



# **Greater San Marcos Partnership (GSMP) Agreement Work Session**

**August 3, 2021**



# Purpose and Goal

The purpose of today's presentation is to:

- Provide an overview of a proposed agreement with the Greater San Marcos Partnership for economic development services
- Incorporate feedback and direction into a final agreement

Goal is to bring the agreement back for approval in September



# About GSMP

- Non-profit 501(c)6 formed in 2010. Public-private partnership representing Hays and Caldwell Counties, and economic development contractor for the City of San Marcos
- Guided by a 5-year strategic plan, *Vision2025*
- Oversight provided by a board of community / regional stakeholders

## City Representation on GSMP Board

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<b>Mayor</b>	<b>Council Member</b>
<b>City Manager</b>	<b>EDSM Chair</b>
<b>Council Member</b>	<b>San Marcos Regional Airport representative</b>



# Why use the Greater San Marcos Partnership??

- The City invests \$400,000 and benefits from GSMP's \$1.6 million operation
- The City would be unable to provide the same staffing and service for \$400,000. GSMP employs nine full-time professionals in areas of:
  - Marketing & Communications, Business Attraction, Workforce, Business Retention & Expansion, Project Management, Research, and Administration.
- Site selection responses
- Small Business Development
- Business Retention & Expansion assistance
- Workforce Development programming



# Why use an economic development organization?

- Serves as intermediary between individuals/businesses and government
- Additional layer of confidentiality for businesses during preliminary discussion
- Strength in regionalism and public-private-partnerships
  - Other Texas regional economic development organizations:

Greater Houston Partnership

Corpus Christi Regional EDC

Greater Austin Chamber of Commerce

Katy Area Economic Development Council

Greater SATX Partnership

Rio Grande Valley Partnership

Bay Area Houston Economic Partnership

Texas Forest Country Partnership

- Economic development leads to job and wealth creation



# Economic Development Activities

Example Activities	✓ = lead organization	GSMP	CoSM
Develop Economic Development Policy and priorities		Support & Administer	✓
Market the City of San Marcos outside the region		✓	Support
Cultivate job and capital investment opportunities for the City and its residents		✓	Support
Represent the City on proactive business retention & expansion and attraction efforts and respond to inbound requests for information		✓	Support
Complete economic impact analyses for business retention & expansion or attraction projects requesting City support		✓	Review
Coordinate City departments and address any questions or issues for new and existing businesses		Support	✓
Work with community partners to enhance workforce development efforts		✓	✓
Develop and support programming related to innovation, entrepreneurship, and business support		✓	Review
Host prospect visits, coordinate prospect meetings, and solidify investment opportunities		✓	Support

Only City Council and EDSM have authority related to incentives offered by the City



# Current & Proposed Agreement

	Current	GSMP Requested	Staff Recommended
Term	3 years	4 years	4 years
Investment	\$400,000/year	\$450,000-500,000/year  FY 22-23: \$450,000 FY 24-25: \$500,000	\$400,000/year*  <i>*Subject to future amendments</i>



# Proposed Agreement Scope of Work

## Outline

Small Business Development

Business Retention & Expansion

Business Recruitment

Workforce Development

## Enhancements

*Partnership/City Coordination*

*Reporting*





# Small Business Development



## Previous Activities – Small Business Development

### GSMP:

- Hosted “COVID 19 Business Resources Webinars” July 15 - August 5, 2020 and the “Business Booster Series” March 9 - October 12, 2021 (ongoing)
- Supported the start of One Million Cups Greater SMTX with the Library and community partners in March 2021 for small business start-ups in the region with monthly meetings
- Engaged creating Downtown Association workplan and provided staff resources to augment its engagement efforts
- Is administering the San Marcos Industrial Foundation (501c(3)) and developing workplan targeting innovation and entrepreneurship
- Collaborated with Splash Coworking to host four days of workshops for Global Entrepreneurship Week Nov 16 - 20, 2020



# Proposed Agreement – Small Business Development

## GSMP will:

- Help grow local small and medium enterprises, including micro-businesses, with resources to include, business planning, access to capital, and search engine optimization
- Facilitate a minimum of 4 educational events per year that focus on small businesses or entrepreneurial needs
- Create and maintain a “one-stop shop” online database with resources specifically curated to assist small businesses
- Promote small business counseling programs that are offered by the City of San Marcos or other community organizations in San Marcos



# **Business Retention & Expansion (BRE)**



## **Previous Activities– Business Retention & Expansion (BRE)**

### **GSMP:**

- Is actively facilitating three expansion projects with existing companies in San Marcos
- Administered distribution of \$600,000 to small businesses through Hays County (Emergency Cash Assistance Program) funding -- of which a total of \$221,099 went to 37 San Marcos businesses
- Held over 40 interviews with target industry companies in San Marcos (through Q3)
- Hosted “COVID 19 Business Resources Webinars” July 15 - August 5, 2020 and the “Business Booster Series” March 9 - October 12, 2021 (ongoing)



