



ANNUAL REPORT

CITY OF SCHERTZ ECONOMIC DEVELOPMENT CORPORATION
FISCAL YEAR 2019-20

MISSION | To grow the Schertz economy through Projects. Specifically, we pursue Projects that focus on the creation/retention of Primary Jobs and Infrastructure Improvements.

SCHERTZ
ECONOMIC DEVELOPMENT CORPORATION



OUR MISSION | 04

RECRUITMENT | 06

RETENTION | 10

SNAPSHOTS | 18

PROJECTS | 20

FINANCIALS | 26

The **Annual Report** provides an overview of the City of Schertz Economic Development Corporation's activities for the 2019-20 fiscal year (October 1, 2019 to September 30, 2020).

SEDC Board and Staff

Paul Macaluso | Roy Richard | Sammi Morrill
| Jesse Hamilton | Benjamin McDaniel | Bryan
Snowden | Jesse Carrasco | Adrian G. Perez |
Jennifer Kolbe | Patty Horan | Drew Vincent

Publish Date | December 2020

QR Codes | This report provides several QR Code links to additional Schertz resources. The reader assumes all risk inherent in following links. If a link is broken, please contact the SEDC for assistance.



A YEAR OF RESILIENCE

In response to the impacts of the COVID-19 Pandemic, the City of Schertz Economic Development Corporation (SEDC) adapted its programs towards the continued development of Schertz as the premier choice for new investment in the region.

- **Industry Recruitment:** The SEDC deepened its investment in digital marketing and Customer Relationship Management (CRM) tools to establish stronger and deeper relationships with new, existing, and potential projects and stakeholders over time.
- **Business Retention and Expansion (BRE):** The SEDC launched a COVID-19 Business Resource web page and initiated direct outreach to over 100 local Primary Employers to provide technical assistance and immediate access to incentive dollars through existing SEDC programs.

Much like the State of Texas, the City of Schertz demonstrated through the pandemic a core belief in governing in a manner that balances personal liberty with public accountability. These principles are what have driven our community forward through these uncertain times and at the core of a thriving pro-business, pro-growth community.

The coming year will no doubt see its challenges. However, the SEDC is ready to adapt to the changing landscape with new policies, partners, and programs to support our community's continued rapid growth. Looking forward, the SEDC will continue to live out these values and work in partnership with the City Council on the enhancement of economic development incentive policy and strategic use of the SEDC Reserve Fund, resulting in more and better jobs and investment as our Country, State, and region rebound from the effects of this historic event.

On behalf of the entire SEDC Board of Directors and staff, we invite you to explore our economic development progress over the past year.

OUR MISSION

The mission of the City of Schertz Economic Development Corporation (SEDC) is to grow the Schertz economy through Projects. Specifically, we pursue Projects that focus on the creation/retention of Primary Jobs and Infrastructure Improvements.

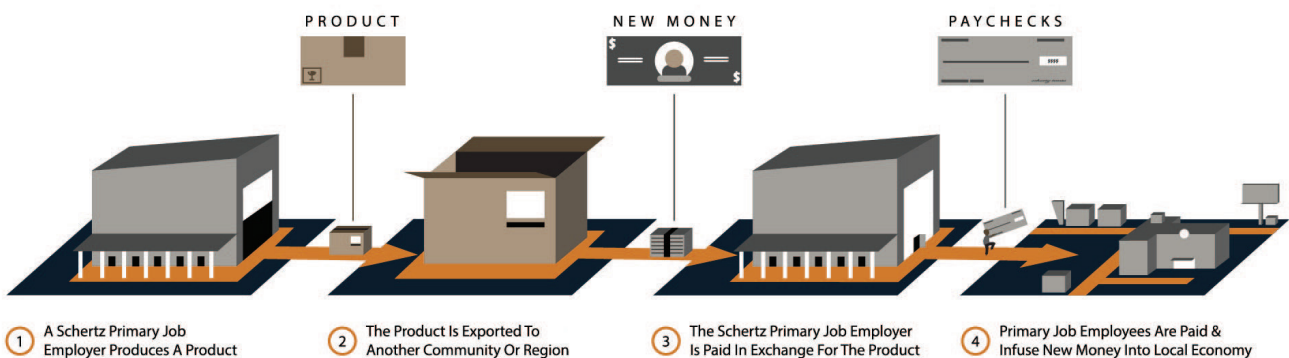
PRIMARY JOBS

One of our mission's key elements involves **Primary Jobs** - jobs that produce goods/services for customers that are predominantly outside the region and defined by Local Government Code 501.002 (12). Primary Jobs create new money for our community by exporting products. Once an employer is paid for these Primary Job-produced goods/services, the new money is redistributed into the community through wages paid to employees; capital investments, tax payments to the City, local school districts, and counties, and through payments to local suppliers.

Schertz is fortunate to have a variety of **Primary Job Employers** - companies that create Primary Jobs. In Schertz, examples of companies that create Primary Jobs are associated with our key industries of manufacturing, warehouse and distribution, and e-commerce because they export goods/services to regional, statewide, national, or international markets.

CalTex Protective Coatings is an example of a Schertz company that creates Primary Jobs. They manufacture sealants and other car-care detailing products. These products are exported to other markets, such as Kansas City, and new money is created in Schertz. This is what creates and maintains the flow of new wealth into our community.

