



Seguin, Texas

Collaboration: Key to Economic Development Success

October 16, 2015

Why Seguin?

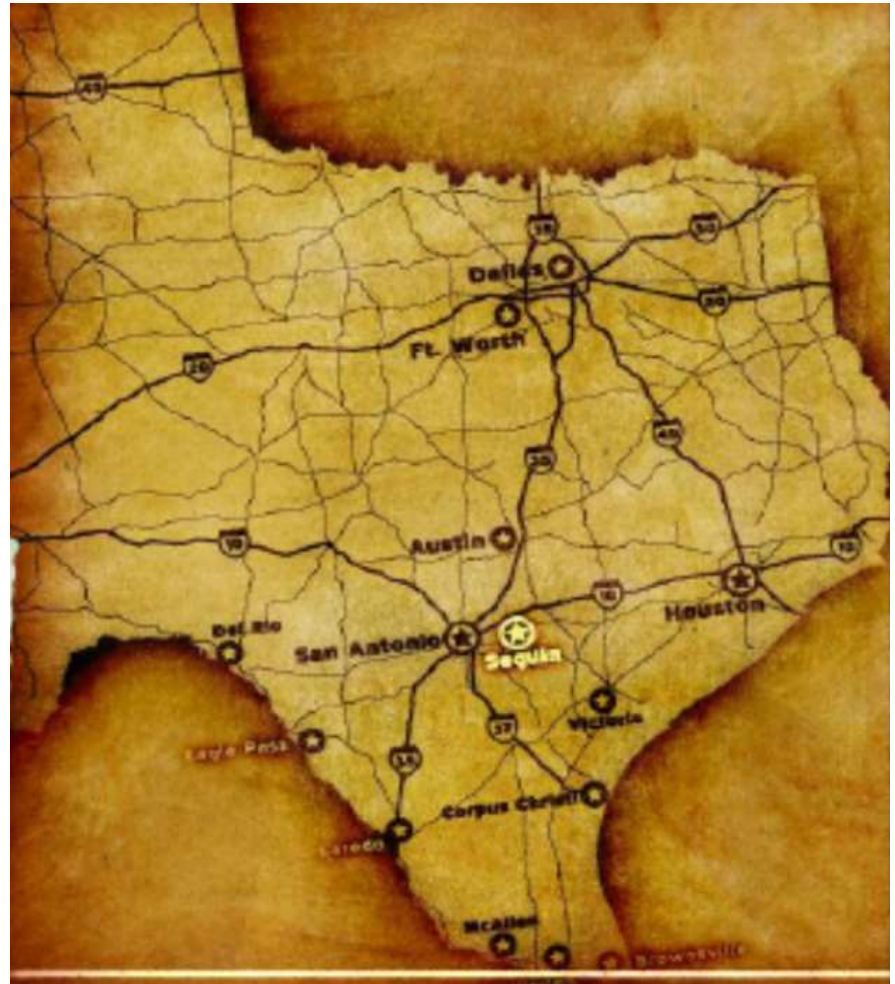
- Location
- Pro-Business commitment to growth
- Historic, small-town charm on the banks of the beautiful Guadalupe River



Location, Location, Location!



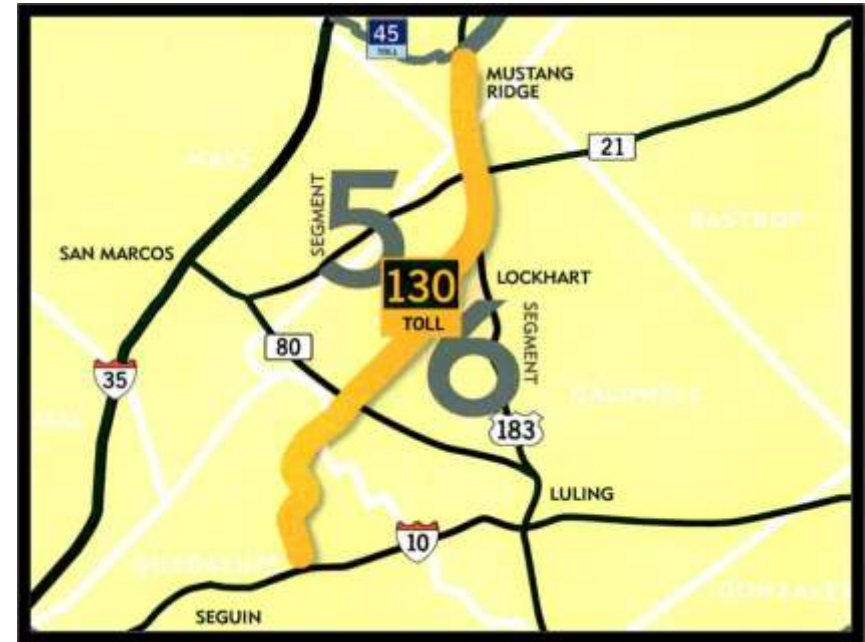
- **Strategically located**
 - On Interstate 10 between San Antonio & Houston
 - Just north of the Eagle Ford Shale play
- **Wide-open spaces** – plentiful resources & room to grow



SH-130 Toll Road



- Allows easy commute to Austin-area jobs without traffic
 - at 85 mph!
- Communities along the corridor have seen rapid growth in population
 - Pflugerville - 187% growth from 2000 to 2010
 - Hutto - 1075% growth from 2000 to 2010



Progress – Population Growth

- Seguin serves as the retail hub for 3 counties: Guadalupe, Gonzalez and Wilson.
- Guadalupe County has seen a 47.75% increase in population from 2000-2010.