# Proposed Agreement – Business Retention & Expansion (BRE)

## GSMP will:

- Serve as the City’s initial contact for current employers
- Implement a BRE program to discover challenges and opportunities for local small and medium enterprises and provide reports to City Manager
  - This program shall establish the frequency of BRE visits, quotas for anticipated number of businesses contacted, targeted industries, and whether the business is a paid investor in GSMP or Chamber.
  - Economic and Business Development Manager shall be invited to the meetings at businesses within the City of San Marcos
- Partner closely with local organizations to act as a resource for local businesses



# **Business Recruitment**



## Previous Activities – Business Recruitment

### GSMP:

- Responded to over 200 Requests for Information to site selectors on behalf of the City of San Marcos (85 in FY 21)
- Announced four new companies in San Marcos in FY 21
  - goodblend Texas – jobs with wages double the county average
  - Speculative buildings: Project Spec and Project Outlook
  - San Marcos’ second Amazon facility – largest GSMP-facilitated project brought to Hays and Caldwell counties
- Hosted more than 25 site consultants between 2020 – 2021 in the City of San Marcos on active projects and familiarization tours
- Announced 2,000+ jobs during current agreement period





# Proposed Agreement – Business Recruitment

## GSMP will:

- Serve as the City’s initial contact for prospective businesses in primary jobs industry sectors
- Respond on behalf of the City to all Requests for Information and site selection requests for which the City has eligible properties
- Host at least one visit for site selectors and include City leadership and staff to showcase key properties in San Marcos
- Proactively contact at least 9 prospective businesses that qualify as providing an “extraordinary impact” under the economic development policy
- List City of San Marcos sites first when providing a regional response



# Workforce Development



## Previous Activities – Workforce Development

### GSMP:

- Hosted a regional job fair, “Get Hired!” with approx. 90 job opportunities for residents
- Is partnering with the Chamber to host the education & workforce summit
- Sponsors and participates in the Texas State University monthly “Innovation Series”
- Is working with Workforce Solutions Rural Capital Area, Gary Job Corps, Austin Community College, and Texas State University
- Is serving as intermediary for a Perkins Regional Pathways grant to serve San Marcos CISD and Hays CISD
- Added an additional Workforce Specialist staff member in 2021



# Proposed Agreement – Workforce Development

## GSMP will:

- Support San Marcos CISD and Hays CISD on job training initiatives, including support for grants and participation on advisory boards
- Identify short-comings in current workforce training through business retention & expansion surveys and report to workforce training providers
- Maintain and expand partnerships with Workforce Solutions Rural Capital Area, Gary Job Corps, Austin Community College, and other stakeholders
- Establish a workforce development taskforce to develop actionable items that will create a ready labor force to meet the requirements of current and prospective employers



# Scope Enhancements



## **Proposed Agreement – Partnership/City Coordination**

- Regarding requests for incentives, GSMP shall inform the Economic and Business Development Manager when a completed incentive application has been received for consideration within one week of receiving the application
  - Provide full cost/benefit analysis, proposed incentive proposal, and company information prior to EDSM Board Meeting
- Coordinate financial incentive applications for economic development, including:
  - Small business incentive program, legacy business program, fast-tracking of development applications, fee reductions, etc.



## **Proposed Agreement – Partnership/City Coordination**

- Provide written quarterly reports and participate in monthly updates to the City Manager on business assistance requests, workforce development meetings, BRE surveys, and business prospects
- Provide the City’s Economic and Business Development Manager with access to the customer relationship management (“CRM”) program portal to review BRE notes and input details related to San Marcos businesses.



## **Proposed Agreement – Reporting**

- Prepare written semi-annual reports regarding Small Business Development, Business Retention and Expansion, Business Recruitment, and Workforce Development for the City of San Marcos and the Greater San Marcos Region
- Provide a written Annual Report on activities to the City Manager
- Other reports and information may be requested from GSMP for presentation to the City Council in connection with a specific request for an economic development
- List of reports are in Exhibit B of the agreement





# Proposed Agreement – Economic Development San Marcos

- EDSM will be supported by the City’s Economic and Business Development Manager
  - GSMP will provide administrative assistance when the City’s economic development manager is not available
- GSMP will be responsible for attending and presenting at any EDSM meeting with prospects or incentive applications they are working with, or as they are requested to attend by the City



# Next Steps

- Incorporate feedback and direction into agreement
- Council consideration of the agreement in September



# Council Direction Needed

1. Term of Agreement: 3 years or 4 years?

2. Investment:

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# Council Direction Needed

## 3. Any suggested changes to the Scope of Work?

A. Small Business Development (slide 11)

B. Business Retention & Expansion (slide 14)

C. Business Recruitment (slide 17)

D. Workforce Development (slide 20)

A. Partnership/City Coordination (slide 22)

B. Reporting (slide 24)

C. Economic Development San Marcos Board  
(slide 25)



# Questions?