

Seguin Economic Development Corporation Fiscal Year 2016-2017 Semi Annual Report October 1, 2016 – March 31, 2017

1. REPORTING

In accordance with Section 4.04 of the Seguin Economic Development Corporation (SEDC) Bylaws, this SEDC Semi-Annual Report is submitted for review and consideration. The period covered by this report is October 1, 2016 through March 31, 2017.

2. ACTIVE SEDC PROJECTS

Staff continues to work with numerous 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 Request for Information (RFI) packages to prospects in a timely manner to ensure the prospects' interest remains solely with the City of Seguin. Staff will continue to keep the SEDC Board of Directors 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: On December 7, 2016, Central States Manufacturing held a ribbon cutting and grand opening event at their new manufacturing facility 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 currently employs about 25 individuals and projects to have over 50 employees within 5 years. No financial incentives from the SEDC were provided to Central States Manufacturing. However, the City of Seguin committed \$500,000 to improve Heideke Street from State Highway 123 Bypass to Interstate 10 in order to better serve the Central States site. The SEDC will continue to assist Central States with their hiring process and other issues as needed.

Siro Group: The Seguin Economic Development Corporation and the City of Seguin announced on October 28th, 2014 that Siro Group would be locating their first U.S. food manufacturing

facility in Seguin. Siro Group will be creating over \$58.5 million in new capital investment and a minimum of 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 the incentive package. In January, 2017, Siro Group representatives informed City staff that the project is currently delayed. Siro Group officials are currently working to establish a more definitive timeline for the project. Siro Group has recently hired a Human Resource Manager and Plant Manager for the future Seguin facility. Siro Group has also selected Shambaugh & Son, based out of Fort Wayne, Indiana as the design build contractor for the project. Shambaugh & Son specializes in design build services for the food manufacturing industry. The future 250,000 square foot facility to be located at the intersection of Rio Nogales and Eight Street just off of Interstate 10 will include a food manufacturing facility, a R&D Center and a Special Employment Center.

Niagara Bottling: 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 just off of Interstate 10. On June 30, 2015, Niagara Bottling announced they would be building their new 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. Construction on the Niagara's facility was completed in the Spring of 2016 and operations commenced with two production lines. Niagara's facility was built to accommodate five production lines. Niagara informed the City of plans to add a third production line to their facility in the Summer of 2016. The addition of the third line has recently been completed. The new production line is expected to create approximately 30 new jobs, bring the current estimate job total at the facility to about 120.

SEDC Strempel Property: In April 2016, staff identified a 48-acre tract of land located along Strempel Road between State Highway 123 Business and State Highway 123 Bypass as property that could be utilized by the SEDC for use as a possible incentive to a prospective business in

order to promote new and expanded business development within Seguin. This incentive tool was key in landing past projects such as Niagara Bottling, Siro Group, and Tractor Supply Company. The SEDC Board of Directors and Seguin City Council gave approval to the SEDC to move forward with the purchase of the land in early June 2016. On June 23, 2016 the SEDC closed on the 48-acre tract at a price of \$1,213,128. The SEDC financed a portion of the Purchase Price through a loan from First Commercial Bank, N.A. in the amount of \$863,128. The SEDC Staff and Board of Directors believe that the sales price for the property represented its market value. The purchase of the property will add to the land available for incentives for potential prospects and will promote economic development in the City. In order to make the site "shovel ready", SEDC and City staff met with TRC engineers to have preliminary discussions on detention needs for the newly acquired Strempel Road Property. Following this meeting, TRC engineers provided the SEDC with a proposal for preliminary engineering services and topographical surveying. On October 3, 2016, the SEDC Board of Directors approved a resolution authorizing the SEDC to engage TRC Engineers for those services. At the February, 2017 SEDC Board Meeting, City staff presented the findings that TRC outlined within the proposal for preliminary engineering services and topographical surveying. SEDC staff continues to work hard on marketing the property to business prospects.

3. BUSINESS RETENTION AND EXPANSION

Seguin EDC Business Retention and Expansion (BRE) Program: One of the top focuses of the SEDC staff for FY 2016-2017 is to improve and increase business retention efforts. From October 1, 2016 through March 31, 2017, staff has conducted business retention meetings with 10 Seguin business. Businesses that staff has met with are as follows:

- Continental Automotive
- Cavco
- Central States Manufacturing
- Caterpillar, Inc.
- Tank Partners
- CMC Steel
- Tractor Supply Company-Distribution Center

- Minigrip (SEDC Board Member Participation)
- Alamo Group (SEDC Board Member Participation)
- Rave Gears

The Seguin EDC BRE program is designed to capture business owners' thoughts, ideas, concerns, future plans, and valuable insights into the local community. The program requires time and effort to listen and respond quickly to local businesses and the workforce. These efforts can promote a pro-business climate within Seguin and can develop the capacity of the SEDC Staff to

engage in meaningful community and economic development efforts. Exercising this capacity enhances Seguin's BRE efforts, enables better-informed community and economic development strategies, and helps to inform task force members and the community-at-large about individual and community-wide business concerns. Most importantly, however, it fosters improved relationships between the SEDC, City of Seguin and our business community.

10/35 Economic Development Alliance (EDA) Regional Job Fair: On October 13, 2016, the SEDC in partnership with the New Braunfels Economic Development Council (NBEDC) hosted a regional job fair at the Central Texas Technology Center Campus. Nearly 350 job seekers attended the event, with nearly 40 businesses participating. The SEDC and NBEDC marketed the event through several outlets including social media, print media (through press releases) and radio ads. KSAT 12 News and Fox 29 News in San Antonio ran news stories on the job fair the day before. In an effort to assist job seekers that might not have been able to find transportation to the job fair, the SEDC and NBEDC provided bus transportation to the job fair from pick up locations within both cities. Staff received overwhelmingly positive feedback on the event from both job seekers and participating businesses.

