

Opportunity San Marcos



SanMarcosTexas.com

2023-2027 Strategic Initiative

Opportunity San Marcos is a five-year Strategic Initiative designed to address specific challenges facing business in San Marcos and Hays County

Initiative Summary and Case for Support - Updated for **FALL 2023**



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SAN MARCOS AREA CHAMBER OF COMMERCE

Founded in 1903 to be a champion for the business community, the San Marcos Chamber of Commerce (“the Chamber”) works to bring economic vitality and an enhanced quality of life to the San Marcos area through economic development, tourism, workforce development, education, transportation, and public policy development.

Impacts and Accomplishments

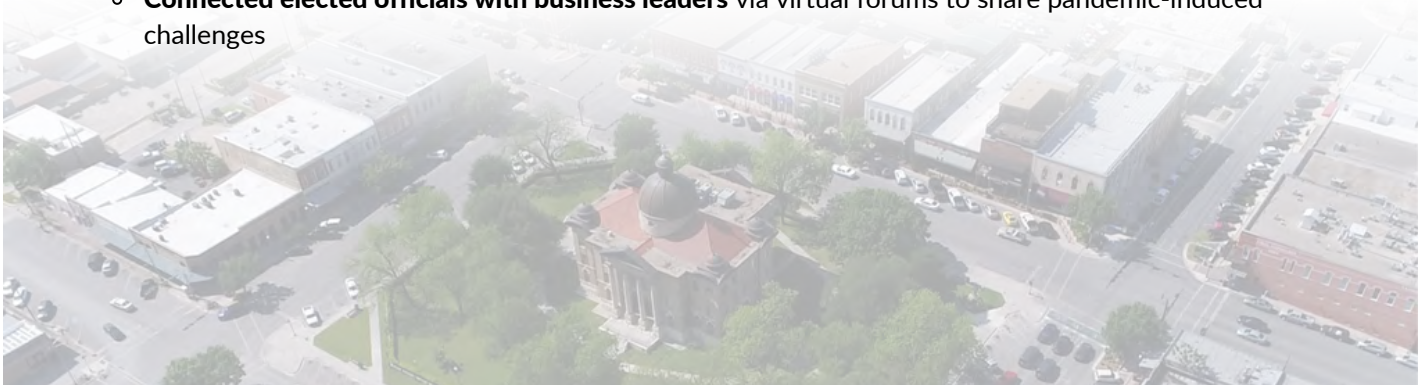
- **Entrepreneurship:** Promote and support entrepreneurship through the “1 Million Cups: Greater SMTX,” a program designed by the Kauffman Foundation to educate, engage, and inspire entrepreneurs around the country; launched in 2021
- **Education and Workforce Development:**
 - **Connect business leaders with K-12 education leaders and students through annual Red Carpet Tours** in local schools and a **job shadowing program for students** in local businesses
 - **Hosts a Teacher Externship Program each summer** to familiarize teachers with local workforce development efforts and real-world experience in local businesses that results in lesson plans for their students
 - **Successfully advocated for bonds totaling \$138M for improvements to school and municipal buildings;** as well as a **\$17.3M bond to fund STEAM-related initiatives**
- **Community Convener:** Hosts **annual State of the City event** attended by more than 200 business leaders to provide a platform for the Mayor and Superintendent to share updates on current plans and city and school priorities moving forward
- **Transportation:**
 - **Created the annual Transportation Summit** (now in partnership with the Greater San Marcos Partnership – “GSMP”) to focus on regional growth and mobility challenges; resulted in the creation of the Texas Innovation Corridor Transportation Alliance
 - **Advocated for infrastructure and transportation initiatives including the creation of a SMART Terminal,** an 888-acre Class 1 industrial park with rail service projected to add +/- 4,600 jobs to the city
- **Pandemic Response:**
 - **Provided direct support to businesses** by educating local businesses on available resources, partnering with the SBDC on the PPP program, and continues to distribute COVID test kits to the local business community
 - **Distributed \$200,000 in CARES Act grants to 35+ local businesses**
 - **Connected elected officials with business leaders** via virtual forums to share pandemic-induced challenges

Mission:

To improve the economic prosperity and quality of life of our members through leadership, education and business advocacy.

