CLEY OF BROWNWOOD ECONOMIC DEVELOPMENT

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COTTON PATCH CAFE

2022 ANNUAL REPORT

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BROWNWOOD MUNICIPAL DEVELOPMENT DISTRICT

www.brownwoodbusiness.com



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. To that end, 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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OUR VALUES

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.

The BMDD offers help to new industries entering the local market and works closely with existing industries to help with business retention and expansion. The BMDD can assist with workforce development, infrastructure improvements, job creation or retention, and major expansion or development projects.

Through several programs, the BMDD can help new businesses enter the market or existing businesses expand. Programs such as the Building Improvement Incentive Program, development and infrastructure incentives, entrepreneurship and small business support, and more can assist a wide variety of businesses.

COMMUNITY DEVELOPMENT

INDUSTRIAL

DEVELOPMENT

COMMERCIAL

DEVELOPMENT

The BMDD continues to support multiple community development projects to help improve quality of life and the economy of Brownwood. Development of a new event center is a current priority. Resources are also being allocated for the development of new residential areas, parks improvements, beautification projects and downtown redevelopment.

MARKETING/ PROMOTION

The BMDD works closely with partner organizations to help market Brownwood as a great place to live, work, visit, and do business. Development of the Visit Brownwood campaign, sporting event recruitment and retention program, retail recruitment and relocation assistance all help to tell the great story of Brownwood, Texas.

- 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
- Continue Building Improvement Incentive Program
- Offer the Downtown Retail Opportunity Program
- Promote and revitalize Downtown Brownwood
- Explore new community development opportunities





KEY SERVICES

Ratliff Steel Company

BMDD

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. We

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.

SITE SELECTION

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

BOARD & STAFF

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 at 501 Center Avenue.



President

Senior Vice President-Commercial Lender, First American Bank



Manager, United Supermarket



Secretary

Human Resource Manager, Superior Essex MARK BESSENT

Board Member

Attorney and CPA, Mark T. Bessent Law Firm

WESTON JACOBS

COO.

Weakley Watson Hardware



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MARSHAL MCINTOSH

Deputy City Manager

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ECONOMIC INDICATORS

ONE ST



SALES TAX

\$6,871,111 CITY OF BROWNWOOD

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

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\$2,222,849 ECONOMIC DEVELOPMENT

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

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	City Collection	BMDD Collection	Total
January	\$514,912	\$174,452	\$689,364
February	\$720,455	\$229,028	\$949,483
March	\$483,321	\$158,358	\$641,679
April	\$434,548	\$141,811	\$576,359
Мау	\$678,087	\$213,225	\$891,312
June	\$551,623	\$180,924	\$732,547
July	\$531,127	\$174,609	\$705,736
August	\$664,451	\$209,100	\$873,551
September	\$539,689	\$176,446	\$716,135
October	\$553,541	\$180,468	\$734,009
November	\$638,572	\$199,530	\$838,102
December	\$560,785	\$184,898	\$745,683
TOTALS:	\$6,871,111	\$2,222,849	\$9,093,960

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

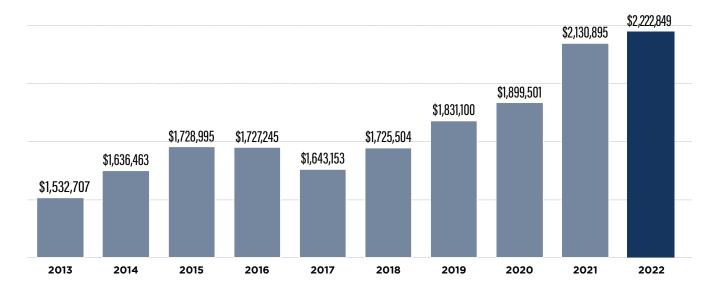


Total sales tax collections for City of Brownwood and Brownwood Municipal Development District in 2022.