SEDC Spring Job Fair: The SEDC hosted a Spring Job Fair on Thursday, March 30, 2017 at the Seguin Events Complex-Coliseum from 10AM to 4PM. Over 20 local businesses participated in the Spring Job Fair, including Caterpillar, Tractor Supply Company Distribution, Niagara Bottling, Alamo Group, and Cavco. The SEDC utilized several outlets to market the event including, Facebook, the Seguin Gazette, KWED, and Workforce Solutions Alamo. Nearly 150 job seekers attended the event. Though attendance was lower than previous job fairs, feedback from the participating businesses was overwhelmingly positive. SEDC Staff was informed that several participating businesses were successful in scheduling interviews with several of the job seekers who attended, and at least two people were hired on the spot. The SEDC Staff will continue to work alongside Workforce Solutions Alamo in order to better connect assist employers and job seekers within our area.

4. Active Mixed Use and Retail Developments

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:

Longhorn Crossing/Bauchman Property Development: Located on 129 acres of land at the southeast corner of Interstate 10 and SH 123 Bypass, the Longhorn Crossing/Bauchman Property Development is a proposed mixed use development will include both single family and multifamily residential, a retirement community and commercial space along the Interstate 10 frontage road. Staff has been working on this project with the development team since February

2016. Currently, City staff is working with the development team to overcome certain infrastructure obstacles, particularly wastewater. Staff will continue to work closely with the development team to ensure this project comes to fruition.

Greenspoint: Bordered by SH 46 on the east, Rudeloff Road on the north, and FM 78 on the south, this 264 acre, mixed used development consists of 39 commercially zoned acres, leaving the remaining 225 acres residentially zoned. The Greenspoint development team has been working with a multi-family developer for a proposed 240-unit, Class A Multi-family development. The 13-acre tract proposed for the multi-family complex is currently under contract. Commercial sites, lining the front of the development on SH 46, are currently for sale. City staff is working with the development team to get wastewater infrastructure in place to support future commercial and residential developments at the site. development team to ensure this project comes to fruition.

NewQuest Properties-Seguin Town Center: Seguin has partnered with New Quest Properties, a Houston based developer to develop a 500+ acre mixed use project including over 120 acres of prime retail along a newly constructed Interstate 10 frontage road. 1 million square feet and 120 acres of the Seguin Town Center will be dedicated to retail development including space for an anchor tenant, junior anchors, inline tenants and (quick serve restaurant) pad sites. The remaining 225 acres will be subdivided among multi-family, senior living, and single family residential housing.

New Quest Properties has informed Seguin Economic Development Corporation staff that their development team is currently in the process of making some revisions to the existing site plan, in order to better accommodate a prospective anchor tenant. Additionally, Staff was informed that the development team is currently working with several single family residential home builders for residential portion of the Seguin Town Center. The proposed residential portion of the development will replace the proposed industrial portion included in earlier, outdated site plans. Recently, construction crews have completed boring under Interstate 10 and have extend sewer access to the New Quest site. In addition, a preliminary drainage plan has been approved for the development and access roads in front of the development have been completed by TXDOT.

Schaefer Property Retail: SEDC staff has been working with an area commercial real estate developer on a proposed retail development located on approximately 24 acres at the Southwest corner of SH 46 and CH Matthies Drive (Schaefer Property). Plans for the proposed 200,000 square foot of mixed use retail development include a hotel(s), fast casual sit down restaurants, and general retail/pad space. Staff met with the real estate developer on March 27, 2017 to discuss coordinated efforts for retail recruitment to the site.

Seguin Retail Center: Located on SH 46 next to Guadalupe Valley Electric Cooperative (GVEC), the Seguin Retail Center is a proposed multi-tenant retail development will offer over 12,000 square feet of premier retail space and room to accommodate a Quick Service Restaurant. The new retail development will soon house multiple retail tenants, expanding the products and services available in Seguin. Plans for the development are currently under review by City staff. Staff is working closely with the broker to assist in market the property to retailers.

Walmart and Surrounding Retail: As informed by Walmart, construction has been slightly delayed on the new 182,000 square foot store to be located at the intersection of SH 46 and Interstate 10 in Seguin. According to Walmart representatives, progress on the project has been delayed due to the TXDOT Frontage Road project occurring along Interstate 10. In addition to nearly 30-acre tract of land in which the Walmart will be located, there is approximately ten acres of commercially zoned, planned retail space lining the Interstate frontage road. The ten acres has been subdivided into six retail pad sites. The local broker representing the ten acres recently reported that four of the six pad sites are under contract. Furthermore, all four of the future tenants are aware of Walmart's delay due to Interstate 10 construction, and intend on moving forward with purchase anyway. SEDC Staff spoke with the Walmart Real Estate representative on March 9, 2017. The status on the Walmart project remains unchanged at the moment.

5. 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 is being funded by TXDOT at a cost of just over \$30 million. This second project 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. TXDOT began opening the new frontage roads between Huber Road and State Highway 123 Business in February, 2017. TXDOT anticipates that the entire project should be completed by the Fall of 2018.

