

BROOKSHIRE ECONOMIC DEVELOPMENT CORPORATION

NOTICE OF MEETING

THE BROOKSHIRE ECONOMIC DEVELOPMENT CORPORATION (BEDC) WILL HOLD A MEETING ON TUESDAY, AUGUST 23, 2022 AT 5:30 PM IN THE CITY COUNCIL CHAMBERS OF THE BROOKSHIRE CITY HALL LOCATED AT 4029 5th STREET, BROOKSHIRE, TEXAS 77423.

The meeting will be streamed live at the following address: www.brookshiretexasedc.org/live

AGENDA

(1) Prayer | Pledge to the U.S. Flag | Pledge to the Texas Flag

(2) Roll Call

(3) Public Comments

Comments made under this agenda item are limited to five (5) minutes per person; however, if a large quantity of individuals has registered to speak, the time may be reduced at the chair's discretion. In accordance with the Texas Open Meetings Act, the Board of Directors will not discuss or consider any items addressed during this agenda item. However, the President or Economic Development Coordinator may make statements of fact, for example, identifying the procedure for reporting an issue or referring the speaker to the cognizant agency or individual.

(4) Community Assessment Workshop & 2022-2023 Budget Workshop

(5) Discussion and approval of 2022-2023 Budget

(6) Executive Session

The Brookshire Economic Development Corporation will meet in a closed session pursuant to Title 5, Chapter 551, of the Texas Government Code for the purpose of: Economic Development Discussions under Section 551.087; Consultation with legal counsel under Section 551.071; Deliberations on real property under Section 551.072; and, Deliberations on personnel under Section 551.074.

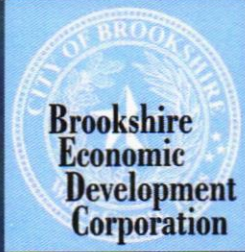
(7) Discussion & Possible Action on Executive Session items (if necessary)

(8) Adjournment

I, Vickie Casto, do hereby certify that the above Notice of Meeting and Agenda of the Brookshire Economic Development Corporation was posted in a place convenient and readily accessible at all times to the general public in compliance with Chapter 551, TEXAS GOVERNMENT CODE on the 19 day of August at 2:00 ~~PM~~ PM


Vickie Casto, BEDC Admin. Assistant

PLEASE SILENCE CELL PHONES DURING THE MEETING



Community Assessment for the Brookshire, Texas, Economic Development Corporation Prepared by MBG



MBG
ECONOMIC DEVELOPMENT

Mike Barnes Group, Inc.

COMMUNITY ASSESSMENT FOR THE BROOKSHIRE, TEXAS. ECONOMIC
DEVELOPMENT CORPORATION PREPARED BY MBG

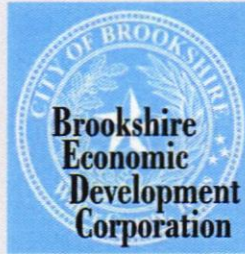


Table of Contents

Executive Summary	2
Preface	4
Demographics	6
Strengths/Weaknesses/Opportunities/Threats Analysis	8
Business Climate	8
Workforce/Education	9
Infrastructure/Sites	10
Quality of Life	11
Observations/Recommendations	14
Short-Medium Term Goals	15
Introduction to Targets	16
Business/Industrial Targets for Brookshire	23
Conclusion	27
Addendum: Timeline	28
Addendum: Budget Considerations	29

EXECUTIVE SUMMARY:

The Brookshire Development Corporation engaged Mike Barnes Group (MBG) to provide a Community Assessment for Site Selection (CASS) to determine the competitiveness of Brookshire, identify its assets and barriers, and offer suggestions relative to marketing, targeting businesses and industries, and establishing short=medium term goals/activities. MBG immediately began examining the community and the region in comparison to other areas and Texas. As reflected in the following pages, the Brookshire EDC

engaged in self-reflection through a SWOT Focus Group. The EDC was asked to provide insight into past and current practices within the economic development arena. The results of the Community Assessment, on balance, suggest that Brookshire is a competitive city in economic development terms, with improvements in several areas. However, a strong foundation exists for a successful economic development effort.

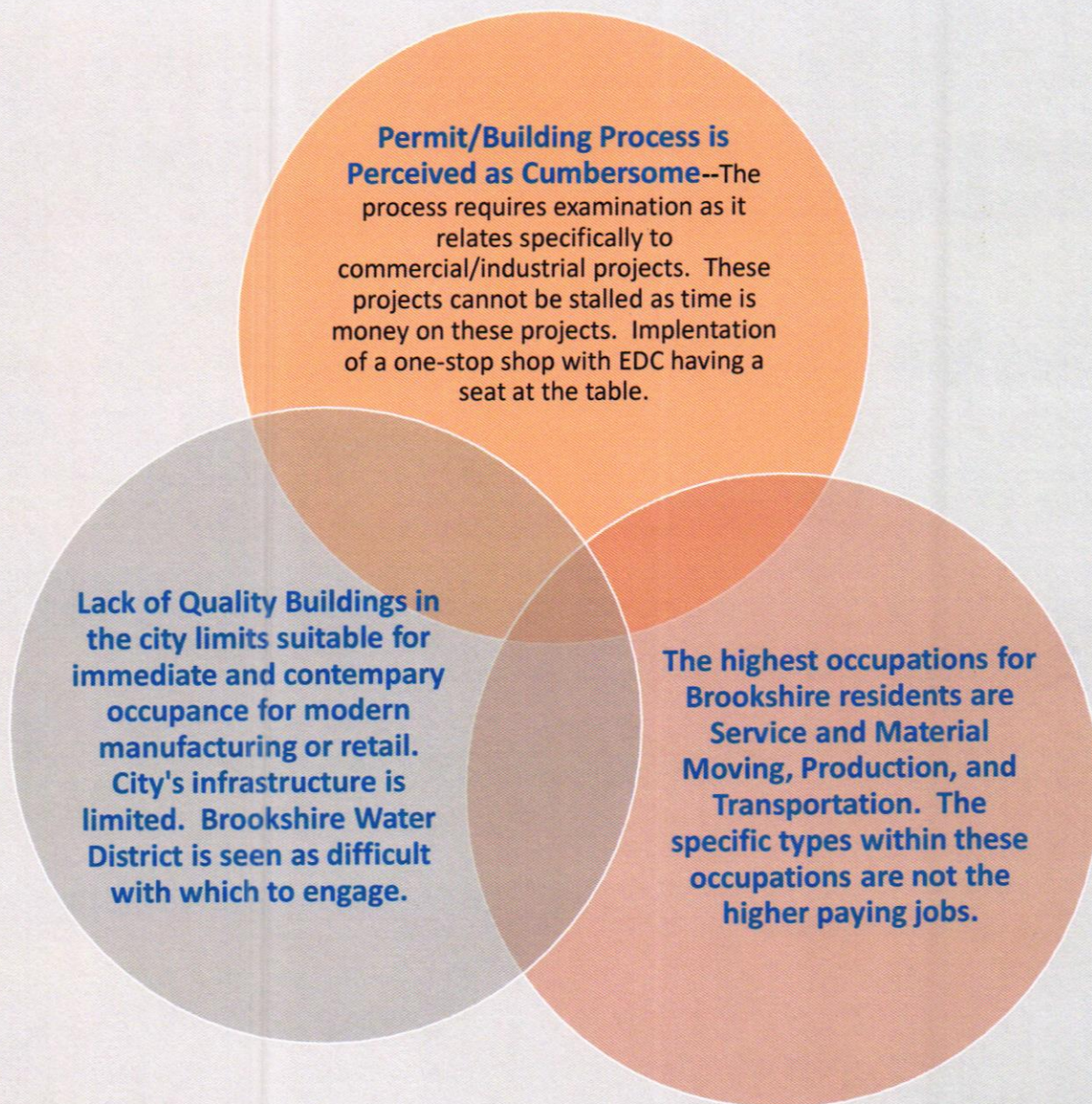
Identification of Major Assets:

