



CITY OF  
**BROWNWOOD**

# **2020** ANNUAL REPORT

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**BROWNWOOD MUNICIPAL DEVELOPMENT DISTRICT**

[www.brownwoodbusiness.com](http://www.brownwoodbusiness.com)



# BMDD

**BROWNWOOD MUNICIPAL DEVELOPMENT DISTRICT**

It is the mission of the Brownwood Municipal Development District (BMDD) to aid the City of Brownwood and private or public entities in making the community a better place to live, work, visit and do business. In so doing, the BMDD may help develop and finance permissible projects that benefit, strengthen, and diversify the economic base of Brownwood. The BMDD maintains focus on both economic and community development, as these elements must work together for the community to thrive and grow.

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OVERVIEW & CLOSING

# Our Value

The Brownwood Municipal Development District (BMDD) dedicates resources to several priorities to help maintain sustainable growth in the community. These priorities work together for overall local economic growth.



## Missions

- Continue to be the central contact for economic development activities in Brownwood.
- Offer support to existing industry for business retention and expansion.
- Explore and expand workforce development and skills training in Brownwood.
- Continue to support entrepreneurship and enhance small business resources.
- Look for opportunities to create and retain jobs.
- Continue to support sporting event recruitment and retention.
- Invest in new residential developments.
- Retail recruitment.
- Continue to market Brownwood to industrial, retail, and other prospective businesses.
- Partner with Brownwood Area Chamber of Commerce to continue the Visit Brownwood campaign.
- Expand the Building Improvement Incentive Program.
- Promote and revitalize Downtown Brownwood.
- Explore new community development opportunities.

# Key Services

The Brownwood Municipal Development District provides key services to promote economic growth and sustainability.

1

## Loans & Incentives

We offer assistance to many sizes and types of businesses looking to grow and expand their operations in Brownwood, Texas.

2

## Consultation & Education

We can walk through the process of starting or expanding a business and connect anyone with an array of business resources.

3

## Marketing & Promotion

Promoting the community successes to new businesses, residents and visitors is an important component of economic development.

4

## Site Selection

Finding the perfect location for a business is a key step to success. Our real estate resources and expertise can help.

# Board of Directors

The Brownwood Municipal Development District is governed by a 5-member Board of Directors who are appointed by the City Council. BMDD board meetings are held on the third Tuesday of each month at 1:30 p.m. in the City of Brownwood Council Chambers located 501 Center Avenue.

**DANIEL HUTSON**  
*President*

Senior Vice President, Texas Bank

**TIM JACOBS**  
*Vice President*

Owner/Pharmacist, Jacobs Pharmacy

**MARISHA STIDOM**  
*Secretary*

Human Resource Manager, Superior Essex

**MARK BESSERT**  
*Board Member*

Attorney and CPA, Mark T. Bessent Law Firm

**LYNN DAY**  
*Board Memeber*

Manager, United Supermarket

# Staff



**Ray Tipton**  
*Executive Director*

rtipton@brownwoodtexas.gov  
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**Marshal McIntosh**  
*Assistant Director*

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**Amanda Coers**  
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# ECONOMIC INDICATORS







# Sales Tax

## \$ 5,811,250

CITY OF BROWNWOOD

The City of Brownwood receives 1.5% of the 2% local sales tax for the city budget.

## \$1,899,501

ECONOMIC DEVELOPMENT

The Brownwood Municipal Development District receives .5% of the 2% local sales tax for economic development.

	City Collection	BMDD Collection	Total
January	\$431,093	\$ 142,363	\$573,456
February	\$624,479	\$198,704	\$823,183
March	\$341,739	\$ 131,532	\$473,271
April	\$384,249	\$ 124,386	\$508,635
May	\$525,333	\$ 163,821	\$689,154
June	\$472,200	\$ 156,188	\$628,388
July	\$479,817	\$ 160,195	\$640,012
August	\$610,738	\$ 193,881	\$804,619
September	\$486,701	\$ 157,039	\$643,740
October	\$ 420,979	\$ 141,426	\$562,450
November	\$ 562,494	\$ 175,996	\$738,490
December	\$ 471,425	\$ 153,968	\$625,393
<b>TOTALS:</b>	<b>\$ 5,811,250</b>	<b>\$1,899,501</b>	<b>\$7,710,751</b>

