

## Revitalizing Giddings South



## RECRUITMENT, RETENTION & EXPANSION



ZochNet

424 South Main Street and 444 South Main Street Giddings  
**Expansion & Property Improvement 55 Jobs**  
**Workforce Development (Training Center)**

*Local company renovates old jail; GEDC provides grant to support broadband expansion to support remote workforce*

Zochnet recently renovated old jail complex in downtown Giddings. Comprising two adjacent facilities, the complex serve as a training

and operations center. The two-story Training Center will be used to house visitors from across the state, who will be coming to Giddings to learn how to operate their own ZochNet dealership in their own counties. The building's second floor contains three bedrooms, while the first floor holds a full bathroom, kitchenette, and conference area. Zochnet will also assist future entrepreneurs in building their own ISP businesses. The "dealers" will stay in the Training Center for one to three months as they learn how to install and service customers, while training on ZochNet's proprietary customer service software, ticketing, and billing system.

The company offers **internet service within the state of Texas**. Fixed wireless internet from Zochnet is available to an estimated 250,000 people. In addition to fixed wireless broadband, ZochNet also offers fiber and cable internet service. Its fiber service is available to approximately 16,000 people. Its cable service is available to approximately 4,000 people. The company, already in growth mode, expanded rapidly throughout the pandemic and grew from 26 employees in December to approximately 55 employees as of October 2020. A genuine asset to the community, when it comes to economic development, broadband providers are “kingmakers,” Without safe, secure and reliable internet, a community is operating along the 1980’s equivalency of a town without reliable phone service.

The GEDC provided the company with a \$50,000 emergency pandemic grant to expedite the completion of Phase I fiber optic. This phase brought fiber optic to remote workers in underserved areas.

The map displays Giddings, TX with various colored areas indicating fiber project phases. A legend at the top right defines the colors: green for COMPLETED, purple for PHASE 4, pink for PHASE 3, blue for PHASE 1, and yellow for PHASE 5. Key locations labeled include Fun Town RV Giddings, W Austin, Lee County Ace Hardware, Droemer Management, 448 Supply, Lee County Water Supply, Giddings City Hall, Lee County Animal Shelter, City Park, and Austin Chalk Petroleum Services. A yellow line connects several completed projects in the central and southern parts of the city. A green box in the bottom right corner contains the text 'AVAILABILITY IN OTHER CITIES >'.

## The Silos on 77

1031 Co Rd 223, Giddings

### Renovation/ Property Improvement

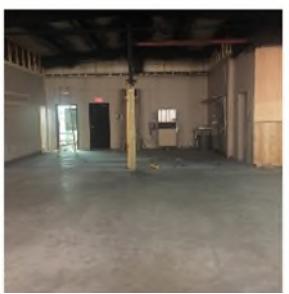
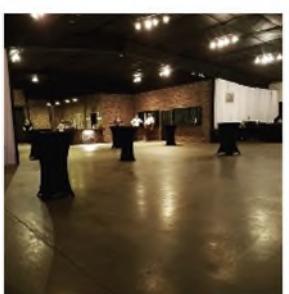
### Contractor & Vendor Jobs

### Start-Up

Located in Giddings, Texas, The Silos on 77, dba The Silos, is a renovated venue that once operated as the Memorial Hermann Hall. The property was redesigned using reclaimed brick and materials to create a warmth and rich atmosphere. The Silos is versatile in capacity offerings, as it caters to the growing market of outdoor spaces, as well as indoor large and small guest lists. The Silos provides meeting or special event space for large corporations, small businesses, weddings, concerts, charity events and special occasions and has become known for its musical offerings. The Silos owners, Lori Hamff- Diez, Lisa Hamff - Sillavan and Michelle Ponton, have over 20 years of experience as a business owner, and in event management and meeting planning. With that experience, the owners have managed the business since its opening on January 31, 2017 and have confidently steered it through the event-killing covid pandemic.

If the company can survive 2020, it has a promising future due to the growth rates currently being seen in the meeting/event market. Prior Trends show that over \$30,000,000.00 was spent in meeting and special events in 2016 in Lee County, Texas, Fayette County, Texas, Burleson County, Texas, Washington County, Texas, Bastrop County, Texas and Milam County, Texas. Of those dollars spent, \$3,554,755.00 was spent on venue rental alone.

The GEDC provided \$15,000 as an initial investment and has an additional incentive on the backburner (for now). Funds were provided to the company in recognition of its position as Lee County's leading music and events venue. The GEDC expects its investment to be recouped in hotel occupancy taxes for the city and with jobs created for local contractors and service providers.



**Paleo Powder**  
460 W Industry St Austin Street, Giddings

Recruitment/ Expansion   3 Jobs   Renovation/ Property Improvement

*Local Entrepreneur launches paleo seasonings product.  
Reconfigures long-time family property into production facility with assistance from GEDC*

Dustin and wife Lauren own Paleo Powder Seasonings, which is a diet specific all-purpose seasoning with several blends. Over the past 5 years, the couple have grown from selling on-line and in a handful of stores, to seeing their products sold in 2,400 stores nationwide.

Major retailers include Wal-Mart, Whole Foods, Sprouts, HEB, Central Market and several other larger stores around the country. The product is marketed through on-line sales and at trade shows nationwide.

The company has an office in Giddings; however, the warehouse and distribution center were in south Austin. They purchased the building that was previously owned by Dustin's family and moved the operation to Giddings. Renovations included adding a bathroom, upgrading electrical to 3 Phase and putting on a new roof.

At the time that Dustin purchased the property it had a taxable value of \$33k; however, once improvements are complete, based on a comparison of properties within 3 blocks, the building's taxable value should increase to approximately 100K; which would mean about \$2400 a year in taxes or 3x more in tax revenue than c

The company has added 3 FT and 1 PT person to the payroll in 2020, tha is up from 1 FT and 2 PT in 2019

For more than 60 years, Dustin Gersch and members of his family worked at Jake's Sales and Service Heating/ Air, located at 460 W. Industry in Giddings. Last year, Dustin's father and aunt closed the business and retired. Shortly thereafter, Dustin bought the warehouse and property with the goal of converting the facility into a warehouse and distribution center for Paleo Powder Seasoning. This is the 3<sup>rd</sup> generation of Gersch businesses to be at this facility.

The company received two grants more than one year apart. Total grant funds were \$18, 500



## Data Analytics: Economic Modeling

Data is king in the world of economic development. For several years, the GEDC maintained a contract with EMSI, a labor market analytics firm, using data to drive economic prosperity. Data such as this helps the EGDC build a business case for recruiting a business to the city. This type of data was instrumental in helping the GEDC land FunTown RV. The GEDC recently transitioned to a GISPlanning which will provide visitors to our website with real-time data where visitors can view maps with data points and also access an unlimited amount of information that is stored in real-time on the back-end, rather than pulling PDF's as is our current model.

## EMSI Data Analytics: Food Mfg

### GEDC SECURED RESEARCH CONTRACT WITH EMSI – ECONOMIC MODELING SOFTWARE AS A SERVICE – DATA USED IN RECRUITMENT AND SETTING GOALS & PRIORITIES

#### Executive Summary

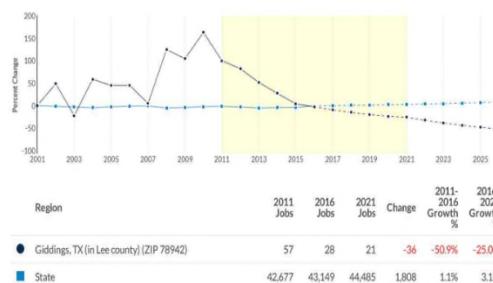
28 Jobs <small>Jobs decreased by 29 over the last 5 years. Projected to decrease by 7 over the next 5 years.</small>	1.05 Concentration <small>Regional job concentration is 1.05 times the state job concentration.</small>	\$38,076 Earnings Per Job <small>Regional earnings per job are \$12,537 below the state earnings per job of \$50,612.</small>
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- Jobs for the selected Industries decreased by 29 jobs (-51.3%) from 2011-2016, less than the state growth rate of 1.1%. Industries are projected to decrease by 7 jobs (-24.2%) from 2016-2021, less than the state growth rate of 3.1%.
- Regional job concentration for the selected Industries is 1.05 times the state job concentration. In other words, there are 5% more jobs at the selected industries in this region than we would expect to find in the average region.
- Cost of labor in the region is below average. The regional earnings per job for the selected Industries is \$38,076, which is \$12,537 below the state average of \$50,612.

Code	Description
311111	Dog and Cat Food Manufacturing
311119	Other Animal Food Manufacturing
311212	Rice Milling
311213	Malt Manufacturing
311230	Breakfast Cereal Manufacturing
311352	Confectionery Manufacturing from Purchased Chocolate
311412	Frozen Specialty Food Manufacturing
311421	Fruit and Vegetable Canning
311422	Specialty Canning
311423	Dried and Dehydrated Food Manufacturing
311511	Fluid Milk Manufacturing
311611	Animal (except Poultry) Slaughtering
311612	Meat Processed from Carcasses
311999	All Other Miscellaneous Food Manufacturing

## Data Analytics: Food Mfg Business Case

#### Regional Trends



#### Supply Chain Requirements

		Total Requirements	% Satisfied In-Region
NAICS	Industry		
111000	Crop Production	\$9,673,040	23.3%
311224	Soybean and Other Oilseed Processing	\$2,914,131	0.0%
325411	Medicinal and Botanical Manufacturing	\$1,667,414	0.0%
311225	Fats and Oils Refining and Blending	\$1,566,655	0.0%
482110	Rail transportation	\$1,492,488	8.1%
312140	Distilleries	\$1,311,098	0.0%
425120	Wholesale Trade Agents and Brokers	\$1,192,559	14%
311221	Wet Corn Milling	\$1,109,654	0.0%
311211	Flour Milling	\$1,060,205	0.0%
551114	Corporate, Subsidiary, and Regional Managing Offices	\$945,872	0.5%

**Milligan Plumbing**  
1340 E Austin Street, Giddings  
**Recruitment/ Expansion      Renovation/ Property Improvement**

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Proprietor Alan Milligan in the newly renovated 4,500 sq ft facility. The plumbing supply company shares divided space with a new hair care and tanning salon, Revive Studios, was slated to open after the first of the year. Alan received \$15,000 to support the project. This building backs up against the warehouse now occupied by Paleo Powder so the two renovations of the two buildings has vastly improved the aesthetics and the property value in that area which otherwise surrounded by residential properties.

Construction is a leading industry in Giddings and with many of the projects that we find targeted at property improvements, ensuring a steady supply of skilled crafts and tradesmen allows us to retain the money within the city where it can recirculate. This recirculation of money is referred to as a Multiplier Effect. A multiplier is simply a factor that amplifies or increases the base value of something else. A multiplier of 2x, for instance, would double the base figure. Three are multiple types of multipliers – fiscal, earnings, investment,

Example:

Assume the bank loans out \$75,000 of the initial deposit of \$100,000 to a small construction company, who uses the loan to build a warehouse. The funds spent by the construction company go to pay electricians, plumbers, roofers, and various other parties to build it.

These parties then go on to spend the funds they receive according to their own interests. The \$100,000 has earned a return for the investor, the bank, the construction company, and the contractors that built the warehouse. Since Keynes' theory showed that investment was multiplied, increasing incomes for many parties, Keynes coined the term "multiplier" to describe the effect.





## Kaemark Salon Furnishings

1340 E Austin Street, Giddings

Retention/ Expansion 110 Jobs Workforce Development

### SITUATION

The GEDC has a deep and well-established relationship with Kaemark Salon Furnishings, the nation's largest manufacturer of salon furnishings. From coordinating site visits with elected officials like Congressman Michael McCaul to assisting the company in procuring more than \$200,000 in grant funding for "just-in-time" training, to facilitating meetings between the company and the Governor's Office of Economic Development, the GEDC has worked diligently over the past 5 years to ensure that the company knows that it is a highly valued member of the community. The Skills Development Fund, coordinated with the Texas Workforce Commission and Blinn College provided funds for forklift training and other training. The proof of training certificates were used to replace documents that were lost in a fire and supported the company's efforts to demonstrate OSHA compliance.

The GEDC provided a small grant of \$10,000 to assist with the procurement of a delivery truck. This award fell on the heels of the losses the company experienced after two overnight fires.

Early on the morning that I heard about the second fire, I reached out to the Texas Workforce Solutions office to ensure that a representative was available as soon as needed to discuss with the company its options, then together Mayor John Dowell and I headed over to Kaemark to meet with their leadership team and the workforce rep. The workforce solutions office had the capacity to help steer the company through the ramifications and alternatives of a potential lay-off, were it to come to that. Ultimately, the company was able to avoid layoffs through repurposing people throughout the company. Through sound fiscal management and with a generous heart, the company, much like others in the community, continues to make every effort to retain its workforce, even in the face of overwhelming odds, such as those being faced by the industry today.





