



2019 ANNUAL REPORT HIGHLIGHTS



The City of San Angelo Development Corporation (COSADC) is a non-profit economic development corporation formed under the Texas Development Corporation Act of 1979 and governed by a seven-member board of directors. As directed by this Act, the Corporation focuses its efforts on the promotion and development of business enterprises that create or retain primary jobs.



CITY OF
SAN ANGELO
TEXAS
Development Corporation

MISSION:

The City of San Angelo Development Corporation, working with economic development partners, will retain, strengthen, and diversify the job base of the community to ensure a vibrant business climate for San Angelo and the region. Our main goal is helping to create a place where people want to live and conduct business.

ECONOMIC DEVELOPMENT PARTNERS:

Tom Green County, City of San Angelo, Concho Valley Workforce Development Board / Workforce Solutions, Angelo State University, ASU-Small Business Development Center, San Angelo Chamber of Commerce, Downtown San Angelo and others working toward improving and growing San Angelo.
We embrace anyone who is pro-San Angelo.

YEAR IN SUMMARY:

2019 was a year where we continued to build our Business Retention and Expansion Program, increasing community awareness, making more contacts, and providing incentives for a variety of local businesses that ranged from small to large. The Tax Increment Reinvestment Zone (TIRZ) program was also instrumental in providing assistance to several local businesses to help them grow and prosper.



SAN ANGELO REGIONAL AIRPORT MATHIS FIELD

Following the theme of “Planes, Trains, and Automobiles” the COSADC staff laid significant groundwork by having a Land Use Management Study (LUMS) conducted by C&S Companies in partnership with Centurion Planning in preparation for an Airport Business/Industrial Park. The staff also participated in the San Angelo Regional Airport Master Plan study being conducted. The Airport Director and Director of Economic Development made a trip to Chicago to United Airlines Headquarters to discuss the potential of United Airlines service from San Angelo to Houston, and to keep them updated on the economic growth of the area that will assist them in making decisions related to providing air service to San Angelo.



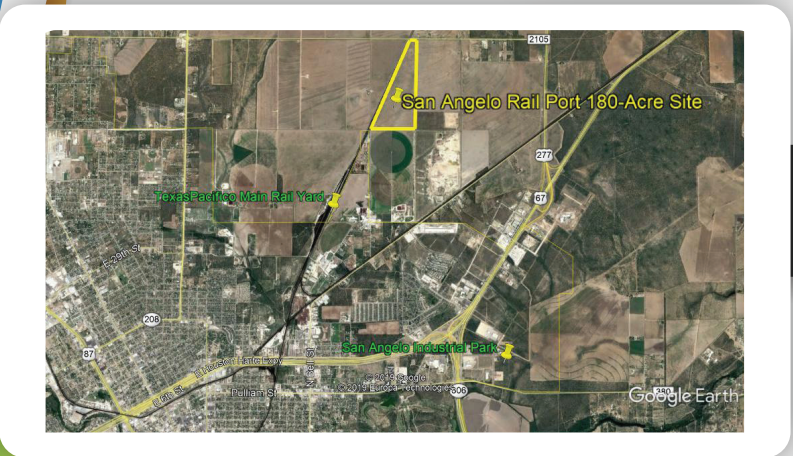
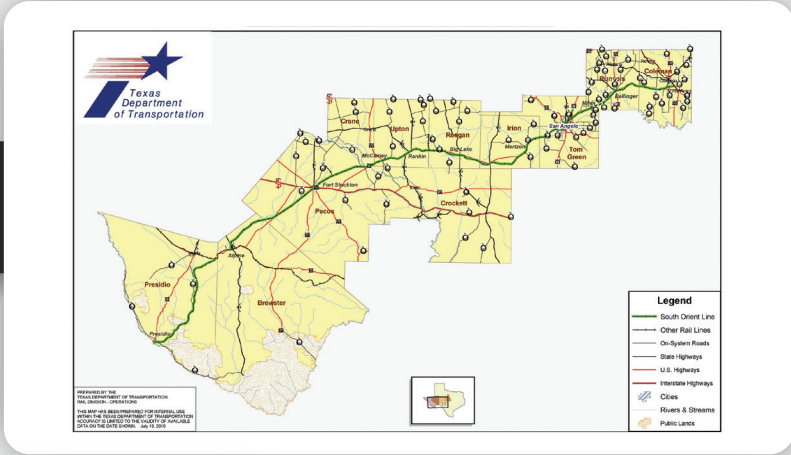
COSADC and the Lake Maintenance Division of the City of San Angelo Operations Department, with permission from the U.S. Bureau of Reclamation, undertook a project to clear brush from 14 acres of property across from the San Angelo Regional Airport on Knickerbocker to improve the view at the exit. The brush was cleared in 2019, but the project will continue in 2020 to remove the 58 piles of brush that were created during grubbing operations, seed the property, and replace a barbed wire fence along Knickerbocker to secure the site.



