

ANNUAL REPORT

Fiscal Year 2023

SCHERTZ
ECONOMIC DEVELOPMENT CORPORATION

SCHERTZ ECONOMIC DEVELOPMENT CORPORATION
WWW.SCHERTZEDC.COM

OUR MISSION

To strategically strengthen the City's economy by attracting and retaining businesses, investing in infrastructure, and promoting and enhancing the quality of life for residents and businesses through innovative measures, creating a sustainable and vibrant community.

GOALS AND STRATEGIES

OPTIMIZE THE TALENT PIPELINE

- Assist with K-12 Workforce pipeline development
- Facilitate opportunities for vocational talent development
- Collaborate with educational institutions
- Recognize pathways for needed skillsets
- Utilize regional, state and federal programs to assist in workforce development

EXPAND INDUSTRY BASE VIA TARGETED INDUSTRIES

- Identify roadways important to commerce
- Connectivity of commercial regions
- Apply thoroughfare plan to open up undeveloped areas
- Extend utility (water/sewer) to needed areas

IMPROVE QUALITY OF LIFE

- Funding for parks
- Participate in mainstreet funding project
- Invest in plant to attract entertainment to desired regions
- Promote family friendly initiatives

PRIORITIZE REAL ESTATE ASSETS AND DEVELOPMENT STRATEGIES

- Invest in regional groups to promote Schertz
- Increase competitive advantages via strategic planning
- Attract consistent investment through strategic planning
- Advertise in marketing periodicals to highlight Schertz
- Implement measures for startups and small businesses to stay and flourish
- Invest in a local resiliency plan





DIRECTOR'S WELCOME

There were many exciting events that took place for the Schertz Economic Development Corporation (Schertz EDC) in 2023.

I was hired in May and, since that time, the Board of Directors has welcomed four new Boardmembers to our leadership panel. The challenges presented by new leadership have been converted to opportunity with the ability to formulate a new Goals and Mission Statement to focus our attention on the future. Schertz remains well-positioned in the strongest growth region in the nation and has access to not only the fast-growing IH-35 corridor, but also premier local talent and established businesses that make our city great.

To foster this economic development, the Schertz EDC has assisted companies like Caterpillar and Titan with tremendous projects this year, as well as infrastructure developments including Schertz Station and a complete reconstruction of Tri County Parkway, an improvement to a much-needed manufacturing region in the city.

In January 2024, the board started work on a new set of goals for the organization. The results of this process will help guide the organization for years to come. Being governed by state regulations on the use of funding and the projects that we can support, the Board provided excellent guidance that will help direct the Schertz EDC's future.

2024 will be a monumental year for the Schertz EDC and we look forward to providing funding to many projects, large and small, that will help the city grow and thrive. Thanks for the support that you have provided to our organization and our community.

Great things are on the horizon!



Scott Wayman

Executive Director
Schertz EDC



SCHERTZ' TIME IS NOW

It has been a pleasure to serve on the Schertz EDC Board from 2015-2023. I am proud of the projects we funded, as they have contributed to a better quality of life for Schertz residents.

I originally went to school with a goal of working in economic development; however, life led me towards another career path. Serving on the Board has allowed me to participate in the development of my community as I originally desired, although from a different perspective. I will be forever grateful for the opportunity.

During my tenure on the Board, we experienced a variety of peaks and valleys. We shifted focus during COVID and funded many smaller-sized industrial companies to assist with their operations. We funded our first major road construction project, continuing to reinvest in our industrial park. With the success of those projects, we began to look for other ways to reinvest in our transportation system. I think that will be one of the board's primary objectives moving forward.

One area in which I wanted to focus more on was quality of life projects, including investing in parks and projects that make our city an attractive place to live and grow our families. Industrial projects kept us busy, but with the enormous growth we are experiencing, I think the time is now to capitalize on these projects.

As I transition from the Schertz EDC Board President to my role as a Schertz City Councilmember, I'm thankful to still have the ability to participate in economic development as far as helping to guide the Board's goals and objectives. I also hope to keep quality of life projects a priority.

It's an exciting and great time to be in Schertz. There is a lot more work to be done to smartly grow and expand the city in a way that expands our tax base while maintaining our excellent quality of life.



Paul Macaluso

Schertz City Councilmember

Former Schertz EDC Board President



A NEW VIEW FOR 2024

REORGANIZATION

In response to the dynamic business environment, Schertz EDC underwent a strategic reorganization aimed at enhancing operational efficiency and agility. This initiative involved restructuring, streamlining processes, and aligning our mission and goals with the evolving demands of the market. The reorganization has positioned Schertz EDC to respond swiftly to market changes, drive innovation, and optimize their resources for sustained growth.