Education/Workforce--The Houston Region is home to more than 20 colleges and universities, including 3 Tier I universities. Houston Region colleges and universities educate nearly 230k students annually. Another 200k students are in community colleges. The Skills Development Fund provides local/custom training for Texas businesses and workers. Workforce Solutions provides job training for employers and workers in Hempstead.

Location--Brookshire is located within Waller County. It has immediate access to I-10, Houston airports and seaports and Highway 90. Waller County is home to Prairie View A & M University. Metro Houston added 159,700 jobs in 2021, the best year on record. Recent success in Brookshire has helped add to these numbers.

Affordability--According to PayScale, Brookshire's cost of living is 15% below national average. Housing is 57% below and groceries are 4% below. This means savings for businesses.

Identification of Weaknesses:



This report will provide observations and recommendations for the community to move forward in an economic development capacity for the benefit of the residents. Employment opportunities and increased tax base are beneficial for a community.

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PREFACE:

In this report, Mike Barnes Group (MBG) has prepared a SWOT-Strengths/Weaknesses/Opportunities/Threats Analysis. This Analysis is designed to assess Brookshire's attractiveness to business and industry from the perspective of a site selector/corporation. MBG has been engaged in numerous site selection processes representing both locations and corporate users. It is from this experience that certain assessments are made.

To prepare this analysis MBG has compiled information from its own databases, research from outside sources and collaboration with the Brookshire EDC.

The approach of evaluating communities based upon data analysis is also one commonly used by the top site selection professionals. Projects are won and lost based on the opinions of existing companies and leaders in each community. Therefore, when we rate a factor a strength or a weakness, it is based on fieldwork and subjective conclusions. Projects are won and lost based on a site selection team's discretion in protection of their clients.



Community Assessment Process

Familiarization Tour of Community

SWOT Focus Groups with EDC Board

Quick Data Review and Analysis

The Site Selection Process involves analyses of many factors within the community. These factors are shown below in the graphic, in no order as different types of projects weight various factors more than others.

Inserted into the factors is the category: Economic Development Programming. This is inserted to illustrate the role/impact the economic development agency plays in this process.

**Factors Used by Site Selectors/Decision-Makers
in Business Decisions**

Business Climate

Workforce/Education

Buildings/Sites/Infrastrurcture

Quality of Life

“According to an ICSC Report of July 7, 2022, “retailers will open way more stores in 2022 than they close.”

The most critical location factors, by priority, for a typical retail project are:

- Access to households (and the disposable income)
 - Proximity to other retail
- Access to lower wage and part-time workers
 - Competitive real estate costs

Incentives such as TIF and sales tax rebates

DEMOGRAPHICS:

BROOKSHIRE

Total Population

5,066

Source: 2020 Decennial Census

Median Household Income

\$ 42,276

Source: 2020 American Community
Survey 5-Year Estimates

Bachelor's Degree Or Higher

7.5 %

Source: 2020 American Community
Survey 5-Year Estimates

Employment Rate

60.6 %

Source: 2020 American Community
Survey 5-Year Estimates

Total Housing Units

1,787

Source: 2020 Decennial Census

Without Health Care Coverage

38.7 %

Source: 2020 American Community
Survey 5-Year Estimates

Total Households

1,375

Source: 2020 American Community
Survey 5-Year Estimates

Hispanic Or Latino (Of Any Race)

2,731

Let us examine the educational attainment of Brookshire workers as reflected below:

Educational Attainment

7.5% +/- 5.2%

Bachelor's Degree or Higher in Brookshire city, Texas

Estimate for Bachelor's Degree or Higher in Brookshire city, Texas. 7.5%. plus or minus 5.2%

30.7% +/- 0.2%

Bachelor's Degree or Higher in Texas

Estimate for Bachelor's Degree or Higher in Texas. 30.7%. plus or minus 0.2%

2020 American Community Survey 5-Year
Estimates

Industry for the Employed Civilian Population 16 and Over:

Retail Trade - 18.7%

Construction - 12.9%

Manufacturing - 12.8%

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Jobs by Distance - Home Census Block to Work Census

Block 2019 Count. Share Total All Jobs. 2,048 100.0%

Less than 10 miles 486 23.7%

10 to 24 miles 529 25.8%

25 to 50 miles 605 29.5%

Greater than 50 miles 428 20.9%

Jobs Counts by Places (Cities, CDPs, etc.) Where Workers are Employed - All

Jobs 2019 Count Share

Houston city, TX 634 31.0%

Katy city, TX 130 6.3%

Brookshire city, TX 119 5.8%

Dallas city, TX 36 1.8%

Sugar Land city, TX 36 1.8%

Austin city, TX 30 1.5%

San Antonio city, TX 26 1.3%

The Woodlands CDP, TX 26. 1.3%

Hempstead city, TX 24. 1.2%

Sealy city, TX 22. 1..%

All Other Locations. 965. 47.1%

STRENGTHS/WEAKNESSES/OPPORTUNITIES/ THREATS ANALYSIS

BUSINESS CLIMATE:



WORKFORCE/EDUCATION:

Strenths

Outstanding Area
Colleges/Universities
Workforce Training Funds Available
(Dual Credit)
Large Pool of Labor--Many with
Outstanding Skill Sets

Weaknesses:

Texas Pre-K Through 12 Perception is
not Good
Educated Youth Leave for Other
Metros Causing "Brain Drain"
Pre-K---12 Not Ideal
Skill sets for 21st Century

Workforce/ Education

Opportunities:

Gauge Willingness of Academic
Institutions to Create Programs
Needed for Economic Development
Enhanced Training Centers to Meet
Growing Business/Industrial Needs
Education and Training for the "New
Economy"
Utilization of Campuses for Training
or On-Site Programs to Assist
Business/Industry

Threats:

Lack of Utilization/Integration of
Education/Economic Development
Funding for Education not
Competitive with Other
States/Regions
Continued Exodus of Educated Youth
Inability to Retain Workforce as
Higher Wages Exist in Other Markets

INFRASTRUCTURE/SITES:

Strengths:

- Airports in Proximity
- Seaports in Proximity
- Ideal Sites Along Major Transportation Networks
- Creative Financing for Infrastructure if Needed