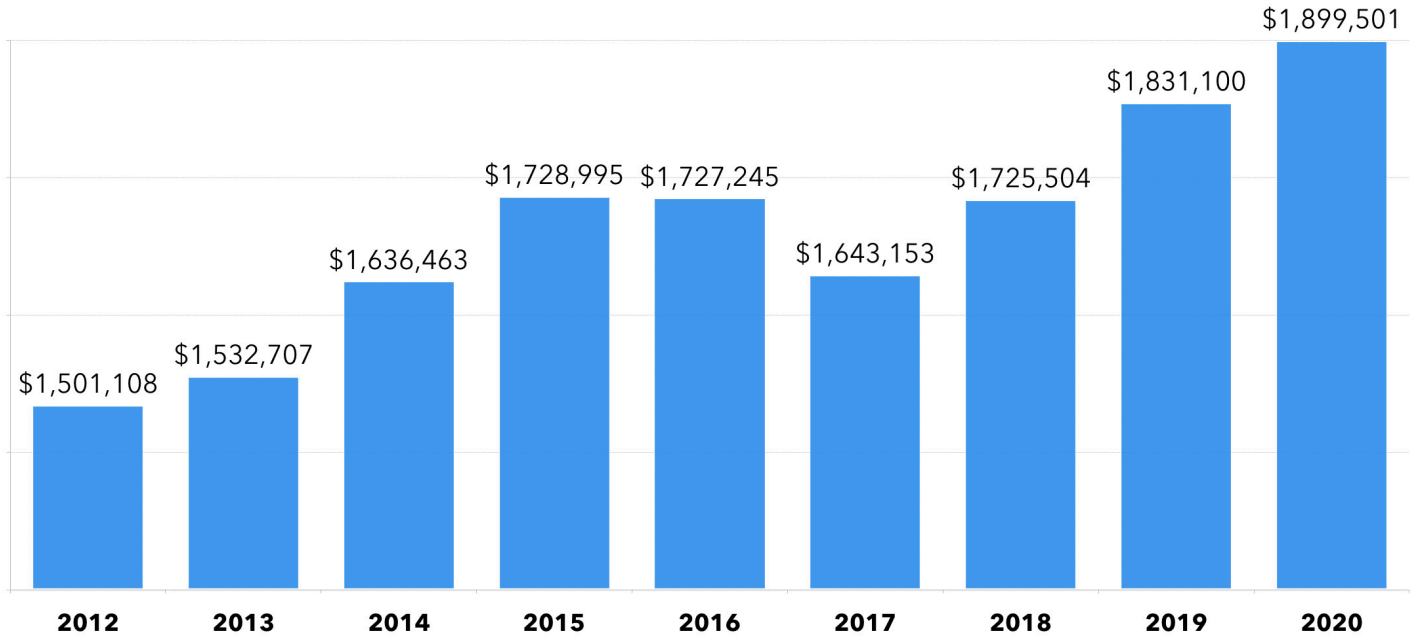
*The Texas Comptroller reports monthly sales tax. Monthly reports reflect activity from two months prior, meaning that January numbers represent November sales activity.*

## \$ 7,710,751

Total sales tax collections for City of Brownwood and Brownwood Municipal Development District in 2020.

## 2020 Sales Tax Collections - Economic Development

In 2020 the BMDD collected \$1,899,501 in sales tax resulting in a 3.7% increase from the prior year.



## 2020 Sales Tax Collections - City of Brownwood & BMDD

Sales tax base continues to grow. Since 2013 sales tax collections have increased approximately \$1,600,000.



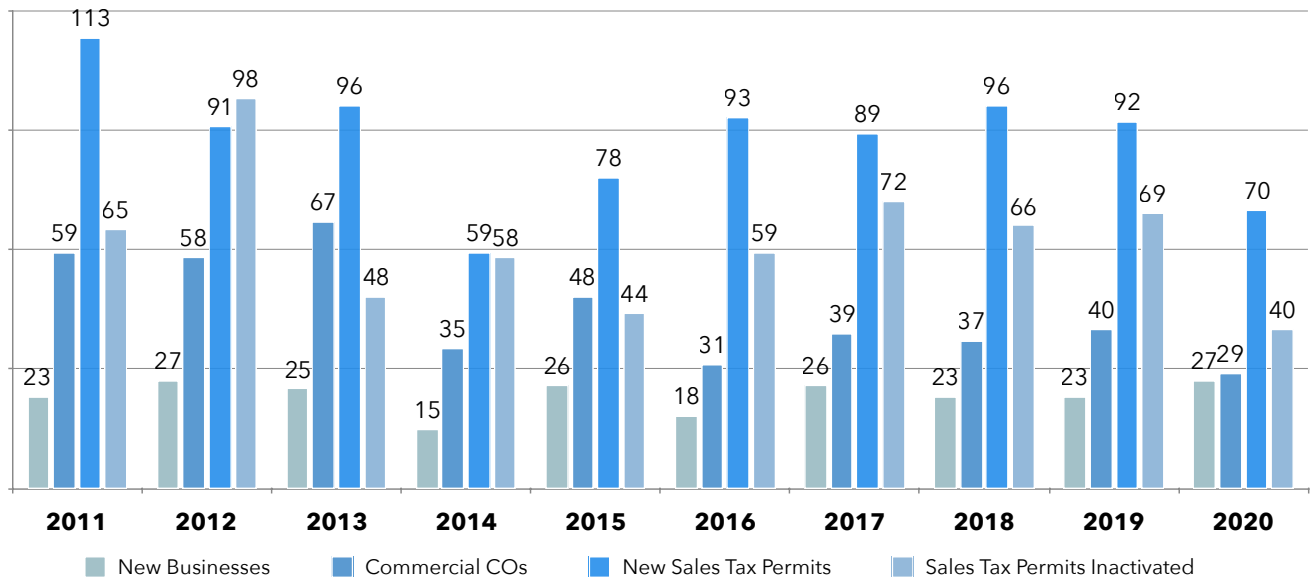
# New Business Activity

Certificates of Occupancy (CO) for commercial properties are issued for new buildings or after a remodel, expansion, or a change in classification. In 2020, 29 commercial COs were issued, of which 27 were for new businesses.