EXIT BEAUTIFICATION

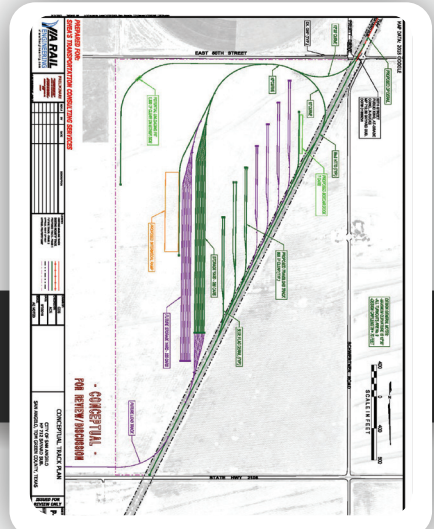
During 2019, a 180-acre tract was purchased for the development of the San Angelo Rail Port. At the same time Michael Looney, Vice President of Economic Development of the San Angelo Chamber of Commerce, and COSADC Rail Consultant, Rodger Horton, identified potential local users of the facility, and investigated the opportunities and impacts that will be created by the emerging freight corridor made possible by the re-opening of the South Orient rail bridge between Presidio, Texas and Ojinaga, Mexico. In-depth meetings were held to discuss the emerging freight corridor with numerous corridor partners, to scope the project, and with potential operators of the San Angelo Rail Port.

South Orient Rail Line



San Angelo Rail Port 180-Acre Site

San Angelo Rail Port Concept Drawing





PORTS TO PLAINS

The COSADC staff continued to be directly involved in the I-27 Ports-to-Plains activity with the Director serving, alongside of Segment 2 Chairman Mayor Brenda Gunter, on the Planning Committee as directed by House Bill 1079 that requires TxDOT to conduct a feasibility study of the I-27 corridor in Texas. The Director also participated in the Ports-to-Plains Annual Conference and Board of Directors Meeting in Williston, North Dakota.

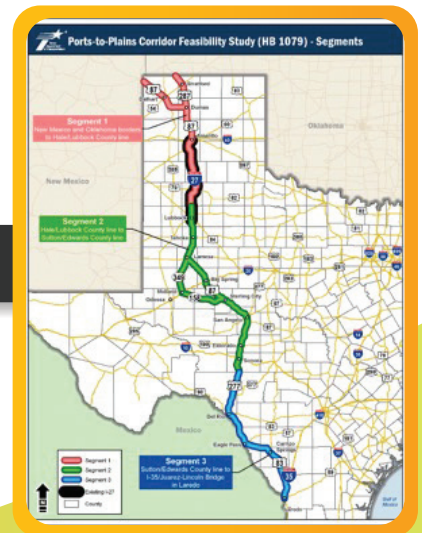
The Director participated in the I-14 Gulf Coast Strategic Highway Coalition and Transportation Advocates of Texas efforts. I-14 will eventually intersect with I-27 in San Angelo. Both of these efforts will provide greater economic development opportunities by providing enhanced transportation for the food, fuel, and fiber produced in San Angelo and our sur-

rounding region. San Angelo is the largest city in Texas without an Interstate Highway so both the I-14 and I-27 efforts are critical to our economic future.