TRANSITION TO A NEW TEAM

At the height of 2023, **Scott Wayman was hired** to lead a new team that brings a wealth of experience, diverse perspectives, and a shared commitment to the Corporation's mission. Wayman's extensive experience in public administration has already begun to positively impact the strategic decision-making and enhance Schertz EDC competitive edge. The team is focused on fostering collaboration, promoting innovation, and steering the company toward new heights of success.

Additionally, Schertz EDC **acquired new Boardmembers** that have held key leadership positions in their industries. The new Board brings a wealth of knowledge, skills, and insights that will provide immense value. With a new comprehensive plan in the final stages, the assembled expertise of the group will be instrumental in guiding Schertz City Council vision and through its next phase of growth and innovation.

Lastly, **collaborating with newly-elected City Council members** has been instrumental in creating a supportive business environment. Through open dialogue and shared objectives, the Schertz EDC aims to contribute positively to the community and foster sustainable economic development.

In conclusion, fiscal year 2023 has been marked by significant changes and strategic initiatives that position Schertz EDC for a future of growth, innovation, and positive impact. We extend our gratitude to our stakeholders, employees, and partners for their continued support, and we look forward to another year of success and achievement.



ACCOMPLISHMENTS

INFRASTRUCTURE

Schertz Station

\$8,000,000



Boom/Connect

\$2,500,000



Core 5 Logistics Center

\$350,000



EXPANSIONS

**QUALITY CUSTOM DISTRIBUTION
HOLLINGSWORTH LOGISTICS
MEI RIGGING & CRATING
CHADWELL SUPPLY
MSI SURFACES
MAJOR WIRE
UPS**

DEVELOPMENT

Schertz enjoys stable growth, both in its businesses and population. This year, Schertz saw **8 major commercial** and **124 residential projects** develop across the city.



REGIONAL & STATE PARTNERSHIPS

GREATER: SATX

Our connection to greater: SATX plays a pivotal role in fostering collaboration on key issues such as workforce development and advocacy, as well as capitalizing on the San Antonio brand with business attraction and recruitment efforts. This year we dove deeper into workforce development, connecting with the organization's **SA Worx** program and participating in job shadow and internship programs. Through our partnership with greater: SATX, Schertz EDC co-host the Site Selectors Guild and a private dinner to enhance our connection with decision makers in the site selection industry.

One of the key benefits of regional partnerships is their ability to address complex challenges that transcend individual jurisdictions. One example is greater:SATX's role in advocating for the replacement of the Chapter 313 school-financed incentive program with the new Jobs, Energy, Technology and Innovation Act (JETI). This act will help attract large, capital intensive economic development projects that bring new, high-paying jobs to Texas.

TEAM TEXAS

Schertz EDC is a member of Team Texas, the marketing arm of the Texas Economic Development Council. By leveraging the Texas brand, Schertz EDC was able to assist in generating leads via tradeshow exhibitions, hospitality events and road shows. Events such as these can generate hundreds of leads from companies of all sizes, with which Schertz EDC staff use to build relationships. Team Texas has a proven track record of generating leads, developing lead pipelines, and winning projects. We will continue to invest in this powerful partnership.

BOOMERANG INTERESTS & LOVETT COMMERCIAL

In Fiscal Year 2022, Schertz EDC commissioned a study to determine the sewer shed size in Northern Schertz along a large portion of vacant land. The study revealed the path, size and depth of the project.

In Fiscal Year 2023, Boomerang Interests and Lovett Commercial entered into an agreement with Schertz EDC to receive assistance to build and connect a portion of the new sewer line to their speculative development. Schertz EDC's intent is to assist these companies with their development and simultaneously open up greater development in the area via access to sewer.

Boomerang Interests will build a 300,000 square foot speculative Cold Storage facility with a capital investment of \$40 million and Lovett Commercial will build two speculative buildings on the adjacent property with total square feet measuring 500,440 and have a capital investment of \$35 million.