Vision:

The San Marcos Area Chamber of Commerce is a leading membership organization that collaborates with stakeholders to develop an environment where businesses thrive, leadership is encouraged, students excel, housing is ample and attainable, all members are active, and quality of life is a priority.



CHALLENGES AND OPPORTUNITIES THAT GIVE RISE TO THE OPPORTUNITY SAN MARCOS 2023–2027 INITIATIVE

San Marcos has been ranked as the **fastest growing city in the nation by the US Census Bureau** in recent years, and **Hays County experienced 53% growth from 2010-20** – growing from 83,960 to 241,067 -- making the Greater San Marcos region one of the fastest growing regions in the country.

The Chamber's Board of Directors conducted an extended strategic planning process in 2019-2021 to determine the best way to **proactively address the opportunities and challenges resulting from the rapid population growth in order to strengthen the region's quality of life and overall economic growth**. They concluded that while offering networking and event programming is a part of the Chamber's total role, **it is equally or more important that the Chamber take a strategic approach to addressing significant challenges (and opportunities!) unique to San Marcos and Hays County, and step-up the Chamber's delivery of programs that will create significant impact**.

1. Increased Competition for Talent and Opportunity for Stronger Education Partnerships

- **Businesses struggling to find workers.** This is cited as THE top-of-mind issue (workforce shortages, skill alignment concerns, etc.) for nearly every industry
 - **Employer demand continuously outstrips the supply** of qualified workers
- **Increased competition for talent.** Access to talent / a highly skilled local workforce is essential. Oftentimes, this is **the single most important factor for businesses when selecting a location**; and the **competition for talent has never been more intense** among communities across Texas, the United States and the world than it is today.
- **Texas State University “brain drain.”** 39,000+ students attend TXST every year yet most of them leave San Marcos and Hays County for jobs that can be found locally.
- **Enhancing existing Chamber programs can lead to a stronger local talent pipeline.** There are **currently several traditional business-education programs that are supported by the Chamber** and implemented through collaborative partnerships with local school districts and other partners. **Enhancing and adding to these programs will better align local curriculum with local employer issues, needs, and challenges. (OPPORTUNITY!)**
- **The Chamber can serve as Hays County's single local point of contact for education-business partnerships.** An excellent opportunity exists to **build upon the Chamber's education programs by adding a full-time talent development professional** dedicated to both preparing students to enter the workforce and building an even stronger connection to the business community. **(OPPORTUNITY!)**



2. Growing Pains - and a Growing Anti-Business Environment

- **Infrastructure not keeping up with growth.** Rapid growth has resulted in **new strains on local infrastructure** from **increased traffic congestion** to a **lack of affordable housing** to the **need to revitalize San Marcos, its downtown, and other areas.**
- **Anti-business/growth/chamber sentiment could threaten progress.** While the current local political situation is relatively business friendly, political and regulatory environment can change very quickly, resulting in:
 - Some **“anti-business/growth/chamber” officials being elected** to office that has strained the City/Chamber relationship.
 - Despite not supporting specific candidates in the past, past election results left a **perception that those elected were “anti-business” and that the Chamber chose sides.** Perception or reality, the **end results do not foster a “win-win” for the public/private relationships.**
- **Proactive advocacy and candidate recruitment needed now more than ever.** A more robust and strategic advocacy effort needs to simultaneously focus on two fronts:
 - **Educate elected officials and the public** on the benefits of business and job friendly policies that support quality growth.
 - **Identify and develop leaders to run** as pro-business candidates in local and state elections.
- **Limited staff and resources place the Chamber in “reaction mode,” rather than proactively shaping issues of interest to the business community.** The Chamber is in the best position to serve as the “voice of business” in San Marcos and Hays County, but the Chamber’s limited staff capacity makes it increasingly difficult to effectively stay in front of the many issues in play.