The Director also participated on the Steering Committee of the Permian Basin Regional Freight / Energy Sector Transportation Plan since San Angelo serves as the gateway to the Permian Basin. One of the main benefits to San Angelo is that it made some of the participants aware of our strategic position in providing goods and services, and that San Angelo provides opportunities for companies to locate in San Angelo rather than the overly congested Permian Basin.



I-27 Corridor



I-27 Corridor in Texas



I-14 Gulf Coast Strategic Highway System



SAN ANGELO RESINTEL HOUSING STUDY 2019



A project that is of significant importance to San Angelo is the Comprehensive Housing Study that was funded by COSADC and conducted by Community Development Strategies (CDS) in 2019. CDS Market Research (CDS) was hired by the City of San Angelo to complete a housing study to determine the current state of the housing market with regard to existing and new single-family and multifamily market rate housing in the City of San Angelo. This data was collected from May to July 2019. The study not only provided detailed data about the supply and demand for housing, but also included valuable economic and demographic data. Several single family and multi-family housing projects have been planned or are in progress as a result of the study.

https://www.cdsmr.com/uploads/6/5/4/7/65475949/san_angelo_resintel_2019.pdf

SARMA

COSADC and the San Angelo Chamber of Commerce Economic Development Department continued to solidify our partnership, working seamlessly toward our economic development objectives. During the year we were able to approve additional funding to the Chamber, starting in 2020, to broaden their mission and to support joint efforts such as the San Angelo Regional Manufacturers' Alliance (SARMA) that also functions as a Business Retention and Expansion tool. The San Angelo Chamber is primarily our contractor to provide business recruitment and marketing functions, but works closely with COSADC on all aspects of economic development



CVWDB

COSADC continued its partnership with the Concho Valley Workforce Development Board (CVWDB) to support the ACT Work Ready Communities Program, the Military Workforce Empowerment Program, and to extend a matching grant of \$167,000 to Howard College for its Construction Trades program.





The COSADC staff participated in meetings that lead to the adoption of the Texas PACE Program by Tom Green County. Property Assessed Clean Energy (TX-PACE) is a proven financial tool that incentivizes Texas' property owners to upgrade facility infrastructure with little or no capital outlay. Approved by State legislation and established by local governments, TX-PACE programs enable owners to lower their operating costs and use the savings to pay for eligible water conservation, energy efficiency, resiliency, and distributed generation projects. Owners gain access to private, affordable, long-term (typically 10-20 years) financing that is not available through traditional funding avenues.

COSADC coordinated with Downtown San Angelo to fund an employee to assist them with their programs.

AmeriCorps VISTA Member: Ysabela "Bela" Kesey

Bela joined the Downtown San Angelo, Inc. team in July 2019, beginning her year long placement with the organization. As a VISTA member, Bela will spend time establishing means for grant research and funding, as well as community outreach and development to strengthen downtown's economic foundation.



Currently a senior at Angelo State University, she is expected to graduate in December 2019 with a Bachelor of Arts in

Political Science degree with a minor in English. As a student, her time has been dedicated to studies and student organizations on campus.

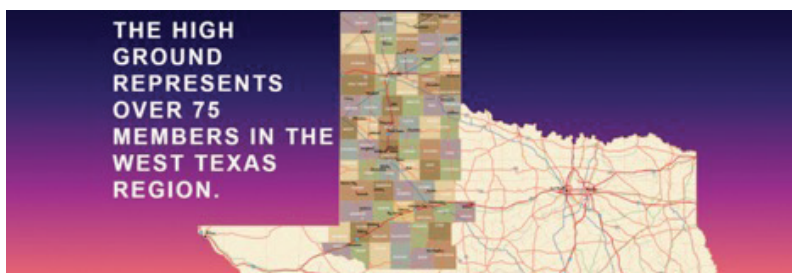
Recognized as a member of Sigma Tau Delta, the English honor society, and Kappa Kappa Psi, the honorary music & service organization, Bela has spent time volunteering for local school bands and regional UIL music events, and most importantly serving the college bands at ASU.