## LeeCo Industrial Plastics > Tritec > Trelleborg

1594 CR 213Giddings

Retention      57-63 Jobs      Workforce Development

*GEDC provides workforce funds to assist company transitioning from family-owned business to corporate model*

### SITUATION

Established in 1991, as LeeCo Industrial Plastics, **Trelleborg Sealing Solutions in Giddings** is a manufacturing facility offering the machining of standard seal profiles and specialty/complex products manufactured from **PTFE, PEEK, Acetal, Nylon**, other engineered plastics and small volume machined rubber components. The company specializes in manufacturing make to print drawings and reverse engineering samples supplied by customers with quick lead times.

Plant Manager Keith Oltmann reached out to the GEDC in early summer of 2019, only a few months after the company was sold to Michigan-based TRITEC Performance Group. His request centered on concerns that many on his team had recently been moved from the working on the floor to riding desks in managerial roles. The team knew their business but were unfamiliar with the ins and outs of programs like Excel. The GEDC stepped in to provide the company with a \$10,000 grant, coordinated with a regional instructor to conduct training on-site and as the schedule allowed.

I also invited Keith to attend an industry-related trade show in Arlington where I got to learn more about his industry and the new company. I also reached out to Jeff Owen, Owner, Kaemark Salon Furnishings to coordinate a meeting between Jeff and members of Keith's leadership team. Having purchased a locally owned company and successfully steered the company through the economic downturn and two industry fires, Owen was particularly well-suited to mentor Keith and the rest of the group on what it is like on the other side of the aisle.

Our goal in providing the incentive was to increase the odds that workers would be retained and if not retained, would have improved their ability to find other viable employment within the region. The company retained most of its employees and was eventually sold to Swedish Company Trelleborg.

### RESULTS

Despite the pandemic, the downturn and two corporate sales, the company has retained most of its incumbent



workforce.



### Bec's Blessing (Senior Living)

325 Cactus Street, Giddings

Affordable Housing   Healthcare Expansion   16 Jobs   New Construction

*GEDC supports the development of a 16 Bed Licensed Assisted Living Facility*

#### SITUATION

Owner Rebecca Langley hosted several assisted living houses located across two counties. Langley long hoped to consolidate her staff and clients and the GEDC worked with her for several years to find an appropriate site for a 16-bed assisted living facility.

A few years ago, Rebecca landed on a tract of land on the north side of Giddings off Orange Street. This new state of the art facility offers a *home environment* while supplying every resident with a private room and bathroom. Rebecca's facility is well-staffed with a 1:1 ratio of staff to patient.

Prior to the opening of Bec's Blessing, the GEDC had entertained multiple corporate assisted living developers from across the state. Some were scared away by the region's property and development costs, while others were concerned about the county's lack of a hospital. The inclusion of Davam Urgent Care put some minds at ease, however, we remained unable to close on a deal. Today, I believe all ended as it should and that our community is now home to a facility that would rise above most no matter where they might be situated. The GEDC provided \$30,000 for this commercial project.



Our private care home in Giddings, Texas

Next ▶

*Uncredited Photo from Company Website*



Renovation/Property Improvements

**TexVillas Property Improvement**

1105 Westwood Lane, Giddings

*GEDC works with property owner to secure access to city water lines and tenant contracts for newly renovated multi-family property*

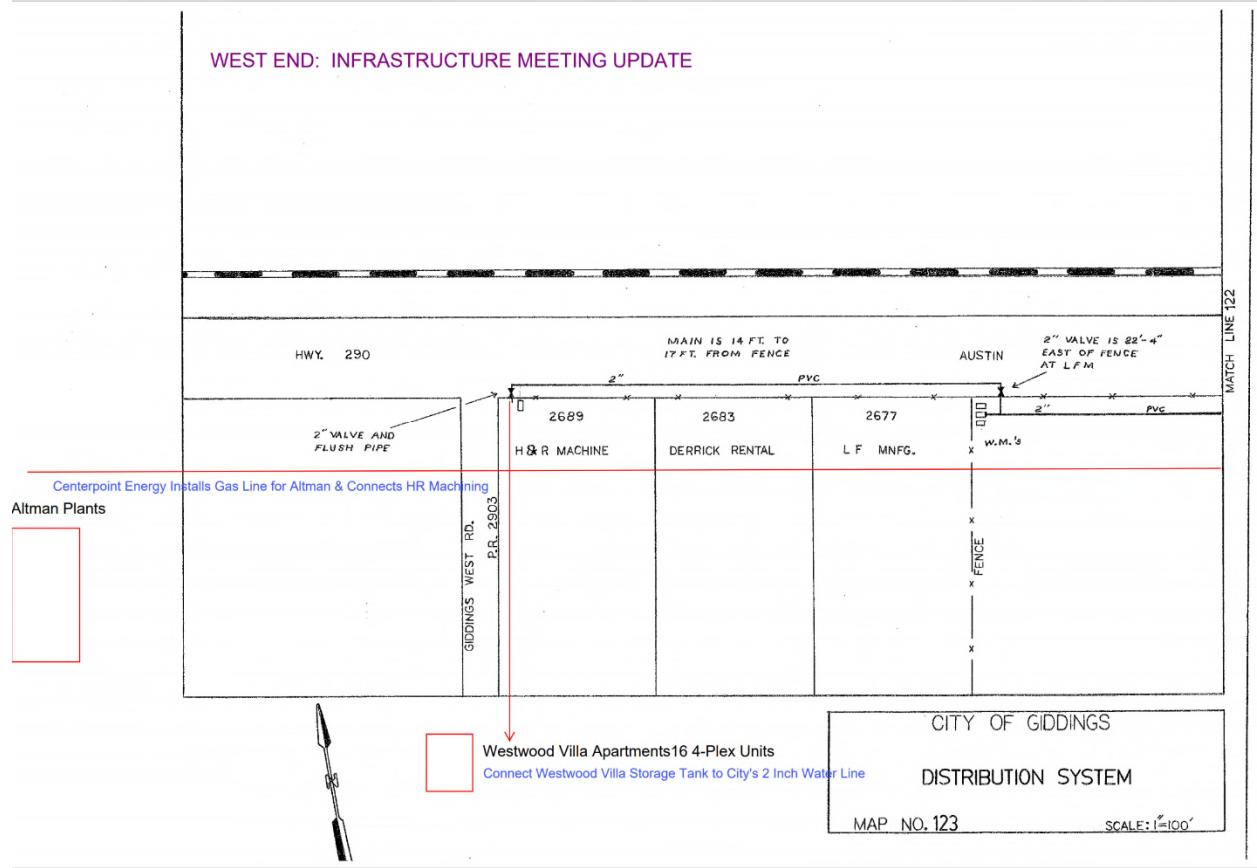


In 2015, our office was approached by the complex' new owner Kristy Duval after a well on the property failed and she found herself stuck buying, transporting and storing water for residents on the property. Aware that other companies within the area – Altman Plants, HR Machining – also had infrastructure needs, I scheduled a meeting and invited the business owners, city utilities director and city manager, Judge and County Commissioner, and representatives from the various utility providers -CenterPoint, Lee County Water Supply and So On. Dr. Ken Altman and an assistant flew in from California for the meeting, which included 23 people and lasted just one and one-half hours.

The meeting format was set as follows – each person in the room introduced themselves and stated either their problem or their ability resolves a problem (business owner vs utility provider). Once we completed the loop and everyone was oriented, we broke for a 30-minute brainstorming and networking session. The directive – the person who has the problem, connect with the person who can fix it. After 30 minutes, we pulled everyone back together and found that the group had come up with a solution to connect the apartment complex to a city water line. The solution involved bringing a line across the land of another property owner, who also was at the meeting and was amenable to the solution. The line would be connected to the tank, would fill up at night when usage in the city is low and would be available for use until the next evening. Just a little over a year ago, the apartment complex signed an agreement with the city to keep the water lines in place indefinitely. The apartment complex has been operating at full capacity and serves as workforce housing for Altman Plants seasonal workers. The gas line requested by Altman and HR Machining has not yet come to fruition.

Accessible and affordable quality housing continues to be an issue of concern for both Giddings' residents and it is one that the GEDC is working to address and resolve. Most recently, the City and the GEDC approved funds for a professional services contractor to conduct a housing feasibility study. We are hopeful that the information provided in that report will inform us of the direction and action steps that we can take. The GEDC is limited in how we use sales tax funds for affordable housing, however, we believe that a strong report can serve as a marketing tool to attract new, well-capitalized developers to the area.

## WEST END: INFRASTRUCTURE MEETING UPDATE





Mayor John Dowell and the GEDC Executive Director Tonya Britton meet with a representative from the Capital Area Council of Governments (I) and with a volunteer from the International Economic Development Council about the requirements for submitting a Harvey Supplemental Grant with the Federal Economic Development Administration to assist with installation of water lines and other infrastructure to support commercial and industrial development, and affordable housing. The city was short-listed but not selected for the grant due to competition from city's more directly impacted by the hurricane. The city's submission was built around building resiliency.

The IEDC volunteer flew in from Georgia via a Harvey Economic Recovery and Resiliency grant obtained for this project by GEDC Executive Director Tonya Britton.



WHEN TEXANS ARE COST-BURDENED

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Economic growth and population increases will put continuing upward pressure on the state's home prices and rents. If Texas wants to maintain its overall reputation for a low cost of living, state and local policymakers must consider the factors driving price increases —and act on those they can influence.

- 26.4% of Texas homeowners with mortgages are “cost-burdened,” spending >30% of household incomes on house payments, slightly below U.S. level of 28%.
- In addition to mortgage, property taxes also make it more difficult to afford homes.

Texas had the nation's 6<sup>th</sup> highest “effective” property tax rate (the average amount of residential property taxes paid expressed as a percentage of home value —in Texas' case, 1.67%.\*\*

RENTERS are even more likely to be cost-burdened

- 44% of Texas renters and 46.1% of renters in the U.S. spend >30% of household income on rent & utilities.
- A Texan household must earn \$18.38/hour \$38,234/year to afford the state's average fair-market rent of \$956 for a two-bedroom apartment without being cost-burdened.\*\*\* → avg TX renter earns only \$17.89/hr.

[https://comptroller.texas.gov/economy/fiscal-notes/2018/march/housing.php#article\\*\\*](https://comptroller.texas.gov/economy/fiscal-notes/2018/march/housing.php#article**) Tax Foundation analysis, based on 2014 taxes.\*\*\*

Texas State Affordable Housing Corporation.

# Affordable Housing



## USE OF SALES TAX FUNDS

To develop the community and enhance quality of life, a Type B Corporation may fund: sports and athletic facilities, tourism and entertainment facilities, convention facilities and public parks; and related store, restaurant, concession, parking, and transportation facilities related street, water, and sewer facilities; and affordable housing. Affordable Housing has a specific definition according to the US Legal Code

### **Home Ownership: What Qualifies as “Affordable Housing”**

Reference [HTTPS://WWW.LAW.CORNELL.EDU/USCODE/TEXT/42/12745](https://www.law.cornell.edu/uscode/text/42/12745)

**U.S. CODE TITLE 42. THE PUBLIC HEALTH AND WELFARE CHAPTER 130. NATIONAL AFFORDABLE HOUSING SUBCHAPTER II. INVESTMENT IN AFFORDABLE HOUSING PART A. HOME INVESTMENT PARTNERSHIPS SECTION 12745. QUALIFICATION AS AFFORDABLE HOUSING**

#### **IRS – FEDERAL DESIGNATION DEFINING AFFORDABLE HOUSING 42 U.S.C. SECTION 12745**

##### **HOME OWNERSHIP**

Housing that is for homeownership shall qualify as affordable housing under this subchapter only if the housing—

- (1) has an initial purchase price that does not exceed 95 percent of the median purchase price for the area, as determined by the Secretary with such adjustments for differences in structure, including whether the housing is single-family or multifamily, and for new and old housing as the Secretary determines to be appropriate; and
- (2) is the principal residence of an owner whose family qualifies as a low-income family—
  - (A) in the case of a contract to purchase existing housing, at the time of purchase;
  - (B) in the case of a lease-purchase agreement for existing housing or for housing to be constructed, at the time the agreement is signed; or
  - (C) in the case of a contract to purchase housing to be constructed, at the time the contract is signed; and
- (3) is subject to resale restrictions that are established by the participating jurisdiction and determined by the Secretary to be appropriate to—
  - (A) allow for subsequent purchase of the property only by persons who meet the qualifications specified under paragraph (2), at a price which will—
    - (i) provide the owner with a fair return on investment, including any improvements, and
    - (ii) ensure that the housing will remain affordable to a reasonable range of low-income homebuyers; or
  - (B) recapture the investment provided under this subchapter in order to assist other persons in accordance with the requirements of this subchapter, except where there are no net proceeds or where the net proceeds are insufficient to repay the full amount of the assistance; and
- (4) if newly constructed, meets the energy efficiency standards promulgated by the Secretary in accordance with section 12709 of this title.

