



ACCREDITED
ECONOMIC
DEVELOPMENT
ORGANIZATION

International Economic Development Council

3801



PCDC 2019

ANNUAL REPORT

Letter from the Executive Director

Developing our community into a regional employment center by investing in local businesses and attracting new companies to our area has been our mission since 2001.

Our city must maintain a good business climate, an ample supply of land and buildings, a skilled workforce, and amenities for current and future residents to continue our healthy expansion.

So, where are we today? The Pflugerville Community Development Corporation has never been stronger.

This year saw the PCDC achieving the highest award possible for an economic development organization from the International Economic Development Council. In June, the PCDC was designated as an Accredited Economic Development Organization (AEDO) – one of only 65 in the United States, and only nine in Texas. To receive this award, the PCDC had to meet the highest standards in a comprehensive offsite and onsite review conducted by the IEDC touching on administration, policy, projects, programs, financial status, and undergoing 25 key stakeholder interviews.

And, for the seventh year in a row, the PCDC received the Excellence in Economic Development Award from the Texas

Economic Development Council, the statewide professional organization. We also received the “We Hire Vets” program designation with the Texas Workforce Commission for having hired two veterans on the PCDC staff.

All this recognition signals organizational accomplishments – but it also brings more responsibility and new challenges. One such challenge was to produce PCDC’s first annual report chronicling our mission in action – telling our story. This project helped us realize that the PCDC is moving onto its next phase. As we begin envisioning 2020 and widening our stride, one thing is certain. The leadership at City Council and the PCDC Board will continue to build on success and remain firmly fixed on the PCDC mission.

All the best,



Executive Director
Pflugerville Community Development Corporation



PCDC Staff

Amy Madison - Executive Director

Christian Kurtz - Business Development Director

Crystal Connally - Operations Director

Jerry Briones - Recruitment Director

Veronica Ramirez - Marketing and Communications Manager

2019 Board Officers and Members



From left to right: Amy Madison, Jeff Coleman, Victor Johnson, Ken Dalfonso, Doug Weiss, Ron Agnew, A.K. Brewer, George J. Vande Werken

Victor Johnson - President
Ron Agnew - Vice President
Ken Dalfonso - Treasurer
Jeff Coleman - Secretary
Doug Weiss - Council Representative
A.K. Brewer - Board Member
George J. Vande Werken - Board Member

Mission

The Pflugerville Community Development Corporation's mission is to make the City of Pflugerville a regional employment center by actively pursuing opportunities in the areas of business retention, expansion and attraction through the promotion of economic and community development.

Vision

Pflugerville is a thriving, inclusive community that attracts and supports quality employers through strategic investments, education, and marketing.

2019 PCDC Community Projects

Since 2013, PCDC's largest expenditures have been on infrastructure-related projects. In FY19, this included debt service for the water park and new improvements at FM685 entrance, debt service for Helios Way, and other infrastructure-related expenses for the One Thirty Business Park.

\$2.2M
 Infrastructure Improvement
 and Debt Service

163K
 Workforce Education

100K
 CEDS 2.0

100K
 Park Projects

PCDC Awarded

Prestigious International Accreditation

In 2019, the Pflugerville Community Development Corporation received the Advanced Economic Development Organization (AEDO) accreditation from the International Economic Development Council (IEDC). The PCDC becomes one of only 65 economic development organizations to receive the accreditation in the US, and one of nine in Texas.



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"With the accreditation by the IEDC we have reached a new pinnacle in business excellence and quality of life in Pflugerville. The AEDO accreditation enables Pflugerville to stand out in the business community and bring new opportunities. We have become the best of the best thanks to the leadership of the PCDC board and staff."

—**Victor Gonzales**, *City of Pflugerville Mayor*



3-Year Strategic Plan

Approved and Launched

With PCDC's first economic development strategy completed in just 18 months, the board began work creating plans for the next 3-years. The Comprehensive Economic Development Strategic Plan 2.0 (CEDS 2.0) was launched in January 2020 and is a true community effort with input from the city council, a 34-member steering committee, community leaders, businesses and residents.





Promises Delivered

\$4.5MM Obligation Released

- The PCDC negotiated a deal with Typhoon Texas to be released from a \$4.5MM reimbursement payment obligation, freeing up nearly \$3MM in reserves for other projects.
- PCDC agreed to fund a near \$1MM realignment of the Typhoon Texas entrance on FM685 with StoneHill's Towne Center Drive entrance, allowing for safer traffic flow for vehicles and pedestrians
- Typhoon Texas is obligated to open a year-round restaurant on the property in 2021 to meet the final expectation for this community project.

