

CHALLENGE GREATER WACO

Strategic Economic Development Plan

INTRODUCTION

After five months of extensive analysis, Greater Waco now has a comprehensive *Strategic Economic Development Plan*. The Strategic Economic Development Steering Committee of the Greater Waco Chamber of Commerce has issued a challenge to its members and the broader community to implement this plan to achieve a stronger, more sustainable economy and quality of life in Greater Waco. The research process used to develop the plan included:

- 1. Demographic and Economic Profile:** The process began with an assessment of the basic demographic character of Greater Waco and its economic structure.
- 2. Competitive Assessment:** Greater Waco was compared to three comparison metro areas in four key areas of a business climate: education and workforce development, infrastructure, business costs, and quality of life.

- 3. Community Input Process:** *Market Street* conducted an online survey and a series of interviews and focus groups to identify the key issues related to Greater Waco's competitive position, as perceived by the community's leaders and key stakeholders.
- 4. Target Business Analysis:** Six business targets were selected for Greater Waco to focus its priority investments on: Aerospace and Defense, Advanced Manufacturing, Health Care, Logistics and Trade, Professional Services, and Tourism and Downtown Development.

The research process resulted in the identification of the five primary goals of the strategy:

Goal 1: Grow Waco — Growing and strengthening the economy;

Goal 2: Develop the Workforce — Building a competitive workforce prepared for the jobs of the future;

Goal 3: Change Perceptions — Retaining and attracting more businesses, residents, and visitors;

Goal 4: Revitalize Strategic Community Areas — Reinvigorating downtown, the Brazos riverfront, and other strategic community areas to make them better, stronger environments to live in, do business in, and visit; and

Goal 5: Build a Culture of Implementation — Building the resources and leadership necessary to succeed in all endeavors.

The Steering Committee now challenges Greater Waco's leaders to achieve these five goals designed to create a stronger Greater Waco.

STRATEGIC ECONOMIC DEVELOPMENT STEERING COMMITTEE

Market Street developed the plan with the Strategic Economic Development Steering Committee of the Greater Waco Chamber of Commerce. The members of the Steering Committee are:

Mr. Rick Brophy, Partner
Beard Kultgen Brophy Bostwick & Dickson

Mr. Boyce Brown, President/CEO
Extraco Corporation

Dr. Ellie Caston, Director
Mayborn Museum Complex, Baylor University

Mr. Bob Chambers, Chairman and CEO
Automatic Chef Canteen, Inc.
President, Waco Business League

Mr. George Chase, President
Insurors of Texas

Mr. William L. Clifton, Jr., Principal
The Clifton Group

Mr. Patrick Contreras, Owner
Creative Man Studios

Dr. Steve Corwin
Drs. Robert and Steve Corwin

Mr. Bob Davis, Owner
BRD Management, Inc.

Ms. Penny Dulock, President
First American Title Company

Ms. Virginia Dupuy, Mayor, City of Waco
President, Dupuy Oxygen & Supply Company

Mr. Louis Englander, CEO
Englander Container & Display

Mr. John W. Erwin, President
John W. Erwin General Contractor, Inc.
President, Associated General Contractors

Mr. Scott M. Felton, President and Business Banking Mgr.
Wells Fargo Bank Texas

Dr. Roland Goertz, President
Family Practice Center

Mr. Larry Groth, City Manager
City of Waco

Mr. Monte Hulse, Chairman/CEO
First National Bank of Central Texas

Dr. Truell Hyde, Vice Provost for Research
Baylor University

Mr. Kent Keahey, President/CEO
Providence Healthcare Network

Mr. Rodney G. Kroll, Chairman
Texas First State Bank

Mr. David Lacy, President/CEO
Community Bank & Trust

Mr. Ronald Lentsch, Vice President
North American Operations, Allergan

Judge Jim Lewis, County Judge
McLennan County

Dr. Dennis Michaelis, President
McLennan Community College

Mr. Charles Olson, Director
Haley & Davis, P.C.

Mr. Al Rodriguez, President
Marathon Norco Aerospace

Mr. Tom Salome, President
M. Lipsitz & Co.

Mr. Steve Sorrells, President
Sorrells Development Co.
President, Heart of Texas Builders Association

Mr. Elton Stuckly, Jr., President
Texas State Technical College-Waco

Mr. Michael Vivio, Publisher
Waco Tribune-Herald

Mr. Jed Walker, President
G. E. Walker & Associates

Mr. Chip Wilson, CEO
360 Solutions

GOAL 1: Grow Waco

Grow Waco by broadening and strengthening existing economic development efforts to sustain quality job growth and increase local wealth in the short and long-term.

OBJECTIVE 1: Actively work to support existing businesses to ensure they stay in the community and assist with expansion opportunities.

