot Barn has leased 15,000 square feet in the Center and anticipates opening in the Spring of 2023. PBC Interest and EDGE Realty Partners are in negotiations with several other national retailers.

I-10 & State Hwy 123 Retail Area

Dutch Bros Coffee has plans to begin construction in late 2022 with an estimated construction cost of \$650,000.

I-10 & SH 46 Retail Area

In 2018, A San Antonio based group purchased a 24-acre site located at the southwest corner of SH 46 and CH Matthies Road for retail-oriented development. The developer is currently marketing and selling pad-sites to targeted national retailers. DaVita, Chicken Express, and Burger King have started operations at the location. Construction is now underway on a 6,100 square foot strip center that will be built on a 1.17 acre tract at the hard corner of SH 46 and Best Drive. Dominos will be the end cap space with a drive through at the center. Construction is also underway on a 1.47 acre tract immediately to the north of Burger King. Quality Urgent Care will occupy about half of the space. The remaining portion will be an end cap retail space for lease with drive-thru capabilities.

I-10 & Austin St. Retail Area

Discount Tire is slated to open its store at 2727 N. Austin St., near the Home Depot store. It will be a 10,407 square foot facility and represents a retail investment of nearly \$1 million. The project is expected to be completed by January of next year.

New Retailers
Announced
2021-2022

BOOT BARN®

Marshall's

ROSS
DRESS FOR LESS®

DUTCH BROS
Coffee

Road Ranger

DISCOUNT
TIRE

QUALITY
urgent care

BUSINESS RETENTION AND EXPANSION



United Alloy Expansion - September 2022

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 including expansion or relocation of facilities, workforce and training needs, and facility and operation needs.



Manufacturing Executives Roundtable - January 2022



Job Shadow Program - February 2022



Teijin Ribbon Cutting Commemorative Gift Presentation - August 2022



Made in Seguin Manufacturing Day - October 2021

Business Retention and Expansion - By the Numbers

5

Business
Expansion
Projects

\$162 MM

New
Capital
Investments

19

Workforce
Development
Events

18

Business
Visits

33

Business
Support

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 FY21-22

- Quarterly Regional Job Fairs
- Seguin Career Day
- Seguin Industry Signing Day
- Seguin Job Shadow Day
- Seguin Area Career & Technical Education Showcase
- Seguin EDC Business Appreciation & Economic Outlook Luncheon
- CEO & HR Roundtables



Vitesco Technologies demonstrates their robot to students during Seguin Career Day 2022. 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.



The 10th Annual Business Appreciation and Economic Outlook event recognized the achievements and contributions of three members of the business community. Those recognized included Tyson Foods - Economic Impact Award, Minigrip - Community Impact Award & Jason Dinscore, CMC Steel Texas - Workforce Champion Award.

Seguin EDC 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 10th year in a row that the SEDC hosted this event. The event was held in person at the Soel Venue located in Downtown Seguin. Richard Froeschle, Senior Economist, Texas State Technical College served as the keynote speaker. The event featured small business pop-up shops, business excellence awards and raffle prizes. Three companies were recognized for their outstanding efforts over the year. Nearly 100 people attended

BUSINESS EXPANSION PROJECTS

United Alloy

United Alloy, Inc is a leading brand when it comes to metal fabrication and powder coating. UA produces the highest quality leak-proof metal fuel tanks, reservoirs, skids, frames, chassis, trailers, heavy metal fabrications, and complex weldments. In December 2019, the City of Seguin and the SEDC announced that United Alloy would expand to Seguin with plans to construct a new state of the art manufacturing facility in two phases on a 27-acre tract of land within the Rio Nogales Industrial Park. Phase 1 of United Alloy's expansion to Seguin was completed in December of 2020, representing an investment of more than \$17 million. In July 2022, United Alloy announced their Phase 2 with plans to break ground on a nearly 110,000 square foot expansion of their existing manufacturing facility. Upon completion of Phase 2, United Alloy's total building footprint will be approximately 230,000 square feet and will represent a capital investment of more than \$35 Million.



Johnny Pickles Distillery



Johnny Pickles Distillery (JPD) will be located at 1711 North Austin Street. The Foreman's purchased the property from the City of Seguin and are converting it into a production facility. JPD will make substantial improvements to the property to facilitate future production and retail operations. For production, JPD will purchase equipment for storage of grain, cultivation of yeast, mashing, fermentation, distilling, aging, bottling, and product storage. A visitation area will be designed to accommodate tours, tastings, light retail, and gathering areas. A bar will be outfitted for serving tastings, mixing drinks, and conducting point of sale transactions. Cocktail tables and other seating will be provided for gathering and socializing. Retail

racks, shelves, and cases will display JPD products and merchandise for sale. A gallery area will also display wall art for visitors' appreciation.

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.