Boomerang Interests

300K

Square Feet of Space

\$40M

Capital Investment

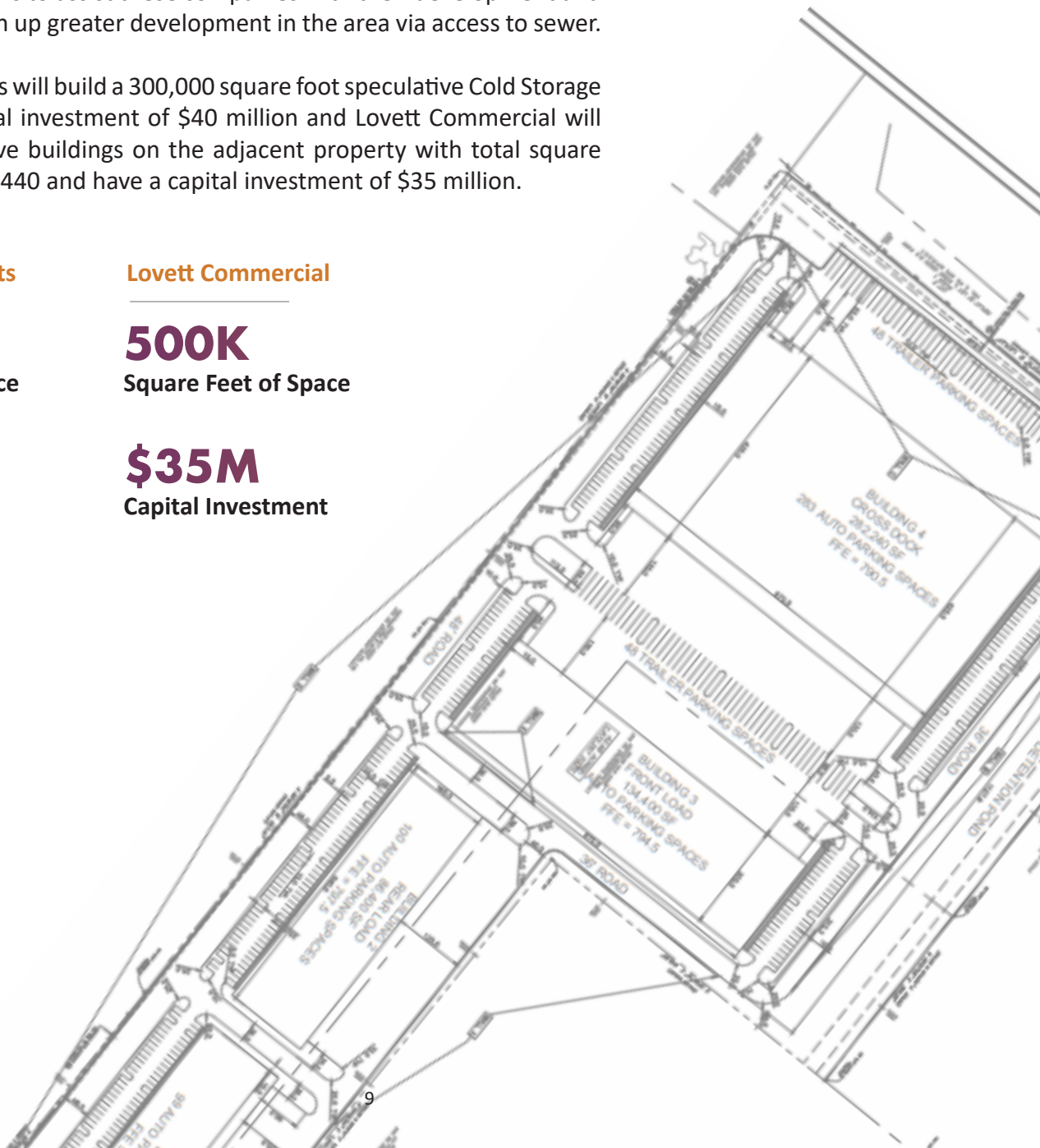
Lovett Commercial

500K

Square Feet of Space

\$35M

Capital Investment





PROJECT SPOTLIGHT: SCHERTZ STATION

Offering a diverse range of retail options that provides residents and visitors with a one-of-a-kind shopping experience.

Merit Commercial Real Estate announced plans to build 250,000 square feet of retail space and extend Ripps-Kruesler Road on 35 acres adjacent to the EVO Entertainment center near Cibolo Valley and IH-35.

The extension of Ripps-Kruesler Road is an integral part of the development and part of the City of Schertz Master Transportation Plan. The 0.44-mile construction will include all right of way property acquisition, utility grading, storm water mitigation and traffic signal and intersection upgrades. Schertz EDC will provide some assistance for the infrastructure and upgrades. This infrastructure investment serves a greater purpose by opening up other undeveloped areas of Schertz and increases area traffic mobility and gives greater IH-35 access.