- √ Expand existing efforts to ensure a comprehensive, formalized business retention and expansion program.
- √ Develop and implement a comprehensive marketing effort to clearly identify the Chamber as the first step toward resolving any business need.

OBJECTIVE 2: Create opportunities and support structures for high-growth and lifestyle entrepreneurs to thrive and attain self-sufficiency.

- √ Support the expansion of research efforts at Baylor, MCC, and TSTC-W.
- √ Develop and implement a plan with Baylor, MCC, TSTC-W, local foundations, and the private sector to establish an Advanced Research Institute.
- √ Continue and expand the ongoing work of the Chamber's Small Business Program.
- √ Establish incubator space for lifestyle businesses.
- √ Develop sustainable local funding sources for entrepreneurs and small businesses, and leverage all potential financial resources.
- √ Explore the development of a staffed Minority Enterprise Office.

OBJECTIVE 3: Develop and expand the target business sectors to create additional jobs and strengthen the diversity of the economy.

AEROSPACE AND DEFENSE

- √ Continue the efforts of the Aerospace-Aviation-Defense Industries Alliance to work together to

obtain sub-contracts and other economic opportunities.

- √ Actively recruit aerospace and defense companies to Greater Waco.
- √ Work with the State of Texas to leverage applicable programs related to the State's Aerospace and Defense target efforts.

ADVANCED MANUFACTURING

- √ Establish a Greater Waco Advanced Manufacturing Alliance.
- √ Actively recruit Advanced Manufacturing companies to Greater Waco.
- √ Work with the State of Texas to leverage applicable programs related to the State's Advanced Manufacturing target efforts.

HEALTH CARE

- √ Establish a Greater Waco Health Care Alliance.
- √ Actively recruit specific health care companies to Greater Waco.
- √ Actively recruit students and develop retention-support programs for high demand occupations in the Health Care sector.
- √ Work with the State of Texas to leverage applicable programs related to the State's Biotechnology and Life Sciences target efforts.
- √ Continue efforts to save the VA Hospital-Waco.

LOGISTICS AND TRADE

- √ Maintain regular communications with Logistics and Trade firms to identify opportunities and resolve needs.
- √ Actively recruit Logistics and Trade companies to Greater Waco.
- √ Expand education and training programs at Baylor, TSTC-W, and MCC for logistics-related occupations.

PROFESSIONAL SERVICES

- √ Interview local firms in all sectors to identify what types of professional services they currently

obtain from firms located outside Greater Waco, and what changes could be made to encourage them to obtain these services locally.

- √ Communicate with existing Professional Services firms to identify their primary needs and opportunities to expand their business.

TOURISM AND DOWNTOWN DEVELOPMENT

- √ Develop a Greater Waco tourism plan to address marketing, product development, and infrastructure development.
- √ Set up a support network for individuals interested in opening a boutique retail shop, restaurant, or another positive addition to the attractions of Downtown and the Brazos riverfront.

OBJECTIVE 4: Strengthen regional partnerships.

- √ Raise support for a Heart of Texas Collaborative Economic Development Council.
- √ Effectively leverage Greater Waco's recognized position as a partner in regional research and economic development collaborations.

OBJECTIVE 5: Ensure that local infrastructure is adequate to support existing residents and businesses, as well as future growth.

- √ Work with local businesses, TSTC-Waco Airport, Waco Regional Airport, and McGregor Airport to maintain resources and capacity to serve current aircraft for both air cargo and air passenger travel.
- √ Continue efforts to lobby airlines for lower fares and more direct flights out of Waco Regional Airport, and continue to market the benefits of using the airport to area residents.
- √ Proactively lobby for the TransTexas Corridor to be located to best serve Waco's economic sustainability.
- √ Remain focused on improvements to other highway, water, and telecommunications infrastructure.

BENCHMARKS FOR GOAL ONE

- ✘ Maintain unemployment rates below 5 percent.
- ✘ Increase the labor force participation rate to 75 percent by 2010.
- ✘ Reduce poverty rates to less than 10 percent by 2010.
- ✘ Increase per capita income to \$36,000 by 2010.
- ✘ Maintain an annual employment growth rate of 2 percent.
- ✘ Maintain a responsive, fully-operating business retention and expansion program with 90 percent of Greater Waco firms' information in the database.
- ✘ Increase the number of new business starts by 5 percent each year.
- ✘ Maintain available venture capital at \$5 million annually.
- ✘ Achieve an annual tourist total spending growth rate of 5 percent by 2010.

PERFORMANCE MEASURES FOR GOAL ONE

- ✘ Unemployment rate, monthly and annual averages.
- ✘ Labor force participation rate.
- ✘ Poverty rate.
- ✘ Per capita income
- ✘ Total number of jobs, and job growth rate.
- ✘ Number of efforts, and amount of expenditures, in response to existing businesses.
- ✘ Amount of jobs created by new businesses.
- ✘ Amount of venture capital funding available to local firms.
- ✘ Total annual tourist/visitor spending.