Weaknesses:

- Some Properties Overpriced
- Few Available "Industrial Buildings" Suitable for Contemporary Use
- Not All Business/Industrial Sites Have Infrastructure
- Downtown Appearance is not Optimal
- Lack of ideal sites
- Lack of infrastructure capacity

Infrastructure/ Sites

Opportunities:

- BEDC May Find it Optimal to Purchase Land for Development
- Enhanced Code Enforcement in Downtown Could Prove Beneficial
- Logistics/Distribution Opportunities
- Retail Opportunities

Threats:

- Continued Deterioration and Appearance of Downtown
- Competition from Neighboring Communities with Better Available Sites/Buildings
- Cost and Financing for Expanded Infrastructure

QUALITY OF LIFE:

Strengths:

- Abundance of Health Care in Region
- Relative Low Cost of Living
- Minimal Threat of Crime
- Numerous Civic, Cultural and Sporting Events in Region
- Family-Oriented Activities
- Proximity to Major Universities

Weaknesses:

- Young Professionals Don't View Brookshire as a Desirable Location
- Lack of Shopping Options Within the City
- Incomes of Brookshire residents are below national average
- Housing options are minimal

Quality of Life

Opportunities:

- Economic Development Could Enhance Entertainment Options Within the City
- Create a Live/Work/Play Environment
- Create a Vibrant Downtown
- Sustainable Economic Development Would Enhance Cultural Activities
- Economic Growth Provides Higher Paying Jobs to Promote Cultural/Recreational/Societal Activity

Threats:

- Continued Exodus of Educated Young Professionals Limits QoL
- Lack of Attention to Blight Deters QoL
- Funding Issues can Create QoL Issues
- Brookshire Annual Income vs. US Annual Income: **\$ 42,276 to \$67,521**
- 18.8% of residents are below poverty level**

OBSERVATIONS/RECOMMENDATIONS:

The Site Selection Group, a Dallas based site selection firm, published a report in May 2022 that indicated a total of 227 projects were evaluated, with a total of \$36.2 billion in investment, receiving an average of \$150,809 per job in incentives. The report indicated that incentives were 20.6% of the capital expenditures. This is referenced as an indication of the scope and amount that incentives play in projects in today's economy. A sample review of the locations of these projects suggests this included numerous states and varying populations of the cities the projects were located. Similarly, this is referenced to suggest policymakers understand the competitive nature of locating projects.

A Leading Global Real Estate Firm (JLL) Provides 7 Items to Consider During Site Selection

1. Attracting and retaining talent. In most cases this will mean a city center location. Cities draw in increasing numbers of young and international people. These places also become accessible.

2. Real estate costs. It's the second largest expense after labor costs—naturally, ensuring real estate is efficient.

3. Clusters. Having a network of connected businesses could give companies access to a better and bigger talent pool, regulatory bodies, investors, and economies of scale. However, this could be expensive; weigh up the pros and cons and decide what's important for your organization.

4. Regulation and tax. Bearing in mind regulations can change, speak to your C-suite, and agree on one of the either: Do you want to be based in a country with lower tax rates or one with fewer regulations?

5. Growth or a change in corporate strategy, technology, or leadership. Different structures work for different companies. In some cases, I've seen corporations opting for a central hub with meeting spaces while supported by

multiple smaller spokes elsewhere. Meanwhile, others are maintaining large, centrally located corporate headquarters. Again, consider what works best for the function of your organization.

6. City dynamism. In Europe, some governments are transferring power to regions and cities, which might offer grants and stimulus to businesses. Be aware of up-and-coming urban centers that incentivize businesses as this could prove advantageous.

7. Accessibility. It sounds simple but, whether it's accessing new markets, customers or resources, transportation is crucial for not just your people but everyone you work with to get around effectively.

Location decisions can be lengthy. It involves identifying corporate requirements, consulting with stakeholders, assessing potential locations, conducting site visits, and negotiating the best deal.

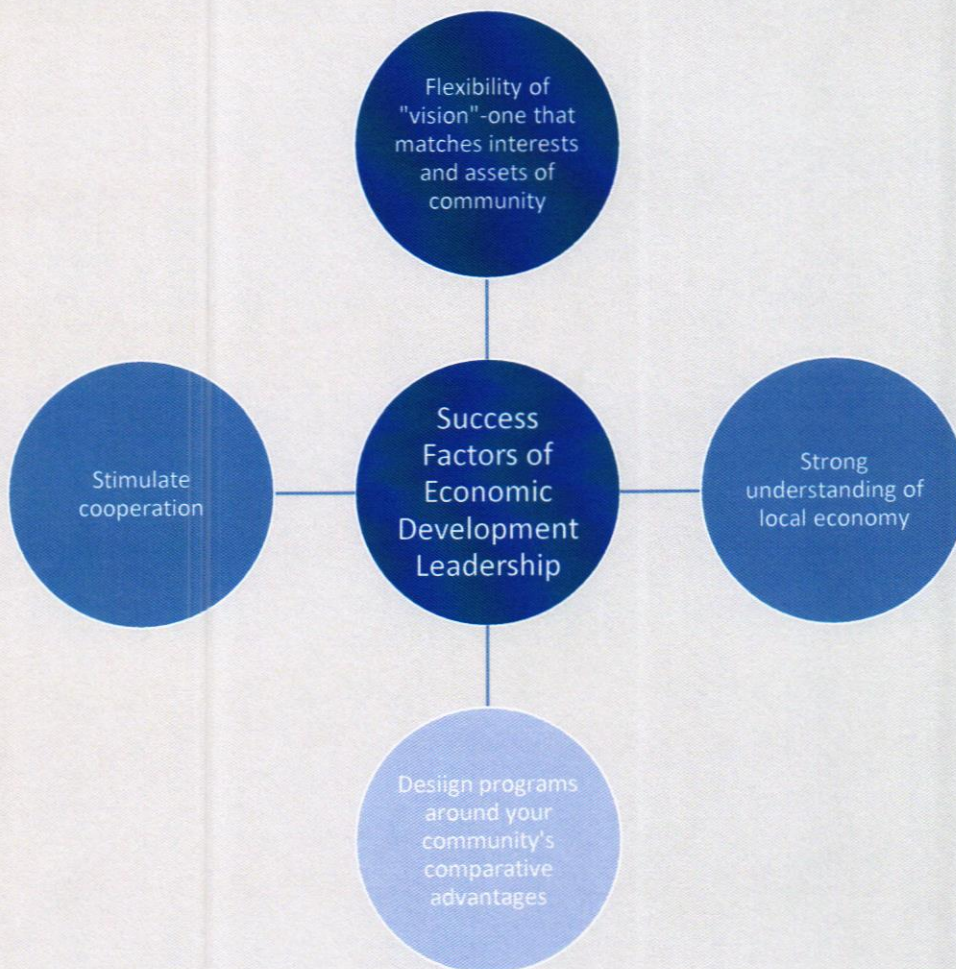
Source: JLL Website

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In a 2019 article by the staff at McKinsey and Company, the following observation was offered.