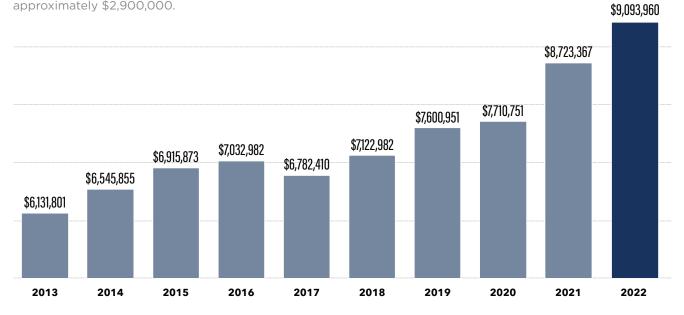
2022 SALES TAX COLLECTIONS | ECONOMIC DEVELOPMENT

In 2022 the BMDD collected \$2,222,849 in sales tax resulting in a 4.1% increase from the prior year.



2022 SALES TAX COLLECTIONS | CITY OF BROWNWOOD AND BMDD

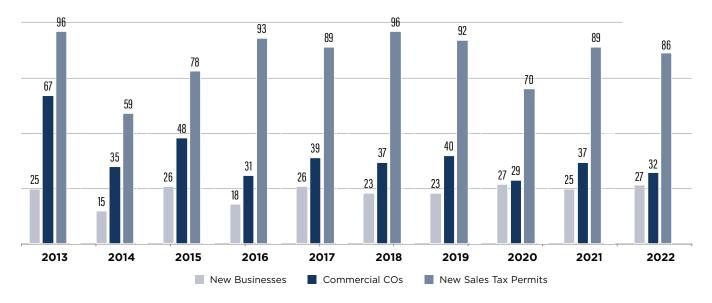
Sales tax base continues to grow. Since 2013, sales tax colletions have increased approximately \$2,900,000.



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 2022, 32 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.



COMMERCIAL COS & SALES TAX PERMITS







BUSINESS UPDATES

The BMDD and City of Brownwood assisted multiple businesses in 2022 to enter the market or expand. These new developments ranged from small locally-owned businesses to large companies with well-known brands.

NEW AND EXPANDED BUSINESSES

Common Grounds Coffeehouse expanded and opened in their new location 2022. Boot Barn also opened their new store in Commerce Square – offering over 14,000 sq. ft. of boots and apparel. Other large projects began construction in 2022 including Home2 Suites by Hilton and T.J. Maxx that should open sometime in 2023.







DOWNTOWN

Downtown saw multiple new businesses open including Grazed and Confused, Urban Roots, Fuzzy's Taco Shop, Lucille + Mabel, Luna Maya, Twisted Axe, Over the Rainbow Ice Cream, The Axe House, Baked Artisan Goods, and High Vibes Emporium. The Downtown district continues to thrive with a mix of food and drinking establishments, shopping, and family entertainment options.



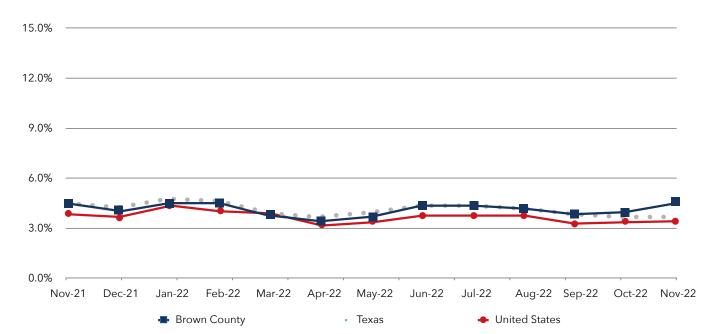
COMMUNITY DEVELOPMENT

The BMDD and City of Brownwood continue to focus on Community Development to help improve quality of life for Brownwood's workforce and residents. Participation in large housing projects, park improvements, and the Brownwood Event Center Complex were some of the highlights of 2022, as well as the completion of a Parks Master Plan to map out the future of the City's parks system.