Once her placement concludes in July of 2020, she hopes to attend graduate school for a Masters degree in Sociology at a North Texas college closer to her family. With her education and experience gained from working with Downtown San Angelo, Inc., Bela will pursue a career in nonprofit management and grant writing.

HIGH GROUND OF TEXAS & TEXAS MIDWEST COMMUNITY NETWORK ANNUAL MEETINGS

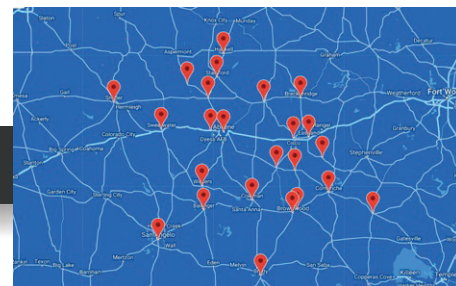


COSADC hosted both The High Ground of Texas and Texas Midwest Community Network Annual Meetings in San Angelo. The Director serves on the Board of Directors for both organizations. The High Ground of Texas is a marketing coalition made up of over 75 members with economic development interests in the region. Developed in 1988, the High Ground represents cities, counties and organizations in the West Texas region. The main purpose of the High Ground is to create jobs and increase the tax base of the region. We continue to have a strong presence on the regional, state, and national level with an emphasis on marketing the region to prospective new industries, networking, economic development, education, and providing a common voice on issues that affect the region. The organization is membership-based and is supported by a 15 person board. The board is made up of Foundation Members, COG representatives and eight at-large members from around the region.



Map of The High Ground of Texas Region

Map of the TMCN Region



The mission of Texas Midwest Community Network (TMCN) is to promote a regional approach providing the resources and awareness for its members to achieve economic and community growth.

The purpose and goals of TMCN is to identify, develop, and encourage leadership in the region, enhance regional communications and share information, address mutual community challenges, network on ideas and projects, develop regional marketing strategies, strengthen regional participation on statewide concerns, and establish ways to work together and combine resources for the betterment of the region.

TMCN consists of regional member communities including any corporations, businesses, or associations who are interested in the development of programs and projects for the advancement of the Texas Midwest region. The region is defined as a core of West Central Texas counties which are contiguous to each other beginning with the founding county of Taylor. Currently community members are located within thirty-three contiguous counties. Types of members include 1) Community Members represented by an individual appointed by the community to serve as the official local liaison and community delegate, and 2) Partners in the region representing corporations, businesses, associations, or individuals that support TMCN through an annual investment. Abilene and San Angelo serve as Hub Cities and work in partnership with TMCN to leverage their influence and resources to encourage community and economic growth in smaller communities across the region.

TMCN is governed by a Board of Directors comprised of 6 community representatives, two hub city representative, three at-large business partners and the TMCN Past President. The Board is responsible for selecting the Executive Director, establishing the meeting schedule for the year, and meeting annually to review TMCN goals with a defined Plan of Action for the upcoming year.



BUSINESS RETENTION & EXPANSION

Outcomes:

- 208 new and indirect jobs created
- 29 direct and indirect jobs retained
- \$33.45 million in annual economic output
- \$7 million in capital investments

Economic Development staff met with 43 companies to explain the BREP program which resulted in 7 executed economic development performance agreements with incentives ranging from \$20,000 to \$260,000



Principal LED

At the beginning of 2019, Principal LED, who manufactures LED lighting fixtures, expanded their operations by investing \$2.4M for the construction of an addition to their existing facility as well new furniture, fixtures and equipment. This investment has allowed Principal LED to move their component manufacturing from China to San Angelo. The incentive package totaled \$260,000 to include a \$100,000 capital investment grant and up to \$2,500 per FTE created for up to 64 FTE's