Sales tax permits are issued by the State Comptroller’s office to individuals or businesses engaging in sales. The difference in sales tax permits over COs indicates the large number of “home-based” or non store-front businesses applying for permits.

Sales Tax Permits Inactivated represents businesses no longer in operation due to either changing ownership or closing down the business completely. Historically, a slow economy encourages entrepreneurship and small business start-ups.

## Commercial COs & Sales Tax Permits





Chick-fil-A Brownwood, located on East Commerce Street next to Lednický Rest Stop, opened for business on Thursday, Nov. 5. Chick-fil-A, Inc. selected Bridget Jones as the franchise owner of the newest Chick-fil-A restaurant in Central Texas. A native of Brownwood, Jones will oversee day-to-day activities of the business, employing approximately 110 full- and part-time Team Members, cultivating relationships with local organizations and neighboring businesses and serving Guests. Chick-fil-A Brownwood is located at 500 E. Commerce St. and will be open from 6 a.m. to 10 p.m., Monday through Saturday.



# BROWNWOOD, TEXAS RETAIL

©2015. Sales USA Inc., Chandler, AZ (480) 491-1112. All Rights Reserved.

Lat: 31.7253 Lon: -98.9853 Zoom: 4.46 mi

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# Employment Statistics

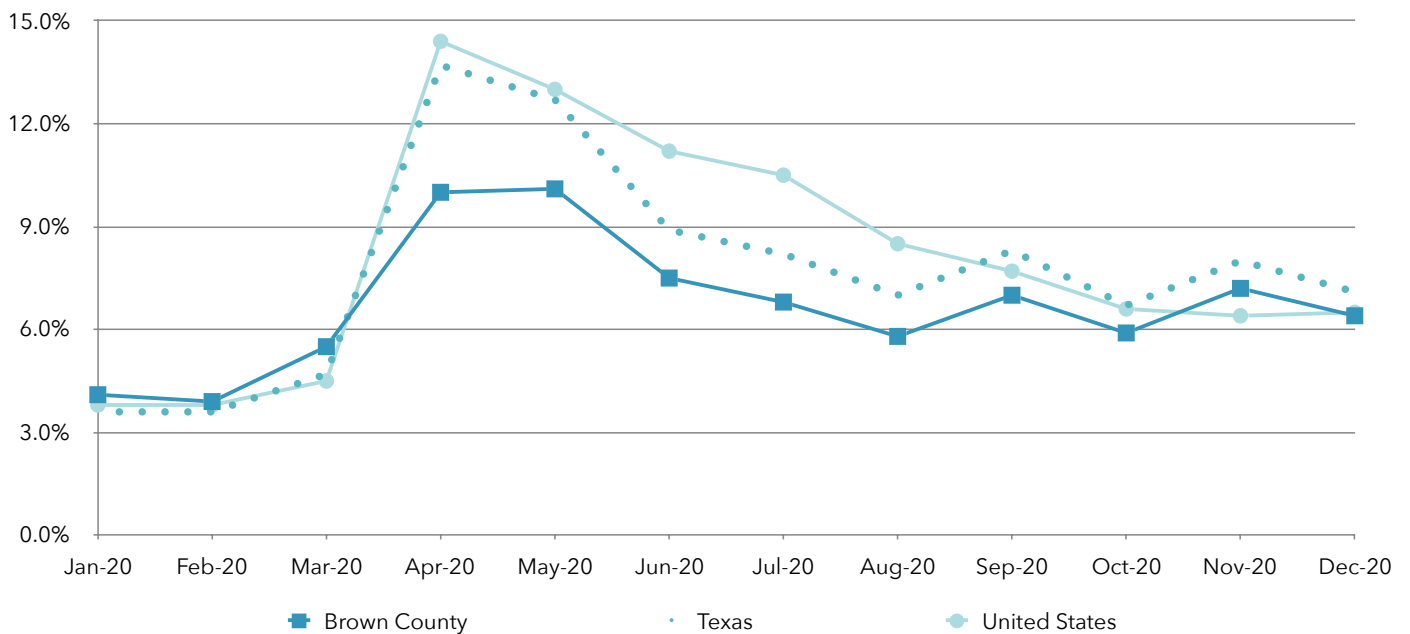
A major indicator of employment data is unemployment claims.

The 2019 average unemployment rate for Brown County was 6.7%, which was below the state average of 7.7%, and lower than the national average of 8.01%. A low unemployment rate is a positive indicator of a stable economy.