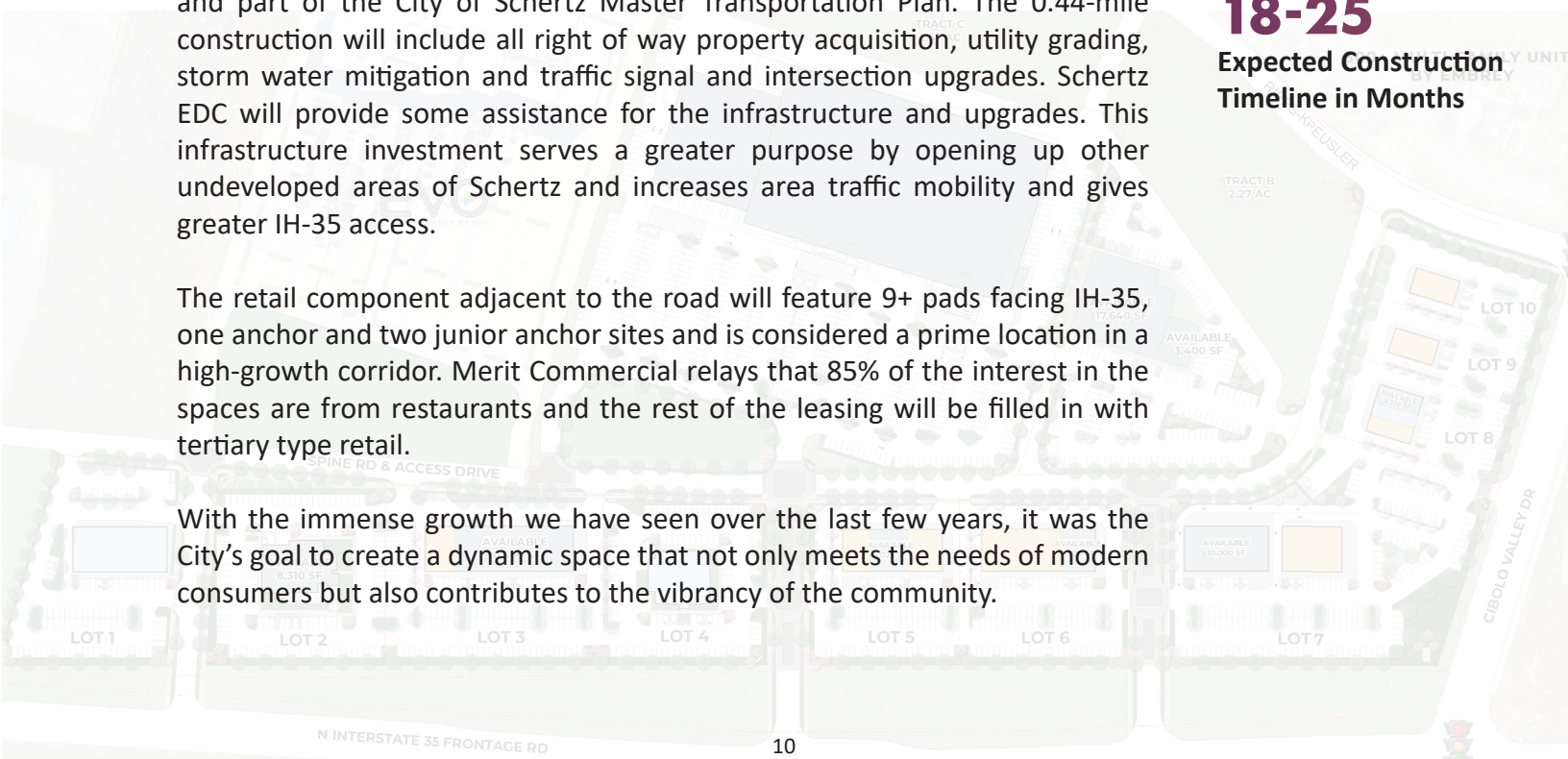
The retail component adjacent to the road will feature 9+ pads facing IH-35, one anchor and two junior anchor sites and is considered a prime location in a high-growth corridor. Merit Commercial relays that 85% of the interest in the spaces are from restaurants and the rest of the leasing will be filled in with tertiary type retail.

With the immense growth we have seen over the last few years, it was the City's goal to create a dynamic space that not only meets the needs of modern consumers but also contributes to the vibrancy of the community.

35 ACRES
Total Project Size

250,000
Square Feet of Retail

18-25
Expected Construction
Timeline in Months



PROJECT SPOTLIGHT: INDUSTRIAL

Brokers have described South Texas' industrial market as cooling, but this has not been the case in Schertz. Our community currently has large industrial parks being built on three of the four corners of our IH-35 and IH-10 corridors.

Park 35

This development features over 1.4 million square feet of industrial space that will be situated directly on IH-35 and spread out amongst 6 buildings ranging from 86,360 to 558,900 square feet. The various building configurations - including cross-dock and rear-load - will cater to a wide variety of users. Park 35 buildings will include 32'-36' clear height, ESFR sprinklers, abundant dock doors, and ample trailer parking to serve the distribution/warehouse market.