BUSINESS RETENTION & EXPANSION



Carter Fentress Engineering

In the first quarter of 2019, Carter-Fentress, who provides civil engineering and project management services, began the expansion of their business by investing \$200,000 for the purchase of a new office building in downtown San Angelo. Adding to their growth, they will expend approximately \$83,800 in new furniture fixtures and equipment to assist with this purchase. COSADC approved an incentive package of \$20,000 which includes a one-time capital investment grant of \$16,000 and \$1,000 per FTE for up to 4 FTE's.

J's Deer & Wild Game Processing

In Q2 of 2019, J's Processing decided to expand within the wild game processing industry and diversify their current operations to include a "ready to eat" meat facility that includes sausage, brisket and beef jerky. They plan on expending up to \$455,000 for the construction of a new facility as well as new, top of the line equipment. J's incentive package includes a one-time capital investment grant of \$35,000 as well as \$1,000 per new FTE created for up to 15 FTE's for total incentives worth \$50,000.



SMC Global

2019 was a big year for SMC Global, who is a leading chemical supplier, as they acquired their 3rd facility in San Angelo which had previously been vacant for over 30 years, in order accommodate their ever-growing needs. This location primarily serves as a storage facility and will result in housing approximately \$3.3M in business, personal property and inventory. SMC Global's incentive package includes a \$200,000 total tax rebate to be awarded over the course of 5 years.



BUSINESS RETENTION & EXPANSION



West TX Steel

West TX Steel has been in operation in San Angelo since 1983. They manufacture and offer steel products to the oilfield, pipeline, construction and farm and ranch industries. Because of continued growth and demand, in Q3 of 2019, they decided to expand their operations by investing \$750,000 for the construction of a new building. COSADC approved an incentive package in the amount of \$59,000 to include a one-time capital investment grant of \$50,000 and \$3,000 per FTE for up to 3 FTE's.



Ener-Tel

Ener-Tel specializes in the service and installation of security systems for both commercial and residential customers. In the beginning of the 3rd Quarter of 2019, they decided to diversify their services by entering into the fire sprinkler installation business.

To accommodate this expansion, they invested \$2.5M for the construction of a new building to house their fire sprinkler system business. An incentive package in the amount of \$25,000 was approved for \$5,000 per FTE for the creation of up to 5 new FTE's.

Double Barrel, Inc

Double Barrel specializes in the fabrication of hunting and outdoor products as well as metal fencing, gates and carports. At the end of Q3, and in order to remain competitive with increasing demand, Double Barrel purchased land in order to construct a new 7,500 sq. ft. building. They invested \$750,000 for the land purchase and building construction and COSADC approved an incentive package in the amount of \$70,000; \$50,000 for a one-time capital investment grant and \$1,000 per FTE for up to 20 FTE's.





THE BUSINESS FACTORY

The Business Factory began in 2003. It was designed for small business and entrepreneurs in San Angelo and the Concho Valley area. Whether they are a high-tech company or a small one owner operation looking for work-space our clients enjoy the networking benefits and atmosphere of a professional environment.

All office suites are equipped with a desk, office chair, bookshelf, Wi-Fi access, and colored copier. Plus, as an incubator client they also have training provided by ASU Small Business Development Center, access to common/shared break room, janitorial services, all utilities are provided, the use of 3 conferences rooms, and they have a peace of mind knowing that the building has security. Why do we provide so many services? We provide these services so that our clients can focus on creating their business and jobs for our community.

Over the last 15 years, the Business Factory has assisted over 35 businesses, creating a total of 549 jobs within our community and successfully graduating 11 of those companies. The Business Factory has helped make dreams become reality.

