



**KERRVILLE CITY COUNCIL WORKSHOP AGENDA**  
**AUGUST 18, 2020 10:00 AM**  
**CITY HALL, COUNCIL CHAMBERS**  
**701 MAIN STREET, KERRVILLE, TEXAS**



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***Council Meeting Procedures during the Disaster Declaration  
and Citizen/Public Participation Guidelines***

COVID-19 (Coronavirus) provides a unique concern in that gathering members of the public, City Council, and City staff within a physical setting constitutes a public health risk. On March 16, 2020, the Texas Governor suspended certain requirements of the Open Meetings Act to permit open meetings to occur in a fully virtual setting (e.g., telephonic or videoconference meeting). In an effort to avoid and mitigate health risks, and limited occupancy levels in Council Chambers, City Council will convene in a virtual forum and attendance will be limited to only those persons essential to holding the meeting. No member of the public will be admitted into City Hall during this time. **Despite the necessity to restrict public access to Kerrville City Council meetings in the interest of public health during the COVID-19 pandemic, citizens and visitors are welcome to participate in Kerrville City Council meetings in several alternate ways as outlined below.**

**Instructions for callers:**

Dial one of the following toll free numbers: **1-877-853-5247** or **1-888-788-0099**.

If you cannot get through on one number, call the other number.

When your call is answered you will hear "**Welcome to Zoom, enter your Meeting ID followed by pound**". Enter in the Meeting ID below followed by the pound sign (#).

The Meeting ID is **956 9984 3635#**.

If the moderator has not started the meeting, you will hear "The meeting has not started yet, please hold or call back later." Citizens must call in by 9:45 a.m., August 18, 2020 and register with the Zoom moderator, and each speaker is limited to four minutes.

Once you have called into the meeting, your microphone will be placed on mute and your call will be placed in the call queue. At this point, you will hear silence on the phone. Do not hang up. The moderator will unmute your microphone as he/she is going down the list. Once the meeting has started, you will be able to listen to proceedings even if your microphone is muted.

**The moderator will be accepting calls starting at 9:00 a.m. Place your call before the 9:45 a.m. deadline in order to participate in speaking on a specific item.** You will be queued to speak. Any calls made after the 9:45 a.m. deadline will not be answered, and microphones will be kept muted. Each speaker is limited to four minutes.

**Instructions for written comments:**

Written comments will be accepted for any agenda items, including Public Hearings. You are required to provide your first and last name, address, and identify the item you wish to comment on. All information must be provided in order for your comments to be read into record.

Written comments can be provided two different ways:

- **OPTION 1 by hard copy** – Comments may be dropped off at the City Hall Utility Payments Drop-Box on the north side of City Hall by 9:45 a.m. the evening of the Council meeting.
- **OPTION 2 by email** - Comments can be emailed to [shelley.mcelhannon@kerrvilletx.gov](mailto:shelley.mcelhannon@kerrvilletx.gov) and must be received by 9:45 a.m. the evening of the Council meeting. In addition, anyone may email Councilmembers via their City email addresses as specified on the City's website.

Citizens may view and hear the City Council meetings on Spectrum Channel 2 or by live-streaming via the City's website ([www.kerrvilletx.gov](http://www.kerrvilletx.gov)). City Council meetings are recorded and the recordings are posted on the City's website.

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Thank you for your participation!



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**AUGUST 18, 2020 10:00 AM**  
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**701 MAIN STREET, KERRVILLE, TEXAS**



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**CALL TO ORDER**

**1. PUBLIC COMMENTS:**

*A member of the public may address City Council regarding an item on this agenda. Comments must be relevant to the agenda item. This is not intended to be a question and answer session. Speakers must call in by 9:45 a.m. and register with the Zoom moderator. Citizens may also submit written comments to be read into record. Written comments must be received by 9:45 a.m., either emailed to [shelley.mcelhannon@kerrilletx.gov](mailto:shelley.mcelhannon@kerrilletx.gov) or dropped off at the City Hall Utility Payments Drop-Box. Each speaker is limited to four minutes.*