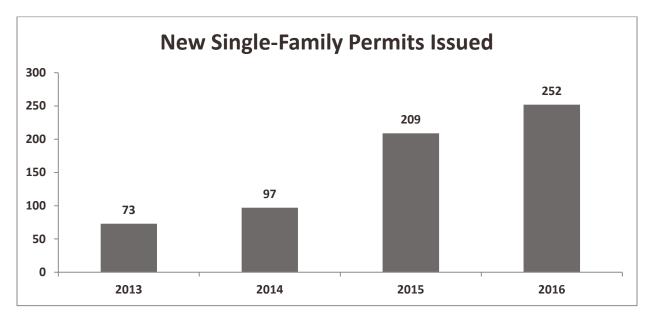
Schaefer Property Wastewater Line: In May, 2009 the City of Seguin, SEDC and Sam Schaefer (Property Owner) entered into a Settlement Agreement in Lieu of Condemnation whereby the SEDC agreed to fund the installation of sewer along Mr. Schaefer's property abutting State

Highway 46 and the Caterpillar Project in exchange for right of way to create access for the Caterpillar Project. Resolution No. 13R-07 dated April 15, 2013 approved an expenditure of up to \$155,000 towards the cost of the sewer installation. On May 17, 2016, the City opened bids for the Sagebiel Road and Schaefer Sewer Improvements Project. Bids were received from nine different contractors with City Council awarding the contract to Atlas Construction, the 2nd lowest bid. The bid amount for the Schaefer Sewer portion of this project was \$151,123.00. The SEDC will contribute \$133,995.69 for the installation of the Schaefer Sewer portion of this project, while the City of Seguin will contribute the additional funding needed for the Schaefer Sewer Project (approximately \$32,239.61). Construction of the Schaefer Sewer project began in mid-November and was completed in mid-December, 2016.

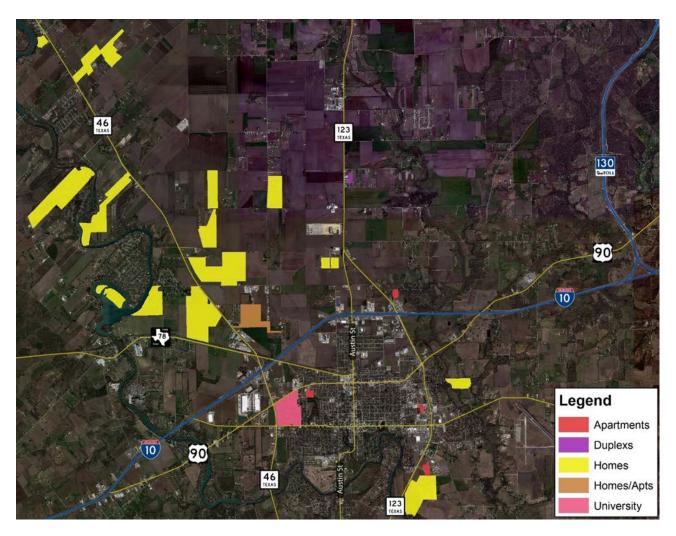
Strempel Road Reconstruction: The City of Seguin is preparing to make dramatic improvements to Strempel Road between SH 123 Business and SH 123 Bypass. The \$2.2 million dollar project will result in a complete reconstruction of the roadway; central continuous turn lane, with curb and gutter, including a 5' concrete sidewalk along the southern side of the roadway. Project will include drainage improvements, replacement and increased capacity of the existing water main, and full reconstruction of the roadway and pavement. Plans are at a 90% design stage with permitting underway with TxDOT. The City anticipates advertising this project for bid during Q2 2017 with construction during the fall of 2017. Staff's involvement with this project is because the SEDC owns the 48 acre tract of land north of Strempel Road.

6. Residential Growth

With the abundant growth Seguin is experiencing, the number of single-family homes is increasing rapidly. There are over 1,700 single family homes planned for Seguin. 252 new single-family residential building permits were issued during 2016. Below is a chart that illustrates the growth in new single-family permits issued from 2013 to 2016 (YTD). The City of Seguin has seen a 252% increase from 2013 to 2016 in the number of single-family residential building permits issues.



Some of the residential projects that are currently under development or are in the pipeline include Mill Creek Crossing, The Villages at Mill Creek, the Meadows at Nolte Farms, Butte Meadows, Greenspoint, the New Quest Property Housing Development, Walnut Grove Apartments and Park West Apartments. Staff continues to provide assistance as needed to the development teams associated with these projects. Staff also continues to work with other prospective developers on potential future residential developments within the City. Staff has created a housing map illustrating the existing subdivisions and included the number of housing units available and planned. Staff is utilizing the residential development map (see below), in various marketing efforts and will continue to maintain and update the map as new housing is introduced.



7. Workforce Development

Manufacturing Workforce Summit: The SEDC, the Seguin Chamber of Commerce and the Alamo Colleges-Central Texas Technology Center (CTTC) partnered to host the Talent Pipeline Project-Manufacturing Workforce Summit. The summit was held on Wednesday, December 14, 2016 at the Central Texas Technology Center. Nearly 50 representatives from the education and manufacturing sectors were in attendance. The open discussion on workforce needs lasted over an hour. SEDC Staff met with the other partners that are involved in the Talent Pipeline Project on January 17th to begin planning a follow up to the Manufacturing Workforce Summit that was held in December. In this meeting it was determined that staff from Seguin ISD and Navarro ISD would meet with Mr. Chester Jenke from the CTTC to review the existing CTE curriculum being used within the ISD's. Following this meeting, a second Manufacturing Workforce Summit will take place to gather feedback on the CTE curriculum from the representatives of the manufacturing sector. A date and time for that meeting has yet to be determined. Staff will provide further updates on this endeavor in the Annual Report.

Healthcare Workforce Summit: The SEDC, the Seguin Chamber of Commerce and the Alamo Colleges-Central Texas Technology Center collaborated to host the Healthcare Workforce Summit on Thursday, March 9, 2017 from 11 AM to 1 PM at the Central Texas Technology Center. The goal of the Talent Pipeline Project-Healthcare Workforce Summit is to bring together representatives of the education and healthcare sectors in order to discuss regional workforce needs and identify how the group can work together to build a stronger employee pipeline within the region. Nearly thirty individuals from the healthcare and education industries attended the summit. Open discussion on workforce development initiatives within the healthcare sector lasted for nearly an hour and was very productive. SEDC Staff will continue to work with our partners on this project to determine the next phase. Currently, staff is collecting survey results from attendees to get a more detailed understanding of the workforce needs within the healthcare industry. Staff will provide further updates on this endeavor in the Annual Report.