Seguin Retail Trade Area

- US Census

Guadalupe County population in	2010	131,533	↑	154%
Population projected in	2040	334,026		

-- San Antonio-Bexar County Metropolitan Planning Organization (MPO)

Diversity in Committees and Boards

Seguin EDC Board

Guadalupe Regional Medical Center - CEO

Texas Lutheran University - President

Raymond James Financial Services – Branch Owner/Financial Advisor

State Farm Insurance Agency - Owner

Retired Pharmacist and Former Mayor of Kingsville

Tax Abatement Committee

City of Seguin - Mayor

Guadalupe County - Judge

Seguin Independent School District - Superintendent

Seguin Area Chamber of Commerce - President

Seguin Hispanic Chamber of Commerce - President

Texas Lutheran University – Assistant to the President for Admin. & Public Affairs

Seguin Area Board of Realtors - President

Industry - Representative



Progress – Industry

Diversified industrial base fortifies economy

Caterpillar Inc.

- December 2008 – announced Seguin as the location of choice for \$170 million Engine Assembly Test and Paint (ATP) Facility
- Currently employs 1500
- Economic annual impact of \$600 million



Preparation for the Site Visit

- Assemble a team to answer Economic Development (Incentives), Utility and P&Z questions
- Three Tracts of Land Identified to show
- Illustrations were prepared to demonstrate that the electrical load requirement could be accommodated along with water & sewer
- Traffic Analysis/Consultant/TX Dot
- Fast -Track Permitting

The Journey

- Confidentiality of the project!
- Could a site be identified and assembled within schedule at a competitive price?
- Site Due Diligence – Will the site work?
 - Geotechnical (Seguin has expansive clay)
 - Zoning/permitting (10 Day turnaround)
 - Air Quality Permit Assurance(TCEQ)
 - Survey/Title issues

The Journey

- Financial/Cost Analysis
- Traffic Analysis/Consultant/Tx Dot
- Research Soil Remediation Costs
- Acquire “Best Fit” site and begin construction

Strengths

STRENGTHS

- Location (strategic)
- Workforce Availability
- Feasible site – ease of access and proximity to Houston Ports
- Timing – Ability to move quickly within schedule requirement?
- Multiple sites to choose from

Challenges

CHALLENGES/ISSUES

- Infrastructure costs
 - Transportation
 - Utilities
 - Timing – Ability to move quickly within schedule requirement? Can we do it in **3** short months
 - On the 11th hour 1 day before the announcement a Deed (Warranty) Restriction was found.
 - Gaining the approvals of 4 different Governmental Entities while protecting the anonymity of the prospect- potential deal breaker!

Challenges

CHALLENGES/ISSUES

- Land cost (multiple vs. single owner)
- Potential site soil remediation (expansive clay)
- Utility cost (Infrastructure/rates)

“Tools in our Tool Box”

- Comprehensive Master Plan
- Planning and Zoning
- Approved Incentives
- Relationship established between City, County and School District (3) Taxing Entities

Partnerships

- Guadalupe County
- Seguin Independent School District
- Local Utilities
- State Representative
- State Senator
- Regional Partnerships with New Braunfels and support from State Representative and Senator
- Community Support

Local Incentives

- Two Economic Impact Analysis
- Seguin Economic Development (Type A) Grant
- City Tax Abatement
- City & SEDC Incentive for Infrastructure
- County Tax Abatement
- Triple Freeport
- HB 1200
- Local Utilities
- Waive Permitting fees (case by case)
- Performance Agreement

Why Seguin?

- Great Local Partnership
- Financial incentives at local and state level
- Strategic location
- Workforce availability
- Pro-business climate
- Ability to maintain the anonymity of the prospect
- Meet the timeline (3 months)

CAT Groundbreaking

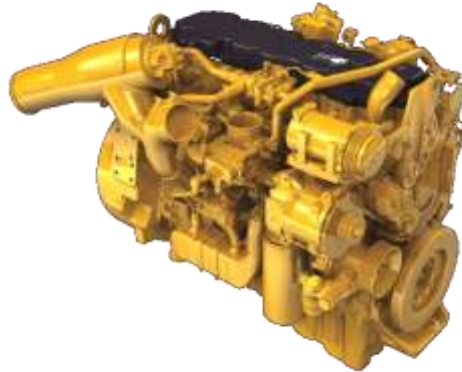


Engines Assembled in Seguin

Recently Added



C7



C9

Approximately 70% Exported



C13



C15

Can you say WOW!!!