### Businesses and Jobs

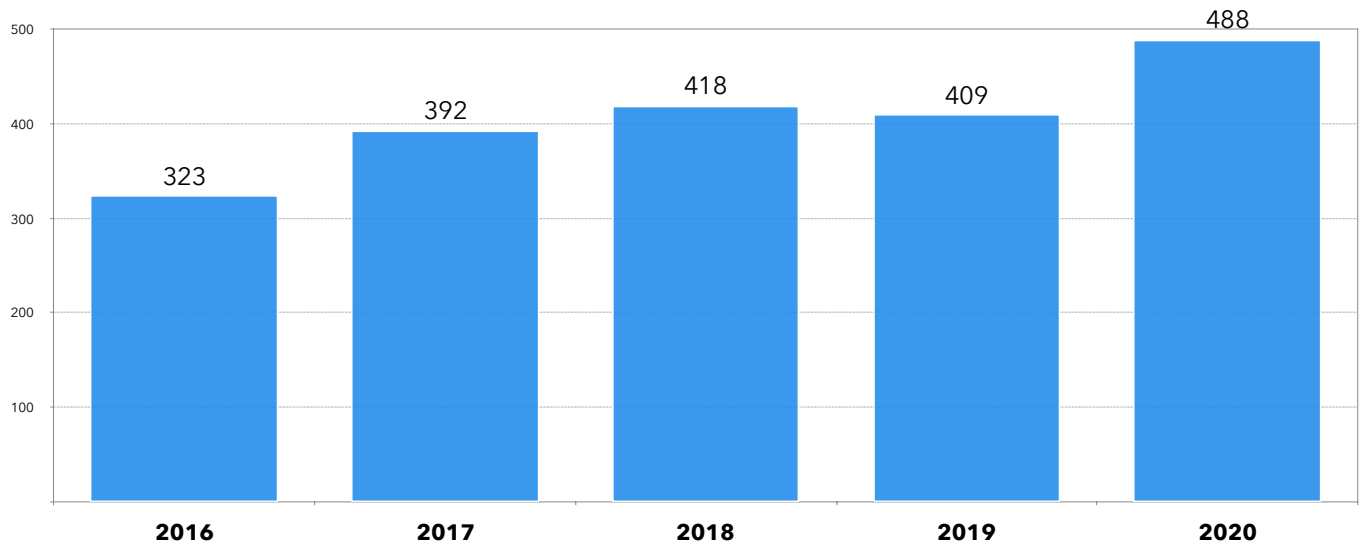
Brownwood had a total of 1,610 businesses. In 2020, the leading industries in Brownwood were Manufacturing, Health Care / Social Services, Retail, and Education.



# Real Estate

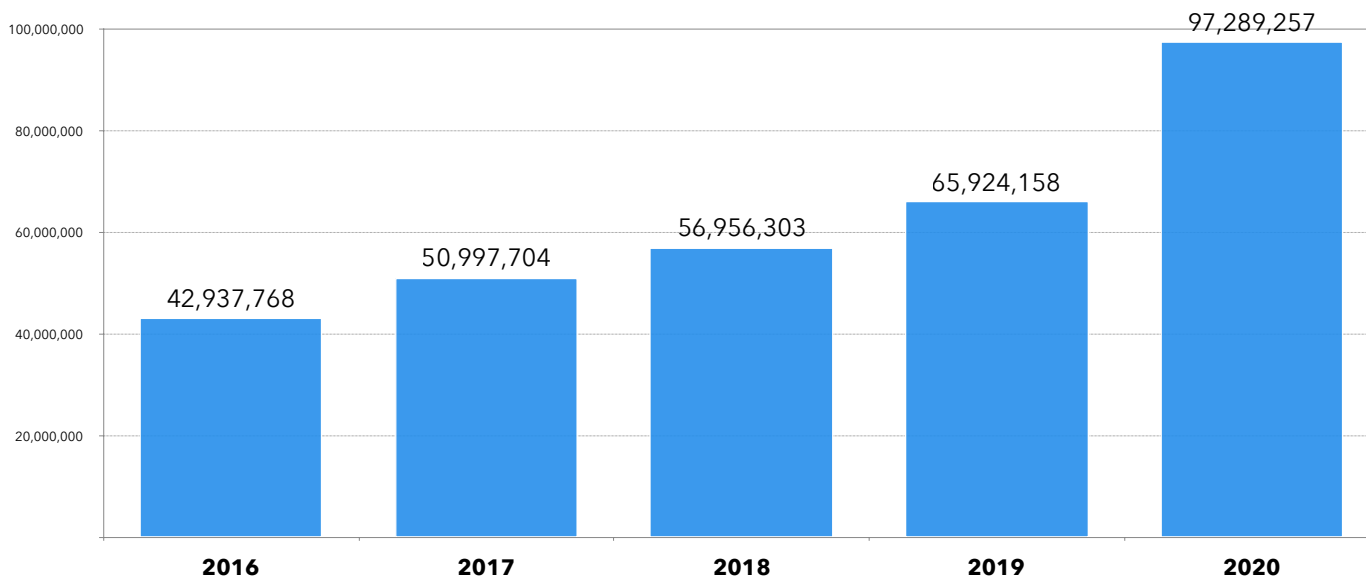
## Closed Real Estate Sales

There were 488 residential real estate sales in 2020 in Brown County. Residential sales are tracked by the Heartland Association of Realtors.