GOAL 2: Develop the Workforce

Develop the workforce's ability to meet the needs of businesses by enhancing the education, training, and workforce development programs of the public school systems, higher education institutions, and other available resources.

OBJECTIVE 1: Improve student performance and instill confidence in the public school systems.

- √ Establish a Greater Waco Public Education Partnership.

OBJECTIVE 2: Expand the ability of local higher education institutions to provide affordable two-year and four-year degree opportunities to prepare the workforce for jobs in the target business sectors.

- √ Aggressively advocate the passage of a bond referendum to fund the needed expansion of McLennan Community College's facilities.

- √ Work with local two and four-year colleges and universities to create additional opportunities for Greater Waco high school graduates to attend higher educational institutions.

- √ Facilitate the communication of businesses' training needs to Baylor, MCC, and TSTC-W.

- √ Advocate for the expansion of engineering and technical programs at Baylor University, MCC, and TSTC-W, as local demand requires.

OBJECTIVE 3: Raise awareness in the workforce regarding the many workforce development and educational programs available.

- √ Develop a program to encourage and help leaders of faith-based organizations to raise awareness among their congregations regarding the training, tuition assistance, and career

opportunities available to them.

- √ Launch a marketing campaign to promote careers in the target business sectors, and overall career awareness.

OBJECTIVE 4: Address the support infrastructure needs of the workforce, and maximize the potential of other resources available for Greater Waco's workforce development efforts.

- √ Create a Greater Waco Child Care Council to improve child care services in McLennan County.
- √ Enhance public transportation services.
- √ Work with the Heart of Texas Workforce Board to identify how the agency can be better utilized to serve Greater Waco's workforce development needs.

BENCHMARKS FOR GOAL TWO

- × Increase the percentage of schools rated as "Recognized" by the State of Texas by 30 percent by 2010.
- × Increase the percentage of schools rated as "Exemplary" by the State of Texas by 10 percent by 2010.
- × Reduce high school dropout rates to 3.5 percent by 2010.
- × Increase the percentage of high school graduates pursuing a two-year or four-year degree by 20 percent by 2010.
- × Increase the number of community/technical college degrees awarded by 20 percent by 2010.
- × Increase the number of four-year degrees awarded by 20 percent by 2010.
- × Increase total local job placement from MCC, TSTC-W, and Baylor graduates, each, by 20 percent by 2010.

PERFORMANCE MEASURES FOR GOAL TWO

- × State of Texas rankings of public schools
- × High school dropout rates.
- × Percentage of high school graduates pursuing a two-year degree program.
- × Percentage of high school graduates pursuing a four-year degree program.
- × Number of community/technical college degrees awarded.
- × Number of public four-year degrees awarded.
- × Local job placement rates of McLennan Community College, Texas State Technical College-Waco, and Baylor graduates.

GOAL 3: Change Perceptions

Change perceptions by enhancing Greater Waco's internal and external image.

OBJECTIVE 1: Enhance community pride in Greater Waco, and increase awareness of the many opportunities and amenities available locally.

- √ Develop and implement an internal marketing strategy to improve the community's pride in Greater Waco and raise awareness about the community's assets.
- √ Lead the effort to encourage residents of Greater Waco to become more at peace with the community's history.

- √ Complete the construction of a new Chamber headquarters.

OBJECTIVE 2: Create a positive brand for Waco, and market that brand to Texas and the nation.

- √ Develop and implement an external marketing strategy to enhance Waco's image and increase business inquiries and visitors.
- √ Enhance the Interstate-35 environment, and use this space to market Greater Waco to travelers.
- √ Consider the possibility of establishing a non-profit public-private entity to be responsible for Greater Waco's marketing efforts.

OBJECTIVE 3: Strengthen "town-gown" relations between Baylor University administrators, faculty, and students, and the Greater Waco community.

- √ Invite and encourage Baylor to be a key partner in major Chamber initiatives.
- √ Establish a Faculty/Business Networking Group.
- √ Create opportunities for Baylor students to become more invested in the community.
- √ Increase Baylor student, faculty, and administrators' participation in community activities; and Greater Waco residents' participation in Baylor activities.

BENCHMARKS FOR GOAL THREE

- × Identify a clear brand for Waco.
- × Implement a comprehensive internal marketing strategy.
- × Implement a comprehensive external marketing strategy.
- × Increase Baylor population attendance at community events, and community residents attendance at Baylor events, each, by 50 percent by 2010.

PERFORMANCE MEASURES FOR GOAL THREE

- × Amount of expenditures spent on internal marketing strategy.
- × Amount of expenditures spent on external marketing strategy.
- × Number of Baylor-affiliated persons at community events, and number of Greater Waco residents at Baylor events.