New Places to Play

The PCDC awarded the City of Pflugerville a \$67,000 grant to create The Best Little Plaza in Texas, a 6,000 square foot downtown space for the community to enjoy. It features colorful murals, gardens and seating areas for visitors.

City staff and volunteers organized a two-day community build to create the space as part of an ongoing community engagement initiative approved by City Council.

The PCDC also provided the City of Pflugerville an additional grant for \$33,000 in order to install new trails at Springbrook Park in FY2020.

2019 Recruitment

Recruitment Initiative Achievements

As part of our ongoing recruitment program, the PCDC completed nine recruitment projects in 2019, bringing an estimated \$42MM in capital investment, 539 jobs with an average wage of \$58,000, and absorbing 680,000 square feet.

Of these projects, three companies qualified for grant incentive awards:

- **Austin Foam Plastics** invests \$4.7MM in a 60,000 sq. ft. expansion, and added 22 jobs to receive a \$105,000 grant over three years.
- **Rosendin Electric** relocated Texas and California operations to a 50,000 sq. ft. facility here, making a \$3MM investment, adding 84 jobs to receive up to \$60,000 in grants over five years.
- **The Republic National Distribution Company (RNDC)** will invest \$27MM in a 250,000 sq. ft. facility and add 304 full-time jobs to receive an annual job grant of \$70,000 and up to \$500,000 for extending Helios Way over the 10-year term.

This record achievement in FY19 reflects a stronger focus on recruitment and resulted in a 56% increase in site visits and a 225% increase in out-of-market trips.



Year to Year Comparison

Recruitment	FY18	FY19
Site Visits	97	151
Out of Market	4	13

Welcome 9 New Partners



Free Training & Upskilling For Residents

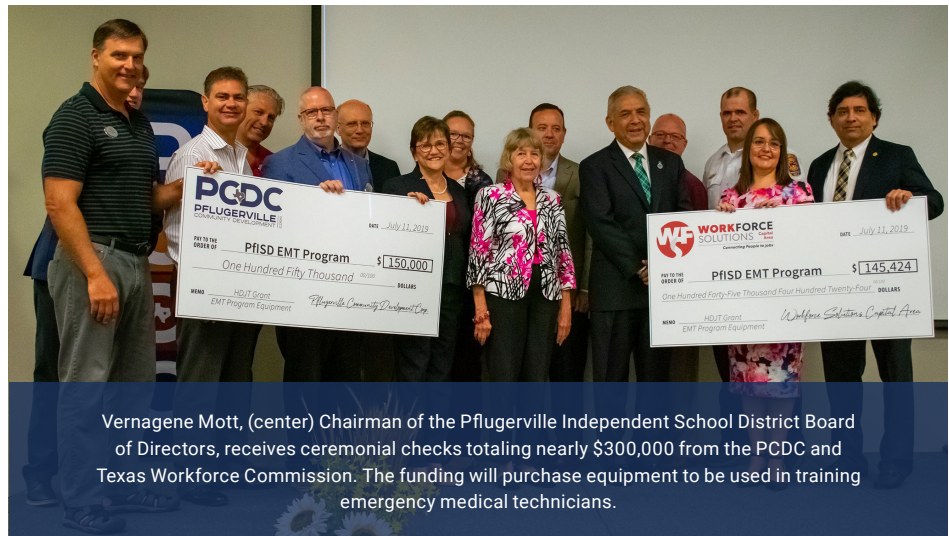
In response to a record low unemployment rate, PCDC began developing new programming with state, regional and local economic development partners to expand the workforce pipeline for existing companies and to support recruitment efforts.

This year saw Pflugerville's first job fair take place, a coalition between the PCDC, Pflugerville Employment Coalition, the City of Pflugerville, Pflugerville ISD, Pflugerville Chamber, and Travis County ESD No. 2.

The PCDC partnered with the Workforce Solutions Capital Area Board (WFSCA) to provide the FIRST High Demand Job Training (HDJT) grant ever awarded in Travis County to fund \$300,000 in equipment for the Emergency Medical Technician program at Hendrickson High School.

The EMT program teaches students life-saving techniques, pharmacology, and hands-on training in an ambulance, clinical and hospital setting. Upon graduation, students are eligible for an EMT-B certification, making them eligible to work for EMT and ambulance agencies.