3. Lack of a Dedicated Hub for Business in San Marcos and Hays County

- **Inadequate physical resources for small businesses and entrepreneurs.** The Chamber often serves as the first stop for those interested in starting a business. However, the Chamber is unable to provide much-needed small business support services due to a **lack of physical meeting space and a dedicated staff person with expertise** in assisting startups and early-stage companies.
- **Inadequate physical resources for the Chamber and its partner GSMP.** The Chamber and the GSMP need to **add additional staff members to their teams to address evolving community needs** and their current office spaces are inadequate. Further, the two organizations operate in different physical locations which can, at times, **inhibit collaboration.**
- **Lack of local co-working space and accelerator/incubators** to meet the demand of local entrepreneurs.
- **Existing Building Structural Problems and Poor Image.** The Chamber’s current office building is over 24 years old and **in dire need of upgrades to improve its usability/value** to local businesses and the broader community. The building is currently **facing significant structural problems, lacks appropriate technology and meeting space**, and its dated, **deteriorating image** does not reflect the Chamber’s role as the leading “face and voice” of the San Marcos business community.
- **No “One-Stop-Shop” Connecting the Entire Entrepreneurial Community.** While there are a few specialized business incubators/accelerators and Texas State University’s Center for Innovation and Entrepreneurship in the San Marcos area, **there is not one entity that “connects the dots” for all entrepreneurial resources** and that is **designed to serve startups and early-stage companies of all types.**

OPPORTUNITY SAN MARCOS: 2023-2027 STRATEGIC GROWTH INITIATIVE

In response to San Marcos and Hays County’s key challenges, the Chamber has developed the following five-year strategic initiative, which is segmented into three interconnected actionable goals, and supporting strategies, tactics, and measurable objectives. Once implemented, the initiative will be the main community-wide focus of the Chamber and will be supported by both private and public investments.

- GOAL 1** **Develop, Align and Retain San Marcos Talent**
[Role: CONVENER/CATALYST]
- GOAL 2** **Strengthen the Business Climate**
[Role: LEADER]
- GOAL 3** **Create a Centralized Business and Entrepreneurship Hub**
[Role: LEADER/CONVENER]

PRIMARY OUTCOMES:

1. **Employers can find the talent** they want and need
2. **A business-friendly environment** that encourages job growth and investment and improves our quality of place
3. **Collaborative and supportive resources** for the Chamber, GSMP, and the local small business community

IN IMPLEMENTING THE INITIATIVE, THE CHAMBER WILL:

- **Engage and collaborate with partners across the greater San Marcos area (PARTNERS)**
When we collaborate in our economic development activities, **we are stronger and more competitive** in growing and attracting jobs and talent
- **Focus on improving equality of access and opportunity (ACCESS & OPPORTUNITY)**
The Chamber views equality of access and opportunity as an economic issue, and **is committed to connecting economically challenged areas and underrepresented populations** capital, “open doors” and other opportunities
- **Pursue objective measures and ensure transparency (RESULTS)**

“**What gets measured, gets managed**” – the Chamber has identified activity and outcome metrics, and will track and report progress in transparent fashion

“Our region faces intense competition for investment, jobs, and talent. The Chamber’s Opportunity San Marcos Strategic Initiative will significantly strengthen and support the Partnership’s regional efforts to address these challenges by providing critically-needed resources and staff needed at the local level to implement the Vision 2025 plan fully.”

— **Jason Giuliatti**
*Past President,
Greater San Marcos
Partnership*



GOAL 1: Develop, Align and Retain San Marcos Talent

SUMMARY

It is critical that San Marcos and Hays County ensure an education and workforce development system that is effective in producing the workforce talent needed by current and future employers in this area. Working closely with our partners in the workforce development “ecosystem”, the Chamber is interested in strengthening its capacity as a local *best practice provider* of talent development programs that are closely aligned with employer needs and best support regional workforce development efforts.