On the other hand, an example of a business sector that does not create Primary Jobs is retail or medical. In general, purchases made at a local shopping center or payments made when visiting the doctor generally use existing money to pay for those goods or services. These businesses rely on new money created through the companies that generate Primary Jobs to fuel our local economy.

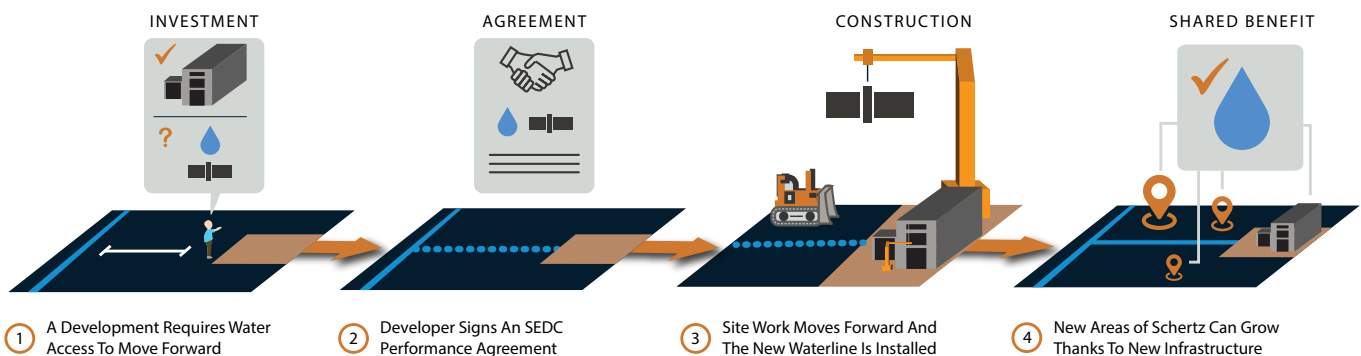


INFRASTRUCTURE IMPROVEMENTS

The second piece of our mission’s focus on Projects involves **Infrastructure Improvements** - the basic physical and organizational structures that support the city as defined by Local Government Code LGC 501.103. Infrastructure is a term that most are familiar with, and their improvement benefits our entire community. Infrastructure Improvements can include utilities (water, sewer, electrical, gas), streets & roads, site enhancements, drainage, rail, and other related improvements needed to construct a commercial building.

The saying “development follows infrastructure” is a great summary of why the SEDC prioritizes this financial assistance type. Through Infrastructure Investments, the SEDC can work with partners to open new city areas for development activity. In turn, these investments allow the city to receive new revenues through property and sales tax, which support provision of local services like emergency response. Infrastructure Improvements also has the potential to maximize investment; working with the private sector can streamline construction, make large scale development more cost effective, and build up areas of the community without affecting the City’s General Fund.

Titan Development’s Schertz 312 project is an example of how the SEDC pursues Infrastructure Improvements. Titan owns 312 acres of land but needed infrastructure in place to attract tenants to the area. This project offered the chance for the SEDC to invest a minimum amount while receiving a high return from the community perspective. The SEDC assisted with road and utility installation, and in return, Titan is required to attract a 1 million square foot user to the newly accessible site. This is in addition to the hundreds of acres that can now be built to accommodate new business.



RECRUITMENT



View of FabTech 2019 in Chicago, one city where the SEDC met with companies for recruitment efforts. Photo courtesy of FabTech.



DIRECT TO DIGITAL

The SEDC actively engages new Primary Job Employers and key site selection decision makers through national recruitment events included attending trade shows, networking events, one-on-one company visits, and facility tours. The SEDC established a goal of 12 Recruitment Events and was able to execute 4 in Atlanta, Boston, Chicago, and New York. However, as COVID-19's impact on the economy grew and planned Recruitment Events moved from postponements to cancellations, the SEDC pivoted to a digital engagement approach.

The SEDC reallocated funding from travel and recruitment events to digital marketing and a Customer Relationship Management (CRM) system. Ensuring that virtual/digital interaction could be facilitated in larger numbers and over longer periods as projects develop. In addition to minimizing physical interactions in a pandemic, this transition to a more virtual approach for the near future helped refine the SEDC's lead generation strategy. With the temporary suspension of recruitment events, the SEDC reallocated resources to invest in new tools to monitor companies demonstrating growth signals. These tools allow the SEDC to segment leads by industry, location preference, and timeline. This approach supplements the top of our recruitment pipeline with companies with either a validated project and timeline or demonstrating growth signals.

Summary: The pandemic created an opportunity to further invest in tools and technology to supplement the development of project leads and prospects and support the continuity of program operations. Schertz now can market itself and manage relationships with growing companies across the country as part of its lead generation strategy.

40+

GROWTH COMPANIES REACHED THROUGH DIGITAL MARKETING CAMPAIGNS

The SEDC uses the following 'pipeline' to monitor companies as they move through the site selection process. This process allows the SEDC to effectively follow up on each project and help where appropriate.