“Governments with the most effective business-attraction programs deploy comprehensive economic-development strategies.”

According to a recent publication of the *International Economic Development Council*, the world’s largest economic development group, the success factors of economic development leadership are outlined on the graphic below:



SHORT-MEDIUM TERM GOALS:

1. Will leadership take the appropriate steps to enhance the building permit process, *real or perceived*, to enable projects to move smoothly? The establishment or marketing of a "one stop shop" oriented toward expediting and enhancing development within Brookshire. **Short Term--Immediately**
2. Will leadership be willing to explore other/additional incentives for downtown projects and business/industrial projects located throughout the community? Frequently incentives are based upon investment and jobs. These are only part of the equation—an impact needs to be made relative to the overall *future tax revenue received by the taxing entities*. Policies must be put in place that offers a reasonable return on investment/incentives through a comprehensive approach of evaluating the incentives. This comprehensive approach must examine the impact of not only the investment/incentives, rather the multiplier impact of subsequent taxes paid by employees, vendors, etc. There are a variety of data impact analyses that provide such an evaluation. Policymakers must decide at what point and at what level a return is warranted. To encourage active development, consideration of a "loss leader" might be undertaken.
Short Term—Immediately to 1 Year
3. Brookshire must facilitate and develop leadership! It is apparent that leadership is aging in the community and that there needs to be more participation among minority groups and youth. Otherwise, in a short time there will be a void among leadership in Brookshire. **Short/Medium Term—Immediately to Ongoing**
4. Considerable talent is available in the workforce and companies seeking capable, talented, and experienced workers should be targeted. This is a major strength of Brookshire. Targeted businesses/industries will be identified later in the report to capture this talent/expertise. **Short term strategy—mid-term effort—Immediately to Ongoing**
5. The economic development effort is successful. It appears as if it could be more successful if additional marketing activities were undertaken. This is problematic given the minimal amount within the budget to enhance marketing activities. Inexpensive ways to market Brookshire would include Familiarization Tours and Site Selector/Corporate Real Estate Tours, further engagement with the regional allies and marketing calls on major brokers and site selectors within Texas—preferably in person. At some point, a decision to enhance the marketing budget must occur for Brookshire to remain competitive.
Short Term—Immediately to 5 Years

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6. Develop a strategy to purchase additional land for development for business purposes. Control of the land for sale is critical. **Short term strategy; medium term implementation—1 Year to 5 Years**
7. Examine code enforcement activity to identify ways to enhance overall appearance of Brookshire, particularly within downtown. **Short term—Immediately to Ongoing**
8. Engaged partnerships with the medical facilities and their representatives. This is a recognized positive in the region. Health care plays a significantly larger role in community competitiveness and attraction of employers/employees. Develop ways to strengthen the potential of research and development within these sectors. This partnership can serve as a catalyst for recruiting health care related facilities. **Short-medium term—1 Year to 3 Years**
9. Work collaboratively with downtown groups and agencies to enhance the development of Downtown Brookshire. This effort is ongoing and can be accelerated by a broad base community support. Tremendous potential exists within the downtown area of Brookshire for growing the entertainment sectors and creating additional housing opportunities for those younger professionals. It is consistent with the Live/Work/Play theme identified in the Focus Group. **Short Term—1 Year to 3 Years**
10. Enhance branding of Brookshire's presence in the marketplace. This can be changed quickly through effective branding and marketing. **Short term—Immediately to Ongoing**
11. Enhance partnerships with the region's academic institutions, which is underway. This provides a solid foundation for workforce training and business attraction, reflecting to companies that employees may obtain degrees ranging from Associates to PhD in the region. **Short Term—Immediately to Ongoing**
12. Work diligently to identify and market available sites suitable for business. **Short Term—Ongoing**

Suggested Actions:

- ✦ Join ICSC
- ✦ Consider Team Texas
- ✦ Familiarization Tours with Site Selectors in connection with Regional Allies
- ✦ Site Selector Visits
- ✦ Broker-developer visits within Texas
- ✦ Identify sites for business
- ✦ Major code enforcement to enhance city's appearance
- ✦ Collaborate, cooperate, and be creative, adaptive, and flexible!

Selecting target industries for Brookshire is a multi-step process. Earlier in the report we identified the area's strengths and weaknesses as a location for business growth. From this, we employ a "site selection" methodology that seeks to answer the following four questions:

1. **Are there local assets that give specific industries a competitive edge? What clusters currently exist locally, and are they growing?** Immediate and obvious candidates for targets are those that are experiencing growth within the community or surrounding communities. Industries that have a large presence but lack growth suggest that the county is losing its competitiveness in this industry. While the industry may be a candidate to target for a retention effort, a long-term decline calls for a close look at transitional opportunities into new industries that create jobs (e.g., textile workers transitioning into food processing).
2. **Are existing or emerging local clusters growing nationally or undergoing geographic dislocation?** For those local clusters that have potential, are they growing nationally as well? While some industries are experiencing high growth rates, most U.S. manufacturing industries are modest or stagnant in their growth. However, the dislocation of industries from one part of the country to another has been a longstanding opportunity for recruitment. Many industries undergo restructuring to be more competitive or simply suffer a high rate of startup and failure.
3. **Communities are as unique as people.** Each one has strengths that companies can leverage to create competitive advantages. These strengths can include such things as workforce skills, tax structure, infrastructure, and market proximity. Likewise, many companies have specific infrastructure and workforce minimum requirements, and understanding whether the region can meet those requirements is crucial. For example, if the region lacks water and wastewater capacity or has overly stringent environmental regulations, then the community could be ruled out for food processing and semiconductor manufacturing. Understanding the needs of target companies is essential to recruiting them.
4. **Does the industry match community goals?** The most important criterion is often whether the industry matches the stated goals of the community. Some communities may want to avoid manufacturing businesses or businesses that do not pay high enough wages. Sometimes lack of available land requires a more precise list of targets that utilize less land than major manufacturing or distribution projects.

“Site selection” is a broad term that describes a company’s process of selecting a location for a new office or the relocation of existing divisions. This process involves executives from several divisions within the company (such as Executive, Human Resources, Facilities Planning, and sometimes Marketing) and often involves a consultant or real estate broker. Site selection is not a scientific process, but does involve a system of measurements and calculations, many of which are subjective to the company.

Traditionally, the growth of economies has been described in terms of a region’s “basic” or “primary” industries. These industries typically export their goods or services outside the region, thereby supporting local industries such as retail, housing construction, and personal services through its payroll and local purchases. Primary industries reflect an injection of outside money into the community and have a high economic impact; according to various economic impact analyses, a typical primary business may create two additional jobs in the local economy for every one job at its facility. For this reason, communities across the country compete to recruit or retain these high-impact, primary businesses.