BURTON
CONSTRUCTION

Caterpillar Plant - Seguin, TX

Image #100311 6004
Date :03.11.2010
Plate 888.542.0231

Size of "15" Football Fields!!



BURTON
CONSTRUCTION

Caterpillar Plant - Seguin, TX

Image #100311 6001
Asc Date :03.11.2010
Plate 888.542.0231

Summary of CAT project

- First impressions are very important
- Expect the unexpected
- Anticipate the questions
- Know your City!
- Build the relationships locally & regionally
- Manage available funds, be prepared
- Review and take inventory of your incentives now!
- **Build relationships locally & regionally**

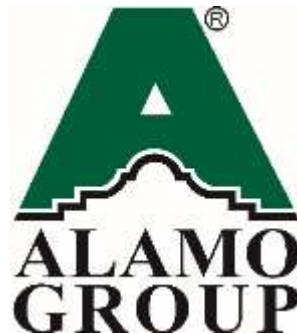
Major Industry

Seguin is home to:
**more manufacturing jobs
per-capita than any other
city in Texas**

CATERPILLAR



Continental



Top Employers

Company	Total Employed
Continental Automotive Systems	1560
Caterpillar, Inc.	1500
CMC Steel Texas	800
Tyson Foods	740
Republic Plastics	250
Hexcel	250
*Helmerich & Payne	220
*Siro Foods LLC	216
Minigrip	210
Alamo Group	188
Cavco	101
The Koehler Company	100
*Niagara Bottling LLC	75

* *Expected at full employment in 2017-2018*

Recent Developments



Grupo Siro - 2014

\$58.5 million in new capital investment
212 new jobs over six years



Niagara Bottling LLC - 2015

\$85 million in new capital investment
75 jobs in phase I

**RECENT
DEVELOPMENTS:**



Progress – Infrastructure

Projects prepare Seguin for growth



Frontage Roads

Infrastructure partnerships



- Interstate 10 frontage roads pave way for future development
 - **Now completed:** \$5 million project provides access for Seguin Commerce Center. **This was an City/SEDC Partnership**
 - **Funded FY2015:** \$30 million TXDOT project to create frontage roads along Interstate 10 between Highway 46 and Business 123, construction will begin next month.



Project Concept

- The Schertz-Seguin Local Government Corporation (SSLGC) was created to develop and operate a wholesale water supply system from the Carrizo Aquifer for the benefit and well being of the cities of Schertz and Seguin
- SSLGC's original project and expansion plans are included in the regional and state water plans