## Sales Volume

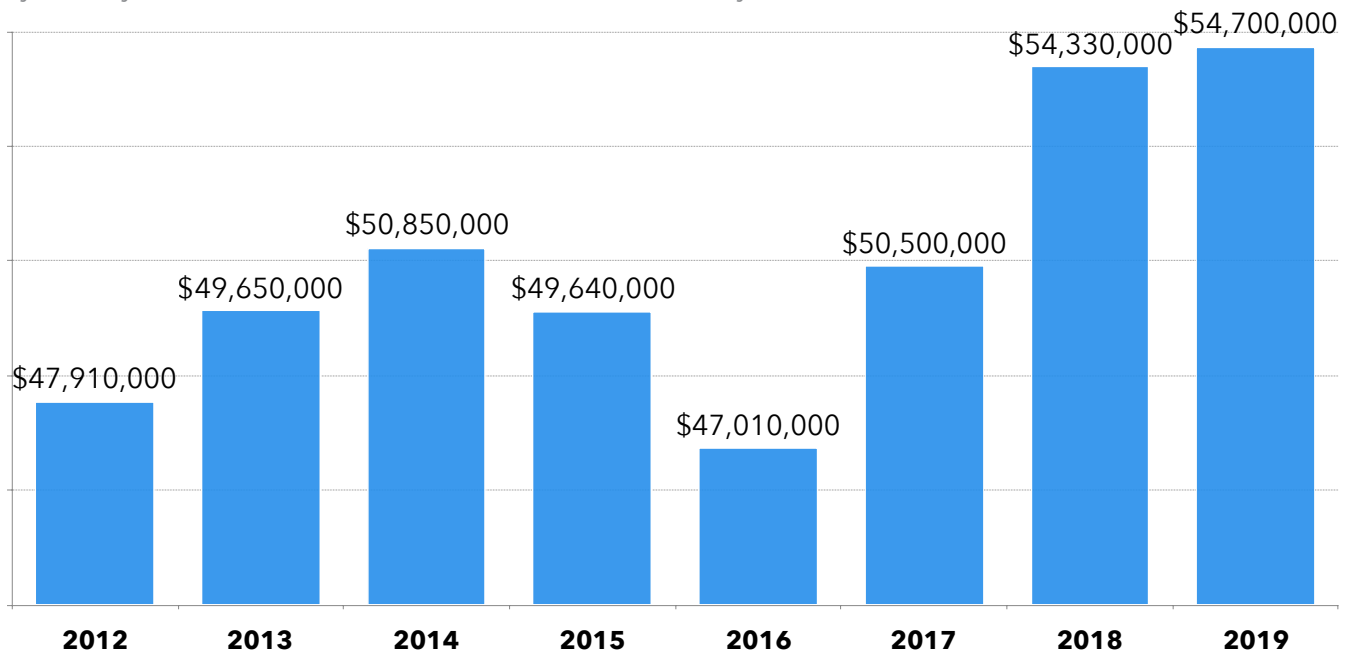
Annual sales volume represented per year for the transactions within Brown County.



# Direct Visitor Spending

Direct visitor spending in Brown County is calculated by the purchases by travelers during their trip, including lodging taxes and other applicable local and state taxes, paid by the traveler at the point of sale.

Local Hotel Occupancy Tax is 7% in the City of Brownwood and reflects leisure and business travel in the area. The local Hotel Occupancy Tax collected in 2019 totaled \$310,739.84. The local Hotel Occupancy Tax is collected by the City of Brownwood for hotels and motels inside the city limits.



Data prepared annually by Dean Rynyan associates, Inc. for the Texas Travel. 2020 numbers are not yet available.