LEAD

Company considering expansion/relocation

INQUIRY

Company seeking Schertz information

PROSPECT

Company that has shortlisted Schertz

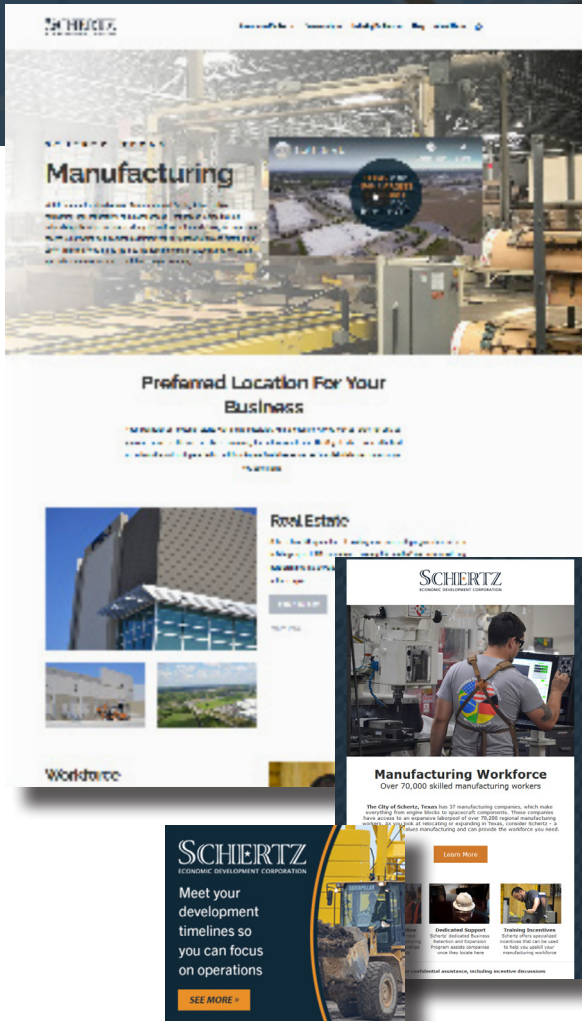
LOCATES

Company that has located in Schertz

	Recruitment Events*	Inquiries	Prospects
Goal	12	160	55
Total	3	87	26

* Recruitment events canceled due to COVID-19 Pandemic.

DIGITAL MARKETING



Due to the temporary suspension of in-person recruitment events, the SEDC invested in new tools to monitor and market to companies demonstrating growth signals.

These tools also allow staff to segment out leads by industry, location preference, and timeline. Based on this information, the SEDC serves digital ads linked to our website to track engagement from targeted companies.

This new approach improves our previous efforts: as an enhancement to attending recruitment events and serving geofenced ads to attendees that may or may not be considering relocation/expansion, we now are filling the top of our recruitment pipeline with companies that have signaled movement interest. This allows us to pursue qualified leads and be efficient with staff time and SEDC financial resources.



Watch the SEDC Video

Video is one way that the SEDC visually promotes our community. Scan this QR code with your phone to see our latest overview video!

NEXUS MEDICAL

Nexus, a health care & insurance clinical review company, built their new headquarters in Schertz. This 36,450 sf state-of-the-art facility is located at 5600 Schertz Parkway.

- 4 Acre Development
- 100+ Employees
- 36,450 Square Feet



KELLUM

Kellum is developing a medical office development near its current location at Roy Richard Drive and Green Valley Road. This addition will consist of 3 buildings totaling 39,000 sf.

- 5 Acre Development
- 3 Buildings Total
- 39,000 Square Feet



RETENTION

 UPDATE



RELATIONSHIP-BUILDING

Business is built on relationships. Personal interactions, networking, handshakes, and the sharing of business cards are the basis for business growth and development. Ironically, these relationship building essentials can contribute to the spread of COVID-19. In a world where a connection is more important than ever, we have seen individuals and businesses pivot to new ways of doing business. This year, the SEDC modified its offerings to continue its support of our existing business community through its Business Retention and Expansion (BRE) program.

As the COVID-19 pandemic emerged, the SEDC focused on outreach, assessment, and engagement as we adapted our Retention Disaster Recovery Plan to deal with the economic threat presented by COVID-19. Outreach began with direct calls to over 100 Primary Employers to confirm contacts, provide information resources and assess impacts. These conversations helped us gauge our business community's health and better understand the challenges imposed by the pandemic. There was a spectrum of needs being served by various state and federal resources. However, seeing the need for more local options, the SEDC made available economic development incentive dollars. The Business Retention Grants were made available to help Primary Employers adapt their operations during this unprecedented time to preserve employees and investment within the community.

In addition to providing information to businesses trying to navigate the various state and federal resources, the BRE program encountered several companies in dire need of masks, hand and surface sanitizer, and other essentials. These products, for a time, were sold out through normal purchasing channels. Through partnerships with local manufacturers such as CalTex who manufactured the product for national distribution for their supply chain, local companies could meet their needs.

Summary: Maintaining and growing relationships with our business community remain essential to our efforts. Emulating the resiliency strategies of the companies we serve through digital events, regular check-ins to assess companies' health, and developing new assistance tools will allow the SEDC to support Schertz's ongoing economic development success.