Partnering with the City of Pflugerville Library, the PCDC provided a \$13,000 grant to support LinkedIn Learning offering over 7,000 professional development courses. The service is free to library cardholders and local business employees. Even PCDC staff took advantage of this programming tool to improve their skills.



Vernagene Mott, (center) Chairman of the Pflugerville Independent School District Board of Directors, receives ceremonial checks totaling nearly \$300,000 from the PCDC and Texas Workforce Commission. The funding will purchase equipment to be used in training emergency medical technicians.



Business Pfirst

The PCDC Business PFirst Program focuses on retaining and expanding local business and includes grants and support for workforce training and education.

In FY2019, staff logged 166 visits – up 22% over the previous year and executed 42 surveys, a 13% increase over FY2018. These visits provide valuable info to our City and PCDC officials, highlighting issues companies may be having that need to be addressed, including:

- Expansion or relocation of facilities
- Workforce and training needs
- Facility and operations needs
- Tax and regulatory environment
- Transportation and logistical requirements

Retention	FY18	FY19
Surveys	37	42
Visits	136	166
Expansions	3	3



Business Pfirst Breakfasts

The PCDC board hosted four Business PFirst breakfasts at the Typhoon Texas Conference Center with an average attendance of over 100.

Topics and guests included:

- **Airport expansions** by Shane Harbinson, Assistant Director, Austin Bergstrom International Airport and Jodie Kaluza, Airport Manager, Austin Executive Airport
- **Current and future economic development** by Amy Holloway, President, and CEO, Avalanche Consulting
- **Robotics and artificial intelligence** by Russell Aldridge, CEO, SISU
- **Army Futures Command (AFC)**, by an expert panel featuring Colonel Patrick Sieber, AFC; Van Truskett, Director for Technology Innovation Development, University of Texas and Gordon Daugherty, President, Capital Factory.

TELLING OUR STORY

Pflugerville Exposure

To help attract new companies and expand local businesses, the PCDC implemented an extensive marketing strategy, including:

- 4 major ads in Site Selection Magazine
- 17 news releases
- 51 news articles
- 100+ social media postings
- 4 testimonial videos (featuring John Garrett, Community Impact; Gerald Hutchinson, Medway Plastics; and Mike Connor, EOS of North America)

Staff completed 13 recruitment missions in partnership with the State of Texas, Opportunity Austin, TeamTexas, Oncor and Transatlantic Business International Council.

The PCDC hosted 151 site visits with companies, developers, real estate professionals, site selectors, and asset managers this year in Pflugerville, reflecting a 56% increase over the previous year.



Gerald Hutchinson, Medway Plastics, shares first hand information in a video testimonial about Pflugerville's business climate and why they are here to stay.



PCDC Promos for Site Selection Subscribers

The PCDC marketing and communications program published two community profiles in Site Selection Magazine this year, a bi-monthly publication by Conway, Inc. read by 47,600 real estate and site selection subscribers.

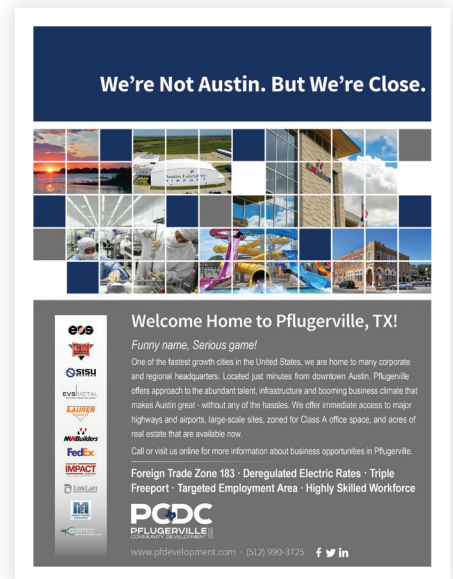
The two promos highlighted women in leadership in the community and a continuing partnership with MW Builders.



January 2019 Issue



July 2019 Issue



PCDC Quarterly Ad



Read All About It!

The PCDC supported the Pflugerville Chamber with a \$15,000 grant to publish their first Community Profile. The grant aided the chamber by providing the up-front cost for printing, allowing reduced costs for chamber members to participate in advertising content.

The directory provides visitors and recruitment prospects with contact information for organizations and businesses throughout the community.