(Pub. L. 101–625, title II, § 215, Nov. 28, 1990, 104 Stat. 4101; Pub. L. 102–550, title II, §§ 208, 209, Oct. 28, 1992, 106 Stat. 3754; Pub. L. 103–233, title II, § 203, Apr. 11, 1994, 108 Stat. 364; Pub. L. 105–276, title V, § 599B(b), Oct. 21, 1998, 112 Stat. 2660; Pub. L. 106–569, title IX, § 904, Dec. 27, 2000, 114 Stat. 3027.)

### **Calculating the Median Purchase Price of Housing in Giddings Area**

**Criteria #1:** The median list price of a single family home in Giddings as of August 2020 was approximately \$244,400. To qualify as Affordable Housing, the initial purchase price cannot exceed the median purchase price of the area. Assuming that the median purchase price is equal to the median list price, the initial purchase price of a house cannot exceed \$232,180. Refer to graphic below



### What Qualifies as “Low Income”?

**Criteria #2:** The Area Median Income (AMI) is the income amount that divides a population into two equal groups, half having an income above that amount, and half having an income below that amount. Calculating the average, median, mean and mode are ways of understanding income distribution.

Households earning less than 80 percent of an AMI are considered low-income. In Giddings, the Area Median Income is approximately \$45,000. Those with an annual household income of 80% of the AMI meet the qualifications for a Low Income Family. In Giddings, that amount is \$36,000. Giddings has a poverty rate of 23%, which impacts the Area Median Income. Those earning less than 50 percent are considered very low-income. Anyone making less than 30 percent of AMI is considered extremely low-income. NOTE: Annually, HUD determines the AMI for region's across the country, as established by County. The Lee County AMI is significantly higher than the Giddings AMI.

**Reference:** <https://www.census.gov/quickfacts/fact/table/giddingscitytexas#>

### How To Calculate “Low Income Household” for the City of Giddings

#### STEPS IN CALCULATING LOW INCOME HOUSEHOLD

1. Identify Census Tract
2. Establish Median Household Income for the Census Tract
3. Calculate 80% of the Median Household Income

*Giddings is located in Census Tract 4. The Annual Median Household Income for the Census Tract 4 is approximately \$45,000. Those making 80% of the median household income are considered “low income.”*

*Calculate      80% OF \$45,000 is \$36,000*

*Those with a household income of \$36,000 or less are considered “low income.”*

**Reference:** <https://www.census.gov/quickfacts/fact/table/giddingscitytexas/IPE120219>

#### City of Giddings is in Census Tract 4.

<http://www.usboundary.com/Areas/Census%20Tract/Texas/Lee%20County/Census%20Tract%204/495894#Data>

Subject	Value
Name	Census Tract 4
County	Lee County
State	Texas
Area (square miles)	27.99
Land Area (square miles)	27.82
Water Area (square miles)	0.17
% of Land Area	99.38
% of Water Area	0.62
Latitude of the Internal Point	30.1822497
Longitude of the Internal Point	-96.9284311
Total Population	6,052
Total Housing Units	2,272
Total Households	1,950
Median Age	32.3



Affordable Housing



GIDDINGS – CALCULATING AFFORDABLE HOME OWNERSHIP

## How To Calculate “Affordable Home Ownership”

**Reference:** <https://www.investopedia.com/articles/mortgages-real-estate/10/affordable-housing.asp>

### Rent

For affordable rent, calculate 30% of the median income in your area. This is your expected gross income per affordable rental unit.

### Home Ownership

Most banks and financial advisors suggest that a family should spend no more than 30-35% of annual household income on housing. For affordable homeownership, a family should spend no more than 35% of household income for principal, interest, property tax, homeowner insurance, and utilities.

### Affordable Home Ownership for Low Income Families

Based on the recommendation above, to be considered Affordable Housing for Low Income Families, calculate 35% of 80% of the median household income. For Census Tract 4:

Annual Median Household Income	\$45,000	
80% of Median Household Income	\$36,000	This is the threshold for “Low Family Household Income”
35% of \$36,000	\$12,600	(or) 30% of \$36,000 \$10,800

**BASED ON THE CALCULATIONS ABOVE** To be considered “Affordable Housing” for “Low Income Families” and to meet the eligibility requirements for infrastructure funding by the GEDC, the total of - annual principal, interest, property tax, homeowner insurance, and utilities - should not exceed \$12,600 annually.

A banking or mortgage professional can help determine the sell price for a 20 year and a 30 year mortgage based on 20% down with current interest rates, plus average cost of utilities and taxes for a home built at X sq ft within the City.

### EDITORS NOTE:

1. The down payment is generally considered a term of the loan and is not used in the formula to calculate whether a single family home meets the “affordable housing” requirement.
2. The calculations and data points herein are interpretations based on currently available information and standard accepted practices, and are not legally binding, but rather should be viewed as educational examples designed to further an understanding of the legal framework surrounding the use of sales tax funds for affordable housing.

# Affordable Housing



**From:** FISCHER LANGHAM [REDACTED]  
**Sent:** Tuesday, January 30, 2018 1:44 PM  
**To:** EDC Director <[edcdirrector@giddingsedc.com](mailto:edcdirrector@giddingsedc.com)>  
**Subject:** Re: Creative Financing Options for Housing Developments

Thanks for the info

On 1/29/2018 5:00 PM, EDC Director wrote:

Please take a look at the following programs/ options for creative financing to assist with housing development. One or more of these programs can be cobbled together, along with owner's equity and GEDC incentives to help make your project economically feasible.

#### **1. Municipal Utility District (MUD)**

A municipal utility district is a special-purpose district or other jurisdiction that provides services (such as electricity, natural gas, sewage treatment, waste collection/management, wholesale telecommunications, water) to district residents.

Understanding MUD's

<http://www.austin-texas.gov/edms/document.cfm?id=227010>

#### **2. Tax Increment Financing (TIF)**

Tax Increment Financing (TIF) is an economic development tool that uses the projected rise in property tax value within the TIF Zone to finance specific infrastructure and/or development improvements. Increased revenue from the rise in property taxes is deposited into a locally-created TIF fund which is used to repay infrastructure improvements or may be used to reimburse developers for specific costs. Tax Increment Financing is governed by Chapter 311 of the Texas Tax Code.

Municipalities can use one or more of the following options to finance TIF projects: • Pay-as-you-go financing; • Developer financing; • Municipal financing - Revenue bonds - General obligation bonds and • Municipal financing with developer participation

What Elected Officials Need to Know about TIFs

<http://www.gfba.org/sites/default/files/EOGTIF.pdf>

Case Study: Waco, Texas

<http://www.waco-texas.com/economic-development/tif-guidelines.asp>

Case Study: Richardson, Texas

<http://www.telecomcorridor.com/site-selection/tax-increment-finance-zone-1>

#### **3. Residential Tax Abatement**

Tax abatement programs reduce or eliminate the amount of property tax owners pay on new construction, rehabilitation and/or major improvements. They won't completely eliminate your property tax bill - you'll still have to pay taxes on the value of the property before it was improved. But the savings can be substantial. City may offer residential tax abatement as a stimulus for economic development. The city could make residential tax abatement available to new structures and to the modernization of existing structures.

Case Study: Sherman, Texas

<https://www.ci.sherman.tx.us/119Residential-Tax-Abatements>

Case Study: Waco, Texas

<http://www.waco-texas.com/housing-incentives.asp>

Freddie Mac: Understanding Tax Abatements

[http://www.freddiemac.com/multifamily/resources/tax\\_abatements.pdf](http://www.freddiemac.com/multifamily/resources/tax_abatements.pdf)

#### **4. Private Activity Bonds**

Texas State Affordable Housing Corporation for Housing in Rural Markets

<http://www.tshc.org/developers-property-managers>

<http://www.tshc.org/developers-property-managers/tax-exempt-bonds>

#### **5. OTHER OPTIONS**

Texas Homeownership Division

<http://www.tdhca.state.tx.us/developers.htm>

My First Texas Home ("MFTH")

The My First Texas Home program offers mortgage loans at 30-year, fixed interest rates and down payment and/or closing cost assistance.

Texas Mortgage Credit Certificate Program

Get tax credits up to \$2,000 per year based on the annual interest paid on a mortgage loan.

Texas Homebuyer U

Texas Homebuyer U is a free online tool designed to satisfy the homebuyer education requirement for TDHCA's First Time Homebuyer programs. TX HBU offers two courses: One is a comprehensive pre- and post-purchase tutorial which satisfies the education requirement for TDHCA's first time homebuyer programs; the other is an introductory course to its Texas Mortgage Credit Certificate ("TX MCC") Program.

Texas Statewide Homebuyer Education Program (TSHEP)

Texas Statewide Homebuyer Education Program (TSHEP) is designed to work with local nonprofit organizations to teach the principles and applications of comprehensive pre- and post purchase homebuyer education, and to certify participants as homebuyer education providers.

Housing Option for Texas Communities

[http://www.tdhca.state.tx.us/affordable-housing/docs/Housing\\_Options\\_Web.pdf](http://www.tdhca.state.tx.us/affordable-housing/docs/Housing_Options_Web.pdf)

Multi-Family Competitive Housing Tax Credits

<http://www.tdhca.state.tx.us/multifamily/housing-tax-credits-9ptct/index.htm>

Multifamily Bond Program

<http://www.tdhca.state.tx.us/multifamily/bondindex.htm>

Tonya Britton, IOM, PCED

Executive Director

Giddings Economic Development Corporation

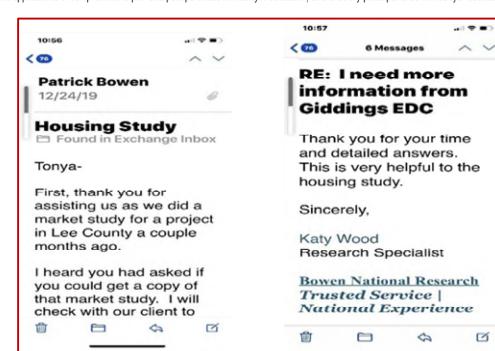
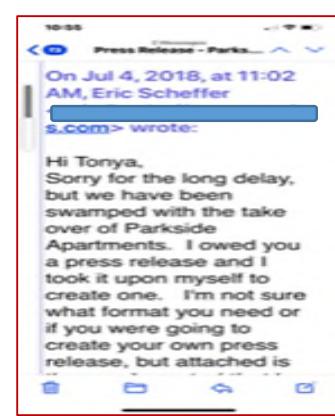
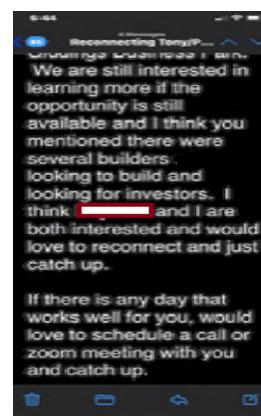
Giddings, Texas 78942

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Physical Address: 974 East Austin Street (Hwy 790)



# Community Projects



## VETERANS HONOR PARK PROJECT

*Statement from GEDC Executive Director Tonya Britton, Veteran, U.S. Army (Airborne) and Founding Member, Veterans Honor Project Exploratory committee and Board Member Lee County Veterans Association*

*"The Giddings Economic Development Corporation Board and I will always be proud of our role in initiating and launching the Veterans Honor Park Project located at Veterans Park in the city of Giddings. Our provision of start-up funding, land, and our work toiling tirelessly behind the scenes to bring vision to fruition will always serve as the project's foundation. In typical fashion, it is this "behind the scenes" effort that is common for those who practice in the field of economic development. Our profession lends itself to staff and leaders who have the patience and tenacity to stick with a project for months and sometimes years, sight unseen, until the project is fortified enough that we can hand it over to those who will carry the ball across the goal line.*

*In 2016, we made the hand-off to a group of volunteers to fund-raise and coordinate the construction and engineering. After four years, the ball is now at the ten-yard line. As with many projects in which we invest, this project can now only be brought to completion through the support, funding, and cooperative efforts of others. We applaud those community volunteers and corporate sponsors who have stepped up to the plate to bring the project home. Congratulations and Thank you!*

**July 28, 2014** – City of Giddings accepts \$15,297 and 2.556 acres from private parties “for the benefit of Giddings Economic Development” in exchange for 1.057 acres. The 1.057 acres sold to the Landiss group by the city comprises a strip of land that fronts Highway 290. Don Miller owns the adjacent tract of land, which is later sold for the Starbucks Development. In 2015, at the request of GEDC Executive Director, the 2.556 acres is set aside for the Lee County Veterans Association Honor Park Project.