**2. INFORMATION AND DISCUSSION:**

- 2A. Kerrville Economic Development Board budget
- 2B. Economic Improvement Corporation budget
- 2C. Kerrville Convention and Visitors Bureau budget

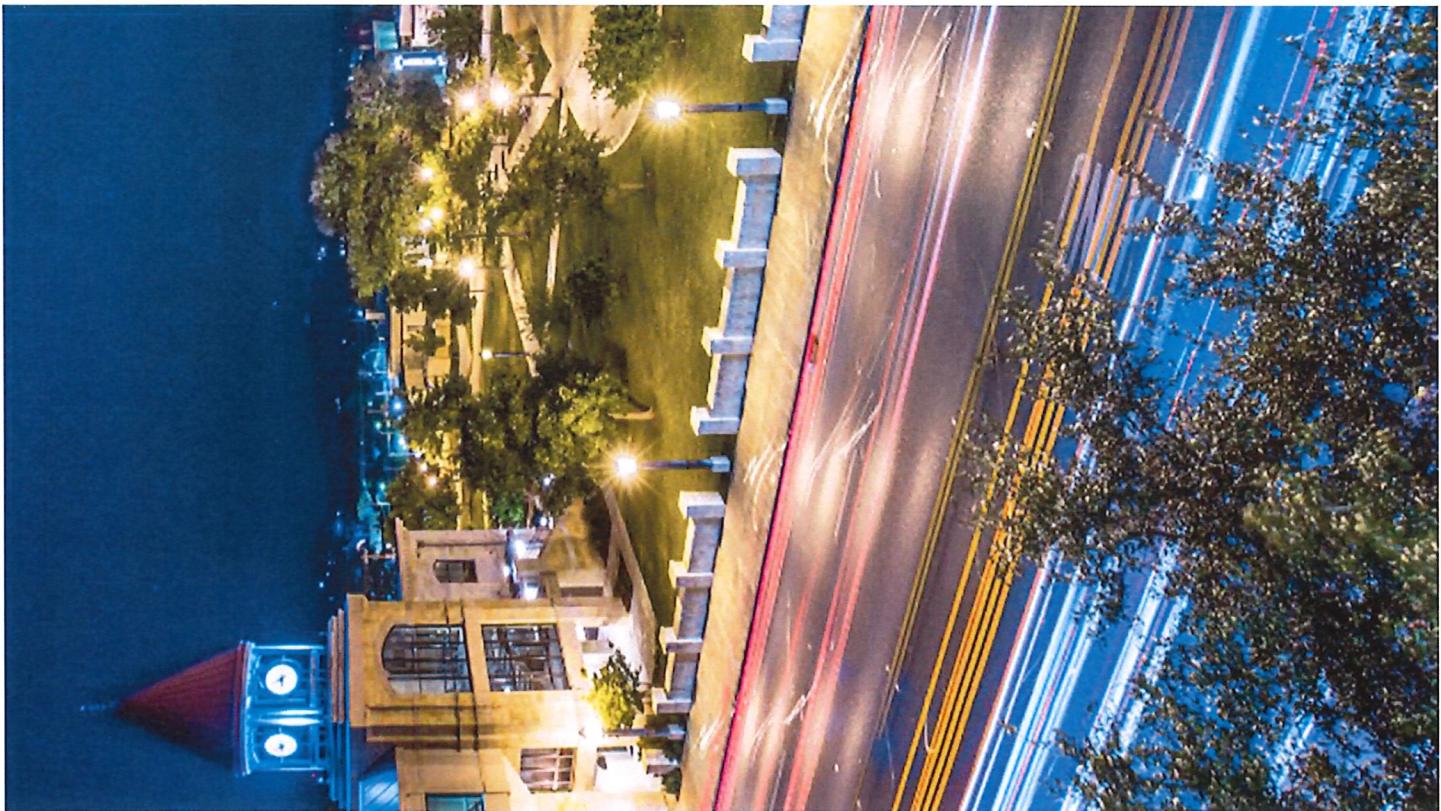
**ADJOURN**

# Proposed KEDC Budget

## FY 2020-2021

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**Gilberto Salinas**, Executive Director  
**Theresa Metcalf**, BRE Manager  
Kerr Economic Development Corp.