2019:

- Three tenants in Business Factory
- 105 total companies since inception
- Employees: 18 full time and 7 part time
- Return of investment (cumulative since inception):
Total Gross Sales: \$1,488,362
Total Gross Payroll: \$1,348,708
- Graduation: OdomRD, LLC
- Total of 566 jobs with our community

2019 BUSINESS PLAN COMPETITION



SAN ANGELO Business PLAN *competition*



First Place Winner - J Bar Meats, LLC. - \$40,000 cash prize startup specializes in smoked meats, specialty items and aged prime steaks. The new plant will begin processing in 2020.



Second Place Winner - Ranch Road Boots - \$20,000 cash prize manufactures hand crafted fine leather boots rooted in classic style with life-lasting quality.



Third Place Winner - Old Central Firehouse Pizzeria & Taproom - \$10,000 cash prize will be a unique one of a kind pizzeria and taproom setting themselves apart from traditional eateries in the San Angelo area.



INFRASTRUCTURE & CAPITAL IMPROVEMENT PROJECTS

- 11 total TIRZ Agreements were executed for a total projected capital investment of \$2.7 million
- 5 TIRZ Agreements in the North Zone for a capital investment of \$1.7 million
- 6 TIRZ Agreements in the South Zone for a capital investment of \$1 million

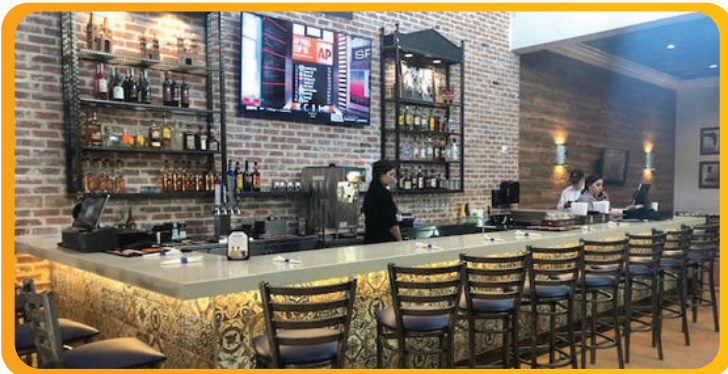
SOUTH



6 E. Concho
(JP Brookeson Properties)



8 E. Concho
(JP Brookeson Properties)



101 S. Chadbourne
(Fuente's Café Downtown)



200 S. Magdalen
(Old Central Firehouse Bed & Brew)

INFRASTRUCTURE & CAPITAL IMPROVEMENT PROJECTS

SOUTH

123 N. Chadbourne (Buffalo Soldier Art Gallery)

(SOUTH - IN PROGRESS)



305 W. Twohig (Dean & Linebarger)

(SOUTH - IN PROGRESS)



NORTH

1715 N. Chadbourne (JKLS Properties)

(NORTH - IN PROGRESS)



1816 N. Bryant (The Gentleman)

(NORTH - IN PROGRESS)



1822 N. Bryant (Senor Changs)

(NORTH - IN PROGRESS)



2020 N. Bryant (Icon Cinema)

(NORTH - IN PROGRESS)



2934 N. Chadbourne (Dollar General)

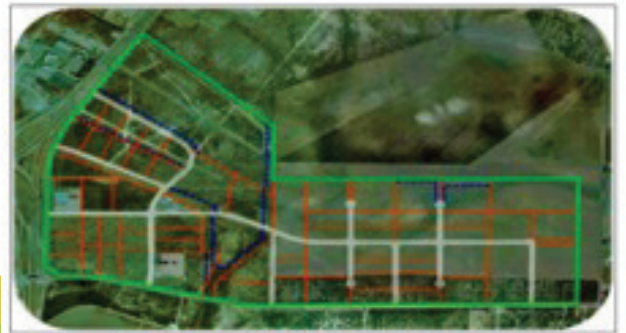
(NORTH - IN PROGRESS)



CAPITAL IMPROVEMENTS

Business & Industrial Park

Strategically located on the Ports to Plains Corridor and the future I-27 north-south interstate, the almost 740 acre master planned San Angelo Business & Industrial Park is centrally located between I-10 and I-20. The park has convenient access to US 277/US 67, a four lane divided highway and near US 87 is a 4 lane divided and non-controlled highway. "Industrial park earns Super Park Certification."