Alamo Academies: The Alamo Academies, which is overseen by the Alamo Colleges, provides education, experience and job opportunities for high school students to make a transition from high school to college and/or the workplace. This partnership between industry and higher education provides Seguin area youth with tuition-free career pathways into critical into critical demand technical occupations. Alamo Colleges offers two academies through the CTTC for area students to enroll in: The Advanced Technology and Manufacturing Academy (ATMA) and the Information Technology and Security Academy (ITSA). The programs utilize industry-driven curriculums that results in graduates entering higher education or high wage careers in manufacturing or information technology. Students receive training in high-wage demand occupations during their junior and senior years of high school. They also earn college credits and participate in paid internships in local industries. Participating employers benefit from the program through access to a pipeline of skilled entry-level workers trained to their specifications. Half of the student's classes are taken at the high school and the remainder is taken at the CTTC. In Seguin, this program is open to students at Seguin and Navarro High Schools. The SEDC provides financial support to operate the Alamo Academies ATMA and ITSA programs at the Central Texas Technology Center. Industry partners participating in the Alamo Academies program in Seguin include Seguin Machining and Supplies, Gustav's Tool and Die and Hexcel. There have been a total of 145 Alamo Academy graduates from the CTTC including 49 from Seguin ISD and 23 from Navarro ISD. There are currently 42 students enrolled in the Academies at CTTC, 24 juniors and 18 seniors; 11 of those students are from Navarro ISD and 5 are from Seguin ISD. Staff has met with both school districts to discuss improving participation; both school districts are currently working to enroll more students within the Alamo Academies program.

8. Entrepreneurship and Small Business Development

In partnership with the City of New Braunfels, the SEDC continues coordination and funding for the University of Texas at San Antonio Small Business Development Center (SBDC) satellite office. The satellite office was established to address the needs of small business owners and entrepreneurs in the region. For Fiscal Year 2016-2017 year to date, the satellite office has assisted 362 clients in Guadalupe and Comal counties. 43% of those clients were from Guadalupe County. The assistance from the small business counselor has led to 7 new business starts, 9 business expansions, 163 new jobs, 256 jobs retained and an estimated capital investment of \$7,008,035. 82% of the jobs created and 8% of the jobs retained were in Guadalupe County. On January 24, 2017, the UTSA SBDC hosted a free business training workshop on opening a restaurant called Restaurant Readiness. The workshop was held in the Seguin City Council Chambers from 11 AM to 1 PM. Some of the topics covered during the workshop included startup forms and checklist, choosing a location, restaurant concepts, licenses and permits, choosing equipment, and menu pricing. UTSA SBDC staff thought that the workshop was very successful. The attendance was greater than they would normally get for a lunch time workshop and the UTSA SBDC have had attendees call to schedule follow up appointments. 13 registered for the workshop and 9 ended up attend. SEDC Staff helped marketed the event on social media in the days and weeks leading up to the workshop. The SEDC also put out a press release with details on the workshop that was covered by KWED and the Seguin Gazette.

9. Strategic Planning

The SEDC Staff and Board of Directors met on October 28, 2016 to create a new Plan of Work. The 2016-2017 work plan includes specific objectives and strategies necessary to achieve each respective goal set and measure progress throughout the year. The 2016-2017 SEDC Plan of Work has been attached to this report as "Exhibit A".

10.Marketing Efforts

In alignment with the SEDC 2016-2017 Work Plan, staff works to coordinate all communications and marketing efforts with a primary focus of promoting Seguin as an ideal community to live, work and play.

Website: The SEDC's new landing page within the City of Seguin's new website went live in February, 2017, and can be accessed by clicking the "Economic Development" tab at the top of the home page, or by visiting www.SeguinEDC.com. SEDC staff has work hard for the past several months to gather and organize information in order to create a user friendly experience within the SEDC's landing page. Visitors to the SEDC landing page can now obtain data and information on items such as housing growth, available incentives, tax structure, labor force, traffic counts,

and so much more. In addition, the SEDC has partnered with the commercial real estate information firm, Xceligent, to offer an interactive available commercial real estate properties tool within the SEDC landing page. The tool can be accessed by clicking the "Available Properties" tab at the top of the SEDC landing page. Here visitors are able to search for available commercial properties within the Seguin area by using either the interactive map feature, entering an address, or by narrowing the search down by specific attributes that the visitor might be looking for in a property (i.e. sale or lease, building size, sale price, etc.). Staff is reaching out to the commercial real estate community to ensure that as many active listings as possible are available on the web tool. Instructions for adding property to the web tool can now be found on the "Available Properties" page within the SEDC's landing page.

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.

The SEDC relied heavily on social media to promote its job fairs that were held throughout the reporting period. The SEDC used Facebook Boost Posts in an effort to engage a social media audience that might not be following the SEDC Facebook page. A boosted post is a post from your business Page that, for a fee, can appear higher up on your audience's News Feeds. The fee depends on how many people you want the post to reach—the payment depends on the number of impressions the post gets with time. This form of marketing proved to be extremely beneficial by spreading the news about the job fairs and was more cost effective than other types of conventional marketing.

On January 17th, Staff officially suspended the "Seguin EDC" Facebook Profile account. The "Seguin Economic Development Corporation" Facebook Page gained several new likes in the weeks and days leading up to the suspension of the profile account. All SEDC related news and information is now only being posted to the "Seguin Economic Development Corporation" Facebook Page.