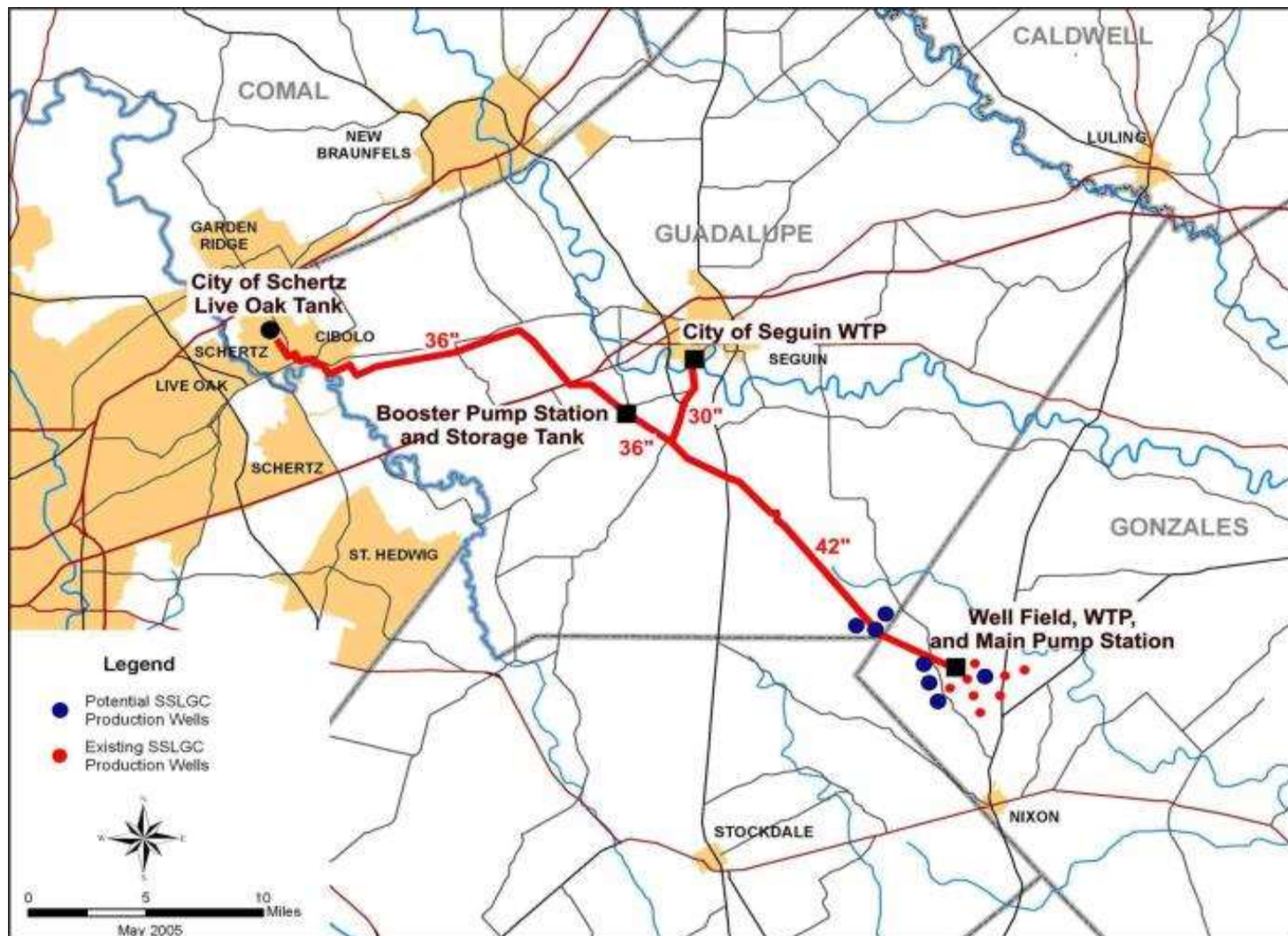


Project History

- The idea of using the Carrizo water began with an independent water supply study in 1998 conducted by the City of Schertz
- The City of Seguin also had interest in developing the same resource
- Each City was not able to implement this massive project on its own, but was able to join together and form a separate local government corporation
- Project costs over \$80 million to implement (Not including SAWS expansion)



Project Map



Water Tower / EDA/City/SEDC Partnership

- New 1-million-gallon water tank now complete and fully operational. Funded by partnership between US Dept. of Commerce Economic Development Administration, City of Seguin and Seguin Economic Development Corporation.
- Due to growth, the new tower replaces one built in 1982



Seguin's Main Street Program

Overview

- Seguin has been a member of the Texas Main Street Program since 1996
- Work to preserve the historical architecture and character of downtown Seguin
- Emphasize downtown economic revitalization
- Partnership with the Texas Historical Commission
- Assisting property and business owners with development process, incentives, and design guidelines
- Oversight by the Main Street Advisory Board, Historic Design Review Committee, and Seguin City Council.

Seguin's Downtown Historic District

- 26 square blocks consisting of some of the oldest buildings in Seguin and in the State of Texas.
- Registered with the National Register of Historic Places.
- District is an overlay that the City of Seguin has established in order to protect and enhance landmarks and historical buildings.
- Over 30 different retailers, dozens of lawyers and other professional services, two parks, and the head quarters for both the City and County governments.



Tools

- Many properties in the historic district have large obstacles to getting them ready for tenant occupancy from asbestos and lead paint to leaking roofs to inadequate HVAC systems.
- There are a variety of incentives for businesses and property owners at all levels of government
 - FIX-IT Façade Program
 - Permit fee waivers
 - City and County Tax Abatements
 - Low Interest Loan Program
 - State Franchise Tax Credit
 - Federal Income Tax Credit

Downtown developments: 106-110 East Court Street



- The owner removed the modern façade to reveal the historical brick beneath.



Downtown developments: Magnolia hotel



- Listed on the Most Endangered Historic Sites in 2012.
- The owners are working to renovate the building into their permanent residence.
- The owners have just received their Certificate of Occupancy to begin offering tours of the hotel.

Downtown developments: 104 South Austin street



Historic Photo



Pre-Project Start



Project Rendering

The Seguin Art League purchased the opera house in December 2014 with plans to bring a Center for the Arts to downtown Seguin.

Downtown developments: 217 South River Street



- The historic four-story hotel is being converted from office space back into a functioning hotel.
- The hotel will include 31 hotel rooms, a full restaurant, rooftop garden, and event space.
- The new owner is trying to restore the building as close as possible to its 1917 construction.

Downtown developments: The Courthouse

Guadalupe County is on its fourth courthouse, losing two to fire and demolishing one after outgrowing it.

The County is investing more than \$5 million to restore the current Courthouse and make it a focal point for the community.



City Wide branding

- Please visit the link below and answer the questions to help the City of Seguin establish a new cohesive brand that will help attract new residents, visitors and businesses.