GOAL 4: Revitalize Strategic Community Areas

Revitalize downtown, the Brazos riverfront, and other key areas by enhancing efforts to create more vibrant communities and improve housing options.

OBJECTIVE 1: Create more mixed-use environments with housing, commercial, and office development.

- √ Work with Downtown Waco, Inc. to create a public-private development partnership to implement a successful, significant investment in housing, commercial, and office development in downtown Waco and on the Brazos riverfront.
- √ Work with the City of Waco, Downtown Waco, Inc., Texas State Affordable Housing Corporation, and developers to create more affordable home-ownership opportunities in the city's central neighborhoods.

- √ Work with the City of Waco's Housing Authority and Neighborhood Housing Services of Waco to encourage the use of low- and moderate-income family home purchasing assistance programs.
- √ Work with the City of Waco, Downtown Waco, Inc., developers, and neighborhood organizations to create more mixed-used environments.

OBJECTIVE 2: Enhance neighborhood environments through sidewalk development, beautification, local security/neighborhood watch programs, and other efforts to strengthen communities.

- √ Work with the City to identify and fulfill sidewalk development needs.
- √ Work with the City, Keep Waco Beautiful, and neighborhood organizations to enhance

neighborhood environments via beautification projects.

- √ Assess existing green space coverage and identify areas of need.
- √ Strengthen neighborhood watch programs.

OBJECTIVE 3: Expand Baylor University's role in community revitalization efforts.

- √ Actively communicate with Baylor administrators, alumni, and other key constituencies on the importance of playing a significant role in redeveloping Waco's central neighborhoods.

BENCHMARKS FOR GOAL FOUR

- ✘ Increase the amount of occupied housing, retail, restaurant, and office development in downtown Waco by 50 percent, each, by 2010.
- ✘ Break ground on at least two new large-scale developments in downtown Waco/Brazos riverfront by 2010.
- ✘ Increase homeownership in the City of Waco by 25 percent by 2010.

PERFORMANCE MEASURES FOR GOAL FOUR

- ✘ Percentage of land in downtown Waco that is zoned for housing, retail, restaurant, and office, respectively.
- ✘ Number of large-scale developments in progress in downtown Waco and on the Brazos riverfront.
- ✘ Percentage of occupied housing units in downtown Waco, and other key central city Waco neighborhoods.

GOAL 5: Build a Culture of Implementation

Build a culture of implementation by strengthening stakeholder relationships and obtaining the resources necessary for success.

OBJECTIVE 1:

Lead the effort to encourage all key public and private partners to work together to implement a cohesive effort for achieving Greater Waco's desired future.

- √ Extend the responsibilities of the Steering Committee to maintain ongoing implementation efforts and monitor their progress.

- √ Regularly communicate to the public progress on the successful attainment of Strategy objectives.
- √ Chamber, Downtown Waco, Inc., City of Waco, and McLennan County leadership should continue to regularly meet to discuss overlapping needs and opportunities.
- √ Participate in the Community Visioning Project process, and be a key partner to ensure success.
- √ Continue to be an advocate for stronger collaboration when responding to new business prospects.

√ The Chamber should continue to proactively seek the participation of key partners in the implementation of this strategy and future efforts.

OBJECTIVE 2:

Identify and pursue appropriate funding mechanisms necessary for implementation.

- √ Consider the passage of an economic development sales tax.
- √ Maximize the value of the hotel tax revenue.
- √ Consider other fundraising opportunities.

BENCHMARKS FOR GOAL FIVE

- ✘ The achievement of all the benchmarks listed for the previous four goals.
- ✘ Ongoing Steering Committee meetings to monitor progress and keep implementation efforts on track.
- ✘ Publish annual reports on strategy implementation progress.
- ✘ Achieve strong, on-going, collaborative communications between the Greater Waco Chamber, Downtown Waco, Inc., City of Waco, and McLennan County leadership.
- ✘ Achieve goals of the Community Visioning Project.
- ✘ By 2010, raise or leverage a minimum of \$3 million annually from public, private, and non-profit organizations to help fund Greater Waco's economic development efforts and the implementation of this strategy.

PERFORMANCE MEASURES FOR GOAL FIVE

- ✘ Number of meetings of the Greater Waco Chamber, Downtown Waco, Inc., City of Waco, and McLennan County leadership.
- ✘ Number of annual reports on strategy implementation progress.
- ✘ Number of meetings of the Greater Waco Chamber, Downtown Waco, Inc., City of Waco, and McLennan County leadership.
- ✘ Progress on measures to achieve goals of the Community Visioning Project, as identified in that process.
- ✘ Amount of money raised or leveraged from public, private, and non-profit organizations to help fund Greater Waco's economic development efforts and the implementation of this strategy.

For more information contact the Greater Waco Chamber of Commerce
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