Overall, the SEDC's Facebook page saw a 31% increase in the number of followers from October 1, 2016 to March 31, 2017. On October 1, 2016, the SEDC Facebook page had 1252 followers; on March 31, 2017, the number of followers had grown to 1642. The SEDC is also actively working on increasing its reach on Twitter. The SEDC's Twitter page is currently up to 902 followers. From October 1, 2016 to March 31, 2017, the SEDC's Twitter page has had 96 new followers, 1495 profile visits and 15,445 "tweet impressions" or times a user is served a Tweet in timeline or search; that is an average of 2574 tweet impressions a month during the reporting period. SEDC continues to strategize its social media efforts to promote the City, the business community, and its quality of life.



Image 1: SEDC Facebook Page Total Likes (October 1, 2016-March 31, 2017)

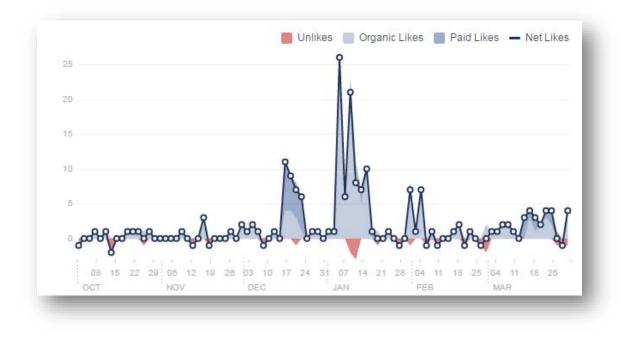


Image 2: SEDC Facebook Page Net Likes (October 1, 2016-March 31, 2017)

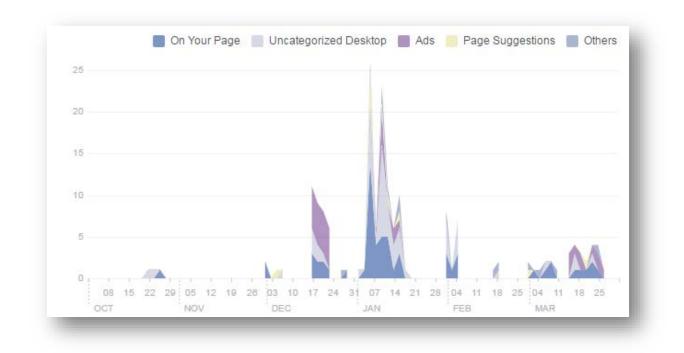


Image 3: SEDC Facebook Page How Likes Happened (October 1, 2016-March 31, 2017)

Shop Local Holiday Campaign: SEDC Staff has worked hard to encourage residents to shop local this holiday season by running a shop local holiday campaign branded "Real Seguin Holiday Savings." Staff worked with five participating businesses to create a promotion that would run from December 15, 2016 to January 5, 2017. The promotions were then added to a coupon book that was developed in-house by Staff. The coupon books were distributed to the participating businesses where they were made available to the public at the place of checkout. The coupon books were also available at the Seguin Public Library, Seguin City Hall, and at the SEDC office. Participants would then shop at any of the five participating stores, fill out the coupon below, drop it into a bucket and be entered into the drawing for a \$50 gift card to that store, purchased by the SEDC. A total of 153 participated in the "Real Seguin Holiday Savings" campaign. Five winners were drawn, and staff is currently in the process of contacting the respective winners.

Advertisements: SEDC staff continues to utilize different outlets such as print media, radio and social media for advertising efforts.

Other advertisements that the SEDC created during the reporting period include a promotional ad for the UTSA Small Business Development Center advising services that are 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 Newsletter: 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 an economic development newsletter which is sent out to our mailing list via Constant Contact. Featured stories in the first half of the fiscal year (October 2016- March 2017) included the following:

- City Wide Commercial, Residential and Public Projects Update
- Alamo Group, Local Business Highlight
- Tractor Supply Company Distribution Center, Local Business Highlight
- Central States Manufacturing, Local Business Highlight
- Medical Office Grand Opening at GRMC

- Walnut Grove Apartments Grand
 Opening
- CTTC Expansion
- Reiley + Rose Floral and Design, Small Business Highlight
- Texas Workforce Commission Program Initiatives (Skills Development Fund, Skills for Small Business and Skills for Veterans).

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 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.

11. Recruitment Efforts and Lead Generation

Recruitment Meetings: From October 1, 2016 through March 31, 2017, staff has met with several commercial real estate brokers and developers to inform them of the growth and opportunities that are available to them in Seguin. Below are some of the following entities that staff has met with:

- Blakeley Commercial Real Estate
- Rohde, Ottmers, Seigel Commercial Realty
- Cobblestone Hotels
- Endura Commercial Real Estate
- McAlister Commercial Real Estate

- The Nova Group
- Fulcrum Property Group

Staff continues to work with representatives from the entities listed about. Staff is also working on securing additional meetings with other commercial real estate brokers and developers throughout the area.

ICSC Texas 2016: Staff attended the 2016 ICSC Texas Conference in Dallas, Texas. The conference took place from October 5-7, 2016. 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.

ICSC RECon 2017 Preparations: Staff has begun preparations for the upcoming ICSC RECon show that will be held in Las Vegas from May 21-24, 2017. RECon is the world's largest retail real estate convention with more than 37,000 attendees representing 58 countries who gather for power deal making, endless networking and innovative education. Mr. Josh Schneuker and Mr. Doug Faseler will be attending the event on behalf of the City of Seguin. Staff has begun compiling information on prospective attendees and working on scheduling meetings with those prospective retailers and retail developers. The SEDC has contracted with EBQuickstart, a third party entity that specializes sales, marketing and appointment setting. EBQuickstart has begun work on their end to set up meetings on behalf of the SEDC. In addition, staff will also be working on updates to various pieces of marketing materials that are utilized at the event. This includes the SEDC's Aerial Map and the SEDC's Retail Fast Facts Sheet.