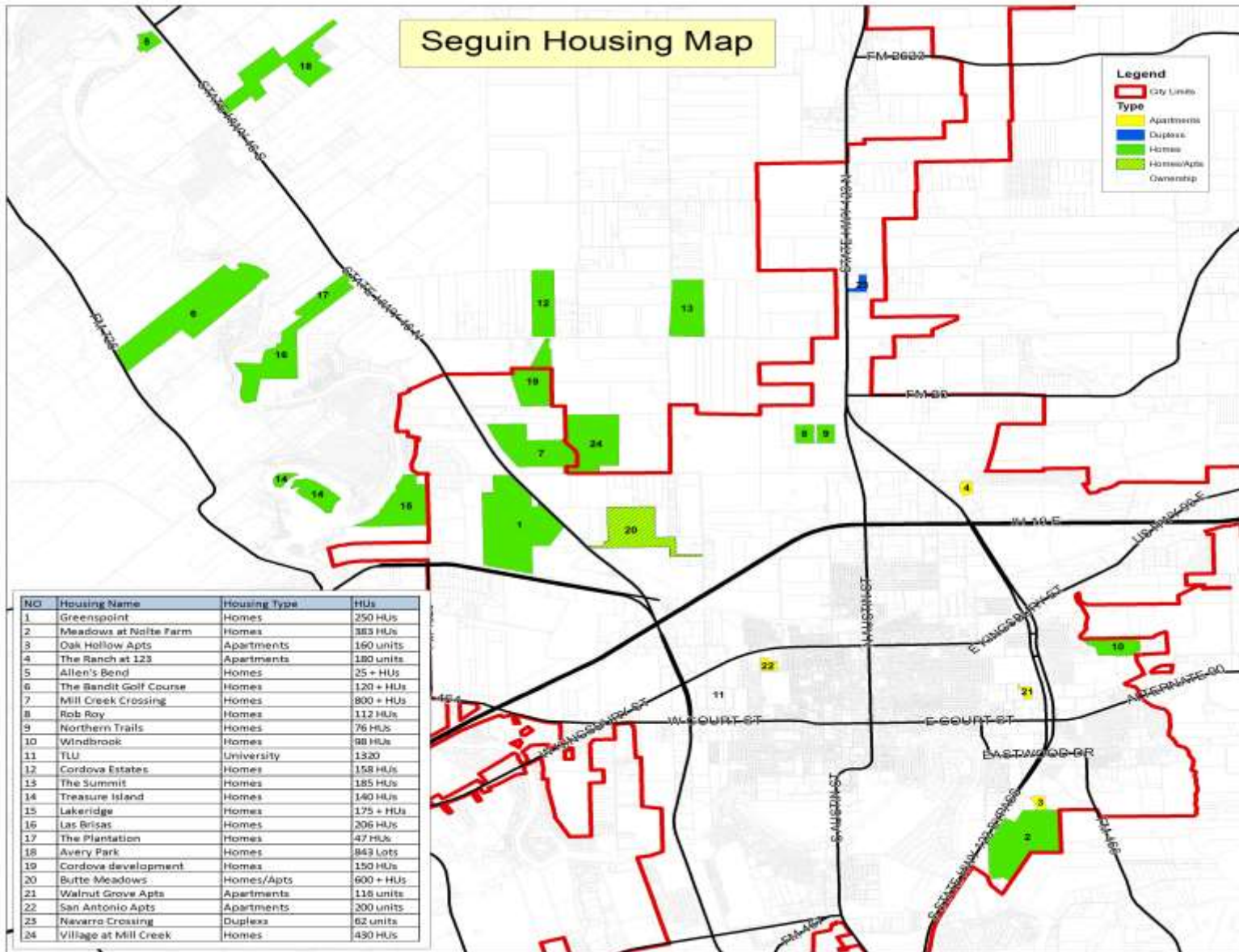
<https://www.surveymonkey.com/r/SeguinTXCommunitySvy>