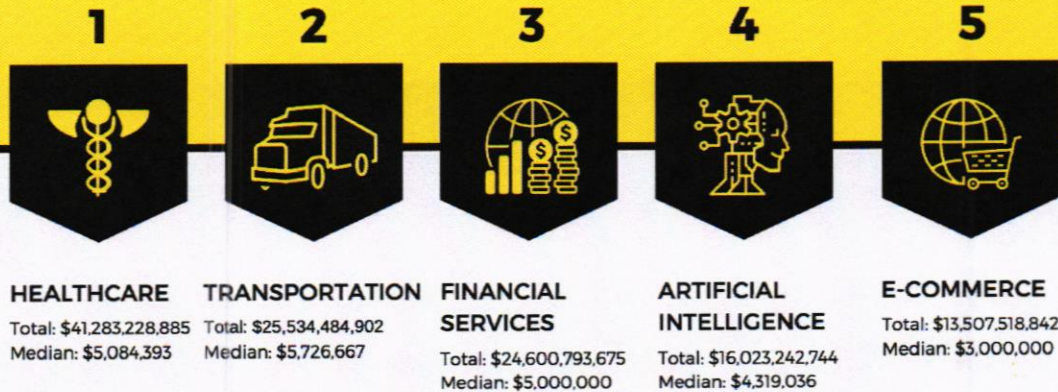
Manufacturing is a good example of a primary industry, as most customers would be found throughout the U.S. or even internationally. With the manufacturing industry in decline and the increasingly global nature of business today, many more industries are increasingly “primary” in their make-up: distribution centers may serve a multi-state region; back-office operations can serve a company’s global network of employees; and custom software companies can build internet applications that serve businesses anywhere in the world. Federal installations such as army bases or federal research labs are clear examples of how government can be classified as a primary industry. High wage jobs are usually found at national or global companies that are enjoying growth. Earlier in the report, we illustrated the inflow/outflow of all jobs and primary jobs.

While businesses are more global in nature today, rapid gains in technology, telecommunications, and markets continue to alter the location requirements of many companies. Often the speed of business drives corporate location decisions. ***Research conducted by the Industrial Asset Management Council suggests that the competition for top talent is now viewed to be the most important component of a successful company.*** Today’s business environment requires that businesses continue to upgrade their technological capabilities while expanding the skills of the available workforce. Innovation and change are now basic requirements for success.

One of the major influences relative to economic development globally has been the Coronavirus and its many variations. This Consultant was retained by a regional group to provide a study of Economic Development in the Post Covid Era. Sadly, we have not yet experienced the Post Covid Era. Let us examine those growth industries prior to Covid-19. The following graphic illustrates those industries.

Top 5 fastest-growing industries of 2019

(by venture capital investments' volume)

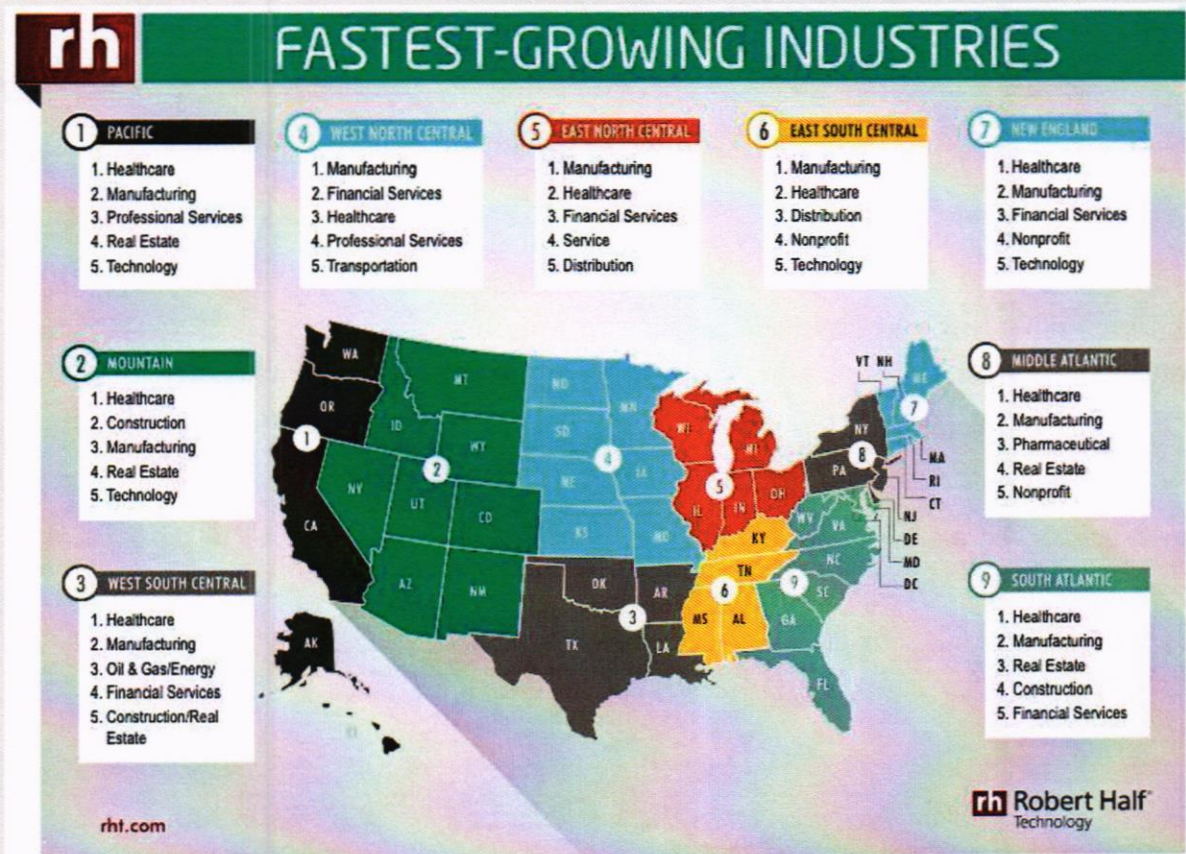


In an April 8, 2022, publication of Forbes, Ashley Stahl offered the following growth industries based on data reviewed from the Bureau of Labor Statistics over the past two years. These were her findings:

<u>Five Industries Experiencing Double Digit Growth Over the Next Decade:</u>
❖ Personal Services —BLS expects a 17% growth in employment by 2028.
❖ Travel —This industry is projected to grow over 13% between 2022-2026. Research shows that 82% of Americans are excited to travel in the next 12 months.
❖ Information Technology —BLS projects growth at 12% over the next decade
❖ Healthcare —BLS projects a 12% growth rate over the next decade
❖ Construction —BLS predicts an 11% growth rate this decade

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A study completed by Robert Half and Associates in 2020 illustrates the projected growth by regions in the United States. Please note Texas falls within Region 3.