Texas Elite 25: The SEDC is currently participating in a marketing and lead generation campaign called Texas Elite 25. Organized through the World Economic Development Alliance (WEDA), the Texas Elite 25 Program is an exclusive prospect nurturing campaign designed to shine a light on 25 Texas communities' companies should be considering in their site selection process. This

exclusive, 6-month long program is the first of its kind- and it is currently only available to communities in the state of Texas. The Texas Elite 25 Program targets 15,000 of the top companies in some of the fastest-growing industries in America- and show them exactly why their business belongs right here in the great state of Texas. The SEDC and other Texas Elite 25 Members have access to an exclusive, Texas Elite 25 website, filled with information about each member community- and highlighting why businesses should consider expanding or relocating to these 25 exclusive communities. Nearly 75 leads have been provided to the SEDC because of the campaign.

10/35 Economic Development Alliance (EDA): SEDC and the New Braunfels Economic Development Council (NBEDC) 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.

SEDC staff met with New Braunfels EDC staff several times throughout the reporting period to plan for events and marketing trips during the 2016-2017 fiscal year. The 10/35 Economic Development Alliance will be hosting a broker's breakfast on May 11, 2017 in advance of ICSC. In addition, 10/35 EDA staff identified the following trade shows and conferences to attend:

- Site Selectors Guild Annual Conference
- BIO Conference 2017
- Westec Manufacturing Trade Show

• SelectUSA 2017

Mr. Josh Schneuker attended the 2017 Site Selectors Guild Annual Conference on behalf of the 10/35 Economic Development Alliance (EDA). The Annual Conference was held from March 13th to March 15th in Tucson, Arizona. The Site Selectors Guild is the only association of the world's foremost professional site selection consultants. At the conference, Mr. Schneuker was able to establish and build upon existing relationships with the nation's most prominent site selector consultants. Mr. Schneuker was also successful in to marketing the 10/35 region as a premier location to do business.

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. The SEDC will be increasing its participation with Team Texas during FY 16-17 based of the types of events that the organization will be attending. The SEDC will be participating with Team Texas at follow events:

• SelectUSA 2017

 International Food Technology (IFT) Conference

- Westec Manufacturing Trade Show and Los Angeles Area Road Show
- Team Texas Road Show

TexasOne: TexasOne is the economic development marketing arm of the Office of the Governor created with the mission of marketing and promoting Texas as a premier business location. No tax dollars from the State of Texas fund the TexasOne Program. Instead, funds for TexasOne 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. TexasOne 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 TexasOne as a part of the 10/35 Economic Development Alliance. The 10/35 EDA plans to participate with TexasOne at the 2017 BIO Conference that takes place

12. Economic Development Partners, Public Relations, and Networking Opportunities

Seguin Area Chamber of Commerce: Staff continues to support the Seguin Area Chamber of Commerce by attending monthly luncheons, various committee meetings, and ribbon cuttings. In February 2016, the SEDC was a sponsor for the annual "Showcase Seguin". The SEDC has increased efforts with the Chamber on several projects such as the Seguin EDC BRE Program and the Talent Pipeline Project.

Seguin-Guadalupe Hispanic Chamber of Commerce: Staff continues to support the Hispanic Chamber of Commerce. Staff attended the Hispanic Chamber of Commerce annual banquet and awards ceremony which took place in March 2017. The SEDC was a silver level sponsor for this event.

Texas Economic Development Council (TEDC): Staff participates in regularly 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.

Staff participated in two TEDC conferences during the reporting period. The TEDC Annual Conference that was held from October 18-21, 2016 in San Antonio, and the TEDC Legislative Conference held from February 22-24, 2017 in Austin, Texas. The TEDC Legislative Conference featured numerous general and breakout sessions on economic development topics and trends,

a Peer Group Roundtable and networking receptions. Staff also made a trip up to the State Capitol to visit with some of our local elected officials. Mr. Schneuker was able to connect with Representative Kuempel and had the opportunity to update him on active economic development efforts within Seguin and lobby support for economic development related bills making their way through the State Legislature.

State of Texas Economic Development Partners: On January 13, 2017, SEDC Staff traveled to Austin to meet with the staff members from the Texas Workforce Commission, the Texas Department of Agriculture, and the Governor's Office Economic Development and Tourism Division (EDT). The meetings were very successful. SEDC Staff was able to establish new contacts and build relationship with the staff members from these organizations. SEDC Staff also provide the organizations with updates on the developments and growth occurring within Seguin.

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.

Area Real Estate Groups Presentations: On November 30, 2016, Mr. Josh Schneuker presented at the KW Seguin Realty Monthly Meeting. On January 17, 2017, Mr. Josh Schneuker also presented at the Four Rivers Association of Realtors monthly luncheon in San Marcos. At both presentations, Mr. Schneuker presented on the growth and future developments within Seguin.

13. Professional 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. The SEDC's Business Retention Specialist has been registered for the IEDC's Workforce Development Strategies Course in June 2017. In May 2017, Director of Economic Development, Josh Schneuker, attended the his second session at the University of Oklahoma Economic Development Institute's (OU EDI) course in San Antonio. Coursework taken at the OU EDI are applied towards becoming a Certified Economic and Community Developer (CEcD).

14. Awards and Accomplishments

Texas Economic Development Council Community Economic Development Award: In late August/early September 2016, SEDC staff worked on putting together a submission the Texas Economic Development Council (TEDC) Community Economic Development Award (CEDA). Staff submitted the SEDC's recruitment of Niagara Bottling LLC. The project consisted of \$85,000,000.00 in capital investment and a 557,000 square foot facility for the production of water, plastics and bottles. On September 16, 2016, the SEDC was notified that we had been selected as the recipient of TEDC Community Economic Development Award for communities between 15,000 and 40,000. On October 21, 2016 the SEDC was presented with the CEDA award at the TEDC Annual Conference Awards Luncheon in San Antonio. SEDC Staff, the SEDC Board of Directors, City Staff and City Elected Officials were in attendance to accept the award.