Minutes of City Council Meeting dated July 28, 2014



*Mayor Pro Tem Fred Jones moved to approve the City of Giddings selling to Jimmie Luecke, Randy Stewart, and William Landiss 1.057 acres of land pursuant to Texas Local Government Code Section 272.001 in exchange for Jimmie Luecke, Randy Stewart, and William Landiss deeding the City of Giddings 2.556 acres of land and paying to the City of Giddings for the benefit of the Giddings Economic Development the sum of \$15,297.00 and authorizing the mayor to sign the deed and any other necessary documents at the closing when the payment is received. The motion was seconded by Council Member Doug Gaeke.*

*Council Member Joel Lopez moved to amend the last motion to read, to approve the City of Giddings selling to Jimmie Luecke, Randy Stewart, and William Landiss 1.057 acres of land pursuant to Texas Local Government Code Section 272.001 in exchange for Jimmie Luecke, Randy Stewart, and William Landiss deeding the City of Giddings 2.556 acres of land and paying to the City of Giddings for the benefit of the Giddings Economic Development the sum of \$15,297.00 and authorizing the mayor to sign the deed and any other necessary documents at the closing when the payment is received with wording in the deed to include ingress and egress. The motion was seconded by Council Member Doug Gaeke.*

*Motion carried by the following vote: AYE: four NAY: none*

**Spring 2015** – American Legion member Carroll Smith approaches GEDC Director Tonya Britton to inquire about funding to purchase 5 trees for the existing Veterans Park. The American Legion hopes to purchase a tree for each branch of service to replace trees dying of Oak Wilt. Britton explains that general beautification is not an authorized use and offers to pursue other grant funding through – Texas Parks and Wildlife, or other organization. During the discussion, Smith indicates that he has always hoped to see a Vietnam Veterans Memorial in Giddings.

Also a military veteran, Britton grows excited about the possibility of leveraging the Veterans Park Property and recognizes that a veterans honor project – not limited to the Vietnam-era veterans – could benefit Giddings as it has other communities, while also providing veterans and their families a place to celebrate and acknowledge their service to our nation. Britton speaks with Mayor John Dowell about the idea of using the 2.556 acres for the Honor Park project. **Mayor Dowell concurs and provides the green light to set up an exploratory committee.** He selects City Secretary Jessica Graefe to assist with research and advocacy.

To ensure that the project remains in compliance with the requirement that the land be used for an “economic benefit” while meeting the needs of fellow veterans, Britton explores ways to leverage uses for the park such as including walking trails and adding an amphitheater, along with monuments honoring veterans and their families. Britton reaches out to Alan Smith to identify other needs that could be met within the property. Smith indicates that local veterans’ groups could use a public meeting space to host small to medium sized events and ceremonies.

Giddings City Secretary agrees to serve as Chair, while Britton serves as organization secretary. Britton’s role develops to include securing approvals for use of the land, facilitating the design process, procuring additional resources, covering start-up costs (i.e., landscape design plans), and ensuring that the project remains on track and legally compliant. Eventually Rusty Scholl is added to the fledgling board as the Vice Chair. The Treasurer role remains unfilled until after Britton’s departure in late 2016.

**May 15, 2015**– Mayor John Dowell, City Secretary Jessica Graefe, Carroll Smith, and GEDC Executive Director Tonya Britton visit the City of Smithville to meet with the City Manager and Grant Writer, as well as tour the city’s veterans’ memorial park/ monument.

**May to August 2015** – Graefe researches policies and procedures; Britton researches best practices in veterans park design. GEDC hosts exploratory meetings at GEDC office to establish project parameters and a plan of action.



**The exploratory committee meets at the GEDC office to review the proposed development plan.**

The Exploratory Committee comprising Tonya Britton (GEDC), City Secretary Jessica Graefe, Councilman Joel Lopez, Tim Walthers, Citizens State Bank and American Legion Members Rusty Scholl, Carroll Smith, Horace Forack .

Britton later invites GEDC client Jacob Janda to participate in the project to help address technical needs relating to monument inscription and design. Mayor John Dowell serves as an Honorary Member of the Exploratory Committee.

Through multiple brainstorming sessions, the following considerations were identified

- *For veterans and community members, the project's purpose is to honor those who have served or continue to serve in one of the branches of the U.S. military. The project is to be more than a "typical" veterans memorial*
- *To serve as an economic benefit to the city, project must include more than monuments. Project needs to be inclusive of space designed to attract locals, as well as visitors, to provide opportunities for entertainment, to attract revenue to the city, to encourage a continuous flow of visitors to the site so to reduce the probability of vandalism and neglect.*
- *Project must present opportunities for outdoor recreation for adults as an accompaniment to ballfields, swimming pools and other activities already available for minors, i.e. a walking trail along the edge of the 2 ½ acre property*
- *Project needs to reduce blight and serve to beautify the area – native grasses, drought resistant plantings located along and near the walking trail can serve the purpose of beautification and recreation for gardeners and master naturalists*
- *Project needs to be sustainable and self-sustaining over time.*
- *Project must have a local vendor that can provide on-site stenciling to support the addition of new veterans, and to assist with replacement tiles*
- *Monuments must be designed to allow for replacement of granite tiles in the event of vandalism or typographical errors (i.e. a single Vietnam War style wall will not work)*

**June 5, 2020** – Jessica Graefe provides Carroll Smith with a draft plan to present to the American Legion

**July 8, 2015** – GEDC Director Britton provides Jessica Graefe with list of certified grant writers who can help ensure the development plan includes required elements that can facilitate rather than eliminate access to future grant and foundation funding. Graefe connects with grant writer to learn about funding opportunities and requirements.

**July 13, 2015** – GEDC Director Britton provides first official report about the proposed project to the GEDC Board. No action is taken; however, board feedback about the project is overwhelmingly positive.

#### Minutes of GEDC Board Meeting dated July 13, 2015

*GEDC is spearheading Veterans Memorial project with assistance from City Administrators and American Legion. Project is in the early planning stages.*

**Summer 2015** – GEDC Executive Director Britton completes Master Naturalist program to learn how to manage the native plant installation for project's walking trail.

**Summer 2015** – Chair Jessica Graefe researches non-profit policies, by-laws, etc. to move project forward

**August 7, 2015** – *GEDC Executive Director Tonya Britton drafts a sketch and creates outline of project for presentation to City Council. This sketch later serves as the basis of the development of the formal plan for the development of the Veterans Honor Park Project later created by Glasco Landscaping at the behest of the Giddings Economic Development Corporation*

**August 10, 2015** – GEDC Board approves funding for design plan. Britton follows up with landscape designer.

**Minutes of GEDC Board meeting dated August 10, 2015**

*Angie Brown made a motion to grant a one-time economic incentive payment of \$4,000 to cover the cost of the design plan by Glasco Landscaping for the Veterans Memorial Park Project. Larry Orsag seconded the motion. Motion carried by the following vote: AYE: Five; NAY: NONE. Expenditure is contingent upon Veterans Memorial Park Project receiving approval from City Council for use of the land and to move forward with the project.*

**August 10, 2015** – GEDC Executive Director presents draft proposal of the Veterans Honor Wall Project to City Council for approval to move forward with requests for use of funds and resources. Council approves project.  
**Refer to Agenda & Minutes for City Council dated August 10, 2015**

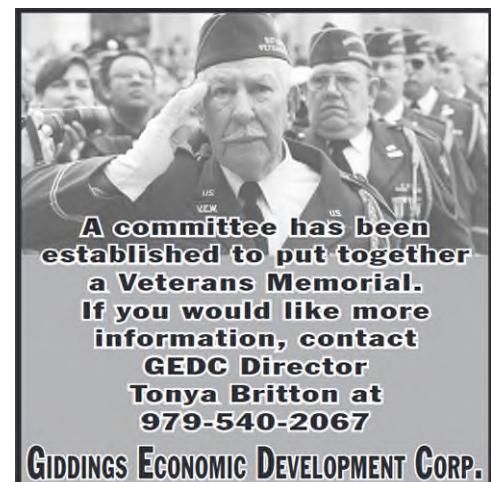
*Shown below: Initial sketch by Tonya Britton, as presented to City Council. This vision would serve as the foundation of the design plan completed by Glasco Landscaping (and funded by the GEDC)*



**August 13, 2015** – Chair Jessica Graefe moves forward to set up meeting with City of Giddings Parks Board to describe project and identify constraints to development. GEDC Executive Director Tonya Britton informs Jessica she may not be able to make meeting and mentions that she is busy working on a Bluebonnet Grant. This issue will arise again in the Fall and in Spring 2016.

**August 25, 2015** – GEDC places and funds ad in newspaper seeking additional committee members.

**September 3, 2015** – Chair Jessica Graefe schedules meeting with Giddings Parks Board to discuss project design and engineering.



**October 14, 2015** – GEDC Board of Directors votes to provide Jacob Janda funding to purchase mobile engraving equipment. Funds will improve business performance and will provide Veterans Honor Wall project with local vendor capable of providing granite inscription for monuments and pavers. This addition to Janda's business is key to ensuring the success of the project. Refer to Janda application for assistance.

**Minutes of GEDC Board Meeting dated October 14, 2015**

*Angie Brown made a motion to provide a one-time economic incentive grant of \$5,000 to Jacob Janda, Janda Monument Company, for equipment purchase and workforce training, to facilitate expansion and introduction of new product lines.*

**Janda Monument Company submits a second application for assistance to construct a new facility. The application, dated January 30, 2019, includes the following report:**

*Janda Monument Company was awarded the contract with The Lee County Veterans Association to serve as the monument company to make the large monument and the veteran's wall. The monument(s) will include the names of Lee County veterans who have served in the US military. The automated stencil plotter will save substantial time and money in the implementation of this part of the project. The project also includes granite pavers that families can purchase to engrave their loved ones' branch of service, military rank, medals they earned, etc. These granite pavers will be installed in place before they are engraved, therefore a stencil will need to be used on site. Rather than hiring a 3<sup>rd</sup> party to make the stencils or making themselves by hand, with the right equipment, Jacob will be able to make the stencils for this project in-house.*

**October 15, 2015** – Chair Jessica Graefe informs the team that she has accepted a job as the Secretary for Lee County Judge and will be departing the city on October 16, 2015. The team invites Jessica to remain on the project.

**December 15, 2015 - January 2016** – Founding Board Members and Exploratory Committee  
**Jessica Graefe, President/Chair, Rusty Scholl, Vice-Chair and Tonya Britton, Secretary, with Mayor John Dowell as honorary member, serve as the founding board members of the Lee County Veterans Association.** The group invites additional participants to attend exploratory meetings. Participants include Joel Lopez; Tim Walther; and Jacob Janda, Alan Smith, and Carroll Smith, as well as a few interested parties from the American Legion who occasionally attend brain-storming sessions.

**January 11, 2016** – GEDC Executive Director provides status update to GEDC board on Veterans Park project  
Minutes of GEDC Board Meeting dates January 11, 2016

**February 3, 2016** The new veteran's association board meets and discusses establishing 501(c)3 and opening bank account

**Mid-February** – Britton meets with Sarah Berryhill, Glasco Landscaping, and secures initial cost estimate for Phase I development of Veterans Honor Park Project

**February 19, 2016** Sara Berryhill finalizes landscape plan. Britton speaks with Joel Lopez regarding concerns about fundraising during oil and gas downturn. Lopez speaks to Carroll Smith about the prudence of delaying fundraising.

**February 22, 2016** – Sara Berryhill presents final landscape plan to City Council for approval. GEDC provides funding and retains right to approve the plan. A copy of the plan can be viewed at on the GEDC website



**Launched!** Members of the exploratory committee gather at the Giddings Economic Development Corporation office where they are provided a 'look-see' at the new Veterans Honor Park plan, which was transformed from a sketch on a notepad into an artist's professional rendering. January 2016

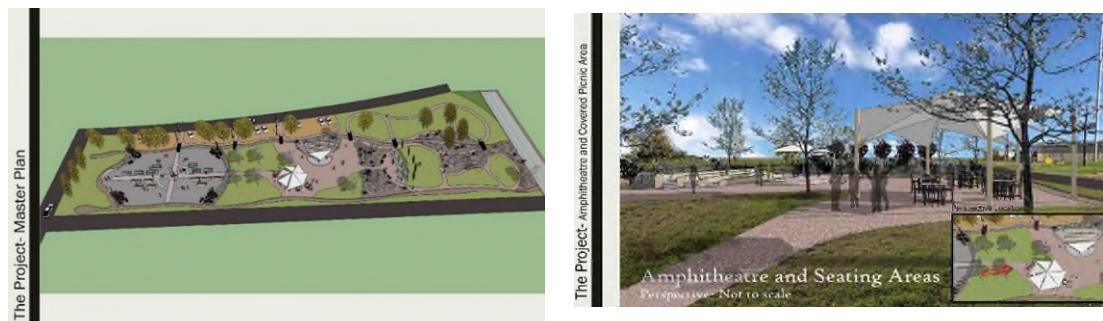
**February – April 2017 Follow up meeting with the exploratory committee and consultants**

**March/ April 2017 Project given formal approval to move forward as City of Giddings inks lease with the newly formed Lee County Veterans Association for use of the 2.556 acre property for the Veterans Honor Project.**

**Fall 2019 – Spring 2020 – Veterans Honor Park Project Breaks Ground!**



*NOTE: The GEDC retains copyright ownership over the design plan*





**1997 - Original intent of contracts is to reimburse GEDC sales tax funds investment of \$343,911**

**2015 - Remaining loan amount of \$70,000 written off as grant**

#### Considerations

- Airport is vital community infrastructure
- Tenant lease payments proposed to achieve reimbursement have not been realized
- New contract for GEDC, Airport Board, City of Giddings and Lee County: To allow hangar rental funds continue to repay GEDC after April 2013 until original intent of full reimbursement is met