103
DIRECT CALLS

Once a Primary Job Employer begins operations in Schertz, they have access to our Business Retention and Expansion (BRE) program. Through this program companies receive continuous outreach, problem-solving assistance, and forums to voice their needs. Guiding these efforts is the BRE Plan, which has 3 main sections:

ASSESSMENT

Determine if companies are ready for expansion or at-risk of closing/leaving

RESOURCES

Identify retention/expansion events, programs, and financial resources

STRATEGIC ACTIONS

Create steps to address community-wide and isolated issues

COVID RETENTION GRANT FOOD RELATED



Food Related is the first recipient of the SEDC's new COVID-19 Retention Grant. Food Related is a Texas based food wholesaler added grocery delivery to its existing line of business. Established in 1992 in San Antonio, Food Related has been growing steadily in Schertz since 2016. Members of Schertz City Council and the SEDC visited Food Related's facility and saw firsthand how the company supports high-quality end-to-end grocery delivery. The company has translated its relationship-based approach to residential grocery delivery by maintaining its practices of high-quality customer care and food safety, including delivery in sanitized refrigerated trucks.

"Going through COVID-19 has been tough ... but being a part of a community such as Schertz has made the load that much lighter," says the company's Founder & CEO, Luciano Ciorciari. "The support and encouragement we have received from all city officials and the community itself has been more than we ever expected."



[Read More About Food Related & the SEDC](#)



CELEBRATING THE SCHERTZ BUSINESS COMMUNITY

Many Schertz businesses stepped up to serve the Schertz community as COVID-19's impact became more widespread. From face mask donations to providing accessible food options during the lock-down, our business community made significant contributions that kept our community safe and uplifted.



In March, **Food Related** started a Love Drop Off Campaign where the company enlisted local restaurants to provide meals to people out of work or laid off due to COVID-19 restrictions. Through this effort, Food Related donated over 30,000 pounds of food and fed over 3,500 families.



In April, **Rainbeau Curves**, which sells appeal and active-wear, donated 1,800 face masks to the City's EMS, Police, and Fire departments. This generous donation helped keep our community and first responders safe when masks were scarce.



In May, **Sysco Central Texas** set up their Pop-Up shop truck at City Hall. This provided the chance for families to access a variety of food options at a time when grocery store demand was high.



WORKFORCE DEVELOPMENT

Workforce Development is one of the most critical elements of a company's operations. A key differentiator among communities working to secure new investment is the programs to supply current talent needs and focus on developing a pipeline of young people through its high schools. This year, the SEDC collaborated with the Schertz, Cibolo, Universal City Independent School District, and local workforce partners.

- Workforce Development Kiosk In Public Library - The availability of a reliable workforce is a crucial concern of our business partners. When evaluating barriers encountered by Schertz job seekers, SEDC staff discovered that people needed access to a workforce center. In response, we are partnering with Workforce Solutions Alamo to place a kiosk in the Schertz library. This new service will allow residents to access services that would otherwise be unavailable within our community. When completed in 2021, this will be one of less than a dozen workforce kiosks in the entire State of Texas.
- Job Shadow Day - this event brings together local students, schools, and businesses to connect employers to future talent while opening attendees' minds to various available careers. This year, 404 students from Samuel Clemens and Byron P. Steele III high schools visited 19 different employers in Schertz and Cibolo, learning about jobs ranging from manufacturing and supply chain management to agriculture and public service.
- Manufacturing Day (MFG Day) – the event highlights the reality of modern manufacturing careers by encouraging companies to open their doors to students and community leaders. This benefits students by allowing them to explore manufacturing outside of a classroom setting and companies through direct access to local education providers and future talent. This year 68 students toured 2 manufacturing facilities - Caterpillar Inc. and Innovation, Technology, Machinery (ITM) - and engaged with company representatives. Many of this year's participants were female, as Schertz continues to use MFG Day event as an opportunity to connect girls with Science, Technology, Engineering, and Math (STEM)-related career paths. Students heard presentations from female leaders in the organization, including Section, Operations, Talent Acquisition, and Quality Managers, who shared their personal development stories and how manufacturing shaped their careers.

TECHNICAL ASSISTANCE

Technical Assistance, or one-on-one services provided through Schertz' BRE program, helps businesses grow and succeed. Examples of these services include accessing city assistance, explanations of processes or City code, and connecting companies to appropriate economic development partners. As these issues impact several Primary Employers that the BRE program can develop an Initiative such as Love Where you Work.

- Schertz' Love Where You Work Initiative - Litter, illegal parking, code violations, and crime are problems all communities face on some level. In Schertz, we are fortunate that most of these problems are mostly minor, but we must acknowledge them. Usually, the best way to tackle these challenges is to prioritize education over enforcement. The Love Where You Work Initiative helps educate business leaders in the industrial park on laws and processes when dealing with these issues and enlists their help in finding solutions. The committee meets once a quarter to identify problem areas and develop mitigation strategies. This committee is in the process of forming its leadership structure and developing short- and long-term objectives.

BUILDING RELATIONSHIPS

ROUNDTABLES

Roundtables foster open dialogue, identify challenges, promote information sharing, and allow Primary Job Employers to share best practices. Typically, topics address questions posed by local businesses and range from workforce development to transportation news.