"Exhibit A"

SEGUIN ECONOMIC DEVELOPMENT CORPORATION



ECONOMIC DEVELOPME CORPORATION

2017

One-Year Plan of Work



Seguin Economic Development Corporation

ONE-YEAR PLAN OF WORK

SUMMARY

On Friday, October 28, 2016, the board of directors and staff of the Seguin Economic Development Corporation met at the Seguin Public Library in Seguin for an annual board planning session consisting of a review of last year's strategic plan and the design of an updated strategic plan. The purpose of this retreat was to develop a One-Year Plan of Work for 2017.

Alysia Cook of Opportunity Strategies LLC provided the facilitation and planning services. Prior to the planning workshop, the facilitator visited with staff to develop the agenda.

The following is the account of the annual board planning retreat.

EXPECTATIONS

The facilitator opened the meeting by describing the purpose of the meeting, then asked the participants to introduce themselves and share their own expectations of things they'd like to make sure are discussed during the retreat.

Their responses were as follows:

- Set the roadmap toward something big
- Plant seeds for future
- Promote what we already have here (celebrate our successes)
- Create a wish list of businesses wanted (gap analysis)
- What role will we play? As a unit and individually?

EXPECTATIONS (CONTINUED)

- Robust relationship building
- Involvement with employers, independent school districts, and workforce development
- Hispanic outreach
- Business retention & expansion focus
- Increase the engagement
- Make sure we're covering all aspects of economic development

BUSINESS RETENTION & EXPANSION PROGRAM

There was much discussion regarding the need for a Business Retention & Expansion (BRE) Strategy. An effective BRE helps an EDC manage its relationships with existing employers, identify potential warning signs, and maintain appreciation and support of those employers.

The Purpose of a BRE is 5-fold.

- Appreciation to show appreciation and service after the sale
- Advocacy to identify problems and serve as the solutions broker
- Education to educate existing business leaders about incentives, programs, and resources available to them
- Expansion to encourage expansion
- Opportunities to identify opportunities to target their suppliers and markets

A BRE Plan consists of 5 steps:

- 1) Organization & Marketing
- 2) Identify partners, programs, and process
- 3) Identify and prioritize business visits
- 4) Question development and database setup
- 5) Recording and measuring results

1-YEAR PLAN OF WORK

The participants developed new ideas for specific goals for a 1-Year Plan of Work. The following is the 2017 Plan of Work for the Seguin Economic Development Corporation. The staff will determine the specifics of how these items are implemented and the proper timelines.

Goal #1: To Enhance the SEDC Business Retention & Expansion Program

1. To conduct existing business visits

a. Formulate a new Business Retention & Expansion Program that includes topics to be discussed during industry visits.

b. We will identify 12 businesses in which staff seeks to visit in 2017

c. Visits will consist of 2-on-1 (two EDC representatives to one industry leader) Board members will identify a visit they would like to participate in

d. Prior to visits, board members will have access to BRE Training that will consist of topics such as:

- Mechanics of BRE Plan
- Roles and responsibilities
- Interview tips
- Confidentiality
- A pre-meeting review of topics to be discussed
- Tips on asking "How can we help you succeed?"
- Recording and reporting results

e. Analyze data and create monthly report for board regarding visit information

f. Identify ways to market BRE programs to existing businesses:

- Manufacturing newsletter
- Blog article (ours or guest blog)
- Social media outlets
- Mayor's column
- Email blasts
- Highlight a business of the month each month to show recognition for existing industries
- Local media outlets
- 2. To host industry events that promote business retention efforts
 - a. Host annual Business Appreciation Luncheon August
 - b. Explore opportunities to host industry roundtables and partner with Chamber on existing efforts
 - Human Resource executives
 - Chief Financial Officers
 - Chief Executive Officers
 - c. Host a Business/Workforce Resource Fair
 - d. Continue to host local Job Fairs as well as regional Job Fairs in partnership with New Braunfels
- 3. To provide support to local existing businesses

a. Educate more businesses about the benefits of working with various workforce development resources such as the Small Business Development Center (SBDC), Workforce Solutions Alamo, Alamo Colleges etc.

- Distribute educational marketing material to typical small business service providers in Seguin such as attorneys, certified public accountants, financial institutions, and financial advisors
- Social media exposure/training for existing businesses

c. Continue to distribute welcome packages for new businesses. Ask for certificate of occupancy list from the permit office each month.

d. Provide social media exposure to existing businesses on a routine and requested basis

How will Goal #1 be Measured?

- □ Was there at least one industry visit per month?
- □ Was there at least one economic development representative involved in each visit?
- Did we host the Business Appreciation Luncheon in August 2017?
- Did we collaborate with partners in facilitating Industry Roundtables that local executives participated in?

- Did we host a Business/Workforce Resource Fair?
- Did we seek to partner with New Braunfels to host a regional Job Fair?
- Did we choose applicable media outlets and communications methods to expose BRE Program?
- Did we educate small businesses about the various resources made available to them?
- Did we provide exposure to local businesses on our social media outlets?
- Did we secure the certification of occupancy list each month from the permit office, create welcome packets, and distribute them to new companies?