#### GEDC Airport Hangar Note Information

Beginning Note Balance 12-23-97	\$343,911.00
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Rate of Interest	6.5%
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Monthly Payment	\$ 2,995.83
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Prepayment Penalty	None
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#### Airport Board Repayment Information

As per Clifton Wachsmann

Note Payable to GEDC	\$343,911.00
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Total Repaid	\$273,911.00 (approximate)
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Unpaid Balance	\$70,000 (approximate) - Written Off as Grant
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#### Airport Hangar Project Information

- Built to improve airport & increase airport services, create jobs & enhance community
- Cooperative effort of City, County, Airport Board and GEDC
- Contract intent to repay \$343,911 in full to GEDC through hangar rental income
- First lease contract (1998) scheduled full repayment within 13 years from contract date
- First lease ended in 2004
- Subsequent leases have paid minimal rent
- GEDC & Airport Board have marketed rental of hangar

#### Airport Hangar Contract – Airport Board & GEDC

- April 1997 – April 2013
- **Calls for payment of all hangar lease revenue be paid to GEDC until April 2013 or until GEDC receives full reimbursement of \$343,911, whichever occurs first**
- Airport improvements are property of Airport Board, City of Giddings and Lee County

## GIDDINGS/LEE COUNTY AIRPORT HANGAR PROJECT

As Reported to GEDC Board and recorded in Meeting Minutes

- **Aug. 1996:** County & City begin research of grants for improvements at airport
- **1996-1997:** GEDC Annual Plan of work includes Airport Development Project
- **Oct. 1996:** Jim Bunch – GEDC Board previously agreed to access a \$200,000 loan for the Airport Board and to subsidize the first year's payments. City, County and Airport Board have pledged money towards the project
- **Feb. 1997:** Jim Bunch – positive report on progress at airport... presented plans on airport improvements...construction expected to begin in May... sky diving operation is interested in locating at the airport
- **March/April 1997:** "\$40,000 loan requested from skydiving operation for airport facility improvements
- **May 1997:** Loan approved for \$47,500 for sky diving operation / airport improvements
- **June 1997:** Sky Diving operation requested \$74,000 loan to upgrade existing hangar... discussed pros and cons of improvements to old hangar vs. building new facility...requested bids n new construction
- **June 1997:** Loans approved to Sky Diving operation for \$72,000...\$70,000 for 50x60 sq. ft. building @ 8.50% 20 year with "call feature" after five years... \$12,000 loan for equipment at completion of the building... contract w/GEDC with able to purchase facility not to exceed original loan amount in event of dissolution or end of contract
- **Sept. 1997:** Report that construction @ Airport had begun
- **Nov. 1997:** Larry Orsag – presented the need for more money to continue the project \$350,000. Requested EDC to participate in the funding of this note at the Round Top State Bank. The amount is more than what the EDC board agreed to in the beginning. Mr. Orsag stated that the airport Board will help in the payments but at the present time need their surplus money for emergencies. Initially, note payments will be the responsibility of the EDC.
- **Nov. 1997:** Doug Jatzlau – requested EDC borrow \$343,922 to fund the Terminal / Maintenance facility at the airport. He stated that originally the EDC had been requested to borrow \$200,000 but that bids for the project had come in much higher than anticipated to construct the facility. He stated that construction had begun and the board would hate to see the project come to a standstill because of lack of funding. Stated that Airport had \$44,504.44 in its operating account and current operating expenses were around \$1200 per month. The major source of income for the airport has been oil well revenue. GEDC requested written document of the intent of the airport board and the EDC so no further misunderstanding on the amount of the loan occur in the future. Larry Orsag stated he hoped the EDC and airport board will always have a good working relationship.
- **Dec. 1997:** Written agreement EDC & Airport Board reviewed. It was discussed that any grant money obtained needs to be applied to the principal of the loan.
- **Feb. 1998:** Larry Orsag reported on project – should be completed within a few weeks (100x100 sq. ft. hangar & airport terminal) reported on prospective company to manage FBO.
- **March 1998:** Reported that negotiations began with BATS and that City had \$34,000 grant to offset cost of Terminal
- **April 1998:** BATS still under negotiations...almost everything finished... furniture ordered...opening scheduled 6/26.
- **May 1998:** 10-year lease signed with David & Don Johnson to operate the airport.
- **GEDC Annual Report 1996-1997:** "Began and completed construction on the new Giddings-Lee County airport Terminal and maintenance facility. Assisted the Airport Board in negotiations with BAT Systems, Inc. for a 10-year management contract on the new facility. This company is expected to create 10-15 jobs within two years. Coordinated the grand opening of the facility. The construction of this facility enabled the city to apply for a TDOT-Aviation grant for half the cost of the terminal portion of the facility. This grant was funded in May and the City received approximately \$32,000. This money will be spent toward future expansion and improvements at the airport. The GEDC is currently working with the Airport Board and FBO on an Airport Master Plan which will be completed in the next few weeks.
- **2004:** BATS leaves

## A Case Study in Crisis Response



### FIRE, FLOODS, TORNADOES, A PANDEMIC, OH MY!



Long before Covid, I've understood that the GEDC has a central role to play when a community is in crisis. Having worked with other communities through floods, fires and hurricanes, and witnessed the economic role of civil affairs military units in developing countries across the world, I'm acutely aware of how quickly a temporary crisis can devolve into an unrecoverable disaster.

As the former Director of an American Heart Association Community Training Center and a Red Cross Disaster Volunteer, I've heard the stories and seen the faces of people whose lives were fine one moment and then devastated by a situation that would have been just a miserable inconvenience had they planned properly or been provided supportive resources. As a young adult, I chose to delay starting a new job to help at the family business after my father had a heart attack and heart surgery put him out of commission for a month or more.

The sad fact is that a business does not need to have its doors closed for long before it finds itself incapable of making a comeback. The numbers would astound most people. Following a disaster, 90% of smaller companies fail within a year unless they can resume operations within 5 days. Meanwhile, 20% of larger companies spend over 10 days per month on their continuity plans. 1 in 5 companies spend no time maintaining their plan.

Unfortunately, disaster preparedness is not an issue that many, other than perhaps those who work in the field, want to consider. As such, I have been trying for years to keep the issue front in center in my mind, if not in the minds of our businesses. I hold a Community Emergency Response Team (CERT) certificate and I have participated in Bastrop County's business resiliency workshops. I run advertisements in the Giddings Times and News every spring with the goal of promoting our role in helping companies with disaster preparedness, and I've attempted to stay in touch and in tune with resiliency and recovery financing opportunities, whether it be the Harvey Supplemental Grant for which we were short-listed, other EDA opportunities, and/or regional programming offered by a university or non-profit organization.

This spring, upon learning about the **IC<sup>2</sup> Institute's Pandemic Recovery Project**, I applied, and our organization was accepted as a participant. As a result of that effort, we are in possession of a survey completed by 129 area residents that includes data on how COVID-19 has impacted them. (You can review the survey results on the GEDC website). This year when the pandemic struck, we were as close to being ready to launch a response as one could get, given the scope and highly unusual nature of a global pandemic. I had already begun planning for the rise of the remote workforce last Fall after attending a United Nations Conference where I learned how rural communities in other states are creating job opportunities by teaching communities how to work remotely. I had planned to launch a remote worker training program this spring. Then COVID hit and we needed to act fast.

**From:** Laurel Farrer <[remote@...](mailto:remote@...)>  
**Sent:** Thursday, September 5, 2019 10:49 AM  
**To:** EDC Director <[edcdirector@giddingsdc.com](mailto:edcdirector@giddingsdc.com)>; Russell Goodrich <[Russell...@...](mailto:Russell...@...)> Emry Swadley <[emry...@...](mailto:emry...@...)>  
**Subject:** September Cohort Addition

Russell and Emry,

I think you all already met at the UN conference, but I'm connecting you here with Tonya who will be moving forward with opening a chapter of ROI in Giddings, TX. I know that the deadline has already passed, but is there any way to get her plugged in to the September course? If not, we'll need to wait until November.

Tonya, thanks again for a great call today! Russell and Emry will take you from here. In the meantime, I hope you enjoy the course. Then I'll see you again at the end of the course to discuss next steps with you and Russell.

Best,  
Laurel

--  
**Laurel Farrer**  
Remote Work Consultant

**On March 16, 2020, five full days before the state's forced closures of local businesses, I launched the Giddings Economic Development - Covid-19- Business Information Center Facebook Group.** By the time the forced closures took place, we already had 400 members and followers from across the country. Today, the number in our group sits at a little over 700 (as compared to the almost 1,600 on our regular FB page and the 60 in our Veterans Group)

For an intense three months, this group became both a communication and data aggregation tool, with posts tagged to specific topics for referral at a late date and so that I could easily access and track postings, legal briefs, declarations and other important information. Recognizing that I was personally a stranger to many members of the group, I also reserved one day a week, usually Saturday, to post photos of my life, my garden, my dog, and a weekly wave to our followers, "How is everyone doing out there? How can we help?" I seized that moment to humanize the person behind the "ECONOMIC DEVELOPMENT CORPORATION" brand and as an opportunity to encourage those who might be suffering to reach out, to let them know that not only do we care about their business, but that someone "in government" cares about them as people too. And reach out they did. From mid-March to mid-June, I received and responded to text messages, FB messages, and phone calls from 6am until 12midnight. Occasionally, I would awaken in the middle of the night to find an SOS waiting in my inbox. I spent hours on the phone and answered messages and phone calls no matter what hour they arrived. I did not own a business during the pandemic and my family is financially secure so I can only empathize with what our clients were facing, but I knew that I did not want someone lying awake all night worrying about feeding their children or paying their employees if I could find an answer that would help ease their pain and stem the tide of fear sweeping across our business community.

A lot of the small businesses that I heard from were teetering on the edge of permanent closure. What they really needed, as much as anything else, was hope and the belief that they had a fighting chance.

## U.S. Food Supply Chain



**The pandemic is causing disruptions to food and agriculture supply chains around the world, including in Texas. Foods that indicate disruption most: beef, milk, eggs, potatoes, leafy greens & other produce.**



Food flows between counties in the United States.

Xiaowen Lin, Paul Ruess, Landon Marston and Megan Konar. Published 26 July 2019.



<https://afpc.tamu.edu/research/publications/files/698/RR-20-01.pdf>

Over 36 million Americans are now unemployed, and food insecurity—which affected one in six Americans before COVID-19—will likely increase. Yet farmers say getting food into the hands of those who need it most is exceptionally difficult and often beyond their control. – National Geographic's interviews.

© 2020 IC<sup>2</sup> Institute, The University of Texas at Austin

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I made referrals to food banks, domestic abuse shelters, regulatory agencies, homeless shelters, and of course to the Texas Workforce Commission, Workforce Solutions, the SBDC, the SBA and the SPCA. During this time, I also planted a Co-Victory Garden so that I could share homegrown food (supplemented with donations and items from the food bank) with the nurse aides, clerks, and other front line service workers who suddenly found themselves testing positive and quarantined, unpaid, uninsured and overwhelmed.

It was a small effort during a difficult time, but I hoped that their knowing that someone has grown food just for them would be a show of support and a sign of authenticity that cannot be replicated, and our business, the business of economic development, is 100% fueled by trust.

I also communicated with the public via recorded radio interviews that were posted on air and linked onto our webpage and in our FB group (thanks KGID!) , through postings on our webpage, and through platforms such as GoToMeetings and Zoom. We put ads in the newspaper and articles were written about our activities (thanks Giddings Times & News!)

We were simultaneously managing the Downtown Strategic Planning Grant and the Pandemic Response Project so there were ads running in the newspaper and on FB about those initiatives too. The pandemic made soliciting information for the planning grant a little cumbersome, but the upside was that it was a clear message to the community that there will be an “after-covid” and that we are already planning for it. “There’s hope. Don’t give up.”

In between communicating with clients, I spent hours sorting through and trying to absorb the massive amount of information that was coming at us from all directions. I reached out to industry contacts from Austin to Washington D.C. I searched high and low for alternative sources of funding, for clarification on labor laws, and for other valuable tidbits so that I could provide guidance and support to our clients. And I relied on our clients to relay information about the experiences they were having with the workforce commission, shared work program, employer unemployment insurance, with their employers, with their employees.

As I wasn’t running a business during the pandemic, I couldn’t see what was happening on the other side of the wall so I relied on business owners to inform me about what happens with unemployment insurance requests when you finally break through after an hours’ long wait time. This outreach became valuable as information was passed around from our organization to clients, from clients to our organization and back to other clients.

Throughout the first 30 days of the pandemic, I also solicited approval to provide emergency retention funds for our small businesses who experienced forced closures and substantially restricted operations. I implored the board to set a policy for distribution of funds that was driven by need and not limited by an arbitrary number about job creation or capital investment. I had one goal and that was to come out of this pandemic with as many businesses intact as we had going into it.