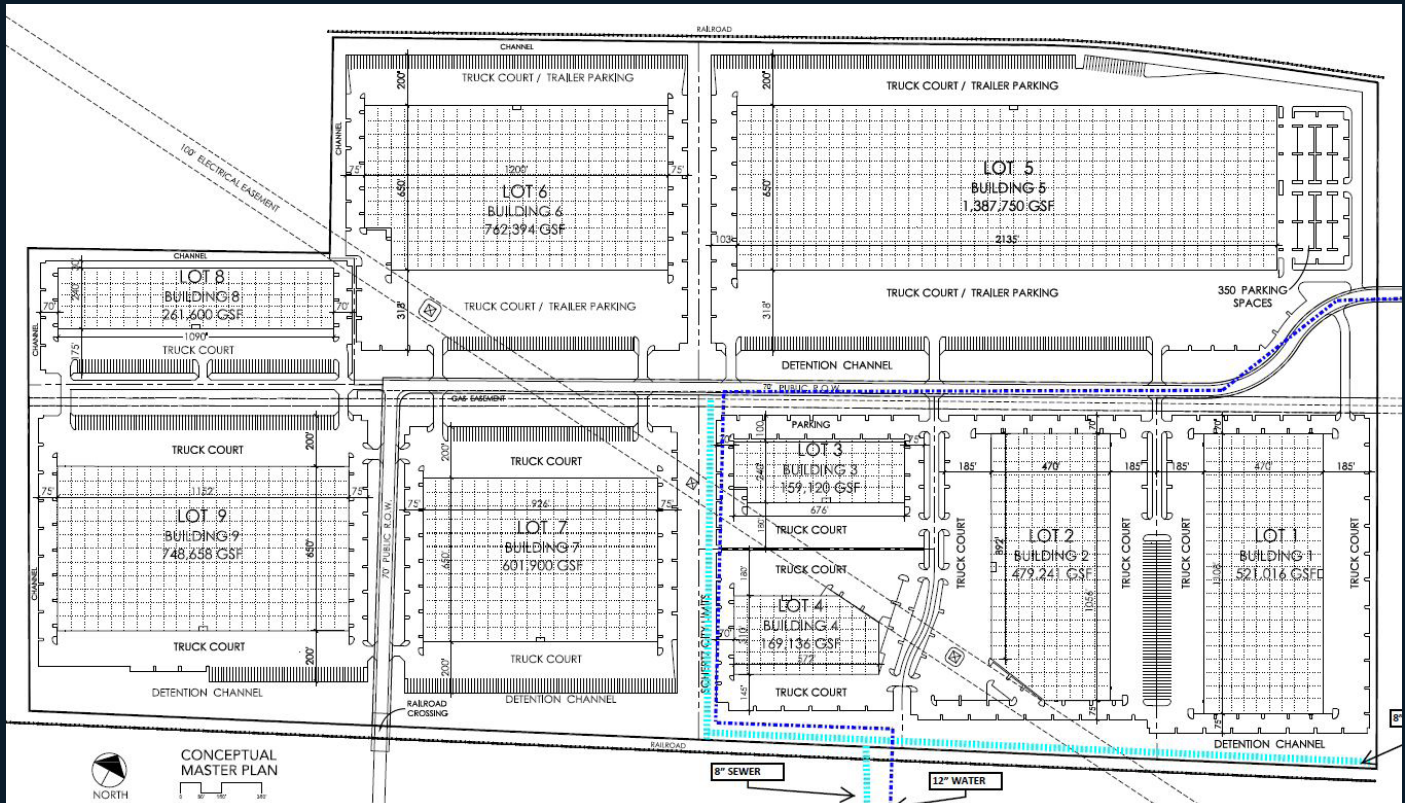
This year, the SEDC held virtual round tables, including the Comal County Public Health Director Cheryl Fraser . She informed local businesses on how to protect employees from exposure in the workplace, deal with employees exposed to COVID-19, and train training sources for supervisors dealing with new work requirements such as consistent social distancing.



INFRASTRUCTURE

Infrastructure is the backbone of a healthy economy. Industrial grade roads, reliable electricity, abundant water, sewer capacity, natural gas, and telecommunications systems support our existing businesses and attract new investment.

- **Tri County Parkway Roadway and Intersection Improvement Project** - The City began to address road conditions on Tri County Parkway but was constrained by the backlog of other street preservation and maintenance needs city-wide. City funding could only go so far. The SEDC stepped up to provide \$4,050,000 in funds to expedite Tri-County Parkway's work, including budgeting for a lighted signaled intersection at Tri County Parkway and FM 3009. This resulted from several companies expressing reluctance to continuing investing in Schertz unless the roads were repaired. Using EDC funds, the City can speed up the project timeline. This provides a safer intersection for all employers and employees in the Tri County industrial Park. Design work is underway, with construction starting in 2021.



One advantage that sets the SEDC – and the Schertz community - apart is our extensive experience working with developers, site selectors, and end users. We know how to work large deals and keep projects moving to help our business community’s bottom line. One example from this year that showcases our ability to work with private sector partners on meaningful projects includes Schertz 312. Shown above is the site plan, while the image on the preceding page shows the substantial progress they have made on this major local development.



INFRASTRUCTURE IN ACTION SCHERTZ 312

Titan Industrial Park: Schertz 312, Phase 1 – Titan Development has been invested in Schertz since 2012 when they constructed the first of their multi-building development known as the Enterprise Industrial Park. With over one million square feet of space already constructed, Titan worked with the SEDC to further their investment in the community by taking ownership of an additional 312 acres of land to build Titan Industrial Park: Schertz.