**YTD Deliverables**

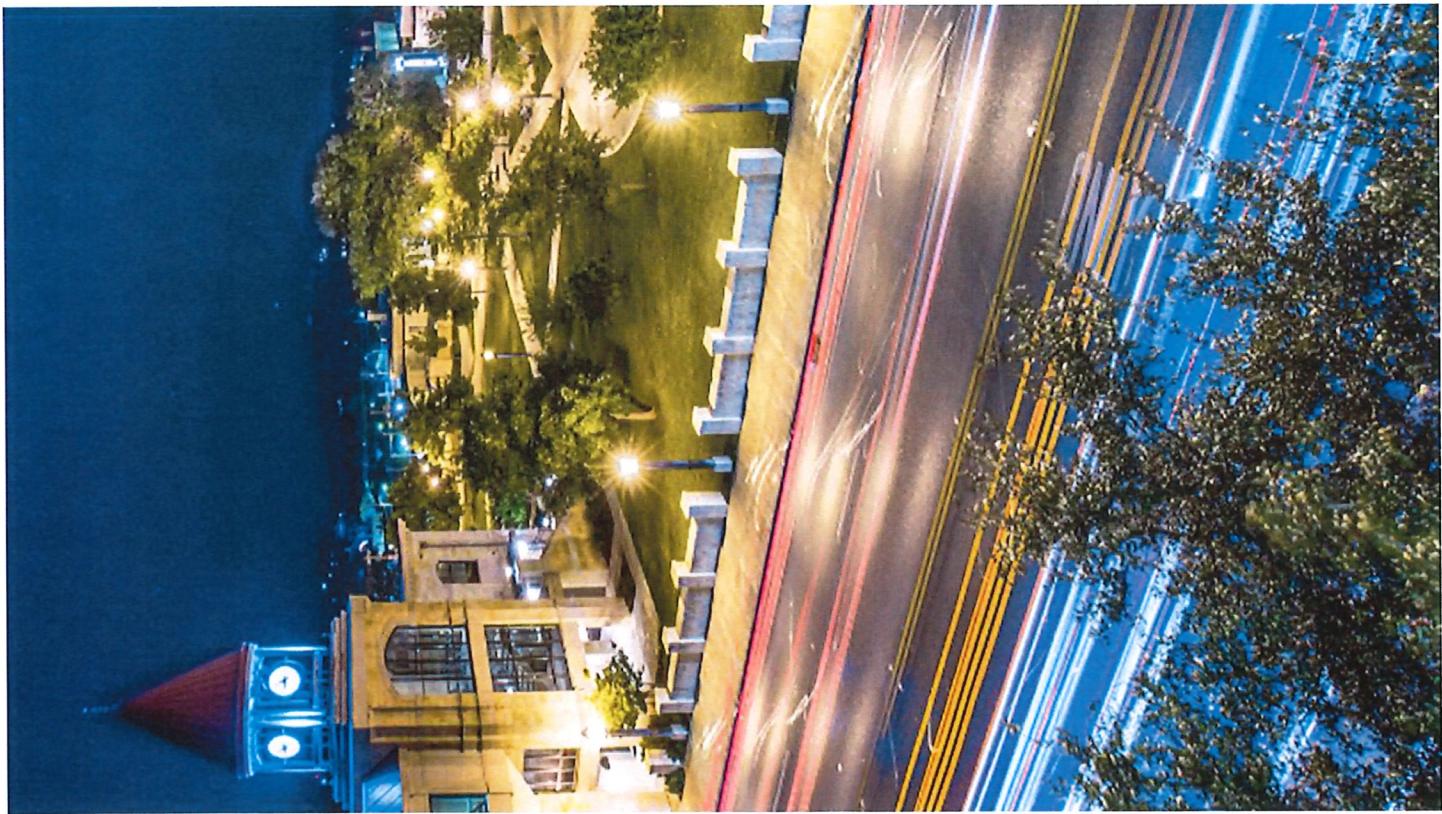
**Project Pipeline**

**Roadmap 2021**

**Proposed Budget**



# YTD Deliverables



# KEDC Business Ecosystem

KEDC 2-YEAR ROADMAP & ECONOMIC DEVELOPMENT ECOSYSTEM	
BUSINESS REVENUE EXPANSION	MARKETING & KERRVILLE
HUMAN CAPITAL PIPELINE	
<b>INDUSTRIAL FOOTPRINT</b> (EDC)	<b>MARKET RESEARCH</b> (EDC)
Businesses are struggling to gain access to critical resources and services	Collaborate with Kerrville and surrounding business leaders to identify and prioritize critical resources and services
<b>SHOVEL READY</b> (KEDC)	<b>MARKET PROFILE</b> (EDC)
Create an industry ready for business	Use local resources to identify which needs are greatest and prioritize them
<b>TARGET SECTORS</b> (EDC)	<b>BRAND</b> (KEDC)
Identify the top 10 sectors	Leverage the KEDC brand
<b>INVENTORY</b> (EDC)	<b>BRANDING STUDIES</b>
Identify and prioritize resources for business and economic development	Conduct market research to identify the best sectors for local businesses and prioritize them
<b>ECONOMIC INDICATORS</b> (EDC)	<b>FRESH TALENT</b> (EDC)
Research local economic trends	Conduct economic analysis to determine the best sectors for local business
<b>RELATIONS LOCAL INDUSTRY</b>	<b>MENTORING</b> (EDC)
Establish relationships with local business leaders	Establish a mentorship program