EMPLOYMENT STATISTICS

A major indicator of employment data is unemployment claims.

The 2022 average unemployment rate for Brown County was 4.13% which is about a 1% improvement over last year. A low unemployment rate is a positive indicator of a stable economy.



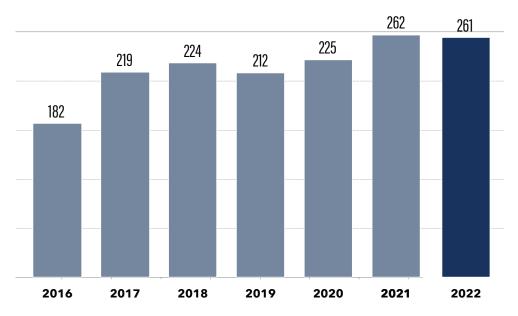




REAL ESTATE

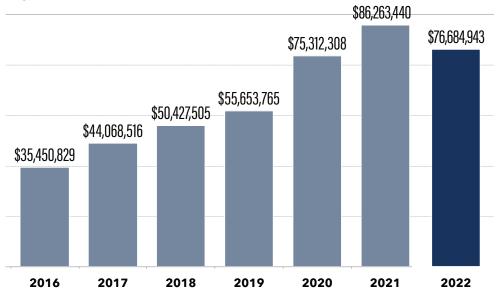
CLOSED REAL ESTATE SALES

There were 261 residential real estate sales in 2022 in the Brownwood city limits. Residential sales are tracked by the Heartland Association of Realtors.



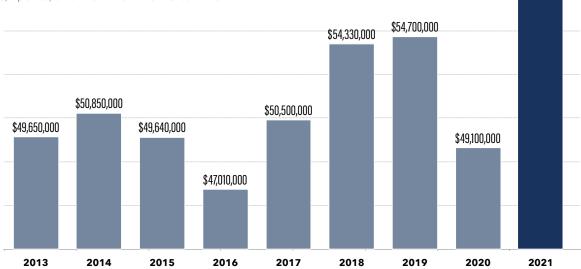
SALES VOLUME

Annual sales volume represented per year for the transactions within the City of Brownwood.



DIRECT VISITOR SPENDING

Tourism in the area is hitting record numbers for Direct Visitor Spending. In 2022, that number reached over \$62 million. This highlights Brownwood's importance in the tourism market by making this area a destination for leisure travel, special events, sports, and Downtown entertainment.



Data prepared annually by Dean Ryan associates, Inc. for the Texas Travel. 2022 numbers are not yet available.

ECONOMIC IMPACT OF SPORTS TOURISM IN BROWNWOOD

In 2022, Brownwood hosted or supported 48 events, which generated an estimated \$2.5 Million in economic impact for the city. These events accounted for 6,876 hotel nights, and brought 33,216 visitors to the city limits. Brownwood was also the #1 Destination Profile , hosted the #3 Trending Event, and was the #5 Trending Destination of 2022 based on PlayEasy.com data, beating out larger markets like Charlotte, Frisco, Lubbock, and Knoxville.

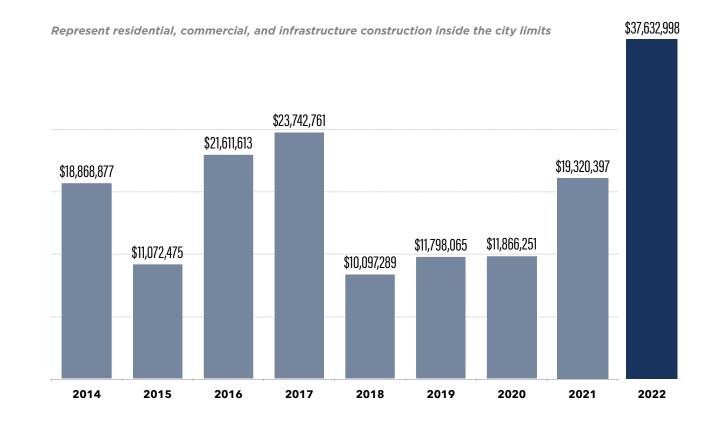




\$62,200,000

ANNUAL BUILDING VALUATION

Annual Building Valuation is tracked by the City of Brownwood Development Services Department and represents residential, commercial, and infrastructure construction inside the city limits. In 2022, The City of Brownwood Annual Building Valuation totaled \$37,632,998.