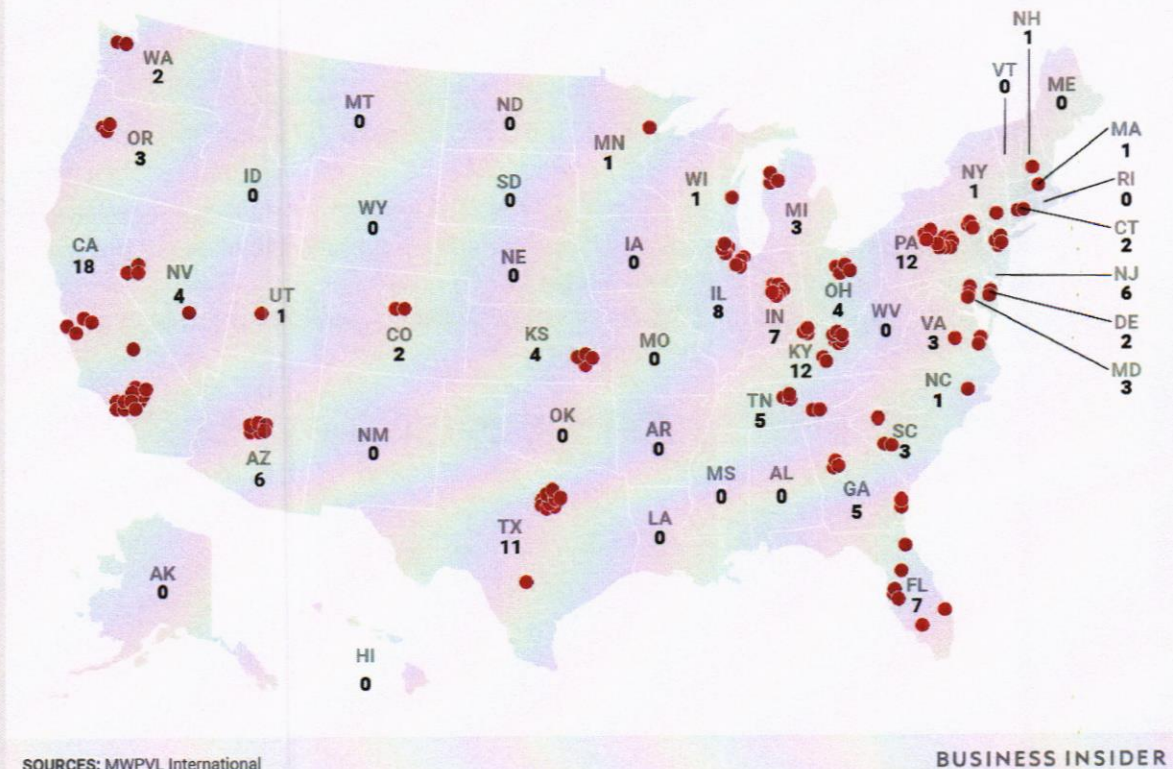


Common denominators between this study and the Forbes/Bureau of Labor Statistics Report(s) find Healthcare and Construction. It is encouraging to find Manufacturing among the Top 5 Growth industries within the region. A major attempt, Post Covid-19, is to create more domestic manufacturing. This provides an ideal opportunity for Brookshire if sites exist. Given numerous supply chain issues throughout all industrial sectors, many manufacturers are seeing the benefits of investing once more in domestic manufacturing. Given the key assets of Brookshire, particularly its location and transportation. As mentioned previously, the workforce characteristics of the region fit well into the potential for manufacturing ventures within the city.

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According to a January 2020 report compiled by Freight Waves, "Estimates of the size of the global logistics industry range from \$8 trillion to \$12 trillion annually. The rule of thumb many forecasters use is a percentage of GDP. In the U.S., some estimate that up to 10% of GDP is attributed to the logistics industry in any given year. Based on economic activity in 2019, the U.S. logistics market is closing in on the \$2 trillion level. A common distribution facility known in Texas is that of the Amazon Fulfillment Facility. Below is a map indicating their presence in the United States.

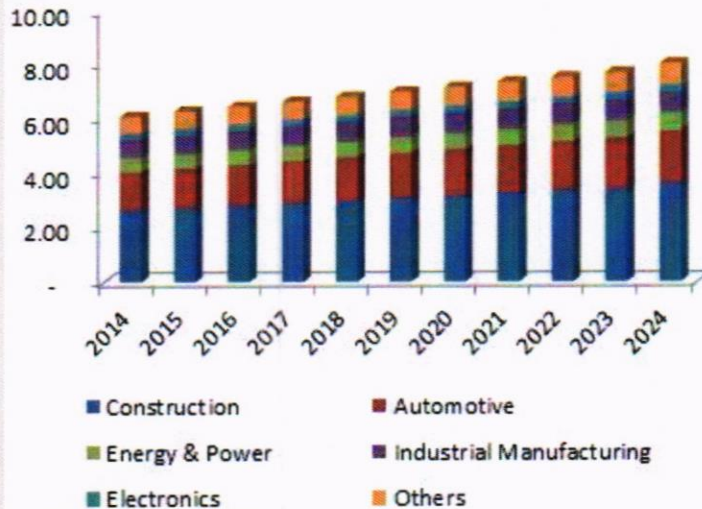
AMAZON FULFILLMENT CENTERS IN THE US



Since this map was created, it is projected that many more centers have occurred across the country. The underlying key is that distribution is a growing industry and Brookshire should be ideally situated to take advantage of this growth. Amazon is the largest corporate owner of U.S. industrial space, with 78 buildings spanning 83.6 million square feet, according to Real Capital Analytics.Oct 26, 2021.

The growth of industries suggests the connectivity to other industries. For example, the growth of logistics is directly related to retail online purchasing, reflective of changing consumer habits and preferences. Similarly, the growth in metal fabrication and metals industry is directly related to construction, automotive and other durable good demands. Please see the chart on the following page.

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Attribute	Details
Base Year	2015
Historic Analysis	2013 & 2014
Forecast	2016 to 2024

The most efficient way to “target businesses and industries” is by the NAICS Code system. This North American Industry Classification System is the Census Bureau’s system for classifying business establishments. The NAICS Code system was created in 1997 to replace the older SIC (Standard Industrial Classification) codes. NAICS Codes were last updated in 2007. Utilization of the NAICS Code System helps identify economic units that use like processes to produce goods or services grouped together. More specific industries have more numbers in the coding.

BUSINESS AND INDUSTRIAL TARGETS FOR BROOKSHIRE:

1. Healthcare and Social Assistance—Broad Category 62

<u>Codes</u>	<u>Titles</u>	<u>Total Marketable US Businesses</u>
<u>62</u>	<u>Health Care and Social Assistance</u>	<u>1,778,521</u>

As reflected in the above graph, according to the NAICS Association report of January 4, 2021, there were nearly 1.8 million businesses engaged in Healthcare and Social Assistance. The region as a solid foundation in healthcare by means of its regional healthcare attributes.

Below are specific NAICS codes that fall within the 62 category that would be ideal targets for Brookshire:

<u>6213</u>	<u>Offices of Other Health Practitioners</u>
<u>6219</u>	<u>Offices of All Other Miscellaneous Health Practitioners</u>
<u>6214</u>	<u>Outpatient Care Centers</u>
<u>62148</u>	<u>All Other Outpatient Care Centers</u>
<u>624310</u>	<u>Vocational Rehabilitation Services</u>

Other options would include the **Assisted Living Center (NAICS Code 623312)** and ambulatory **surgical centers and clinics (NAICS Code 621493)**. Healthcare is a growing industry and Brookshire is ideally situated to take advantage of this growth. Its outstanding neighborhoods provide the need for non-hospital treatments.