Split into 2 phases, Titan completed the first phase of 171 acres this year, installing industrial grade utilities and a new roadway. At the core of this development is a plat of land reserved for a million square foot user. The SEDC has been a long-term partner with Titan, helping them move through the city's development process.

Drone view of Phase 1's completed road and infrastructure



SNAPSHOTS

 Schertz Public Library on Schertz Parkway



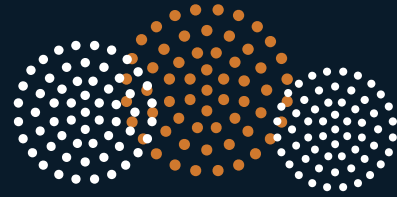
City of Schertz
Population

42,734

**TOP 10 LARGEST SCHERTZ
PRIMARY JOB EMPLOYERS**



- | | |
|-----------------------------------|----------------------------|
| 1. Amazon | 7. FedEx Freight |
| 2. Sysco | 8. Hollingsworth Logistics |
| 3. Visionworks | 9. Caterpillar Inc. |
| 4. FedEx Ground | 10. Builders First Source |
| 5. Brandt Engineering | |
| 6. Republic National Distribution | |



120

**PRIMARY JOB EMPLOYERS
IN SCHERTZ**



416K

**LABORFORCE
WITHIN 15 MILES OF SCHERTZ**

49%

Schertz Residents
With College
Degree



Daytime Worker
Population:

17,470

Schertz companies have access to the MSA's large population of:



1.2M

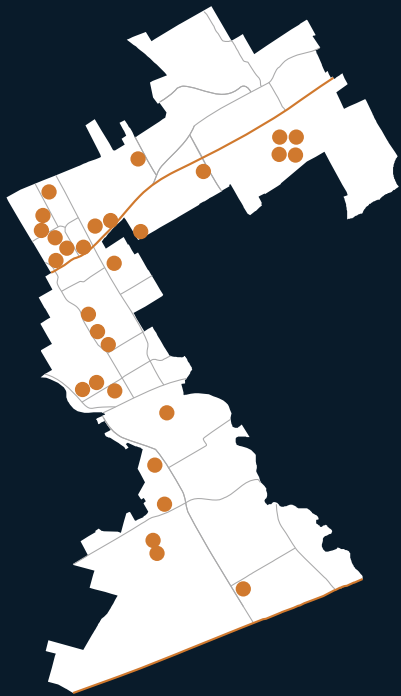
MSA LABORFORCE



1.6%
EST. MSA ANNUAL RATE
OF GROWTH (2020-2025)



7.8%
MSA UNEMPLOYMENT
(September 2020)



DEVELOPMENT IN SCHERTZ IS BALANCED ACROSS THE CITY LIMITS. ORANGE DOTS SHOW WHERE DEVELOPMENTS IS CURRENTLY UNDERWAY IN THE COMMUNITY.

DEVELOPMENT REVIEW

Over the fiscal year, 12 major developments were completed across the City. These ranged from multi-tenant industrial warehouses and manufacturing space to retail and civic developments to accommodate our growing business community. Over 270,000 square feet of space came solely from these 12 developments, continuing Schertz' real estate growth.

279K

SQUARE FEET OF NEW SPACE ADDED TO SCHERTZ THIS FISCAL YEAR

640K

SQUARE FEET UNDER CONSTRUCTION AS OF Q4 2020 (September 30)



Explore Available Sites! Schertz has options that fit every company's need. Scan this QR code to find existing buildings to development-ready greenfields.

AT A GLANCE

The City of Schertz is growing, both in terms of commercial and residential expansion. Schertz has some of the newest commercial, industrial product in the San Antonio region and continues to attract private sector investment. Our population also continues to increase thanks to Schertz’ high quality of life offerings.

REAL ESTATE

Annual comparison data for the Industrial sector for both the Schertz and San Antonio market.

Schertz	Q4 (2019)	Q1 (2019)	Q2 (2020)	Q3 (2020)	Q4 (2020)
Average Asking Price (NNN)	\$5.57	\$5.59	\$5.49	\$5.60	\$5.78
Inventory	8,901,311	8,984,021	8,984,021	8,984,021	8,985,236
Vacancy Rate	9.4%	8.2%	9.2%	9.1%	9.0%
Net Absorption (sf)	60,700	124,389	35,200	-3,555	14,072

San Antonio

Average Asking Price (NNN)	\$5.44	\$5.56	\$5.58	\$5.60	\$5.63
Inventory	47,182,927	47,948,706	48,160,097	48,972,040	49,499,637
Vacancy Rate	12.0%	12.2%	11.3%	12.3%	11.5%
Net Absorption (sf)	195,825	299,880	107,593	401,763	15,152

HOUSING

Number of new residential building permits issued by the City of Schertz’ Building Inspections Division. Top numbers show permits from FY 2019-20. Bottom numbers show permits issued during the same time period for FY 2018-19.*



Sources: JLL San Antonio Industrial Insight reports, City of Schertz Planning & Zoning Division, City of Schertz Building Inspections Division
 *Numbers may differ from SEDC Quarterly Reports figures due to adjustments to the City’s permit tracking software.

PROJECTS



Interior of Nexus' new Schertz headquarters. Photo provided courtesy of Nexus Medical.