COMMUNITY PARTNERS

Local Partners

- Brownwood ISD
- Brownwood Area Chamber of Commerce
- The Arts Council of Brownwood
- Brownwood Lyric Theatre
- Brownwood Industrial Foundation
- Downtown Brownwood Inc.
- 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 garner the attention of out-of-town developers and companies. Strong ties with the local chamber of commerce, school districts, community groups, and non-profit organizations all help grow the economy and make Brownwood a great place to live, work, visit, and do business.

Regional: Texas Midwest Community Network, Workforce Solution of West Central Texas, West Central Texas Council of Governments, Big Country Manufacturing Alliance

State and National: Texas Economic Development Council, Innovating Commerce Serving Communities





MULTI-PURPOSE EVENT CENTER PROJECT

The goal of this project is to create a new rentable multipurpose event space with indoor and outdoor components to help facilitate events and conventions that will create a positive economic impact on the local economy and business growth.



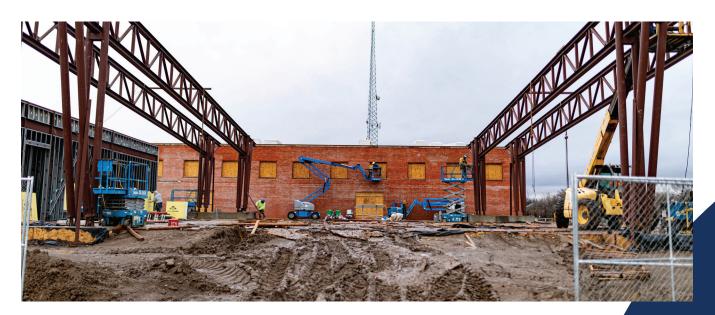




EVENT CENTER EXTERIOR ENTRANCE AND EVENT CENTER MEETING SPACE

Originally built as a warehouse for the Radford Grocery Company in the 1920s, the building will be converted into a multipurpose event center with spaces for regional gatherings, conventions, and breakout activities.The Brownwood Event Center Complex will also be ideal for banquets, weddings, and a multitude of other event types. The intent of the aesthetic is to bring in modern features while preserving the building's original industrial character.





PREMIER OUTDOOR STAGE/PAVILION AND REUNION LAWN

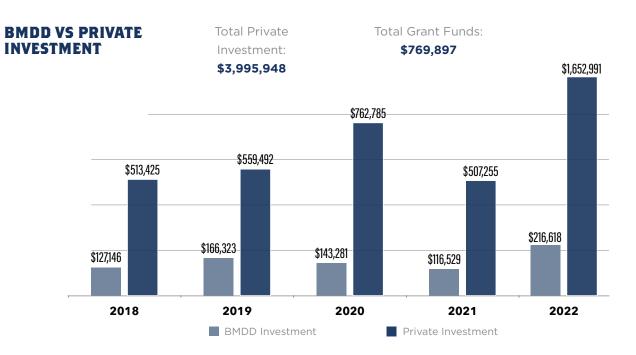
The Ice House Stage will function as a premier stage for large events, concerts, and covered pavilion for gatherings. The facility can also serve as spill-over outdoor space for the larger event center. A small enclosed structure will be built adjacent to the stage to contain support space and additional meeting rooms.

The large viewing lawn will be fenced and will be available as a mini-festival ground for a variety of outdoor events. The open green space also includes connections for food trucks. Additional parking will be developed in surrounding City-owned property along with new property acquisition for expanded parking.