2. Online Retail/Internet Sales and E-Commerce NAICS Code 45110

454110	Auctions, Internet retail
454110	Audio and video content downloading retail sales sites
454110	Book clubs, not publishing, mail-order
454110	Business to Consumer retail sales Internet sites
454110	Catalog (i.e., order-taking) offices of mail-order houses
454110	Collectors' items, mail-order houses
454110	Computer software, mail-order houses
454110	Direct mailers (i.e., selling own merchandise)
454110	E-tailers
454110	Electronic auctions, retail
454110	Institutional pharmacies, off-site, exclusively on Internet
454110	Institutional pharmacies, off-site, mail-order
454110	Internet auctions, retail
454110	Internet retail sales sites
454110	Mail-order houses
454110	Order-taking offices of mail-order houses
454110	Prerecorded tape, compact disc, and record mail-order houses
454110	Television order, home shopping
454110	Web retailers

Typical firms in this category are Amazon, Wayfair, etc. The Brookshire target, with available land would be the logistics/distribution for these companies and types.

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Retail NAICS 45

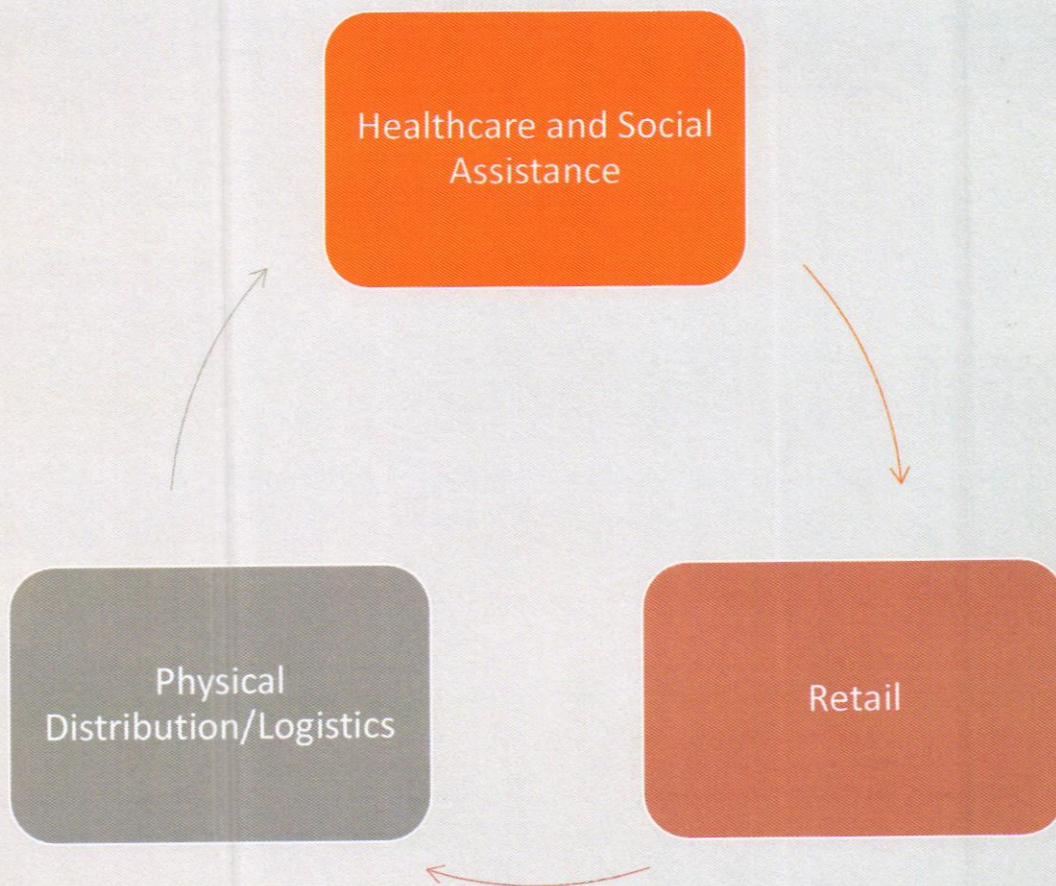
The broad category for Retail is 45. Utilizing the Type B Corporation, retail recruitment is allowed and encouraged. The attraction of a major grocery store would fall within this category. Below are samples of number and types of firms by NAICS code that should be on a recruitment list:

<u>Codes</u>	<u>Titles</u>	<u>Total Marketable US Businesses</u>
<u>4511</u>	<u>Sporting Goods, Hobby, and Musical Instrument Stores</u>	<u>584,364</u>
<u>451110</u>	<u>Sporting Goods Stores</u>	<u>55,917</u>
<u>451120</u>	<u>Hobby, Toy, and Game Stores</u>	<u>26,494</u>
<u>451130</u>	<u>Sewing, Needlework, and Piece Goods Stores</u>	<u>12,011</u>
<u>451140</u>	<u>Musical Instrument and Supplies Stores</u>	<u>10,163</u>
<u>4512</u>	<u>Book Stores and News Dealers</u>	<u>15,298</u>
<u>451211</u>	<u>Book Stores</u>	<u>14,438</u>
<u>451212</u>	<u>News Dealers and Newsstands</u>	<u>860</u>
<u>4522</u>	<u>Department Stores</u>	<u>20,266</u>
<u>452210</u>	<u>Department Stores</u>	<u>20,266</u>
<u>4523</u>	<u>General Merchandise Stores, including Warehouse Clubs and Supercenters</u>	<u>43,152</u>
<u>452311</u>	<u>Warehouse Clubs and Supercenters</u>	<u>1,712</u>
<u>452319</u>	<u>All Other General Merchandise Stores</u>	<u>41,440</u>

Secondary Target Broad Category of 23

This is the category of Construction. It is recognized as one of the fastest growing industries in the nation. For example, Code 236210 is Industrial Building Construction. The Brookshire EDC may attract major contractors in terms of locating within the city, however, it might be ideal to locate such a business, but an enhanced economy would probably drive that location.

Brookshire Targets:



Retail is a high priority; however, Brookshire's landowners seem reluctant to move forward in this process of recruiting retail.