**I was relieved and pleased when Council and the GEDC board allocated up to \$120,000 in relief funds for our small businesses, another \$30,000 for our healthcare providers for PPE and staff training.**

Another \$50,000 was provided to Zochnet to expedite the installation of broadband to support remote workers. Evidently that was a stellar use of funds as Zochnet has more than doubled its workforce since December 2019 to present, going from 26 to 55 employees. To support their hiring and training efforts, I connected the company with a representative from the Texas Workforce Commission/ Workforce Solutions to learn about programs that would reimburse for new hire wages and training.

Prior to distribution of funds, I sought and received our attorney’s opinion, GEDC Board and City Council approval and the affirmation of the CEO of the Texas Economic Development Council. While not a legal entity, the TEDC hosts and conducts the annual sales tax workshops so I believe that we have our bases covered.

What City Council may also remember, but most citizens do not yet know, is how our organization and the City under Mayor John Dowell’s leadership stepped out on a long and narrow limb by authorizing an expenditure of \$15,000 to be paid up front to a recommended vendor to secure a shipment of PPE.

News Break > 📸 Texas State > 📸 Giddings > living > **GIDDINGS EDC TO PROVIDE AID FOR LOCAL BU...**

## GIDDINGS EDC TO PROVIDE AID FOR LOCAL BUSINESSES, HEALTHCARE PROVIDERS

lacity.com | 09-27



The Giddings Economic Development Corporation (EDC) is giving a helping hand to local businesses and organizations amid the ongoing COVID-19 pandemic. After recently being directed by the Giddings City Council to provide an economic relief package for local healthcare providers and small businesses, the EDC board held an emergency meeting Wednesday night to determine the assistance that can be provided.

**lendingtree**  
Today's Refinance Rates

Refinance Rates  
**2.14%** APR: \$300,000  
**2.28%** APR: \$300,000

[Calculate Payment ▾](#)

Refinance rates as of 09-27-2020. Actual rates may vary.

### Trending People

**Donald Trump**  
Donald John Trump is the 45th President of the United States, Inc...

**Mitch McConnell**  
Mitch McConnell is a US Republican senator who has bee...

**Nancy Pelosi**  
Nancy Pelosi is an influential American politician and the first...

Of all our collective efforts throughout this past six months, that is the step about which I am most proud. It felt risky then. In hindsight and from the view on the other side of the crisis, it seems a giddily perilous move, but we were provided an opportunity to take care of our community and if we had not taken the risk and a super spreader event had occurred from which we could not protect ourselves or our businesses, nothing else that we did would have mattered. And while I was disappointed, but not surprised to learn that we would not be receiving the shipment of PPE, I was pleased and a bit surprised when the reimbursement for the \$15,000 was sent back to us, posthaste. It was a ray of sunshine on a cloudy day.



## Giddings Economic Development - Covid-19 - Business Information Center

Public group · 729 members

About

Discussion

Join Group

### Upload Announcement 1



Giddings Economic Development Corp - Texas updated the description.  
March 16 · [See More](#)

our business community and our local economy. We have set up this public group as an alternative to our regular page so that we can provide accurate, real-time information on resources, declarations, legal rulings and public policy decisions of interest to our businesses and their stakeholders.

We are launching this page as a courtesy and to keep our normal feed from being overwhelmed with Covid-19 related posts as we work ...  
[See More](#)

24

Like

Comment

Share

### About

Covid-19's impact is being felt by our schools, our business community and our local economy. We have set up this public group as an alternative... [See More](#)

Public

Anyone can see who's in the group and what they post

Visible

Anyone can find this group.

Giddings, Texas

General Group

### New Activity



Giddings Economic Development Corp - Texas shared a link.  
October 8 at 12:14 AM · [See More](#)

#### RECRUITING AND HIRING RESOURCES

Post a job, review résumés and recruit potential employees. Learn about current employment programs, available tax credits and hiring incentives. Access other recruiting tools and information, and get to know your labor market.



© 2020 IC<sup>2</sup>Institute, The University of Texas Austin

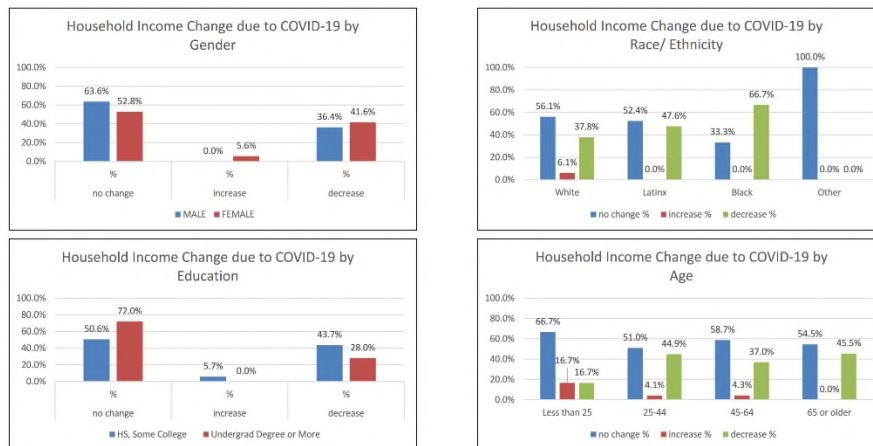
**GIDDINGS PANDEMIC SURVEY & XLR8 INSTITUTE:** The GEDC recognized that the long-term impact of the pandemic on the business community could be devastating to the city. In early summer, we learned that the University of Texas – Austin was putting together a 2 state project headed by students to research and provide recommendations to mitigate the pandemic's impact on rural communities. We applied and were accepted to the University of Texas' IC<sup>2</sup> Institute Summer Student Internship Project – Pandemic Recovery Response Plan. We were provided a customized assessment with recovery recommendations and invited to participate with other communities throughout Texas in a six week program to share best practices and to learn how to manage the change the pandemic has brought to our community. The complete plan can be found on our page at [www.giddingsedc.com](http://www.giddingsedc.com)

- ❖ We gathered a total of 129 survey responses from the community members of **Giddings, TX**. The recorded responses were gathered between June 1, 2020 - July 27, 2020.
  - Participation by age is distributed *almost equally* between the ages of **25-64 years old**. Only **5.4%** of the sample accounts for the participants who's age ranges from **18-24 years old**. And **9.4%** of the participants were **65 years of age or older**.
  - Giddings, TX has a *total population of 5,043* (based on census data). Approximately **7.5%** of the population is **20-24 years of age** and **15.5%** of the population is **65 years of age or older**.
- ❖ In order to distribute the survey, we posted it on Facebook groups, sent it out to interviewees and asked them to circulate it. Our community contact, Tonya Britton, distributed the survey in Facebook Groups and had it published in a newspaper advertisement.

### ❖ Challenges:

- ❖ Initially, obtaining survey responses was difficult. I reached out to different Facebook groups and only a handful of them agreed to let me post about our research project and the survey link. I was also limited in how many posts I could make as well as how long the post could stay up.
- ❖ I believe another challenge I faced was people thinking the survey post was spam. Many people were afraid to interact with it. However, once they saw the post being circulated by a trusted person and community member, the responses increased quickly.

## Giddings, TX: Household Income Change due to COVID-19



**U.S. KEY INSIGHTS -Harvard Opportunity Insights Team**

- As COVID-19 infections increased in March, high-income households sharply reduced their spending, primarily on services that require in-person interactions.
- Because of this reduction in spending by high-income consumers, businesses in the most affluent neighborhoods in America lost more than 70% of their revenue.
- As these businesses lost revenue, they laid off their employees, particularly low-income workers. Nearly 70% of low-wage workers working in the highest-rent ZIP codes lost their jobs, compared with 30% in the lowest-rent ZIP codes.
- Policy efforts to date —stimulus payments to households and Paycheck Protection Program loans to small businesses —have not led to a rebound in spending at the businesses that lost the most revenue. As a result, they have had a limited impact on the employment rates of low-income workers.
- **In the long-term, the only way to drive economic recovery is to invest in public health efforts that will restore consumer confidence and spending.**
- **In the meantime, providing and extending targeted assistance to low-income workers impacted by the economic downturn (such as through unemployment benefits) is critical for reducing hardship and addressing disparities in COVID's impacts.**

## Rating of How COVID-19 Affected The Community's Economy

### **Data Analysis Takeaways: Giddings Compared to the Central Texas Region**

- ❖ Overall, the survey takers from Giddings reported an average rating of **3.48**. This mean edged closer to a rating of an extreme effect on the community's economy.
  - We can see in the graphs that there was not a huge difference in reported ratings amongst each category. They were all between **3.0 and 3.75**, which indicates that there were no outliers that could have skewed the mean closer to the extreme rating of 1 or 5.
- ❖ When comparing each individual category from survey data of Giddings and data from the Central Texas Region, we can see that the means are fairly close. The differences in means are not too far off from each other.

## Conclusions

- ❖ After extensive analysis over the survey data, it was surprising to have not seen a significant impact of COVID-19 on Giddings. The greatest differences were seen in Household Income Change.
  - There was a 10% difference in household income change between Giddings and the Central Texas Region. Approximately **55.4%** of Survey takers in Giddings reported no change in income while **66.3%** of people in the Central Texas Region reported no change. Survey takers from Giddings had a **higher decrease in income (40.2%)** than survey takers from the Central Texas Region (**30.6%**).
  - We also saw a difference in the mean ratings of how COVID-19 affected the community's health.
    - For both Giddings and the Central Texas Region, **Latinx and Black people reported higher ratings than white people**.
    - However, this was Race/ Ethnicity was the only category in which we saw greater difference.
  - There were no significant difference in the ratings, within and between Giddings and the Central Texas Region, of how COVID-19 impacted the community's economy.

## Community Survey Data vs. Census Data

- ❖ When comparing data for....

❖ Gender:

- We did not see an equal representation between male and female survey takers. Based on our survey data, only 21.9% of the participants were male, 76.6% of the participants were female, and 1.6% of the participants preferred not to say their gender. When looking at census data, we see that 50.62% of residents are female and 49.38% are male. This difference in gender distribution shows that our survey data did not obtain a balance between genders.

❖ Race/Ethnicity:

- Our data shows an unequal representation between race/ethnicity with 71.9% of participants being white, 21.2% being Hispanic/ Latino, 2.3% being Black, 0.8% being Asian, 2.3% being two or more races and 1.6% identifying as another race.

#### ❖ Household Income Change:

- We can see a split between people whose income has changed and those who saw no change due to COVID-19. Our data shows that 55.4% of respondents reported no change in income. Only 4.5% of them received an increase in income and 40.2% of the respondents had a decrease in income.

## Central Texas Region:

## Rating of How COVID-19 Affected The Community's Health

1=not very    5=extremely

## *Giddings T*

PRINTED LEGISLATIVE, GOVERNMENT OF CANADA, OTTAWA,  
PUBLISHED AND PRINTED BY A NATIVE.

## **Casey Goetz chosen as new Lee County Sheriff**

## **EDC gets jump start on economic recovery effort**

**Partnership with UT Institute spearheading**

### **Judge enacts burn ban, after no action by court**

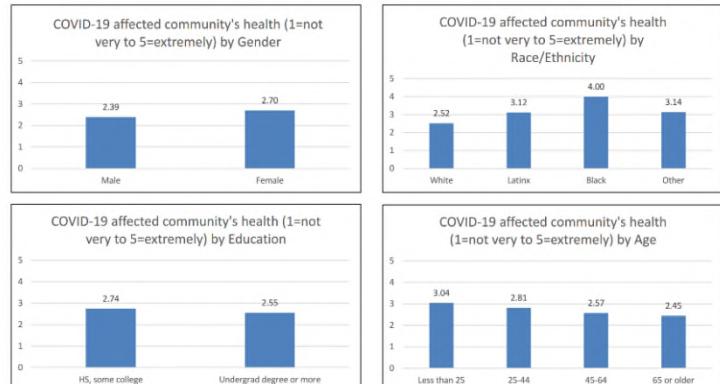
**Majority of County VFD chiefs in favor of a ban**

County fire chiefs are split on whether to support a proposed state law that would ban most open burning in rural areas, but a majority of them favor a ban.

According to a survey by the Associated Press, 54 percent of county fire chiefs in 10 states, including Oregon, oppose the proposed law. But 45 percent support it.

The proposed law, which would ban most open burning in rural areas, has been introduced in the Oregon Legislature. It would prohibit burning trash, debris, brush, grass, leaves, wood, coal, charcoal, propane tanks and other materials.

Fire Chiefs' Association President Tom Cottrell, of Astoria, said he supports the proposed law.



~~Students to have online and face-to-face options~~

**Attention to the reading environment.** Good lighting, a quiet place, and a comfortable chair are important factors in reading comprehension. The following tips may help you make the most of your reading time:

Captain Farah Ramsey resigns after 15 years

Seattle Police are working to prevent future incidents and they believe their efforts have been successful. They are continuing to monitor the situation and will take further action if necessary.