Core 5 Logistics Center

Located off IH-10 and Loop 1604, this project offers 1.7 million square feet of space, one million of which are included in Phase I. Buildings A and B are currently under construction; Building A includes 533,520 square feet of cross-dock capability and Building B includes 466,560 square feet of single-load space. The park will feature 30-36' clear heights and ample trailer parking. Phase I delivery is expected in Q3 2024. Phase II will come at a later date.

3009 Distribution

Totaling 112,900 square feet and available in Q1 2024, this building features a rear-load design, 32' clear height, ESFR protection, 3 Phase electrical service and all concrete truck court.

Doerr Logistics Center

Doerr is the first industrial development in the San Antonio area by Ackerman and Co. Upon completion, the property will have 32' clear height, 80 docks with overhead doors, auto parking spaces, 96 trailers spaces and 2 acres of pavement for additional parking. Within months of completion, the center was 100% leased.



“As the city’s Economic Development Boardmembers, we are committed to providing our business community with a strong, stable, and welcoming environment.”

SCHEER



RT

BIZ DEVELOPMENT

Schertz EDC continued to diversify the city’s business portfolio by working to identify and attract industries that provide quality jobs and increase investment in the community. In FY 2023, Schertz EDC leveraged their dollars with investments in regional stakeholder groups such as Team Texas and greater: SATX.

RECRUITMENT ACTIVITY HIGHLIGHTS



SITE SELECTORS GUILD | MAR 29-31

Site selection consultants are professionals who provide advice and guidance to businesses to expand, relocate or establish new facilities. This year’s event was hosted in San Antonio. Greater: SATX was the presenting sponsor and hosted a VIP kick off dinner. Regional partners networked with over 60 guild members and site selectors.



ICSC LAS VEGAS | MAY 22-24

Schertz EDC staff and leaders attended the ICSC Las Vegas to help recruit retail, in particular with the Schertz Station development. Overall, the group secured 5-6 meetings with retailers and the overall sentiment from retailers is that Schertz is on the radar.



ECONOMIC DEVELOPMENT SUMMIT | AUG 28-30

Schertz EDC staff connected individually with 7 site location consultants over two days in Odessa, Texas. With a full agenda, attendees were to some quality face-to-face time with consultants both during the conference and planned evening festivities.



WESTEC | NOV 7-9

Held in Anaheim, California, Schertz EDC staffed the Team Texas booth at this manufacturing tradeshow that has operated for 58 years. Attendees come from industries including aerospace, medical, industrial machinery, automotive, and fabricated metal.

BUSINESS RETENTION & EXPANSION (BRE)

Personal interactions and communication are the basis for business development and growth.

Schertz EDC works diligently to continue its support of our existing business community through its Business Retention and Expansion (BRE) program. Existing businesses and industries play a vital role in overall economic health and quality of life in Schertz. The vitality and growth of the existing business base is a fundamental component of our overall efforts to sustain and grow our community.

RESOURCES & ACTIONS

BRE initiatives can take the form of technical assistance, events, financial resources, and many other types of engagement efforts. Significant issues this year addressed by employers included workforce recruitment and development as well as city and utility services and drainage issues.

ON-SITE EMPLOYER VISITS

61 visits conducted from March 2022-December 2023

On-site business visits are crucial to developing long-term relationships between the city and existing Schertz businesses. Held with a company's CEO, plant manager, operations manager, or site leader, on-site employer visits help Schertz EDC staff gain a better understanding of the inner workings and challenges of our local industries.

Through visits, staff develop a clear understanding of the company's products as well as the markets in which it operates, all the while listening to specific concerns related to their operations. These visits also give staff the opportunity to identify resources, share information on city and Schertz EDC initiatives, and offer resolutions to issues impacting our business community.



TOP TECHNICAL ASSISTANCE CHALLENGES

1. Workforce
2. Garbage
3. Electricity
4. Drainage
5. Housing

LARGEST EMPLOYERS OF PRIMARY JOBS

1. Amazon
2. Sysco
3. Vision Works
4. Fed Ex Ground
5. Brandt Engineering
6. Fed Ex Freight
7. Hollingsworth
8. Caterpillar
9. Builder's First Source
10. Republic National Distribution

BRE RESOURCES & ACTIONS

SNOW CONE CELEBRATION

BUSINESS APPRECIATION EVENT



636 Snow Cones Provided

27 Businesses Participated

This event offered free snow cones funded by the Schertz EDC to all businesses located on Tri County Parkway over a two-day period in May.

The catalyst behind this event was the recently concluded \$6 million roadway construction of the Parkway funded by the Schertz EDC. Construction, projected to last 5 months, took almost a full year due to several unforeseen delays. Knowing that this prolonged construction on a major - and busy - thoroughfare in the middle of our community's industrial parks caused various hardships, Schertz EDC hosted this event to thank employees and employers for their patience.