ANNUAL REPORT | FY 2019-2020

The Schertz Incentive Policy outlines the SEDC and City of Schertz' approach for using economic development incentives. The policy formalizes guidelines and helps ensure consistency between the Schertz City Council and the SEDC Board of Directors as we work together to grow and support our local economy.

The three strategic incentive programs that make up the policy include:

1

Assistance Center – Information is critical to making business decisions. The Assistance Center is a collection of resources that provides information on the Schertz market, lists available properties & development-ready sites, summarizes important information related to starting or expanding a business in Schertz, and highlights area partners. The Assistance Center is a free resource available to new and expanding businesses seeking to pursue projects within the City of Schertz or our extraterritorial jurisdiction.

2

SEDC Incentive Program - The SEDC is the primary provider of incentives within Schertz. The SEDC offers specialized incentives for existing, small, and large impact businesses that create Primary Jobs. The SEDC also provides certain infrastructure improvement grants for streets and roads in retail, office, or industrial developments that promote new or expanded business activities.

3

Chapter 380 Program – Often in combination with the SEDC, the City of Schertz provides incentives through the Chapter 380 program. To qualify, projects must be large capital investment and sales tax producing projects. These projects must also be found to promote economic development and to stimulate business and commercial activity in Schertz.

The Assistance Center is at the heart of the Schertz Incentive Policy. Located on our website, this information source serves as a one-stop online resource for companies interested in expanding or relocating to Schertz.



AT A GLANCE

The SEDC and the City of Schertz administer economic development incentive programs to encourage companies to locate or expand in Schertz to pursue our mission of growing the Schertz economy. During this fiscal year, the SEDC monitored 11 existing agreements and entered into 3 new incentive agreements totaling 14 active agreements. Each agreement is a partnership that involves periodic evaluations of project performance to ensure compliance according to the terms of the agreement. Below are companies with active incentive agreements as of December 2020.

PRIMARY JOBS

SYSCO | 2010 | Sysco is the global leader in selling, marketing, and distributing food and non-food products to restaurants, healthcare, and educational facilities, lodging establishments and other customers around the world. In 2010, Sysco broke ground on its new 640,348 square foot distribution center in Schertz. Sysco was honored this year for 50 years of operation in March 2020.

CATERPILLAR | 2010 | Caterpillar Inc., manufacturer of construction equipment and engines, began operations in Schertz in 2010. Their 550,182 square foot facility produces a variety of engines for installation in their line of heavy equipment. Caterpillar exports this product outside the region and employs a high number of technical jobs. Aside from being a well-established company and strong corporate partner, Caterpillar regularly opens their doors to student groups for events such as the 2020 Manufacturing Day which was conducted virtually as a response to COVID-19.

AMAZON.COM SERVICES, INC. | 2012 | Amazon.com, one of the world's largest e-commerce and cloud computing companies, occupied a 1.26 million square foot facility in Schertz in 2012. The Schertz facility was one of 10 eighth-generation fulfillment centers, which means that it has the latest Amazon proprietary software, the most advanced engineering designs, and it has Amazon robotics. Amazon was recognized by the Governor of Texas as an essential service as part of the national supply chain and remained in operation through the COVID-19 pandemic delivering needed goods and products throughout the region.

MAJOR WIRE TEXAS, INC. | 2016 | Major Wire Texas Inc., is part of MAJOR, a global leading Canadian-based manufacturer that fabricates one of most advanced rock-sorting screening media products used at the aggregate and mining operations. The branch occupied their 53,011 square foot facility in Schertz in 2016. Today, MAJOR WIRE is a solely owned subsidiary of Haver & Boecker, a family-managed, mid size company with headquarters in Germany, with over 50 subsidiary companies on all five continents and 3,000 employees and 150 representatives worldwide. Major Wire joined the growing cluster of manufacturing operations in the Schertz' industrial park.

EVESTRA | 2017 | Evestra Inc., is a bio pharmaceutical research and development company with a therapeutic focus on women's healthcare, moved to Schertz in 2017. Evestra is one of many Schertz companies with international operations with offices in Texas, Poland, and Germany. Their Schertz location, a 12,800 square foot facility, houses their corporate headquarters and pharma manufacturing operations. Evestra is a modern manufacturer with high paying jobs, ISO-rated clean rooms, and the latest medical machinery. The SEDC's support for Evestra is part of Schertz' strategic effort to attract growing small businesses.

TEXAS PLUMBING SUPPLY | 2017 | Texas Plumbing Supply Company Inc. (TPS), completed its 35,100 square foot warehouse & distribution facility in 2017. TPS is an independent wholesale plumbing supply distributor. The company was established in 1962 and has 5 locations in Texas employing approximately 100 team members. They chose Schertz for their newest distribution facility as it strategically serves the south of Austin, San Antonio, Houston, and South Texas.

ACE MART | 2018 | Ace Mart Restaurant Supply Co. (Ace Mart), is a distributor of food service equipment and supplies to operators, caterers, concessionaires, home chefs, and more. The company built a state-of-the-art 214,536 square foot distribution center in Schertz to ensure that all their Superstores are always well stocked. Established in 1975, Ace Mart is an innovative leader in the industry with 17 warehouse showroom stores throughout Texas. Ace Mart can serve the entire state of Texas from its Schertz facility.