Address:	City Loop 306 and Houston Harle Expressway
City:	San Angelo
State:	TX
County:	Tom Green
Acres:	746.7
Sale Price:	Negotiable
Lease Rate:	Negotiable
Last Updated:	Dec 27, 2019

Industrial Park Phase 1

- 16 Acres Under Contract - \$416,000
- 7 Acres Under Option Contract - \$175,000

Industrial Park Phase 2.1

- Bid Opening December 13, 2019
- Low Bid - \$1,131,492
- Accepted by COSADC December 30, 2019

Industrial Park Phase 2.2

- Bid Opening December 13, 2019
- Low Bid - \$2,223,191
- Accepted by COSADC December 30, 2019



San Angelo Rail Port

- Purchased 180.452 Acres at a cost of \$541,813.60 including closing costs
- Staff are working with consultants to develop potential user list, site layout and management approach

Airport Master Plan

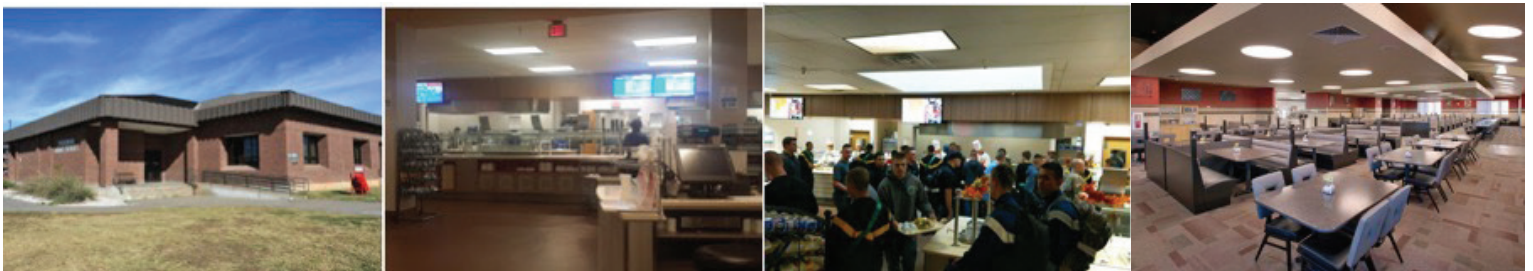
- Consultant Centurion Planning & Design has completed the following:
 - Opportunities Assessment
 - Stakeholder Meetings
 - Market Research
 - Economic Analysis
 - Demand Assessment
 - Aviation Related Industry Research
 - Conceptual Site Plan
- **Airport Gateway Improvement Project**
 - City Lake Maintenance staff have completed clearing of approximately 14 acres of brush across highway from airport entrance
 - Approximately 4,000 Linear Feet of fence requires replacement

Chadbourne Streetscape Project

- \$3,750,000 total project (\$750,000 per year for 5 years)
- Final Phase A Plans due end of January 2020
- Notice to Proceed issued for Phase B Plans

Goodfellow Air Force Base

- Grant of \$1.5M for the expansion of the Cressman Dining Facility



TARGETED MARKETING

SAN ANGELO Chamber of Commerce Economic Development

2019 Activity and Accomplishments Report



San Angelo area manufacturers, Chamber of Commerce and Angelo State Engineering representatives at Wendland Manufacturing

The San Angelo Chamber of Commerce Economic Development Division (EDD) marked 2019 as a year of continued industrial and economic development successes that benefit the community of San Angelo and Tom Green County with increased job growth,

increased property investment, career advancement opportunities for the people of San Angelo and increased diversification of our economic ecosystem.