Conclusion:

- ✓ ***Brookshire/Greater Houston enjoys a solid foundation upon which to expand its economic development effort.*** An engaged leadership exists to provide sound policy for the future. Educational opportunities exist at all levels from pre-K through collegiate. Skills development needs enhanced to meet the changing needs of the economy oriented toward the future. Those mechanisms are in place currently at the post-secondary level.
- ✓ ***The framework for economic development for Brookshire has been laid through the Brookshire Economic Development Corporation.*** It is well formed and continues to be able to unite the city around a single vision of economic development. Economic development is always stronger and more effective through the collaborative efforts of the partners at the local level.
- ✓ ***Brookshire should continue its emphasis on youth and developing needed skills for young people.*** Brookshire has major assets with its institutions of higher education within the region. Continued collaboration between the economic development program, the secondary and elementary schools and the community college enhance the economic development effort.
- ✓ ***Recognition of Brookshire's assets and opportunities and performing a strategy that capitalizes upon them, while minimizing the weaknesses and threats, will net economic development rewards.***


Addendum: Timeline:




Year 1: Define Priorities--Building Permit process; Code Enforcement Enhancement; Complete Park Projects if Budget Allows; Develop Downtown Strategy; Ongoing Business Attraction and Incentives for Projects/Business/Industrial-Contact Health Care Providers; Develop Marketing Strategy and Budget; Dialogue with Stakeholders, RISD on Youth Development; Examine partnerships with HOT Funds Group; Consider Purchase of Land/Buildings



Year 2: Ongoing Implementation of Marketing Plan; Ongoing Evaluations of Land/Buildings Purchase/Execution; Discussion and Collaboration with Higher Education Institutions to Enhance Economic Development



Year 3: Evaluation of Years 1 and 2 Success; Modify Strategy, if Needed; Potential Increased Revenue Should Create Additional Opportunities for Enhanced Marketing and Potential Staffing



Addendum: Budget Considerations:

Memberships/Activities:

International Council of Shopping Centers

Consideration of joining International Council of Shopping Centers—Public Agency Membership is \$125/year. It is suggested that BEDC become engaged in the Texas Membership functions and events which would require mileage, lodging, meals, conference registration and perhaps entertainment. Initial budget allocation should fall within \$10,000 or less.

Team Texas

There are several “marketing/prospect development groups within Texas” that local economic development agencies can join. The most effective ones are TXEDC and Team Texas. TXEDC is a 501c3 organization association with the Governor’s Office of Economic Development. It includes corporate members, as well as local/regional economic development agencies. It is a rather expensive organization for the smaller communities to join. **Team Texas** is associated with the Texas Economic Development Council. It is also expensive to smaller communities. Here are breakdowns of membership levels:

General Membership - \$3,000 (Included in all membership levels) • Hyperlinked listing on the Team Texas website • Receipt of quarterly newsletter • Relocation/Expansion Announcement Distribution • Team Texas social media engagement • Option to participate in select Team Texas events throughout the year • Use of Team Texas Logo on organization website our marketing materials • Complimentary invitation for member to annual VIP Membership event (Economic Summit - Value of \$1,500)

Bronze Membership - \$8,000 • Five (5) registrations to Team Texas events valued at \$1,500 each - This includes Road Shows and Tradeshow • One (1) registration to Team Texas events valued at \$1,000 each -This includes the Party Under the Stars for 2022 • Option to participate in ALL Team Texas events throughout the year

Gold Membership - \$15,500 • Eight (8) registrations to Team Texas events valued at \$1,500 each - This includes Road Shows and Tradeshow • Two (2) registrations to Team Texas events valued at \$1,000 each - This includes the Party Under the Stars for 2022 • Option to participate in ALL Team Texas events throughout the year • Access to all contacts generated through digital lead generation • Organization name recognition on annual Team Texas member signage • Support with setting up to two (2) meetings per year during industry events at which Team Texas is not participating (Value of \$2,490)

There is also a **Platinum Membership** at \$28,000. Information can be provided if the BEDC has interest. There are several other groups, mostly private vendors, that in the Consultant’s opinion, are not as viable.

CITY OF BROOKSHIRE

PAGE: 1

ADMINISTRATION RECOMMENDED BUDGET

AS OF: JUNE 30TH, 2022

108-CITY-BRK. ECONOMIC DEV.

FINANCIAL SUMMARY

[illegible]

ADMINISTRATION RECOMMENDED BUDGET

AS OF: JUNE 30TH, 2022

108-CITY-BRK. ECONOMIC DEV.

NON-DEPARTMENTAL

DEPARTMENT EXPENDITURES

	2019-2020	2020-2021	(----- 2021-2022 -----)	(----- 2022-2023 -----)			
	ACTUAL	ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	DEPARTMENT REQUESTED	CITY ADMIN. RECOMMENDED	COUNCIL ADOPTED
4000-100 SALARIES	52,711	58,992	55,038	48,379			
4000-110 FICA	3,368	3,657	3,412	2,999			
4000-111 MEDICARE	764	855	798	702			
4000-113 RETIREMENT CONTRIBUTIONS	4,659	5,267	5,059	4,035			
4000-114 HEALTH INSURANCE	9,224	9,857	9,914	8,261			
4000-200 ATTORNEY FEES	21,342	16,324	22,000	15,301			
4000-202 AUDIT FEES	0	6,935	5,100	202			
4000-203 PROFESSIONAL SERVICES	54,798	5,895	60,000	57,018			
4000-203.BEDC COORDINATOR	61,816	62,495	64,890	52,796			
4000-203.WEBMASTER	4,750	0	0	0			
4000-203.INFORMATION TECHNOLOGY SERVICE	3,637	3,357	5,000	1,738			
4000-203.ENGINEER SERVICES	0	0	4,500	0			
4000-301 OFFICE SUPPLIES	6,861	1,286	6,500	4,891			
4000-302 FORMS & STATEMENTS	398	0	500	0			
4000-311 DUES & SUBSCRIPTIONS	2,250	5,333	4,500	3,250			
4000-400 BUILDING MAINTENANCE	0	0	1,000	0			
4000-401 EQUIPMENT MAINTENANCE	3,549	3,304	4,000	5,860			
4000-503 LEGAL NOTICES	0	0	1,000	0			
4000-505 TRAVEL & TRAINING	6,122	2,583	20,000	5,667			
4000-507 BANK CHARGES	76	0	250	49			
4000-509 TELEPHONE	9,782	9,433	10,000	7,668			
4000-510 UTILITY EXPENSE	2,600	2,600	2,601	1,950			
4000-512 ADVERTISEMENT & PROMOTION	25,402	12,188	60,000	32,149			
4000-516 OFFICE SPACE RENTAL	3,600	3,600	3,600	2,700			
4000-517 ADMINISTRATIVE SERVICES	10,943	13,093	10,000	9,242			
4000-614 BEAUTIFICATION	46,878	9,823	37,000	18,382			
4000-615 CITY PARKS PROJECT	75,104	16,012	510,000	490,764			
4000-616 COUNTY GIS	0	0	2,000	0			
4000-617 FACILITIES/INFRASTRUCTURE PROJ	0	0	175,000	0			
4000-621 SOUND SYSTEM	0	0	8,000	0			
4000-624 380 TAX INCENTIVES	23,566	22,535	40,000	24,278			
4000-625 BUSINESS INCENTIVE	1,811	2,787	3,000	2,567			
4000-703 CAPITAL OUTLAY-OFFICE EQUIPMNT	455	0	0	0			
4000-704 CAPITAL OUTLAY-COMPUTERS	2,406	0	2,250	0			
TOTAL NON-DEPARTMENTAL	438,871	278,210	1,136,912	800,850			
TOTAL EXPENDITURES	438,871	278,210	1,136,912	800,850			
REVENUE OVER/(UNDER) EXPENDITURES	116,160	349,079	0	(162,219)			

*** END OF REPORT ***