BUILDING IMPROVEMENT Incentive program

The purpose of the Building Improvement Incentive Program is to provide an incentive of up to \$25,000.00 for approved improvements.



FUNDED 12 BIIP PROJECTS IN 2022 CALENDAR YEAR TOTALING \$216,618 IN BMDD FUNDING RESULTING IN \$1,652,991 IN PRIVATE INVESTMENT.

- 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

- Maintained membership with Innovating Commerce Serving Communities (ICSC), as well as year-round retail recruitment efforts with site selectors, brokers, and developers.
- Attended Retail Live and ICSC Red River 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 network with retailers actively expanding in Texas to continue to promote retail growth in Brownwood.
- Promoted economic development through a newly redesigned, user-minded website: www.brownwoodbusiness.com.
 Our website serves as our visual gateway to promote the business advantages in Brownwood, Texas.
- Continued to utilize Facebook, Instagram, and LinkedIn Business pages 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, 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.

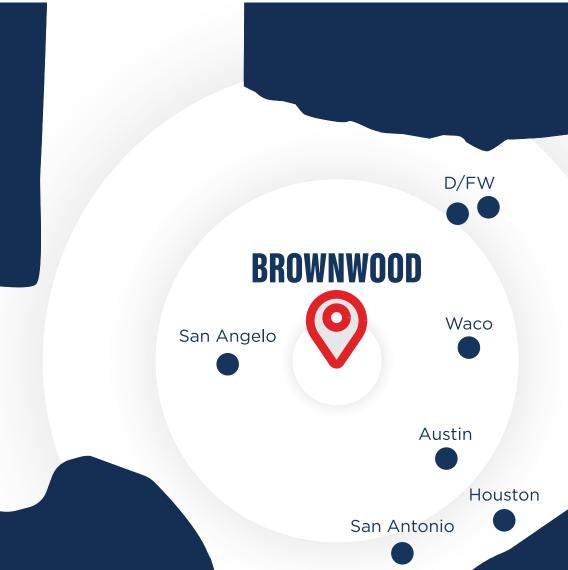
The BMDD continues to focus on programs and initiatives which help support Brownwood's major employers and offer assistance with expansion projects, infrastructure needs, and workforce development and training.

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.

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.

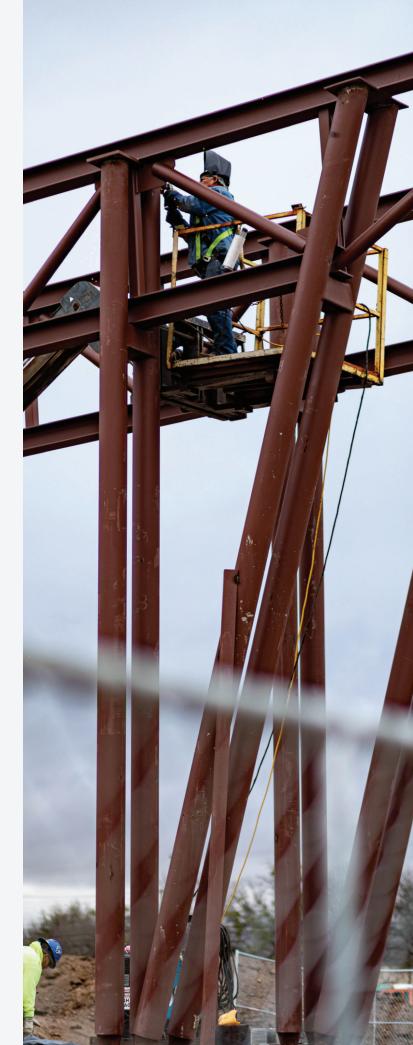


IN CLOSING

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.

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BROWNWOOD MUNICIPAL DEVELOPMENT DISTRICT

Year 2022 Annual Report