Community Grant Awards

Community Grant Awards were 8% of the budget (\$265,550) and included two City park projects at Springbrook Park and downtown Main Street, and two grants for LinkedIn Learning and High Demand Job Training.

Nearly half of our sales tax revenues (45% of our budget) was spent on Community Infrastructure. A total of nearly \$1.4M was used to pay debt service interest on the water park and for infrastructure for Pecan/SH130, FM685, and Helios Way. \$535,000 was paid in principal for the waterpark.

The PCDC retained \$1,560,000 for reserves per the Financial Policy adopted by the PCDC board.

Pflugerville PFinancials

This year's sales tax revenue came to a total of \$5,205,448, exceeding our estimates by 9%. PCDC received a lease payment in FY2019 of \$1,800,000 from Typhoon Texas per an amendment to the lease made in November 2018 and approved by the PCDC and City Council.

The PCDC's general expenses were \$755,032 or 24% of the total budget, including:

- General Office Services
- Technology and Consumables
- Office Lease
- Personnel
- Professional Development

Programming expenses for our Marketing and Business PFirst programs totaled \$359,814, or 12% of the total budget.

Economic development performance agreement (EDPA) incentive grants amounted to 10% of the budget for a total of \$299,741. All companies are required to meet performance measures and produce certified records on personnel prior to any grant award.

EDPA Grants were awarded to Marriott, Essentium, SISU, Accent Foods, MW Builders, and Flooring Services.



Grand Opening of Flooring Services Southwest, a subsidiary of FS Builder Resources and located at One Thirty Business Park in Pflugerville. Pictured PCDC Executive Director, Amy Madison, Mayor of Pflugerville, Victor Gonzalez



During a monthly meeting, the PCDC Board recognized Hendrickson High School student, Stephen Connally who attended the Code 2 College program. Upon completion of the program, Connally was certified in basic programming. Pictured are PCDC Board Member, Ken Dalfonso, Founder of Code 2 College, Matt Stevenson and Code 2 College Graduate, Stephen Connally.



Ribbon cutting at Austin Regional Clinic in Pflugerville. Pictured are Austin Regional Clinic staff, Pflugerville City Council Members Doug Weiss, Rudy Metayer, Jim McDonald, Mayor Victor Gonzalez, PCDC Executive Director, Amy Madison, PCDC Vice President Ron Agnew, and Pflugerville Chamber of Commerce President and CEO Shontel Mays



Balance Sheet

Assets	General Fund
Cash & Investments	\$9,639,332
Sales tax receivable	\$965,890
Investment in direct financing lease	\$21,850,000
Other receivables, net allowance for uncollectible	\$5,418
Total Assets	\$32,460,640

Liabilities, Deferred Inflows of Resources, Fund Balance

Liabilities:

Accounts payable	\$24,052
Due to City of Pflugerville	\$41,212
Total Liabilities	\$65,264

Deferred Inflows of Resources:

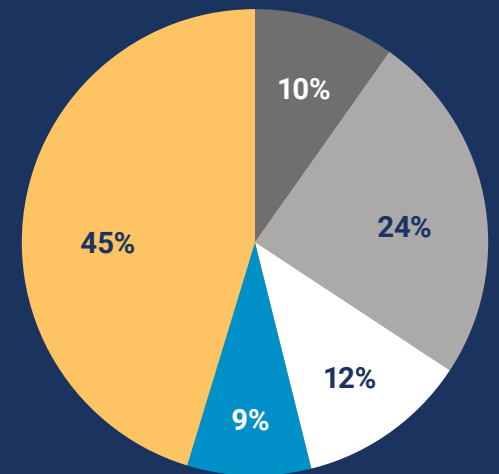
Unavailable revenue—direct financing lease	\$21,850,000
Total Deferred Inflows of Resources	\$21,850,000

Fund Balance:

Restricted for economic development	\$10,545,376
Total Fund Balance	\$10,545,376

Total Liabilities, Deferred Inflows, Fund Balance	\$32,460,640
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FY19 Expenses



Incentive Projects	\$299,741
General Expenses	\$755,032
Programming	\$359,814
Community Grants	\$264,500
Community Infrastructure	\$1.56MM

“We have issued an unmodified opinion, often referred to as a clean opinion, and it is the highest form of opinion that we can issue.”

Todd Pruitt, CPA, Audit Partner,
Pattillo, Brown, Hill, LLP

FY19 Revenue / Expenses / Reserve