Progress – Housing

Strong economy & population growth fuel residential development



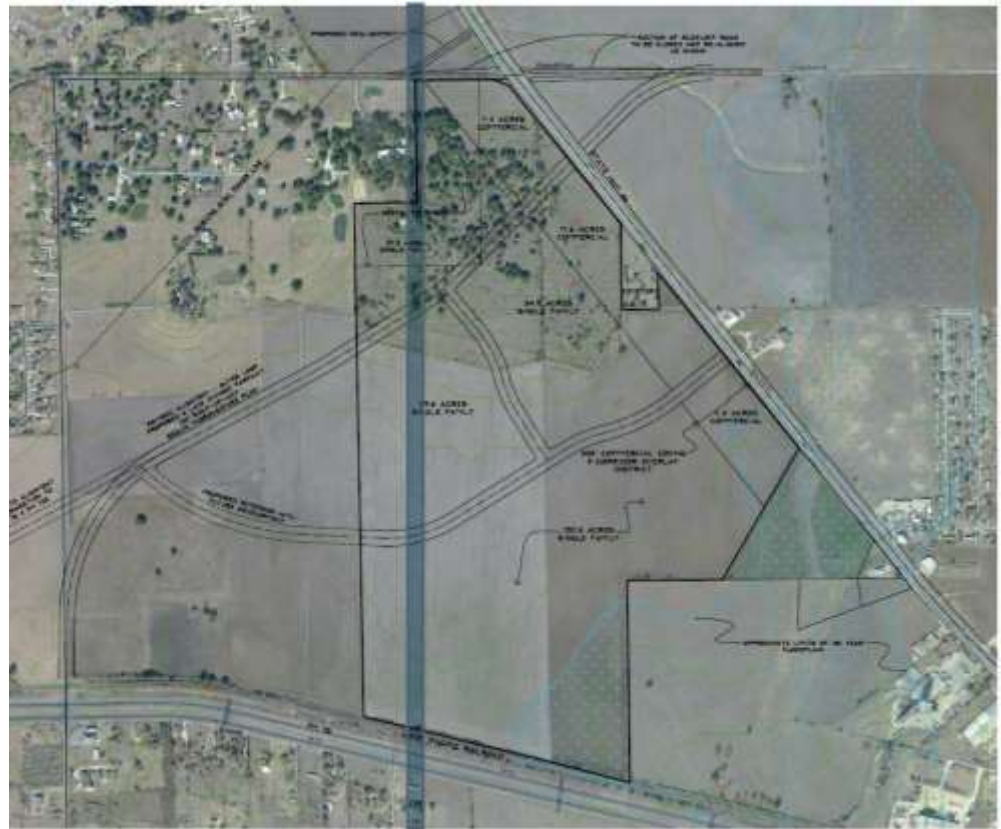
Progress-Housing Map



Progress – 300 New Homes

282 acres planned for housing – closing

- 300 single family homes in Seguin ISD
- Located on city's west side near NewQuest Properties' Seguin Commerce Center



The Meadows at Nolte Farms



- 382 homes to be constructed 200 have already been permitted
- \$150s-\$180s



Mill Creek Crossing

PERRY HOMES
SIMPLY BETTER VALUE.



- Master planned community of over 430 homes
 - Now in **Phase 11 of 12**
- Home prices from \$190,000s to \$320,000+
- Another 400 homes are planned and voluntary annexation was approved last month

The Ranch Apartments



- Phase 1 - 180-unit complex opened in 2011
- Current Occupancy: Approx. 90% +
- Project Size: 127,766 sq. ft.
- Project Cost: \$6.9 million

Oak Hollow Apartments

- 160 units completed in 2012
- At 96% occupancy by April 2013
- \$8 million project -- 63,530 sq. ft.
- Designed for LEED Certification
- Phase II plans for 96 additional units.
Rezoning was approved last month



Progress – Retail Expansion Rooftops drive Retail

Jobs & growing population bring new opportunities for shopping & dining



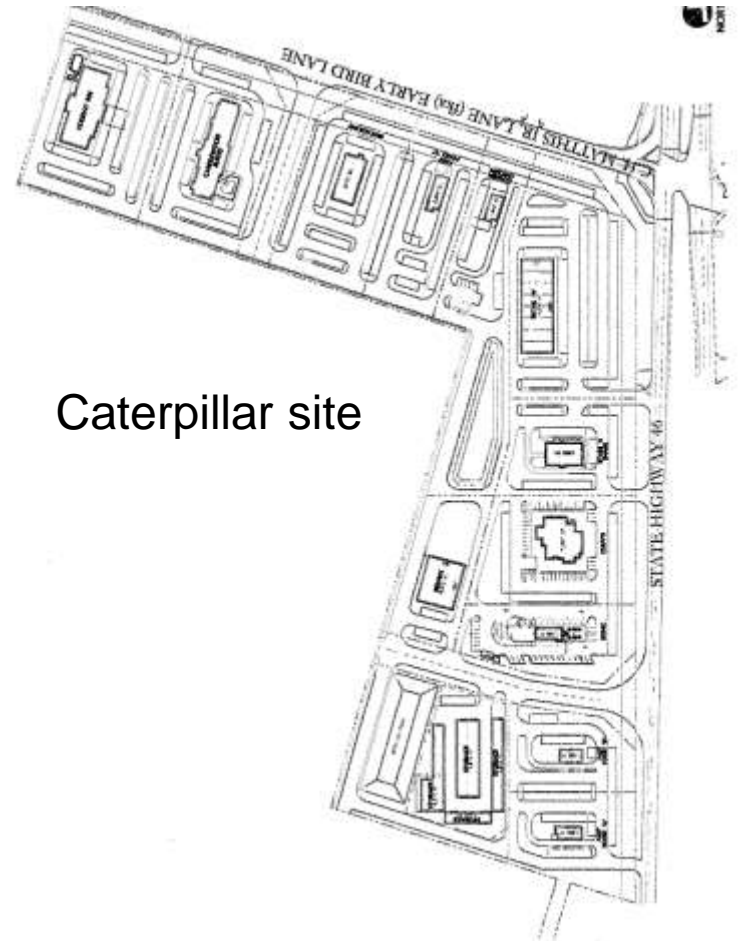
Seguin Commerce Center



- 545 Acres at Interstate 10 & Highway 46
 - 120 acres dedicated to retail along Interstate 10
 - 325 acres subdivided for multi-family, senior living, office, light industrial, manufacturing, distribution centers

Future Caterpillar spinoff

- Schaefer property site development plan
- Plans include mixed-use of hotels, restaurants and retail.