One participant included Hollingsworth Logistics, which has employees from various countries across the globe. For many of them, this was their first time experiencing a snow cone.



LUNCH & LEARNS

Lunch and learns foster ideation and solution finding. Sessions are meant to open dialogue, allow for information sharing, identify common challenges, and help employers share best practices. Two sessions were hosted this year, covering topics relevant to the business community. This included (1) workforce programs and initiatives offered by greater:SATX presented by Vice President of Workforce Development, Christopher Mammen, as well as (2) a presentation on property tax relief and updates from the most recent state legislature session presented by SWBC Ad Valorem Tax Advisors, Michael Hill, and Gary Rivas.



QUARTERLY REGIONAL JOB FAIRS

Schertz continued to team up with regional economic development offices Cibolo EDC, Seguin EDC, and the New Braunfels Chamber of Commerce to host four quarterly job fairs, one in each city mentioned. The average number of employees that reserved a booth was 65 and the average number of job seekers was approximately 150 with many employers finding and hiring qualified candidates. Regional job fairs provide job seekers access to hundreds of openings in entry, intermediate and advanced-level positions across a wide range of industries including manufacturing, government, non-profit administration, tech, entertainment, public education, and more.



BRE RESOURCES & ACTIONS

MANUFACTURING DAY (MFG DAY)

In October, economic development organizations across the state celebrate and pass resolutions for Manufacturing Month. Schertz EDC joined our regional partners in Seguin during the Commissioners Court in October as well as Schertz City Council, to pass two resolutions in honor of the month. The purpose of the resolutions was to promote the manufacturing industry's vital role in the Schertz and regional economy. Schertz EDC also teams up with the Schertz - Cibolo - Universal City Independent School District.

This year students toured the manufacturing facility, Caterpillar Inc. and engaged with company representatives, including Section, Operations, Talent Acquisition, and Quality Managers, who shared their personal development stories and how manufacturing shaped their careers.

Manufacturing Day addresses common misperceptions about the industry by giving companies the opportunity to open their doors and show, in a coordinated effort, what manufacturing is — and what it is not. At its core, the day is a united effort to grow our local labor force, connect future generations, take charge of the public image of manufacturing, and ensure the ongoing prosperity of the industry.



SCHERTZ JOB BOARD

SchertzEDC.com/job-board

This resource is offered to Schertz employers who wish to advertise a job vacancy within their company. It is a free service and available by emailing the Schertz EDC office with a request along with a job description and point of contact within the company. This opportunity is provided based on feedback gathered from previous Schertz industry roundtables with employers.

BRE RESOURCES & ACTIONS CONTINUED

CONNECTING

STEM + MILITARY KIDS

The Science, Technology, Engineering, and Mathematics for Kids of Active Military Personnel (STEM KAMP) program offers students in grades 3-8 at military connected schools the opportunity to embark on a fun, immersive hands-on five-day summer camp where they can explore activities that will spark their passion for a future in STEM careers.

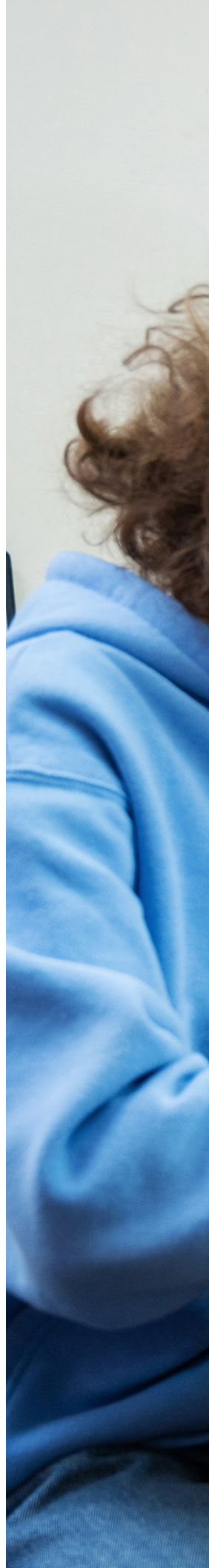
For the third year, the U.S. Department of Defense program invited SCUC-ISD to host the camp from June 5-9 at Steele High School in Cibolo. Schertz-Cibolo is only one of ten locations in the country, and the only one in south Texas, that provides this opportunity for our local students. This year's theme, Disaster Masters, challenged students to focus on natural and man-made disasters. Participants used critical thinking and problem-solving skills to design, create, utilize, and record experiments that simulated the effects of earthquakes, hurricanes, meteor strikes and oil spills.