OUR PLAN

1.1 Strengthen the Local Talent Pipeline

Partner with SMCISD and GSMP to shape K-12 education programs that enable local employers to meet their workforce needs

- **Identify educational gaps** and work with educational leaders and businesses to come up with innovative ways to address those gaps
- **Advocate for new program and curriculum development** that produces the skills and capabilities that match the needs of area businesses

Continue/expand existing initiatives working in partnership with SMCISD, continue to deliver existing successful initiatives, including:

- **Youth Leadership program** for high school juniors and seniors. Seven sessions are held from September to April that focus on different aspects of the San Marcos community to orient them to the future workplace and provide leadership development opportunities
- **S.T.E.A.M. Fair** held at San Marcos High School showcasing local businesses and employment opportunities in a festive atmosphere to students and families with a focus on STEM careers.
- **Summer Externship Program** for SMCISD Teachers. Over 25 educators participate each summer, becoming embedded in local businesses to see real-life business practices first-hand and develop curriculum that incorporates their new knowledge and experiences
- **Education & Workforce Development Summit** event held for the business community to hear from key leaders providing institutional and regional updates, co-hosted with GSMP

Propose new initiatives for students including program possibilities such as:

- **Career and Technical Expo** to educate 7th graders about the variety of career opportunities in the region and the education/skills needed to acquire these jobs
- **Career Internship Program** offered to 12th graders to match students with local companies
- **Week-Long Summer Career Camps** open to rising 9th–12th graders to explore different career sectors
- **Apprenticeship Program** that connects student candidates with sponsors in the skilled trades
- **College Preparation that explores** a program pairing TXST students with HS students to advise on college prep
- **School Red Carpet Tours for Business Leaders** to allow local leaders a first-hand look at major employers’ operations and workforce needs
- **Job Shadowing Program** that matches student candidates with volunteer mentors
- **Financial Aid Saturdays** to help families with FAFSA applications via organized volunteer-led efforts with bilingual accessibility

Hire an Education & Talent Pipeline Coordinator to work with local education and workforce partners to coordinate these efforts and involve local businesses to sustain existing programs and develop new initiatives

1.2 Help Local Employers Attract and Retain Talent

Explore the development of an employer information portal to serve as a one-stop-shop for resources such as:

- Talent recruitment tools/kits
- A library of best practices for retaining employees
- An inventory of work-based learning opportunities
- Up-to-date list of all K-20 and workforce partner contacts

Explore the usage & creation of of a talent portal to connect businesses and applicants and serve as a central location “clearing house” for all available positions in the community

Disseminate current labor market information (wage and benefits surveys, job trends, skill availability, etc.) in collaboration with GSMP, local Workforce Development Boards and other partners

Research developing a graduate attraction and retention program targeting young professionals and alumni from Texas State University, public and private schools

Coordinate talent recruitment efforts with the GSMP’s out-of-town business recruitment trips

Disseminate promotions to change prevailing attitudes regarding skilled trades and other occupations that do not require a traditional college degree

MEASURABLE RESULTS

Number of students assisted through apprenticeships, internships, job fairs, and college prep programs

Employer participation in programming focused on enhancing employee retention/satisfaction

Increased number of local graduates retained in Hays County

BUDGET - \$100,000 in funding from Hays County Commissioners Court to fund a part-time position to coordinate these objectives and fund supplies, marketing activities and technology equipment for a two-year period.

GOAL 1 STRATEGIC OUTCOME:

Workforce talent in San Marcos and Hays County meets the needs of current and future area employers.

GOAL 2 Strengthen the Business Climate

CHAMBER ROLE LEADER

SUMMARY The Chamber has historically served as the proactive advocate and “voice of business,” encouraging a community supportive of and attractive to business. To ensure the community remains attractive to businesses, **the Chamber must ensure that the local infrastructure and business climate are conducive to supporting a continuation of the quality growth.** To do so, the Chamber **must significantly increase its resources to educate and influence elected officials and the public to support business-friendly policies and quality growth** that will improve the quality of place.

OUR PLAN

The Chamber will create and lead a **comprehensive, multi-year grassroots and marketing and communications campaign to educate the public and elected officials** on the benefits of pro-business policies; and **recruit and develop pro-business candidates that support policies that nurture business growth** while improving San Marcos' and Hays County's quality of place.