<b>COMMITTEE: 40 Under 40</b>	<b>WORKFORCE COMMISSION</b> (EDC)
Identify and prioritize local business leaders	Establish a workforce commission
<b>KEY PERFORMANCE INDICATORS</b>	<b>LOCAL EXPERIENCE</b> (EDC)
• Business and economic development	Establish a local experience committee
<b>REPORTING &amp; COMMUNICATION</b>	<b>HUMAN CAPITAL INITIATIVE</b> (EDC)
• Stakeholder communication	Establish a human capital initiative
<b>ORGANIZATIONAL HOUSEKEEPING</b>	<b>FOCUSED LEAD GENERATION</b>
• Organizational structure	Establish a lead generation committee
<b>ANNUAL REVIEW</b> (EDC)	<b>ENTREPRENEUR DEVELOPMENT</b> (EDC)
• Stakeholder feedback	Establish an entrepreneur development committee
<b>NON-CONFIDENTIAL KEDC STAFF</b>	<b>IMPACT STUDIES</b> (EDC)
• Non-confidential KEDC staff	Conduct impact studies
<b>NON-CONFIDENTIAL KEDC STAFF</b>	<b>ANNUAL REVIEW</b> (EDC)
• Non-confidential KEDC staff	Conduct an annual review of the organization's performance

## KEY PERFORMANCE INDICATORS

- Stakeholder feedback
- Business and economic development
- No stakeholder feedback
- Increase in local firms
- Website metrics
- Distribution of local firms
- No internet hits
- Non-confidential KEDC staff
- Non-confidential KEDC staff
- Consistency of messaging

## KEY PERFORMANCE INDICATORS

- Stakeholder feedback
- Local government
- Increase in average sales
- Project hits
- Project ROI from EDC funding