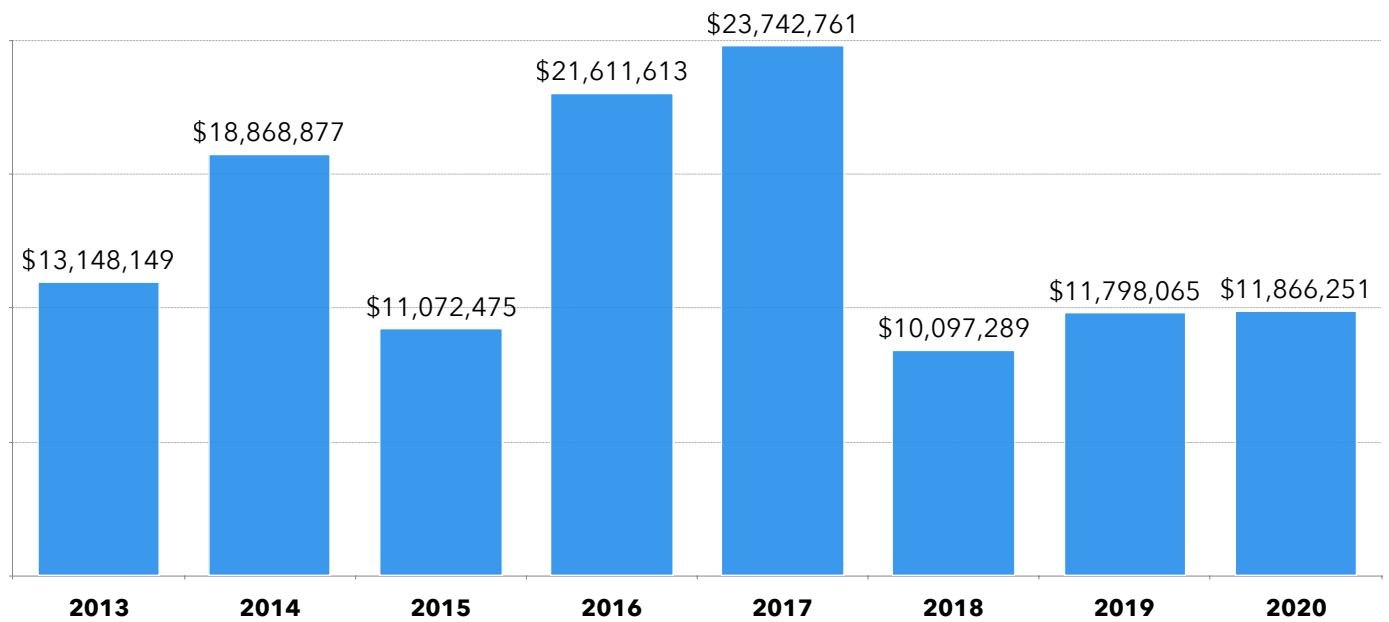
Prior to the pandemic delaying and canceling many sports activities, Sports Tourism was forecasting \$2.4 million in economic impact, 8,000+ hotel room nights, and 40,000+ visitors. After the delayed the start, Sports Tourism made a strong comeback, generating \$1.7 million in estimated economic impact and accounting for 3,097 hotel room night, and bringing in over 25,000 visitors/spectators to various sporting events.





# Annual Building Valuation

Annual Building Valuation is tracked by the the City of Brownwood Development Services Department and represents residential, commercial, and infrastructure construction inside the city limits. In 2020, The City of Brownwood Annual Building Valuation totaled \$11,866,251. In 2020, residential construction accounted for \$4,309,642, an increase of 122%. In 2019, residential construction totaled \$1,937,470.





# Community Partnerships



## Local Partners

- Brownwood ISD
- Brownwood Area Chamber of Commerce
- Brownwood Arts Council
- Brownwood Lyric Theatre
- Brownwood Industrial Foundation
- Central Texas Opportunities (CTO)
- Small Business Development Center
- City of Brownwood
- Brown County
- Howard Payne University
- Texas State Technical College (TSTC)
- Ranger College

Partnerships and collaboration are the backbone of success in economic development. One thing that sets Brownwood apart from other communities is the strong community partnerships, which gets noticed when dealing with out-of-town developers and companies. Strong ties with the local chamber of commerce, school districts, community groups and non-profit corporations all help to grow the economy and make Brownwood a great place to live, work, visit, and do business.

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**Regional:** West Texas Energy Consortium, Texas Midwest Community Network, Workforce Solution of West Central Texas, Central Texas Council of Governments, High Ground of Texas

**State and National:** Texas Economic Development Council, International Convention of Shopping Centers

# Multipurpose Event Center Project



## October 13, 2020

Brownwood City Council gave final approval Tuesday to move forward with the development of a multipurpose event center in Downtown Brownwood. The project will create a new indoor and outdoor space to host events and conventions, creating a positive economic impact on the local economy.

This redevelopment project will transform the 700 block of E. Baker Street and Lee Street into a new event space.

“This proposal intentionally focuses on preserving and redeveloping Brownwood’s existing buildings. By embracing the rich history of our community, we can expand on existing meeting facilities and increase our competitiveness in Texas’ event market,” said Brownwood Mayor Stephen Haynes. The event center project is very similar to the Massey Sports Complex project the City constructed with economic development funds. “We created a high-quality sports facility for our residents to enjoy which we also use to host tournaments that bring in thousands of visitors each year,” said Mayor Haynes.

The renovations to the Timmins building and adjacent Ice House buildings support the City’s goals of offering quality meeting and event space and continuing the revitalization of Downtown Brownwood. The proposed design by BRW Architects transforms the familiar Downtown landmark into a flexible event center which can accommodate a variety of activities. The Ice House provides covered outdoor space, ideal for large concerts or casual gatherings.

The proposed design for the event center retains the former grocery storage facility’s recognizable brick facade. The interior design preserves the building’s original industrial character with a blend of modern features. The event center will accommodate a variety of activities, from large conventions and banquets to intimate weddings and other small gatherings.



Long unused and in an irreversible state of disrepair, the original Ice House is being demolished. The plan calls for a new structure to be built upon the existing foundation. The new structure will be similar in size and provides a permanent stage for outdoor performances. The space will also serve as an overflow and outdoor gathering space for activities in the adjacent event center.