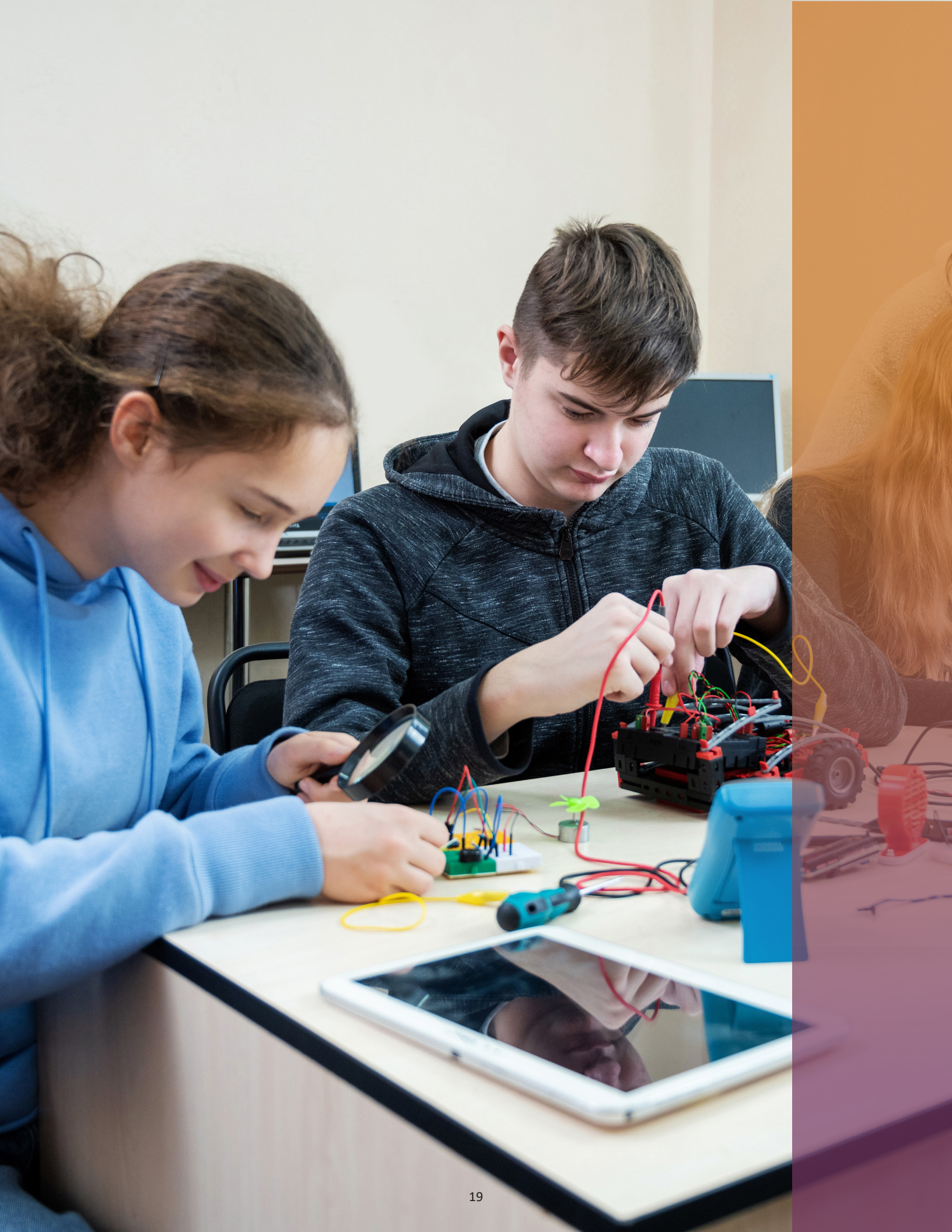
EXPANDING

CAREER & TECHNICAL EDUCATION

The Schertz-Cibolo-Universal City Independent School District (SCUC-ISD) offers a Career & Technical Education (CTE) program as a way for students to prepare for the highly technological and competitive workplace of the 21st century. This program offers career and technical education in a variety of fields including Agriculture, Food, and Natural Resources; Architecture and Construction; Arts, Audio/Video Technology, and Communications; Business, Marketing and Finance; Education and Training; Health Science Hospitality and Tourism; Human Services; Information Technology; Law, Public Safety, Corrections, and Security; Manufacturing; and Science, Technology, Engineering, and Mathematics.

Schertz EDC serves on the school's CTE Advisory Board, the primary focus of which is to advise, assist and provide support and advocacy for quality CTE programs. Advisory board members have the opportunity to learn more about the CTE program, and the instructors are able to increase their understanding of the job market, employers' needs and community opportunities.





MARKETING

TRACKED METRICS

This year, staff created a Facebook page to help reach all local business, citizens, and the larger community. In addition to this new channel, staff also used Twitter and LinkedIn to connect with site selectors and potential business prospects through.