BUSINESS INCUBATION	ENCOURAGING ENTREPRENEURS	CORPORATE RECRUITMENT	STAKEHOLDER COMMUNICATION	REPORTING & COMMUNICATION	ORGANIZATIONAL HOUSEKEEPING
<b>ED MASTER PLAN</b> (EDC)	<b>ED ROADMAP</b> (EDC)	<b>ED POLICIES &amp; PROCEDURES</b>	<b>ED MASTER PLAN</b> (EDC)	<b>ED POLICIES &amp; PROCEDURES</b>	<b>ED POLICIES &amp; PROCEDURES</b>
Develop a solution-oriented development plan for local businesses	Develop a solution-oriented development plan for local businesses	Develop a solution-oriented development plan for local businesses	Develop a solution-oriented development plan for local businesses	Develop a solution-oriented development plan for local businesses	Develop a solution-oriented development plan for local businesses
<b>ED STAKEHOLDER RETREAT</b> (EDC)					
Convene local business leaders to discuss the state of local business	Convene local business leaders to discuss the state of local business	Convene local business leaders to discuss the state of local business	Convene local business leaders to discuss the state of local business	Convene local business leaders to discuss the state of local business	Convene local business leaders to discuss the state of local business
<b>ANNUAL ECONOMIC FORUM</b> (EDC)					
Host a regional forum to discuss the state of local business	Host a regional forum to discuss the state of local business	Host a regional forum to discuss the state of local business	Host a regional forum to discuss the state of local business	Host a regional forum to discuss the state of local business	Host a regional forum to discuss the state of local business
<b>KEY AIRPORT</b> (EDC)					
Assess the needs of local airports					
<b>ONE-ON-ONE VISITS</b> (EDC)					
Meet with local CEOs to discuss business needs	Meet with local CEOs to discuss business needs	Meet with local CEOs to discuss business needs	Meet with local CEOs to discuss business needs	Meet with local CEOs to discuss business needs	Meet with local CEOs to discuss business needs
<b>TARGET SECTORS</b> (EDC)					
The KEDC will work with local business leaders to identify the best sectors for local business	The KEDC will work with local business leaders to identify the best sectors for local business	The KEDC will work with local business leaders to identify the best sectors for local business	The KEDC will work with local business leaders to identify the best sectors for local business	The KEDC will work with local business leaders to identify the best sectors for local business	The KEDC will work with local business leaders to identify the best sectors for local business
<b>COLLABORATION</b> (EDC)					
Establish a local business and economic development committee	Establish a local business and economic development committee	Establish a local business and economic development committee	Establish a local business and economic development committee	Establish a local business and economic development committee	Establish a local business and economic development committee
<b>IMPACT STUDIES</b> (EDC)					
Conduct impact studies to determine the impact of local business	Conduct impact studies to determine the impact of local business	Conduct impact studies to determine the impact of local business	Conduct impact studies to determine the impact of local business	Conduct impact studies to determine the impact of local business	Conduct impact studies to determine the impact of local business
<b>ANNUAL REVIEW</b> (EDC)					
Conduct an annual review of the organization's performance	Conduct an annual review of the organization's performance	Conduct an annual review of the organization's performance	Conduct an annual review of the organization's performance	Conduct an annual review of the organization's performance	Conduct an annual review of the organization's performance

## KEY PERFORMANCE INDICATORS

- Stakeholder feedback
- Increase in local firms
- Website metrics
- Distribution of local firms
- No internet hits
- Non-confidential KEDC staff
- Non-confidential KEDC staff
- Consistency of messaging

## KEY PERFORMANCE INDICATORS

- Consistency of messaging
- KEDC Business KEDC
- Policies & Procedures
- Financials & Budget
- Stakeholder retreat
- Quarterly reporting

# YTD Deliverables

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## Business Retention & Expansion

- 30-34** Companies Visited / Supported / Conferenced
  - Top 10 Private Employers
  - Smaller Mfg. Firms
  - Medical / Health Sector
  - Construction Companies
  - Oil & Gas, Energy
- 194** No. of Respondents to Business Survey
- 13** Featured in 'Over the Fence Podcast'
- 200-plus** Contact with small businesses, since pandemic



## YTD Deliverables

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### Human Capital / Workforce

KEDC Collaborated with following:

Workforce Solutions – Kerr  
Texas Workforce Commission  
Alamo Colleges – Kerrville  
Kerrville ISD (*visit from state*)

Hosted Texas Workforce Commissioner

Julian Alvarez, Commissioner – Labor  
Dale Robertson, Executive Director

Texas Skills Development Funding for:

**Killdeer Mountain**      **\$364,000**  
**All Plastics**                **\$115,000**



# YTD Deliverables

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## Encouraging Entrepreneurs

Seminars, workshops, events, etc.