The project represents an opportunity for the City of Brownwood to positively impact tourism and economic development in Historic Downtown. Already home to several lively events, the City has lacked mid-sized venues for regional conferences. The proposed redevelopment of the Timmins and Ice House buildings will fill that void, creating space which can be used for a multitude of purposes.

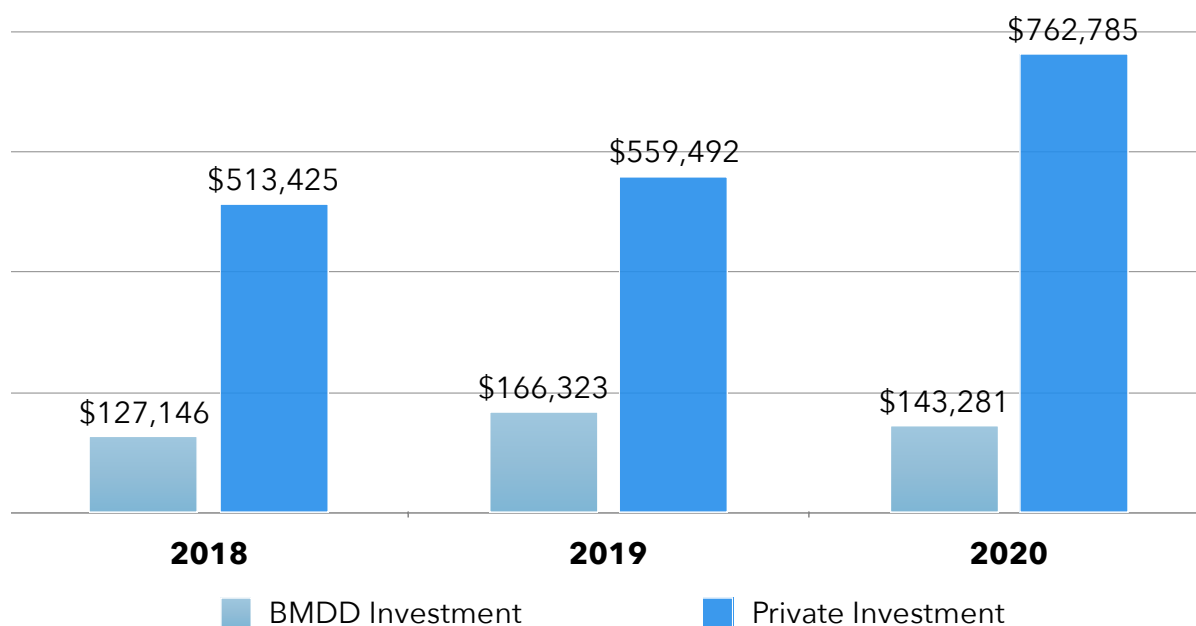
Funding for the construction of the project will come entirely from economic development sales tax dollars that have been saved over the past few years for an impactful project, like this one. The estimated cost of the entire project is \$8,900,000. The City will operate the new facility using existing budget funds. Howard Payne University is working with the City to take over operations of the Coliseum for University and public use.

“The intent to use economic development sales tax for a multipurpose event center benefiting the community was one of the primary reasons Brownwood converted to a Municipal Development District. Today we are excited to officially launch our plans into action,” said Ray Tipton, Executive Director of the Brownwood Municipal Development District.

The project is expected to be completed in 18 to 24 months.

# Building Improvement Incentive Program

The purpose of the Building Improvement Incentive Program is to provide an incentive to business and/or property owners to encourage renovation and rehabilitation of commercial buildings in the City of Brownwood. Funding for the program is provided by the Brownwood Municipal Development District (BMDD). This program aims to improve the aesthetics within the City of Brownwood since attractive and updated commercial buildings positively impact the marketability and perception of the city. Thus, the Building Improvement Program consists of a match of up to \$20,000.00 for approved improvements. Incentives will be awarded for commercial building improvements that restore, rehabilitate, enhance or beautify a structure. The program does not include residential housing of any kind whether owned or rented. The program is administered by the Brownwood MDD. An application form is to be submitted with a description of the work to be completed. Applications are reviewed by the BMDD Board of Directors.



**Funded 9 BIIP projects in 2020 calendar year totaling \$143,281 in BMDD funding resulting in \$762,785 in private investment.**

Projects funded: Steve Ellis, Brown County Abstract, Bostick Auto & Truck Sales, Intermission Bookshop, Alpha Omega Hospice, Turtle Restaurant, Pintail Companies, Texas Clean, Steve's Market & Deli.