## Garden demonstration, resignation of constable

- 93% of businesses that lose their data center for more than 10 days file for bankruptcy (-Smart Data)
- 90% of companies that experience data loss go out of business within two years (Source: Gartner, Inc.)
- 80% of businesses affected by a major interruption either never reopen or close within 18 months (Source: AXA Group)

## GEDC EMERGENCY PANDEMIC GRANTS

Giddings Taxi Service	Delivery Service	\$2,700.00	Car Payment & Insurance	April & May	
Giddings 290 Travel Center	Restaurant	\$4,500.00	Rent, Utilities & Advertising	April & May	x
Rebas Village Deli & Emporium Restaurant		\$6,000.00	Rent & Utilities	April & May	x
Fitness Solutions	Fitness Facility	\$7,500.00	Rent & Utilities	April & May	x
Images	Salon/ Personal Care Ser	\$2,520.00	Rent & Utilities	April & May	x
Sams Dozer	Construction	\$4,500.00	Rent & Utilities	May - Utilities	x
Orsag's	Retail	\$4,500.00	Utilities	May & June	x
Mars Fitness/Crossfit	Fitness Facility(2)	\$7,500.00	Rent & Utilities	May & June	x
Oasis Hair Salon	Salon/ Personal Care Ser	\$1,500.00	Rent & Utilities	April & May	x
Ashley's Attic	Retail	\$5,000.00	Inventory - Line of Credit	Spring Collection	x
Secret Garden	Florist	\$2,400.00	Rent & Utilities	April & May	x
The Mane Attraction	Salon/ Personal Care Ser	\$1,225.00	Rent & Utilities	May & June	x
Giddings Nail Corp	Salon/ Personal Care Ser	\$5,000.00	Mortgage & Utilities	April & May	x
Hands & Tans	Salon/ Personal Care Ser	\$1,400.00	Rent & Utilities	April & May	x
Kingdom Books & Things	Salon/ Retailer	\$1,350.00	Rent & Utilities	April & May	x
Health & Beauty Head to Toe	Salon/ Personal Care Ser	\$2,000.00	Rent & Utilities	April & May	x
Cattle Brand/ Santa Fe Steakhouse	Restaurant	\$10,000.00	Rent & Utilities	April & May	x
Los Patrones	Restaurant	\$10,000.00	Rent & Utilities	April & May	x
Happy Nails	Salon/ Personal Care Ser	\$2,500.00	Rent & Utilities	April & May	x
Rainbow House Bed & Breakfast Lodging		\$1,000.00	Utilities & Maintenance	April & May	x
Giddings Barber Shop	Salon/ Personal Care Ser	\$1,500.00	Rent & Utilities	April & May	x
Star Alarm Locksmith	Essential Service. Locksm	\$1,400.00	Utilities & Maintenance	April & May	x
Street Side Taco	Restaurant	\$4,200.00	Rent, Utilities & Equipment	April & May	x
D & A Testing	Testing Laboratory	\$2,000.00	Training & PPE	April & May	x
Bernies Bar & Grill	Restaurant	???	Rent & Utilities	April & May	x
Schultz's Small Engine Repair	Skilled Trade	\$0.00	Withdrew Application		x
<b>Small Business - General</b>	<b>Subtotal</b>			<b>\$92,195.00</b>	

Tejas Health Clinic	Healthcare/ Personal Car	\$5,000.00	Training & PPE, Tents	April & May
Massage by Heather	Healthcare/ Personal Car	\$500.00	Rent & Utilities	April & May
Giddings Residence & Rehab	Healthcare/ Personal Car	\$3,000.00	Training & PPE	April & May
Bees Blessing	Healthcare/ Personal Car	\$1,300.00	Training & PPE	April & May
Jones & Cowen	Healthcare/ Personal Car	\$1,500.00	Training & PPE	April & May
Dr. Amy Jatzlau	Healthcare/ Personal Car	\$2,500.00	Training & PPE	April & May
Dr. Te Kinsfater	Healthcare/ Personal Car	\$2,000.00	Training & PPE	April & May
Giddings Physical Therapy	Healthcare/ Personal Car	\$2,000.00	Training & PPE	April & May
Dr. John Gress, DDS	Healthcare/ Personal Car	\$1,520.00	PPE	April & May
Dr. Laura Birnbaum	Healthcare/ Personal Car	\$2,500.00	Training & PPE	April & May
Mary's Clinic	Healthcare/ Personal Car	\$5,000.00	Mortgage, Utilities, Maintn	April & May
Giddings Eye Care	Healthcare/ Personal Car	\$3,000.00	Rent & Utilities	April & May
<b>Small Business - Healthcare</b>	<b>SUBTOTAL</b>	<b>\$29,820.00</b>		
<b>Small Business Awards</b>	<b>TOTAL</b>	<b>\$122,015.00</b>		
<b>SPECIAL ORDER - MASKS</b>	<b>Total</b>	<b>\$0.00</b>	<b>FOR HEALTHCARE &amp; OTHER SMALL BUSINESSES THAT NEED PPE FOR GENL OPERATIONS</b>	
	<b>TOTAL WITH MASKS</b>	<b>\$122,015.00</b>		
	<b>TOTAL REMAINING</b>	<b>-\$27,985.00</b>		
ZOCHNET	<b>TOTAL</b>	<b>\$50,000.00</b>	<b>Personnel &amp; Equipment</b>	April 2020 - April 2021
<b>GEDC COVID-19 GRANTS</b>	<b>TOTAL EXPENDITURES</b>	<b>\$172,015.00</b>		



## Giddings Gets Lit

In 2017, TxDOT completed the installation of lights along the Highway 290 corridor in the city limits. The installation coincided with the 9-acre development of FunTown RV at the western entrance to the city and was followed closely by the new Giddings Travel Center and RV Park, and then the CEFCO project on the east side.

The new lights are rarely commented on by residents; however, the impact of the installation on the traveler experience cannot be underestimated. Where late-night travelers were previously funneled through a 5-mile dark channel broken up by only a few small convenience store/gas stations, travelers are now invited into a well-lit destination with 24-hour services at each entrance.



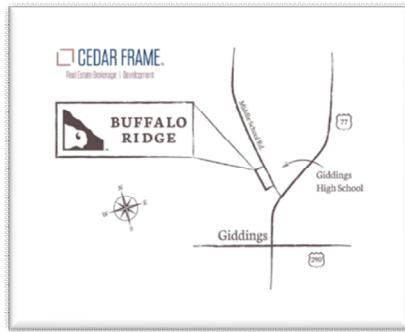
## Cap Metro Re-Opens Freight Line Just West of Giddings

In 2018, Capital Metro and its freight rail contractor, Watco, reopened a stretch of track between Elgin and Giddings that had been dormant for decades. Freight trains, carrying aggregate primarily, began running on the refurbished rail line — which runs through McDade and Paige as well as Elgin and to the outskirts of Giddings. Old Castle Materials is being serviced by the rail line. By federal law, a freight line's owner has a "common carrier" obligation to serve customers. The Austin Western Railroad (AWRR) operates 181 miles of track from Llano, TX to Giddings, TX with a 6.4 mile branch extending from Fairland to Marble Falls, TX. The line dates back to 1871 when the Houston and Texas Central Railroad built the Giddings to Austin line. The AWRR interchanges with the UP at McNeil and Elgin. Nearly 60,000 carloads move annually, shipping commodities such as aggregates, crushed limestone, calcium bicarbonate, lumber, beer, chemicals, plastics, and paper. Watco Companies, LLC, is a leading transportation and supply chain logistics company. Meeting customer needs on a day-to-day basis has enabled Watco to continually grow throughout our nearly 40-year history. Today, Watco provides transportation; material handling and warehousing; design and development; repair and custom projects for customers throughout North America and Australia.

## TxDOT Divides 30 Mile Stretch of Highway 290 from Elgin to Giddings

In 2019, TxDOT began undertaking a construction project to divide Highway 290 with the goal of increasing safety and mobility for citizens of Lee and Bastrop Counties, as well as for travelers from Houston to Austin. The "gap project" is seen by TxDOT as a move toward increasing mobility and safety as traffic along the highway continues to grow. Traffic along U.S. 290 is expected to grow by 57 percent over a 20-year period, from about 13,700 vehicles per day in 2004 to 21,500 vehicles per day in 2024.

## NEW #HOUSING DEVELOPMENT ON THE HORIZON



In January 2020, Giddings City Council approved an application for development of the new Buffalo Ridge Subdivision to be located on a 12-acre tract on CR 114 (Middle School Road). The project will be constructed in 3 phases and is slated to contain a total of 43 homes. The lots will average 70x120 feet and each home will be a minimum of 1,800 square feet. The development is a project of real estate brokerage and development company Cedar Frame. <https://cedarframe.com/buffalo-ridge/>

### Lee County EMS Expansion Orange Street, Giddings

The Division of Emergency Medical Services, known as Lee County EMS (LCEMS), is a third-service, county-based emergency medical services provider licensed by the Florida Department of Health. The division employs emergency medical technicians and paramedics, as well as field supervisors and administrative staff. LCEMS broke ground on a new facility in 2016 and held an open house in March 2017.



### Brookshire Brothers Renovation, Store #37 513 E Austin Street, Giddings

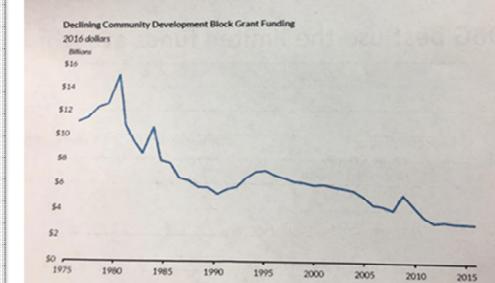


Brookshire Brothers is a 100 % employee-owned, community-centered grocer based in Lufkin, Texas. The store completed a major renovation with upgrades to the deli and throughout the interior. General response to the improvements remains positive; although the store's prices relative to competitor H-E-B remain a concern for customers.

### Giddings Qualifies for CDBG Funding for Lift Station; Giddings 290 Business Park Grows Closer to Being "Shovel Ready"

Even while access to federal Community Development Block Grant funding declines across the country, Giddings is selected to receive funds for the development of a lift station for the business park.

#### Decline in Federal CDBG funding requires careful consideration of funding priorities



## City Approves \$3.8 Million in Certificates of Obligation for Utilities Infrastructure

VOLUME 128 GIDDINGS, LEE COUNTY, TEXAS 78942-2947 THURSDAY, JUNE 15, 2017 NUMBER 4

# 290 West commercial development picking up

## sizeable tract being cleared, other activity

Development clearing on Hwy. 290 West for commercial use continues to pick up in Giddings.

Work is progressing on the new truck stop being erected on property formerly occupied by Giddings Ranch & Pet. That business shut down about two years ago.

Now a sizeable tract of land adjoining Lescure Lanes bowling alley is being cleared of old buildings, brush and trees. It will reportedly be put on the market for commercial development.

That property formerly had two large commercial buildings used to raise thousands of laying hens for egg production into the middle of the last century.

Also on the property were two buildings near the highway that were

used as a service station back in the 1950s and 1960s before the business was shut down. Later the buildings near the highway were used as a small flea market.

The dilapidated chicken houses and station buildings are being razed so the property can be totally cleared.

Other businesses on 290 West which have shut down in recent years included two automobile dealerships - Chevrolet and Dodge-Chrysler, leaving the town without any car dealerships.

Politics reportedly played a roll in the forced shut down of hundreds of small dealerships across the nation.

At its peak, those dealerships were selling 50 to 100 vehicles a month.

## Property disposal, plats OK'd by commissioners

### Speed, enforcement on CR 226 draws citizens

Approval of a final plat for two subdivisions, awarding a bank bid for the county depository and hearing citizen input on speed limits out near the Country Club highlighted Monday's Lee County Commissioners Court meeting.

The final plat for Smith Isgrig Phase Two Subdivision and the Oak Bend II Subdivision were approved by the court. A third one, the Loriane East Subdivision, was tabled due to a technical issue.

CR 223.

Loriane East, 4 lots each on 2.5 acres, for a total of 10.5 acres, is located on Hwy. 77 south and is owned by Loriane Investments Ltd., with John B. Selman as general partner.

Approval was given to the Lee-Fayette WCID No. 1 to conduct a study to consider lowering the emergency spillway and/or opening drains to reduce the risk of upstream flooding from the WCID Structure No. 1.

Plans to go out for bids

which brought in a substantial amount of sales and other taxes to the town, county and school district.

That large piece of property, along with two big buildings housing the dealerships, were purchased nearly two years ago by an RV dealership.

The buildings were remodeled and the property is now covered with all kinds of recreational vehicles.

Just recently, another tract of land with three houses sitting on nine acres is reportedly in the process of being sold to a local housing developer.

That property is located just northwest of Rolling Oaks Apartments.

What has developed out that way are a number of See Progress.