Caterpillar site

Walmart Supercenter

- Walmart to build **second** Walmart Supercenter on the city's west side, near Caterpillar at Interstate 10 & Highway 46
 - \$3 million project scheduled for completion in early 2017
 - Parcels are being negotiated for sale & lease. Pre-leasing Agreements under way.



Walmart Site Plan

LOT 1: 2.33 AC

PARKING: 141 SPACES
(REQ'D: 13,110/200 = 36)

LOT 2: 1.97 AC

PARKING: 35 SPACES
(REQ'D: 10,800/200 = 54)

LOT 3: 1.82 AC

PARKING: 73 SPACES
(REQ'D: 13,200/200 = 57)

PAD 1: .77 AC

PARKING: 40 SPACES
(REQ'D: 2,812/100 = 28)

PAD 2: .85 AC

PARKING: 36 SPACES
(REQ'D: 3,200/100 = 34)

PAD 3: 1.12 AC

PARKING: 30 SPACES
(REQ'D: 4,445/300 = 15)

PAD 4: .72 AC

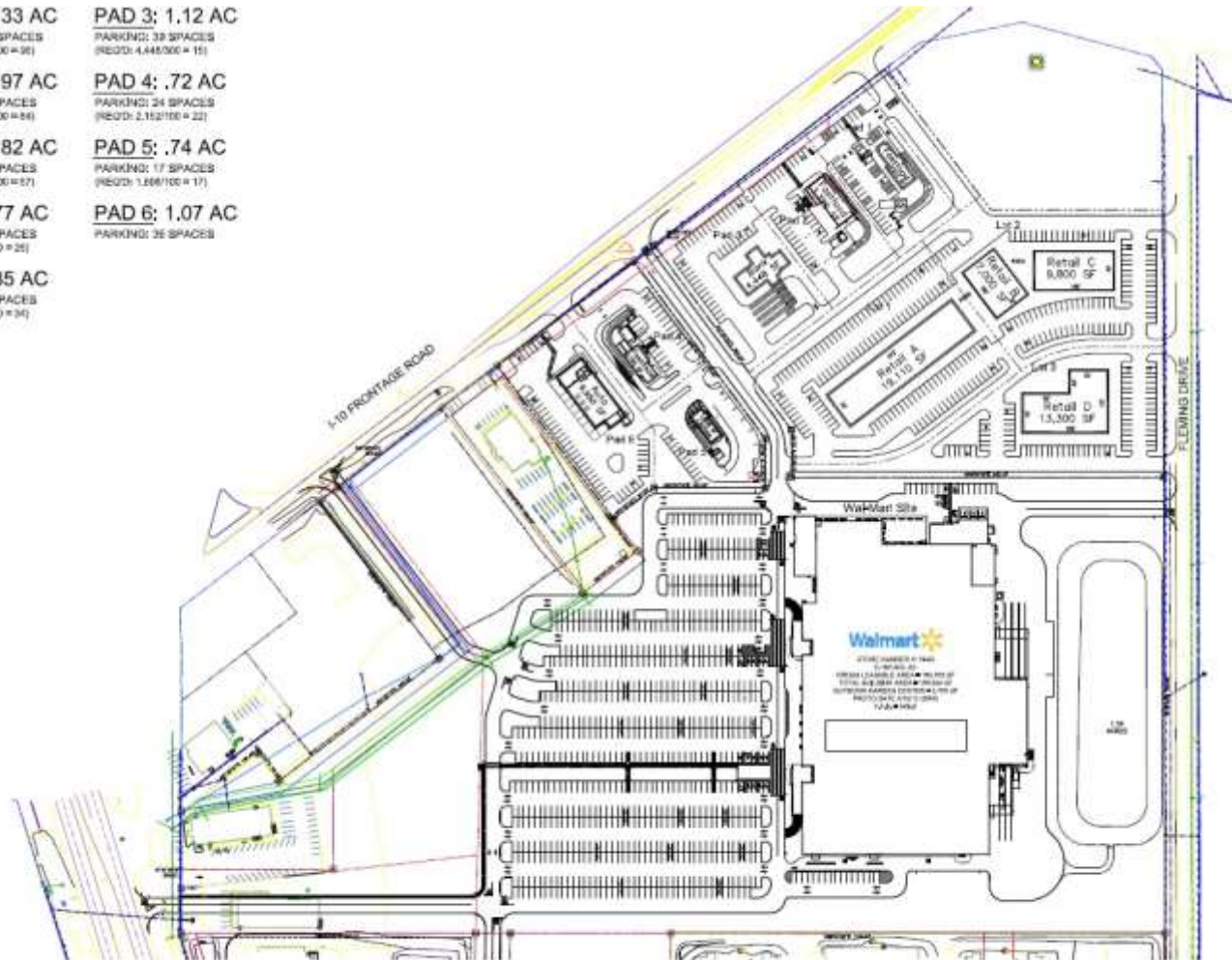
PARKING: 24 SPACES
(REQ'D: 2,162/100 = 22)

PAD 5: .74 AC

PARKING: 17 SPACES
(REQ'D: 1,268/100 = 17)

PAD 6: 1.07 AC

PARKING: 35 SPACES



Progress – Retail City/SEDC Partnership

Seguin is seeing business expansion city-wide, with many nationally-known retailers entering, returning & expanding in the market. We have recovered approximately 70% of retail that left Seguin in previous years.