ANNUAL REPORT | FY 2019-2020

NEXUS ENTERPRISES, LLC | 2019 | Nexus is a health care and insurance clinical review company. The company decided to move its headquarters to the new location at 5600 Schertz Parkway in Schertz in July 2019. This move is impactful because it positions the Nexus headquarters in closer proximity to our workforce and San Antonio's thriving medical community. Nexus will occupy the single-story, tilt-wall-construction office building, measuring 36,450 square-foot on or about July 1, 2020. The firm will bring its current employee-base of over 100 full-time positions with an annual payroll of at least \$4.6 million to the new headquarters. Jobs consist of utilization review nurses, quality assurance nurses, case intake coordinators, case fulfillment coordinators, and physician advisor positions.

NEW KELLUM REAL ESTATE, LLC. | 2020 | Kellum Family Medicine Inc. ("Kellum") has been in Schertz and provided medical services to the community for over 15 years. Kellum proposed a 5.043 acre medical/office development near its current location at Roy Richard Drive and Green Valley Road. The development will consist of three buildings totaling 39,000 square feet of medical/office space. As a result of the capital investment, the development will generate at least 240 jobs and an annual payroll of \$11,000,000.

NEW FOOD RELATED | 2020 | Food Related is a wholesale food distributor of imported and specialty foods from Europe, South America and around the world. Due to COVID-19, the wholesale food distribution business model was severely impacted by mandated closure of bars, restaurants, and country clubs across the State of Texas. Food Related adapted their business model to a home delivery and curbside pickup with superior sanitation, food handling, and delivery practices. The SEDC provided a \$45,000 Retention Grant for Food Related to continue this service and add jobs over the next 5-years as part of their COVID-19 Pandemic response.

INFRASTRUCTURE PROJECTS

SCHERTZ 312, LLC | 2018 | Schertz 312 LLC partnered with the SEDC in April 2018 to provide infrastructure improvements that will open 312 acres for new Titan Industrial Park development. The site plan includes nine building sites ranging between 15-42 acres each to accommodate 160,000 – 1,380,000 SF buildings. This project is significant for the City of Schertz because the site stands alone as the only available property in the Tri-county area able to accommodate a facility in excess of 1,000,000 SF. Adjacent properties will also benefit from the roadway, water, and wastewater improvements being made as part of this project. Broken up into 2 phases, the first phase is currently nearing completion.

WEIDERSTEIN RANCH 1 – CINESTARZ ENTERTAINMENT, LLC | 2018 | Weiderstein Ranch 1, LLC (WR1) assigned all rights and interest of the agreement to Cinestarz Entertainment, LLC in May 2020. The original developer entered into an agreement with the SEDC in April 2018 to provide water and wastewater infrastructure improvements to their 95-acre site. Under their agreement, Cinestarz will receive a reimbursement for the infrastructure as the development generates new taxable revenue. The partnership and collaboration with the City of Schertz, and the EVO Entertainment Group, has had a tremendous impact not only to the Schertz area, but to the Central Texas region as well.

SCHERTZ-125-LOOKOUT ROAD INTERSECTION | 2018 | Titan Lookout LLC entered into an SEDC agreement in September 2018 to provide roadway infrastructure improvements at the intersection of Schertz Parkway and Lookout Road. The roadway improvements will provide immediate benefit to the Titan Industrial Park and adjacent properties while also helping to alleviate issues that affect the entire region. Project was completed in compliance (as defined in the Agreement) in January 2020.

NEW PHELAN-BENNETT | 2020 | Phelan-Bennett Development Company ("Phelan-Bennett") partnered with the SEDC entered into an agreement on the development of a 169,525 square foot warehouse distribution facility near the intersection of Four Oaks Lane and FM 3009. The project established a partnership with a new development partner and supports the community's need for available space for Primary Job companies to invest in Schertz and further establishes the community as a regional distribution hub.

FINANCIALS

FY 2019-20 ending unrestricted fund balance* \$21,018,626

REVENUES

Sales Tax Revenue	\$4,819,288
State/Federal Grants and Matching Contributions	\$0
Rental/Lease/User Fees Income	\$0
Bond Proceeds/Loans Obtained	\$0
Other Revenues	\$288,241
TOTAL FISCAL YEAR REVENUES	\$5,107,529

EXPENDITURES

Personnel	\$371,219
Administration	\$165,444
Marketing and Promotion	\$31,499
Direct Business Incentives	\$4,797,997
Job Training	\$0
Debt Service	\$0
Capital Costs	\$0
Affordable Housing	\$0
Payments to Taxing Units	\$0
Other Expenditures	\$0
TOTAL FISCAL YEAR EXPENDITURES	\$5,866,159

*As of September 30, 2020

**Information presented is unaudited and may be adjusted prior to submittal to the Texas Comptroller of Public Accounts

Source: Texas Comptroller of Public Accounts, Economic Development Corporation Report

LEARN MORE ABOUT SCHERTZ

The SEDC is here to provide you with more information, answer any questions you may have, and work with you in locating/expanding your business within the City of Schertz.



SchertzEDC.com



@schertzedc



(210) 619-1070

9850

SCHERTZ

ECONOMIC DEVELOPMENT CORPORATION



1400 Schertz Parkway | Schertz, TX 78154
210.619.1070 | [SchertzEDC.com](https://www.SchertzEDC.com)