The San Angelo Chamber EDD works in concert with the City of San Angelo Development Corporation (COSADC) staff and board leadership, the Tom Green County commissioners court and regional corporate industrial leaders to promote industrial development, the creation of high-quality jobs, high-level capital investment and enhanced infrastructure that supports industry in San Angelo. 2019 has been a positive year for economic industrial development in San Angelo, with an estimated \$216,000,000 in capital investment and economic yield from the Chamber-delivered projects to the community

Targeted Industry Marketing - The Chamber EDD targets industry sectors that can flourish in the Concho Valley, creating a durable platform for many years of future growth. The Chamber EDD has set the stage for continued diversified industrial growth into 2020 with the recruitment of companies within sustainable growth industries such as industrial chemicals, pipeline services and development, agricultural commodities, heavy-haul transportation via truck and rail and development of the South Orient/TXPF Rail Line.

2019 Industrial Investment Achievements:

- **SMC Global Corporation** - International chemical manufacturer was recruited to San Angelo in 2018 and expanded again in 2019. As of December 2019 the company has 17 full-time San Angelo employees and has generated an estimated \$5.7 million in annual economic impact with \$3.8 million in gross annual product yield. SMC currently has over 130,000 sf of industrial real estate in the San Angelo city limits and is continuing to grow its markets in the southwest United States.



- **Allen's Transportation, LLC** - Edmonton, AB-based pipeline support and industrial chemicals transportation company. Announced the purchase of 12 acres in the San Angelo Business & Industrial Park for the construction of a 25,000 sf facility and terminal, creating 10 new careers in San Angelo. This recruit transaction has significant future growth potential as

Allen's is first in class with the transportation of specialty materials for the pipeline industry and will produce a yield of \$2.7 million annual economic output at full operation in their first year alone.



- **Recurrent Energy/Duke Energy Rambler Development** - 200 MWac utility-scale photovoltaic energy power plant in Tom Green County. This is the first utility-scale solar power plant in Tom Green county, will provide two full-time jobs, and will produce a strong tax yield to the county and to Water Valley ISD, and a capital investment in Tom Green County of approximately \$180 million. The San Angelo Chamber of Commerce worked with Recurrent's Austin, Portland and San Francisco teams since 2017 and assisted with promotion of the 313 and 312 agreements.

TARGETED MARKETING



- **Hardin Creek 27** - A unique urban cottage multi-family community on south Houston Harte Expressway consisting of 250-units with higher-end finishes, materials and design. This will be a valuable asset to the community and will provide critically needed housing options for those seeking rental living but not in a traditional apartment community. This community will help alleviate the 96%-97% occupancy rates in the San Angelo multifamily rental market which will greatly assist in the retention, growth and recruitment of new industry to San Angelo.

- **Rail Port San Angelo** - COSADC purchased the 183-acre parcel of land on the South Orient/TXPF rail line in September 2019, for the development of a multi-commodity rail port to support regional commodities production, industrial products importation (steel, fertilizers, aggregates, pipe, grains, seed oils) and efficient access to the global marketplace. This port will be a major economic generator for San Angelo and for the United States, as it will create a full-service multi-commodity rail port on the Texas Pacifico/Eastern Orient line serving San Angelo agriculture and industrial operations.

Education and Industry Training

- The Chamber EDD Board promotes the ongoing work and proven market results of the San Angelo Regional Manufacturers Alliance program. This program serves as a platform for the development of industrial education and certification, along with development relationships with San Angelo industrial companies and the Angelo State University David L. Hirschfeld Department of Engineering.



- **Texas Manufacturing Assistance Center (TMAC)** - TMAC-Chamber of Commerce hosted the first of a series of accredited industrial certification training courses in 2019. Twelve students were selected from 41 applicants to attend this week-long course. The Chamber, Ethicon and TMAC will host more Industry Training courses in San Angelo in 2020. These are the same international certification courses taught at major industrial companies around the world.

- SARMA Scholarship to the San Angelo Rodeo Agricultural Mechanical competition students through private industry contributions.