Goal #2: To Recruit New Businesses

- 1. To recruit targeted industrial and commercial businesses
 - a. Identify targeted industrial and commercial businesses for recruitment efforts.
 - Inventory portfolio of existing businesses
 - Accumulate information on utility infrastructure capabilities such as water capacity, electric capabilities, fiber, etc.
 - Search Dun & Bradstreet and other information resources to identify potential targets for recruitment with similar or complementary NAICS codes and needs

b. Strategically target recruitment efforts towards industrial and commercial businesses that will expand/diversify Seguin's employment base. Using accumulated portfolio inventories, identify which types of businesses are scarce in Seguin, and businesses that could potentially complement our existing businesses by providing supplier or end-market products or services. Through retention efforts, analyze existing businesses' supply chains, logistics, transportation needs etc. to identify possible ways to make their business operations more efficient

c. Redevelop the Request for Information (RFI) submittal process

d. Develop marketing material for targeted industrial and commercial businesses (see more on Goal #4)

- e. Attend industrial and commercial related trade events
- 2. To recruit targeted retail
 - a. Strategically identify targeted retailers and developers
 - Consider the possibility of using a retail consultant for retail recruitment efforts
 - b. Continue efforts with existing retailer/developer communication strategy
 - Site criteria and demographic criteria matchup
 - Explore options for adopting a CRM database system that would allow for more efficient management of retail communications
 - c. Attend retail related trade events

- d. Enhance relationships with local real estate professionals, and provide them with any resources that could potentially make their efforts more efficient such as access to the SEDC Xceligent available properties tool
- 3. Asset Management & Acquisition
 - a. Identify properties with high development potential

b. Create an in-depth database of available properties and potential available properties, that includes infrastructure capabilities for each site (water, sewer, utilities, etc.) reducing RFI response time and ensuring accurate and relevant information is submitted to prospects

- c. Create a development plan for remaining SEDC assets
- d. Develop a marketing package to showcase remaining SEDC assets
- e. Identify opportunities to acquire new assets
- 4. Build relationships with area economic development partners

a. Work to develop relationships with area economic development partners such as Alamo Colleges, Workforce Solutions Alamo, local utility providers, local brokers, site selectors, developers, area taxing entities etc.

b. Host 1-2 events with area economic development partners that promote business recruitment efforts. Partners include GVEC, 10/35, industry events, etc.

- c. Deliver an Annual Economic Development Report to each school district (Board and Staff)
- d. Deliver an Annual Economic Development Report to the County Commission

How will Goal #2 be Measured?

- Did we inventory our portfolio of existing businesses?
- Did we accumulate information on utility infrastructure capabilities?
- Did we identify specific industries and businesses to target for recruitment?
- Did we effectively target marketing efforts toward desired businesses?
- Did we attend trade events and market Seguin?
- Did we successfully target new retail through developers?
- Did local real estate professionals take advantage of the Xceligent available properties tool?
- Do we have an accurate database of available properties and their shovel-readiness?
- Did we create and implement a plan for our remaining assets?
- How many inquiries on projects did we have in 2017?
- Did we effectively build relationships with new partners?
- Did we deliver an Annual Economic Development Report to each school district?
- Did we deliver an Annual Economic Development Report to County Commission?

Goal #3: To Enhance Small Business Development

- 1. Provide education/resources on How to Start a Business (partner with SBDC)
 - a. New entrepreneurial endeavor
 - b. Franchise
- 2. Provide education/resources on How to Grow a Business
 - a. Distribute educational marketing material to typical small business service providers in Seguin such as attorneys, certified public accountants, financial institutions, and financial advisors
- 3. Develop list of angel investors and venture capitalists
- 4. Partner with local Chambers of Commerce and Main Street Program to support the Shop Local initiatives

How will Goal #3 be Measured?

- Did we partner with SBDC to offer small business educational workshops?
- How many participants did attended workshops in 2017?
- Did we create a list of angel investors and venture capitalists?
- Did we make a meaningful contribution to Seguin's Shop Local efforts?
- Did we distribute educational marketing material to typical small business service providers in Seguin?

Goal #4: To Develop a Robust Marketing & Communications Strategy

- 1. Website Development
 - Acquire unique, stand-alone SEDC website separate from the City website, allowing a more efficient search process for prospects and site selection consultants looking for "economic development websites" rather than "municipal websites"
 - Conduct full scale reorganization of website content, in order to more efficiently engage specific audiences such as community members, people looking to live or work in Seguin, or businesses looking to relocate or expand in Seguin (site selectors, developers, retail representatives etc.)

- 2. Strategically utilize social media to highlight economic development focus areas of Business Retention & Expansion, Business Recruitment, and Small Business/ Entrepreneurial Endeavors
 - Officially transition the Seguin EDC Facebook "profile" account into an official "page" account
 - Continue content based social media posts to market economic development efforts, infrastructure development, new retail announcements, available jobs, available retail space and small business highlights and promotions
 - Incorporate more video content in marketing efforts, in order to enhance our community's sensory appeal
- 3. Develop print marketing material that highlights economic development focus areas
 - a. Business Retention & Expansion
 - b. Business Recruitment
 - c. Small Business/ Entrepreneurial Endeavors
- 4. Attend industry/recruitment events
 - Continue attending trade shows, conferences, recruitment/mission trips, TexasOne, Team Texas events
 - Others we identify as noteworthy

How will Goal #4 be Measured?

- □ Were we able to acquire a unique, stand-alone SEDC website separate from the City website?
- Does the new website host information tailored to specific audiences?
- □ Did we increase overall website traffic?
- Did we convert our Facebook "profile" to an official "page?"
- Did we effectively target social media efforts?
- Did we increase exposure on social media? (# of followers, # of posts, reach, # of likes, # of tweets, retweets, mentions, etc.)
- Did we develop and distribute new marketing materials for the purpose of BRE?
- Did we develop and distribute new marketing materials for the purpose of recruitment?
- Did we develop and distribute new marketing materials for the purpose of serving entrepreneurs?
- Did we attend industry events we planned to?

The board and staff agreed to list "Strategic Plan Review" on each agenda this year and utilize the Plan of Work at each board meeting. The Plan of Work is meant to function as a living document and should be modified as needed throughout the year in order to best serve the Seguin EDC.



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