Hill Country Economic Summit

Roundtables (webinar & in person)

1-On-1 Visits at Office

40-Under-40 Campaign

‘Over the Fence’ Podcasts / Webinars

Small Business Series with Office of the Gov.

KerrvilleTogether.com Portal for Entrepreneurs



# YTD Deliverables

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## Marketing Kerrville

- 5 Social Media Outlets  
Facebook / Twitter  
LinkedIn / Instagram  
YouTube Channel
- 16 'Over the Fence' Podcasts
- 10 Covid Community Update with City of Kerrville
- 34 Newspaper / Magazine Articles / Press Releases
- 4 Webinars for Small Business & Industry
- 4 National Conference / Webinar / Aerospace Panel
- 4,400 Joint Webinar with Office of Governor



# YTD Deliverables

## Marketing Kerrville

**5** Social Media Outlets

Facebook / Twitter

LinkedIn / Instagram

YouTube Channel

**16** 'Over the Fence' Podcasts

## KerrvilleTogether.com

Kerrville CVB

City of Kerrville

Kerrville Chamber

KPUB

Gov. Office

**10** Covid Community Update with City of Kerrville

**34** Newspaper / Magazine Articles / Press Releases

**4** Webinars for Small Business & Industry

**4** National Conference / Webinar / Aerospace Panel

**4,400** Joint Webinar with Office of Governor



# YTD Deliverables

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## Stakeholder Communication

- Quarterly reporting (KEDC Highlights)
- Stakeholder retreat (Follow up from 2019)
- One-on-One visits
- Economic development forum
- Hill Country Economic Summit
- Roundtable with Commissioner Alvarez
- Second roundtable with KMM & Top 5 Employers

## Organizational Housekeeping

- 2-Year Roadmap (Adding resiliency component)
- KEDC Policies & Procedures
- Revamp Economic Incentives Guidelines



## YTD Deliverables

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### Corporate Recruitment

**32** No. of leads generated

- 7 Outreach from staff
- 1 Walk ins
- 0 Cold Calling
- 3 Calls at office
- 5 Site Selectors
- 4 Relationships
- 12 RFPs from Gov.

**5** Active Prospects for Kerr County (area)

**2** Deals facilitated and/or closed by KEDC



# Headlines from KMM Announcement

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<i>Kerrville Daily Times</i>	The Texas
<i>Hill Country Journal</i>	Direct News Source (wire)
<i>West Kerr Current</i>	Texas Municipal League
Office of Governor, Social Media	Border Business Press
Texas Workforce Commission	KURV Business Radio
KVUE-Austin	NTV Houston
KENS5-San Antonio	KENS 5 San Antonio
San Antonio Express News	News Break (wire)
San Antonio Business Journal	Virtual Builders Exchange
Chicago Telegraph	Texas Political Pulse
News4San Antonio	Sharecaster (wire)
MSN.com	T-Span (wire)
Jam Broadcasting News	Innovation Toronto



# AREA DEVELOPMENT

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## Killdeer Mountain Manufacturing Builds Manufacturing Complex Kerrville, Texas

A company that produces circuit card assemblies and cable and fiber harnesses for the aerospace industry, Killdeer Mountain Manufacturing will establish an \$8 million manufacturing facility in Kerrville, Texas. The company plans to create 200 jobs.