BUSINESS EXPANSION PROJECTS

Tyson Foods



Tyson Foods Inc., a Fortune 100 company, is one of the world's largest food companies and a recognized leader in protein. Tyson has been in Seguin since 1989 after the company purchased their current facility located at 1200 W Kingsbury St. in Seguin from Holly Farms. Tyson currently employs an estimated 546 Full Time Employees at their Seguin Facility. Tyson's existing Seguin facility is approximately 108,836 square feet and sits on over 42 acres of land. Tyson has nearly \$9 Million of real and personal property value on the tax rolls, contributing nearly \$49,000 to the City of Seguin's tax base in 2021.

In October 2021, Tyson Foods announced they will expand their facility to increase production capacity

to meet increasing demand for Tyson chicken. The scope of Tyson's expansion includes a new 40,000 square foot production facility, as well as the purchase and installation of new, state-of-the-art machinery and equipment. Tyson's expansion project will represent a total capital investment of approximately \$58 Million and will help create at least 40 new jobs.

Cone Bioproducts

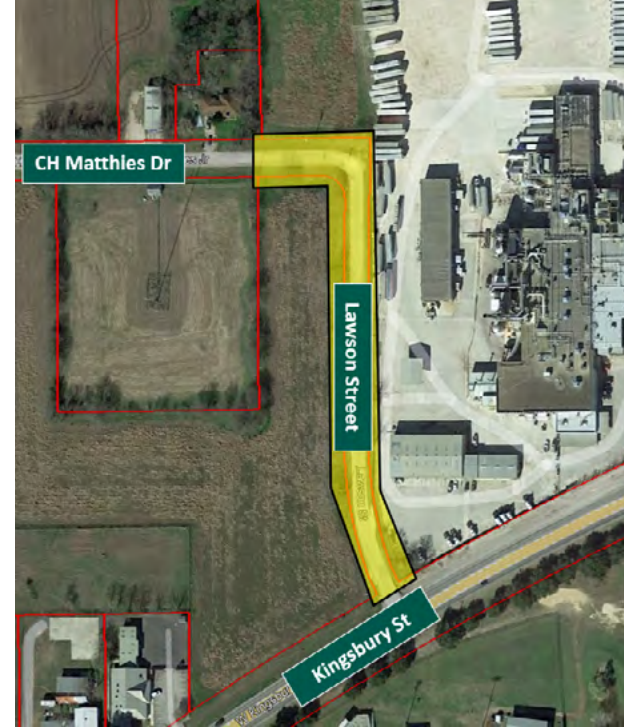
Founded in 2008, Cone Bioproducts is a manufacturer of high-quality in vitro diagnostics (IVD) products, including processed serum, controls, calibrators, albumin and other proteins. Cone Bioproducts is a successor company to several IVD businesses run by three generations of the Cone Family in Seguin over the past 40 years. The original company was founded in 1978 by Robert Cone, grandfather to current Cone Bioproducts president Will Cone. Cone Bioproducts is currently operating in 9,000 square feet of office, warehouse and production space in two facilities at 1012 N. Austin Street and 1008 River Street.



Cone Bio Products has purchased the former Pin Twist Bowling Alley, located at 308 S. SH 46. The 29,000 square foot facility sits on 5.7 acres on State Highway 46, just south of Court Street. CBP is currently retrofitting the facility which upon completion will house their manufacturing operations. The facility improvements represent a capital investment of at least \$2 Million.

INFRASTRUCTURE PROJECTS

The SEDC is actively engaged in two infrastructure improvement projects within the city. In 2021-2022, the City of Seguin and the SEDC were awarded two grants to assist in construction costs for the extension of 8th Street and the improvement of Lawson Street.



8th Street Extension

The City of Seguin, in partnership with the Seguin Economic Development Corporation, were awarded \$860,000 in CARES Act Recovery Assistance grant funding through the U.S. Department of Commerce's Economic Development Administration (EDA). The EDA Grant will support the expansion of the SEDC's Rio Nogales Industrial Park by covering engineering design, permitting and construction costs needed to extend 8th Street. The project will be matched with \$215,000 in local investment from the City of Seguin and the SEDC. The SEDC's Rio Nogales Industrial Park is home to the CPS Energy Rio Nogales Power Plant, Niagara Bottling, United Alloy, and Continental Structural Plastics. The extension of 8th street, funded through the EDA Grant, will be approximately 750 linear feet long and 43 feet wide. The project also includes a truck turnaround that will be constructed at the south end of 8th Street. In addition to providing a turnaround for trucks, the cul-de-sac will also provide an access to the southernmost property. Construction on the 8th Street Extension has commenced. The project is expected to be completed by the end of 2022.



Lawson Street Improvement



In conjunction with the Tyson's Expansion Project, Lawson Street needed to be improved from Kingsbury Street (U.S. Hwy 90) to C.H. Matthies Drive. The City of Seguin was recently awarded a \$1 million grant from the Texas Department of Agriculture (TDA) to cover construction costs for the Lawson Street Improvement Project. The Roadway Improvement Project includes the expansion of Lawson Street to a width of 42 feet, curb to curb. In addition, the Roadway Improvement Project will also involve relocation of existing utilities within the Street Right-of-Way. The Roadway Improvement Project will facilitate the Company Expansion Project and will also help facilitate additional commercial development of adjacent properties.



ECONOMIC
DEVELOPMENT
CORPORATION

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