One of our growing communications tailored to employers is our monthly newsletter, **First Friday Forum**, so named for its distribution day being the first Friday of each month. Below are some of our tracked metrics for our most used communication and marketing channels. *Figures are as of December 31, 2023.*

881

Twitter Followers

580

LinkedIn Followers

133

Facebook Followers

913

Newsletter Subscribers

30%

Newsletter Click Rate

37%

Newsletter Open Rate

SCHERTZ RECEIVES SCENIC CITY: PLATINUM CERTIFICATION

Overseen by Scenic Texas, the **Scenic City Certification Program** evaluates and recognizes cities for their commitment to high-quality scenic standards. Communities are evaluated on 70 criteria areas, ranging from percentage of park space and street lighting standards to strong litter enforcement laws and utility line management. For high performing cities, the “**Platinum Level**” **Scenic City** certification is the highest designation available.

In 2023, the City of Schertz became “Platinum Level” after scoring 319 points out of a possible 333. This effort was through a Schertz EDC initiative to raise awareness of the City’s quality of life efforts.

Schertz is 1 of 91 Texas municipalities honored with a Scenic City certification and 1 of 28 “Platinum Level” cities in the state.



Schertz is the only city
in the San Antonio MSA
with this status

TESTIMONIAL

MAJOR WIRE

“MAJOR Wire has been doing business in Schertz since 2016 and it has been an incredible experience for us. **Schertz is a city that truly embodies the spirit of Southern hospitality while providing a thriving environment for business growth.** Its commitment to business, combined with its warm and welcoming community, has created an ideal environment for us to thrive. We are proud to be a part of Schertz and look forward to many more years of success as we continue to grow in this wonderful city.”

-CHRISTIE DOWDEN, Director of Human Resources

WHAT WE APPRECIATE

Supportive Business Community	Local organizations, chambers of commerce, and networking that make it easy to connect with other entrepreneurs have been instrumental in our success.
Pro-Business Environment	City leadership is committed to an environment that supports economic growth, providing resources and incentives that make it enticing for businesses like ours.
Strategic Location	Schertz’ prime location, strategically positioned at the crossroads of major highways, has enabled us to efficiently reach customers across Texas and beyond.
Skilled Workforce	Schertz is home to talented individuals who bring expertise in various fields, making it easier for us to find the right talent for our business needs.
Quality of Life	Schertz’ exceptional quality of life offers top-notch schools, parks, and recreational facilities, which enhance the well-being and productivity of our team.
Accessibility to Resources	Schertz is close to San Antonio, providing access to resources including research institutions and business support organizations, valuable assets in our development.
Community Engagement	We have found great joy in participating in local events, supporting local causes, and building lasting relationships with our customers and neighbors.
Infrastructure and Connectivity	Schertz continually invest in areas that support businesses, from reliable utilities and high-speed internet, to modern facilities that have facilitated our operations.



BOARDMEMBERS

Representing the citizens of Schertz, Boardmembers help drive positive change and ensure transparency, ethical behavior and compliance with legal requirements.



Dr. Sammi Morrill
President



Bill Dixon
Vice President



Donna Steward
Treasurer



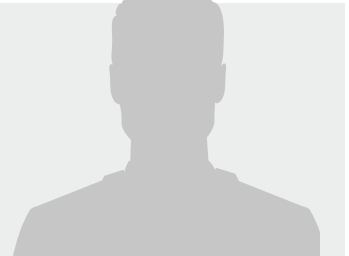
Henry Hayes
Secretary



Eryn McElroy
Boardmember



Rey Chavez
Boardmember



Mark Moody
Boardmember

STAFF

Our staff provide professional management and administration in service to the Schertz community, focusing on retention and recruitment efforts.



Scott Wayman
Executive Director



Holly Malish
Deputy Director



Ashley Ritchey
BRE Manager



Tracy Miller
Administrative Assistant

FINANCIALS

FISCAL YEAR	2023
HQ CITY	SCHERTZ
EDC TYPE CODE	TYPE B
CORPORATION NAME	SCHERTZ ECONOMIC DEVELOPMENT CORPORATION

EDC CITY	SCHERTZ
REVENUE OTHER	\$1,262,347
REVENUE Sales Tax	\$6,652,360
REVENUE Total	\$7,914,707
EXPENSE Total	\$8,85,597
ASSETS Land	YES
ASSETS Other	YES
OBJECTIVES Infrastructure	YES
OBJECTIVES Job Creation & Job Retention	YES
OBJECTIVES Sports Facilities & Recreation	YES
OBJECTIVES Tourism	YES
OBJECTIVES Other	NO

For more details on the City of Schertz Economic
Development Corporation's extraordinary
progress and future, please visit:
schertzedc.com