KEY STRATEGIES

2.1 Develop and Implement a Proactive Strategy to Impact Government Policies

- **Develop an advocacy strategy** and ensure proactive, sustained, tenacious implementation, including engagement of elected officials and participation in local and state-level stakeholder meetings
- **Identify and effectively address present and projected issues that will affect San Marcos and Hays County businesses** (transportation, anti-business/anti-growth sentiment, affordable/diverse housing options, aging residential and office stock, etc.)
- **Proactively impact policies** being considered by governing bodies relevant to San Marcos and Hays County
Provide relevant findings to elected officials from interviews
- conducted with San Marcos and Hays County area businesses so that they understand the challenges, data, and concerns of the business community
- **Develop a grassroots “Voice of Business” committee to be deployed as needed** to represent the business community to governing bodies
- **Develop white papers on key issues** impacting the local economy and quality of life



2.2 Support Election to Local Office of Candidates Who Strongly Support Business

- **Grow and support a pipeline of business-friendly candidates**
- **Equip candidates with information, tools, and training** as they build their platform/campaigns

2.3 Engage Residents and Encourage Their Support for a Business-Friendly Environment

- **Maintain direct, ongoing communication with the public** (digital/social media, traditional media, etc.) about the importance of business to a strong quality of life
- **During election cycles, communicate the economic implications of candidates' positions.**
- **Foster and model civil discourse** by providing training, convening community conversations about critical issues, and providing leadership for coalitions to achieve common goals
- **Develop and deploy a toolkit that supports businesses in telling their story to the community.**

MEASURABLE RESULTS

- **Advocacy/business-friendly strategy** developed and implemented
- **Successful adoption of Chamber's agenda items** at local and state levels
- **Increased voter engagement and understanding of business issues** relative to quality of life as measured by public comments in meetings and election results

Primary Budget Items may include

- Contract advocacy, data and research expertise
- Marketing and Education Campaigns and Collateral

GOAL 2 STRATEGIC OUTCOME:

A stronger business climate through an increase of business-friendly candidates and elected officials who support policies and legislation that strengthens local infrastructure needs and encourages job growth and investment.



“Our business community must make a stronger impact on public policy at every level of government to ensure pro-business policies continue on issues from improving congestion to creating more affordable housing options to revitalizing parts of our community. Our business and community’s growth rates are directly tied to successfully making a case for policies that benefit everyone in our community.”

– **Keely Hennig**

Immediate Chamber Past Chair

Vice President of Development San Marcos, Corridor Title

GOAL 3 Create a Centralized Business and Entrepreneurship Hub

CHAMBER ROLE LEADER/CONVENER

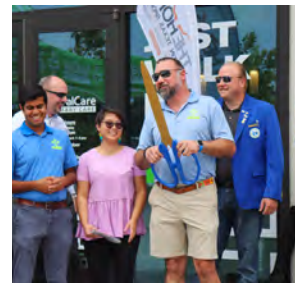
SUMMARY The Chamber and the Greater San Marcos Partnership ("GSMP") have an opportunity to lease a **14,860 square foot three-story historic building** located at 102 N. LBJ Drive on the square in downtown San Marcos. Plans are underway to renovate the building to **offer event and meeting space and business incubator / accelerator space to businesses and the community at-large, as well as expanded, co-located offices for the Chamber and the GSMP staff.**

OUR PLAN

To offer a solution for the need of a "one-stop-shop" for entrepreneurial activity in Hays County, and to address the long overdue need to acquire a larger and more modern office space for the Chamber and the GSMP and staff, the Chamber and the GSMP will:

3.1 Grow and Support the Entrepreneurial Ecosystem

- **Create a one-stop-shop incubator/accelerator/co-working and meeting space** for entrepreneurs
 - Include a "Small Business Resource Center" to be staffed in partnership with the Texas State Small Business Development Center, Austin SCORE, and others
- **Create an online portal** to provide resources and tools for startups and early-stage companies to reduce barriers to entrepreneurship
- **Support the GSMP's entrepreneurship strategic actions** as part of their Vision 2025 plan, including:
 - **Establish a pre-seed microloan program** to open up entrepreneurship to individuals who lack access to traditional capital
 - **Work with partners to effectively connect entrepreneurs** with technical assistance providers, key regional contacts, intellectual property attorneys, and sources of entrepreneurial expertise
 - **Conduct inter-city entrepreneurship visits** to observe and experience best practice programs
 - **Seek highly effective accelerators, business competitions, funding tools, conferences, technical assistance and support programs, and networking organizations** in nearby metros and across the U.S. from which to learn
- **Launch an entrepreneur mentorship program** connecting new and seasoned entrepreneurs
- **Host a comprehensive training program for local entrepreneurs**, including events for successful small business leaders to share experiences with prospective entrepreneurs
- **Provide written and programmatic training resources** for small business owners on topics such as profit and loss, taxes, business planning, regulations and inspections, market research, grant resources, pre-launch advertising, etc.
- **Facilitate funding opportunities** for local businesses by providing support and information about obtaining grants
- **Connect local investors to business start-ups** through partnerships with the Central Texas Angel Network and others