## Program Goals

- Revitalize and improve the appearance of Brownwood commercial buildings to positively impact the aesthetics, marketability, and perception of the City of Brownwood while revitalizing downtown and major thoroughfares.
- Serve as a catalyst for continued private sector investment through visible improvements
- Offer the private sector an incentive program to invest in Brownwood commercial buildings

# Marketing & Promotion

- Attended the International Convention of Shopping Centers (ICSC) trade show in Fort Worth, as well as year-round retail recruitment efforts with site selectors, brokers and developers.
- Attended a virtual Retail Live conference to meet with brokers, landlords, developers, and other related retail industry professionals who attend the program to present their projects. This allowed us to virtually network with retailers actively expanding in Texas and to continue to promote retail growth in Brownwood.
- Promoted economic development through our user friendly website, [www.brownwoodbusiness.com](http://www.brownwoodbusiness.com). Our website serves as our visual gateway to promote the business advantages in Brownwood, Texas.
- Continued to utilize Facebook, YouTube, Twitter, Instagram and LinkedIn Business Page as social media communication platforms.
- Heavily focused on Downtown promotion, layering economic incentives with visual marketing to help change perception, and promote the revitalization of downtown.
- Lead for tourism efforts including website, Facebook, and Instagram for Visit Brownwood campaign to attract additional tourism, and promote Brownwood as a tourism destination.
- Emphasized video communication strategies by launching a series of videos to promote shopping local, economic development highlights, and tourism.



# Overview

Brownwood Municipal Development District (BMDD), a political subdivision of the State of Texas and of the City of Brownwood, Texas is funded by a half-cent sales tax for the purpose of financing economic development, diversifying the economic base of the community, and improving quality of life. The BMDD was created under Local Government Code Chapter 377, Municipal Development Districts.

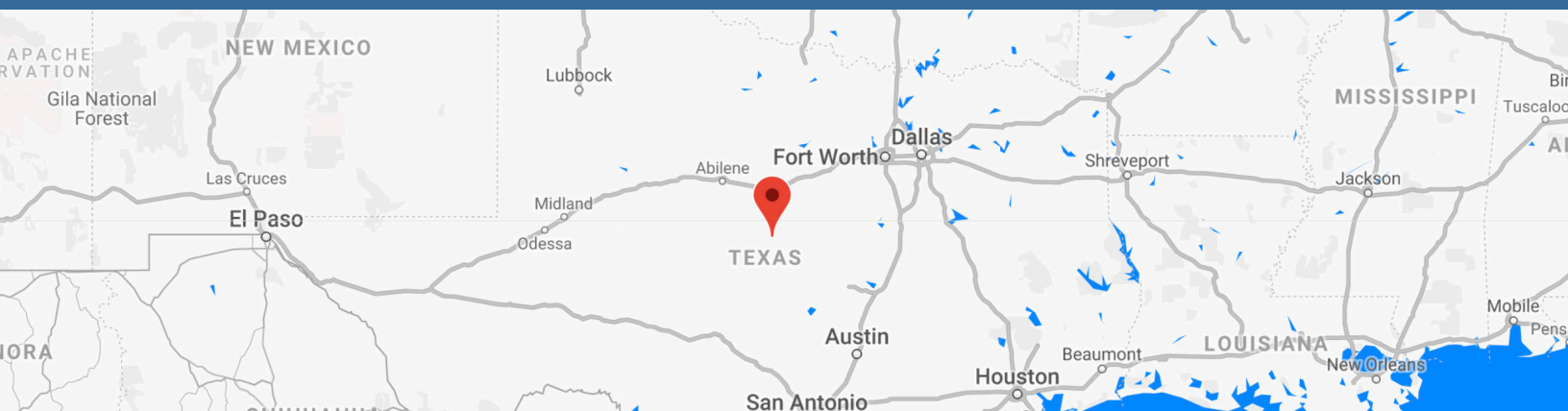
The BMDD continues to focus on programs and initiatives which help support Brownwood's major employers and offer assistance with expansion projects, infrastructure needs and workforce development and training.

This is balanced with a community development mindset to help improve the quality of life for area employees and residents. Areas of focus include retail recruitment, housing, Downtown revitalization and development of an event center.

The BMDD continues to look for ways to help strengthen the local economy and support local businesses.

## FY 19/20 Financials

- The District's net position was \$7,481,114.
- The District's total revenues were \$2,014,052.
- The District's total expenses were \$1,704,731.



# BROWNWOOD, TEXAS

Welcome to the best of both worlds - high tech manufacturing and hamburger joints; international business and Friday night football; multimillion dollar deals and downtown parades; excellent logistics and easy access. Centrally located to major markets, we invite you to discover what makes Brownwood a place you and your business can call home.



# In Closing

In 2016, the voters of Brownwood elected to convert their economic development organization to a Municipal Development District. This allows a more flexible and well-rounded approach to economic development. Part of the promise to the public during this conversion was to focus on new areas such as housing, downtown re-development and solutions to an event center. The Brownwood Municipal Development District has made some great progress in these areas as well as maintaining focus on traditional economic development needs such as manufacturing jobs, workforce development, targeted infrastructure projects and more. We are committed to growing the Brownwood economy in all of these areas to help further improve the community.

## **Brownwood Municipal Development District**

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Brownwood, Texas 76801

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# **BMDD**

**BROWNWOOD MUNICIPAL DEVELOPMENT DISTRICT**

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