Large Retail Utility Customers- Walmart (Soon to be 2) & HEB (Currently building new facility. will be completed early 2016)



Starbucks City/SEDC partnership

Seguin's recent accomplishment is the recruitment of Starbucks!

- \$500,000 capital investment,
1,850 sq. feet / 20 employees
- Project may be small compared to recruitment of Caterpillar or \$113 million expansion at Continental, but for Seguin residents:

We have arrived!!



Hydro-electric Plant Restaurant Public Private Partnership

City-owned
Hydro-electric
Plant finding
new life as
destination
restaurant &
entertainment
venue

- Now Open



**\$2.5 million investment modeled after Gruene
City- \$750,000
Private- \$1,750,000**

Hotels



- TownePlace Suites now complete and fully operational
- Existing hotels are all at or near 80% occupancy due in part to demand from oil & gas industry



Progress – Quality of Life

Guadalupe Regional Medical Center City/County owned hospital



- \$100 Million Expansion/Renovation creates state-of-the-art, 300,000 square foot medical center serving a **7-county region**
- 125 beds for 5,300 patients admitted each year
- 65 physician specialists in 30 specialties
 - 750 employees

GRMC

- GRMC is the only hospital in the Austin and San Antonio regions (out of 47 total hospitals) to be ranked among the top 5% in the nation for Overall Orthopedics in 2012 and the only recipient of the HealthGrades Orthopedic Surgery Excellence Award™ in 2012.
- 90% patient approval rating
- In 2014, GRMC surgeons are trained in and performing **da Vinci robotic surgery**



GRMC is 5-Star rated in six Orthopedic specialties:

- Overall Orthopedic Services in 2012
- Joint Replacement for 4 Years in a Row (2009 – 2012)
- Spine Surgery in 2012
- Total Knee Replacement for 4 Years in a Row (2009 – 2012)
- Hip Fracture Treatment for 5 Years in a Row (2008 – 2012)
- Back and Neck Surgery (Spinal Fusion) in 2012.

City and School joined forces to pass Bonds!

Seguin ISD voters approved – Nov. 2013

- \$78.3 million toward the construction of a new \$100 million high school
- \$5 million in technology improvements district-wide



Now under construction



Progress – Seguin Public Library

- November 2013
– Seguin voters approved:
- \$14.8 million, 45,000-square-foot library near Downtown Historic District & Walnut Springs Park



Now under construction



Progress – Parks

- November 2013 – Seguin voters approved:
 - \$5 million for parks expansion & upgrades
 - New 47-acre community Park West to include:
 - Athletic fields, skate park, playscape, splash pad, group pavilion, picnic shelters, nature trails, off-road bicycle trail and concessions
 - Complete Grand Opening September 30, 2015



Local College and University



ALAMO
COLLEGES

CENTRAL TEXAS TECHNOLOGY CENTER

Central Texas Technology Center Alamo Community College/SEDC/ City of New Braunfels Partnership

Addressing manufacturers' training needs is a priority for the Seguin Economic Development Corporation. By partnering with a neighboring community, the SEDC was able to fund the creation of a training facility to address the immediate needs of local manufacturers. The **Central Texas Technology Center** has the flexibility to meet the needs of students and businesses, as well as prepare a well-trained workforce through a customized curriculum. The CTTC currently consists of a 25,000 square foot facility housing three workshop labs where **automotive mechanics, welding technologies and allied construction trades** are taught. Computer technologies are also offered in two large lab areas and classroom space is available for academic classes.

SEDC plays a role on the Advisory Board for the Central Texas Technology Center (CTTC). As well as our Seguin and Navarro Independent School Districts. The CTTC is a campus of the Alamo Community College and was created with the intent of providing workforce development training to local industry. Partnerships with business and industry enhance the quality of instruction by providing potential employees with real-world experience and exposure to state-of-the-art equipment. The CTTC also offers customized training tailored to offer upward job mobility and development of basic workplace and advanced technical job skills. The CTTC is also an active part of the Manufacturing Technology Academy that introduces juniors and seniors in high school to manufacturing trades, creating a pipeline of trained entry-level applicants for local manufacturers.

Seguin Economic Development Corporation offers grants for workforce development and manufacturing to enhance local industry productivity.

CTTC has been a success

Phase II currently under construction

Funding sources:

- Seguin Economic Development
- City of New Braunfels
- New Braunfels Type B Corporation
- Economic Development Administration



Progress – The Secret is Out!

- “One of the Top Ten Small Southern Markets That is Seeing Its Economy Soar”
 - Southern Business and Development Magazine, *Fall 2012*
- 4th in the U.S. for “Where the Jobs Are.”
 - CNN Money magazine, *August 2013*
- “Fastest growing county in Texas” and “2nd fastest growing county in the U.S.”
 - Nerdwallet blog, *September 2013*

Questions/Discussion