3.2 Secure a new building for office, co-working, and event space for the Chamber and the GSMP

- **Address the need for more co-working and event space, and a growing Chamber and GSMP staff.** Lease the 14,860 square foot three-story historic building located at 102 N. LBJ Drive in downtown San Marcos
 - **Reduce operating costs** through shared monthly rent/expenses with GSMP, and secure new, ongoing revenue through meeting and event space rentals

FIRST FLOOR

- Flexible event space with room for up to 100 people
- Coffee bar
- 3 conference / meeting rooms
- Entrepreneur/Small Business center

SECOND FLOOR

- Chamber and GSMP Offices

THIRD FLOOR

- Chamber and GSMP executive offices
- Board room

OTHER FEATURES

- Basement storage area
- Elevator
- 20 parking spaces behind the building and ample street parking reasonable walking distance; also, able to leverage the Wells Fargo parking lot for large scale events (approximately one block away)
- Restrooms on each floor



ROLES OF THE CHAMBER AND GSMP:

- **GSMP serves as the REGIONAL economic development organization** for the City of San Marcos, and Hays and Caldwell Counties. Their services include business attraction, business retention and expansion, workforce/talent development, and entrepreneurship.
- **The Chamber serves as the LOCAL unified voice of business** that advocates, promotes, and inspires business and leaders in the Greater San Marcos Area, providing the “boots on the ground” to create an environment for success through leadership, education, small business, and business advocacy programs.

MEASURABLE RESULTS

- **A fully functioning incubator/accelerator and office**
- **Number of startups/small businesses created** or helped
- **Number of mentor relationships created**
- **Small business funding** provided through investor connections

- **Primary budget items may include:**
 - **New full-time staff roles:** Director of Entrepreneurship and a Receptionist (shared with GSMP)
 - **Fixtures, furniture, and equipment** for the business incubator, meeting space, and the Chamber and GSMP office space

GOAL 3 STRATEGIC OUTCOME:

Collaborative and supportive resources and physical space for the business and economic development community and a more vibrant and connected entrepreneurial ecosystem resulting in new businesses and job growth.

“Opportunity San Marcos’ new plans for a centralized business and entrepreneurship hub will help us fulfill our own Center’s mission to connect, support, and grow a robust innovation and entrepreneurial ecosystem that will empower our students and alumni to distinguish themselves with 21st-century skills and achieve the extraordinary. We need that connector.”

— **Dr. Shannon E. Weigum**
Co-Director, Texas State University Center for Innovation and Entrepreneurship



SUMMARY OF ECONOMIC IMPACT/BENEFITS OF THE INITIATIVE

The Chamber's **Opportunity San Marcos Strategic Initiative** will result in a variety of tangible and intangible benefits to the San Marcos area, including, most significantly, economic growth through a **stronger entrepreneurial ecosystem with a centralized business hub, quality talent pipeline, and stronger business climate**. The following primary economic development outcomes will result from / be associated with successful implementation of the Initiative:

- **Expanded and new small businesses with more access to capital** in San Marcos
- **Improvement in the area's workforce** quality, quantity, and alignment
- **Improvement in the business climate** that signals to area businesses that they are a valued part of the community

The **ripple effect** of these outcomes will include:

- **New capital investment**
- **New quality jobs** from start-up and small business growth – “direct” jobs will trigger additional “indirect” (supplier-type) and “induced” (service sector) jobs
- **New payroll** associated with direct, indirect, and induced jobs
- **New disposable personal income** to be spent in San Marcos area, benefitting all local businesses
- **New sales and property tax revenue** paid to governments throughout the area
- **Enhanced quality of place and life** for residents and workers throughout the area