## THE BUFFALO SWIM Camp was a huge success with 25 children attending. The camp was directed by GHS Coach Alison Lovell and former swimmer Chris

## Schultz. The kids learned about diving, swimming all the strokes, and water survival techniques. Awards were presented for best cannon ball off the diving

## \$3.8 million for projects approved by city council

### \$695,567 for widening 290 West to Navarro St.

Street sweeper, "4" station, software

Approval for issuing \$3.8 million in certificates of obligation for various city projects was approved by the Giddings City Council at its regular meeting Monday night.

Projects included in total are \$695,567 for the city's part in widening Hwy. 290 medians from Altmann Plants east to Navarro Street near the city cemetery.

For that TxDOT project, the city will have to pay to relocate utilities and curbs, widen some driveways and possibly bore under driveway entrances, according to City Manager Ricky Jorgensen.

Mr. Jorgensen said that

board, John Dowell; best handstand off the bottom of pool, Taylor Majewski; longest distance under the water with breath, Wyatt Kasmiersky,

Ton IHT station is estimated to cost \$400,346, along with TCEQ SSO project area 5a for \$783,528 and TCEQ SSO project area 5b for \$378,921.

Water improvements base bid and alt. I will cost \$438,491. That project will replace old clay pipes with PVC.

Other projects being funded include \$123,225 for software upgrade for automatic meter reading system-electric; \$67,500 for North Orange/FM 141 project water, sewer and fire hydrants; \$210,000 for purchase of a new street sweeper and \$390,000 for sidewalks.

Mr. Jorgensen said that

See Codes, 4





## RETAIL STRATEGIES: Retail & Restaurant Contract for Services

### 2017 - \$40,000 CONTRACT

**CONTRACT FOR SERVICES** The GEDC engaged a called “Retail Strategies” to conduct a market assessment and to represent the community at industry trade shows to recruit restaurants and retailers – including grocers – to the city. Two businesses now operating in Giddings learned about the city because of the GEDC’s partnership with Retail Strategies.

### 2020 - \$12,000 VALUE

**RETAIL ACADEMY** The GEDC was awarded a grant by the University of Texas-San Antonio to participate in the Retail Academy Training Program hosted by Retail Strategies.



Hosted by **Lacy Beasley**, President of Retail Strategies, these intense learning sessions provide you with customized retail reports and best practices.

University of Texas at San Antonio's Institute for Economic Development has partnered with Retail Strategies to offer Texas communities a retail recruitment program called Retail Academy. Retail Academy is a program that empowers community leaders to take a proactive approach to their retail opportunities. Communities will be trained and equipped with the tools and education necessary to attract new retailers to their markets, while providing support to their existing local businesses.

#### What's Included?

Retail Academy is designed to equip community leaders with a realistic list of retail prospects and action plan to market the community to the prospects.

Six hours of customized training include an education on the marketing materials provided, how to create an elevator pitch, setting up conference meetings, prospect outreach and where to find industry leading information critical to implementing a long-term retail recruitment plan.

- 50+ page Customized Retail Recruitment Plan
- Customized retail marketing pitch to use with retailers
- A retail prospect list
- Customized leakage report for your community
- Mobile Data Collection Report
- Navigation tips and insider insights

#### Your community has unique needs.

Our efforts are tailored to your community, real estate, and demographics.

We have solutions that can fit your needs, from retail recruitment to downtown revitalization.

[OUR SOLUTIONS](#)

**Retail Recruitment**

Our team identifies retail and restaurants for your community and handles outreach on your behalf.

- Strategic retail recruitment plan
- Proactive retailer outreach
- Developer recruitment
- Retail conference representation

[HOW WE DO IT](#)

**Retail Academy**

Education is action. Knowing how to recruit retail increases your odds of success.

- Retail recruitment education
- Strategic retail recruitment plan
- Real estate matching
- Prospect identification

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**Downtown Strategies**

Revitalizing a community's downtown is a complex task and we are committed to helping you achieve it.

- Workshop with downtown stakeholders
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## SITUATION

Upon my arrival in Giddings, I was confronted with a plethora of vacant properties, many of which appeared as though they might appeal to a franchise-type retailer or restaurant. Over the course of the past six years, we have taken a multi-pronged attack at restaurant and retail recruitment: We've worked directly with property owners and listing agents whose reach is deeper and farther than ours when working alone. We have contracted with a marketing and recruitment firm to learn more about our position in the market, and we have nurtured local businesses both before and during the pandemic.

We have experienced some success with areas of the community that were specifically targeted. For instance, Giddings Plaza reached full capacity a little over a year ago and for the first time since the early 1990's. While we've since lost two businesses, getting to the point of full capacity was a milestone and showed that it can be done. We also recruited FunTown RV Dealership to a 9-acre tract of land on Giddings' west side. This building served as a gateway into the city so a large retailer such as FunTown not only contributed a substantial number of new jobs (35-40) and generated property tax revenue, but sent a message to visitors that Giddings is open for

business.

Just as important as our successes, many of which are outlined elsewhere in this document, are our failures. The abandonment of the Downtown Giddings corridor and the ensuing loss of businesses and degradation of GEDC-owned properties is a larger than life reminder that stasis does not exist in economic development.

With the new strategic plan, the new German restaurant and Brewhaus, the pending mural, landscaping and other activities that are slated for the area, we expect that we will have better luck at recruiting new business into downtown than we've had in the past. That is, if we can overcome the obstacles set in our way by the SARS Cov 2 pandemic.

We've also learned quite a bit about the community and how we are viewed by prospective retailers, restaurants and grocers. This is important information because we need to know what issues can be improved upon and which issues are beyond our control. This is important so that we can take action that is appropriate and that does not send us on a goose chase, wasting time and money, and disappointing our constituents with promises that we can never fulfill.

I have included a redacted list of sample prospects with whom either we or our corporate partner, Retail Strategy, have been in touch. Also included are prospect comments and eliminating criteria.

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A sample list of actual retail or restaurant prospects that were targeted for recruitment by Retail Strategies or with whom the GEDC has since worked. Names of prospects have been redacted to protect client confidentiality. Some projects may still be under review or in early stages of development.

- **Value Store**  
Two separate developers over the course of a year, each representing the same corporation, have targeted locations location along Highway 290 to the east of Giddings Plaza. Due to TXDOT setback and other requirements, project has not been financially feasible for either developer. GEDC has tentatively offered "gap financing." Project for developer #2 is still in play
- **Supermarket and Other Grocer (NAICS 445110)**  
Giddings Plaza  
Company has been shown Bealls former location. Giddings and surrounding area do not meet minimum demographic requirements.
- **National Clothing Chain #1**  
Giddings Plaza  
They have been shown the 2,400 Sq. Ft. space in Giddings Plaza. While the location is good, the space is unfortunately far too small. The smallest they can do is 3,600 sq. ft. With the tenant leases that are currently in place, there is not a way to combine a space at this time that will fit their needs.

Regarding the downtown site (185 W Austin St.):

Retail Strategies has connected with Lori Schultz and has provided National Clothing Chain with the information on her 185 W. Austin St. listing. The downtown site (6,000 SF former furniture space) is not exactly a site they target but he let me know that they are indeed looking at that space. Upon initial observation they feel this is a "decent opportunity". They have run some preliminary numbers and believe the projected sales on a store in this location to be about \$377,000, which isn't great but not terrible. They have changed their strategy and are now considering markets that project annual sales of over \$350,000/annually. That will put Giddings into the mix when they present sites to their committee.

They have put it into their system as an opportunity to review in more detail but have identified the following concerns:

1. Cannibalization of their Nearby City, TX location
  2. Proximity to Austin leads to retail leakage - people leave Giddings to shop in Austin
  3. Downtown Location is not ideal - they would prefer to be in a shopping center with a stronger tenant mixture.
  4. In terms of a timeline, as a company they are currently slated to present all opportunities in AL, GA, LA and MS before they start with the state of Texas.
- **National Clothing Chain #2**  
Met with regional Tenant Representative who said he would be interested in the market if a multi-tenant opportunity became available near or adjacent to the Wal-Mart.  
  
Follow Up – Feedback from regional tenant representative that they would be willing to review sites in the market. Information provided on opportunities currently available to which the response was as follows: “We would probably shy away from Giddings because it is a smaller market. I have always thought it was active enough to support a store. Either way, we would wait until Walmart commits to a Supercenter location before entering the market.  
Follow Up - No Change
  - **National Clothing Chain #3**  
Reached out to Director of Real Estate to gauge interest in the market. He said: “Company is currently considering markets for expansion opportunities that have a minimum required population of 120,000 and average household incomes of \$55,000 or above relative to a 5-mile demographic range. Unfortunately, the demographics for the market are not strong enough currently. He also mentioned that the market is lacking the type of co-tenancy store seeks to consider it an immediate opportunity.
  - **XYZ Properties**  
This is a development group that is highly active in north and central Texas. They are a preferred developer of Starbucks, AutoZone and several national fast casual concepts. We provided market information. They will look at 1-4-acre sites for development.  
**Follow Up - GEDC Director works with Starbucks developer Haydn Cutler Company out of Fort Worth and a nurtures project to fruition.**
  - **Entertainment Retailer**  
Met with the tenant representative for the territory who liked the market from a demographic perspective and would be interested in reviewing sites. They will need between 1,600 sq. ft. and 1,800 sq. ft. and like to be close to Wal-Mart Supercenters.
  - **Fast Food Chain Restaurant #1**  
Team met with the Real Estate Director for the territory. He thought the demographics were a little light but said he would be willing to go ahead and review any sites meeting their criteria. Preferred "A" sites are: Corners, mall/shopping centers out parcels. Required lot size is .50-.75 acre  
**Follow Up – This Company has since taken an on-site tour of property previously occupied by Dairy Queen and has been in contact with GEDC Director.**
  - **Fast Food Restaurant Chain #2**  
Met with their Real Estate Direct to discuss their expansion plans into Texas. They are still 2-3 years away from breaking into Texas markets because they feel the state is over saturated with this food concept. We will continue to monitor their plans as we believe Giddings would be a good fit if/when they decide to move
  - **Fast Food Restaurant #3**  
Hamburger Restaurant- Met with the Real Estate Director for the territory and provided general market information to gauge his interest. Unfortunately, they do not currently have an active franchisee in the market.
  - **Fast Food Restaurant #4**

Hamburger Restaurant - Met with the Real Estate director who said they would be interested in reviewing sites in the market that meet their criteria. Preferred locations are corners, but shopping center pads with cross easements are also acceptable. They prefer to purchase their land and required lot size is 20,000 - 30,000 sq ft. Sites sent for review

- **Fast Food Chain Restaurant #5**

Reached out to the Real Estate Manager to gauge interest in the market. The following is the feedback she provided: We are not actively developing in the state of TX at this moment. We would be open to having new franchisees for the territory, but we currently do not have any candidates identified. I do appreciate you thinking of us for the opportunity and hopefully we will have better news for the area in the coming months.

- **Fast Food Chain Restaurant #7**

Reached out to the Senior Director of Real Estate to gauge interest in the market. They do have an active franchisee in a nearby community whose development agreement allows for additional stores. However, this franchisee is currently focused on building in multiple other locations and is not actively reviewing new opportunities. We will keep this prospect on our list and follow up mid-year to see how things have progressed.

- Follow Up – This franchisee has declined to expand into the market due to concerns about local competition

- **Fast Casual Restaurant #1 – Americana**

Reached out to the Director of Real Estate for Focus Brands to see if there would be any interest in doing a location in Giddings and were provided the following response: "I do not have a franchisee partner for this area at this time. Please feel free to check back in 4-5 months."

**Follow Up** – Still no franchisee partner

- **Fast Casual Restaurant #2 – Italian**

GEDC has conducted several visits with owners/ operators of Italian Restaurant located within the region. Owners toured several Giddings properties, but decided not to pursue expansion in the area due to other commitments and lack of appropriate sites that met space requirements

- **Fast Casual Restaurant #3 – Breakfast, Denny's**

Denny's opened 50 new restaurants in 2016 and Texas was in the top three of strongest markets for new development. Reached out to the Senior Real Estate manager out of Houston who told us they anticipate net restaurant growth of 10 to 20 new stores in 2017. However, they are prioritizing markets that have permanent populations of 40,000 and median household incomes between \$32,000 - \$50,000. He feels Giddings is currently too small to be considered. We discussed the strong traffic counts and provided VPD data showing over 20,000 VPD. Unfortunately, Denny's considers tier 1 sites to have traffic counts more than 30,000 VPD.

- **Fast Casual Restaurant #4 – Breakfast, Huddle House**

We worked extensively with Huddle house's Director of Franchise Development to provide supplemental data and traffic count information for his franchisee who had expressed interest doing a store in Giddings. We received the following response: Unfortunately, the franchisee has decided not to move forward at this time. Not because of the data. That was helpful, but at this time I will not need anything else.

- Follow Up – The GEDC has actively sought a franchisee and had a tentative commitment from a local developer who was considering locating in the business park but decided to pursue another project.
- The GEDC is currently collaborating with the Huddle House Real Estate Site Selector and the Owner of the DQ building to include the property in a state-wide cooperative marketing campaign

- **Beauty Supply Business**