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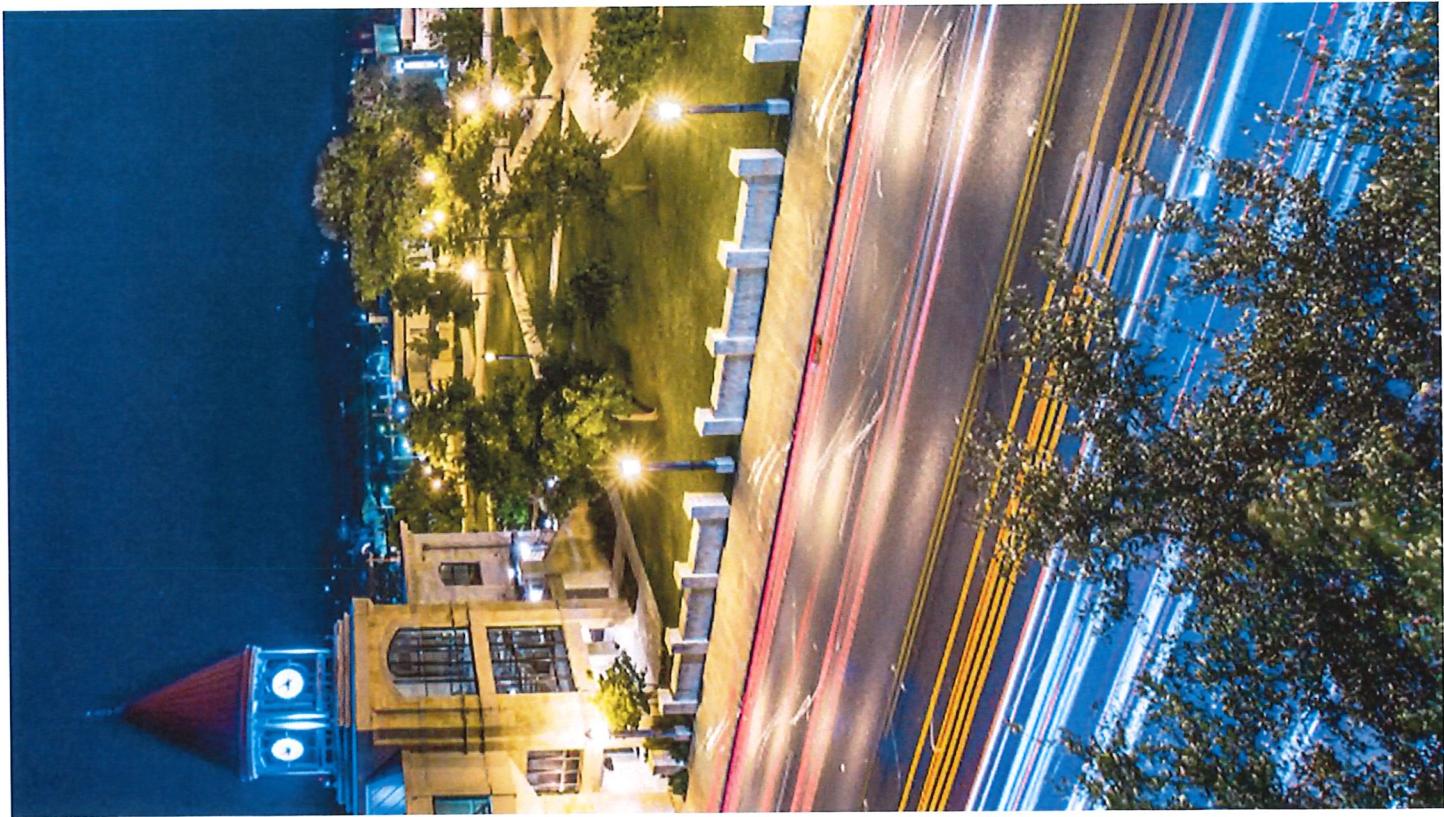
### RELATED RESEARCH

Aerospace and Defense Investment Projects Take the Long View

Controlling Conditions in Aerospace Manufacturing Facilities



# Project Pipeline



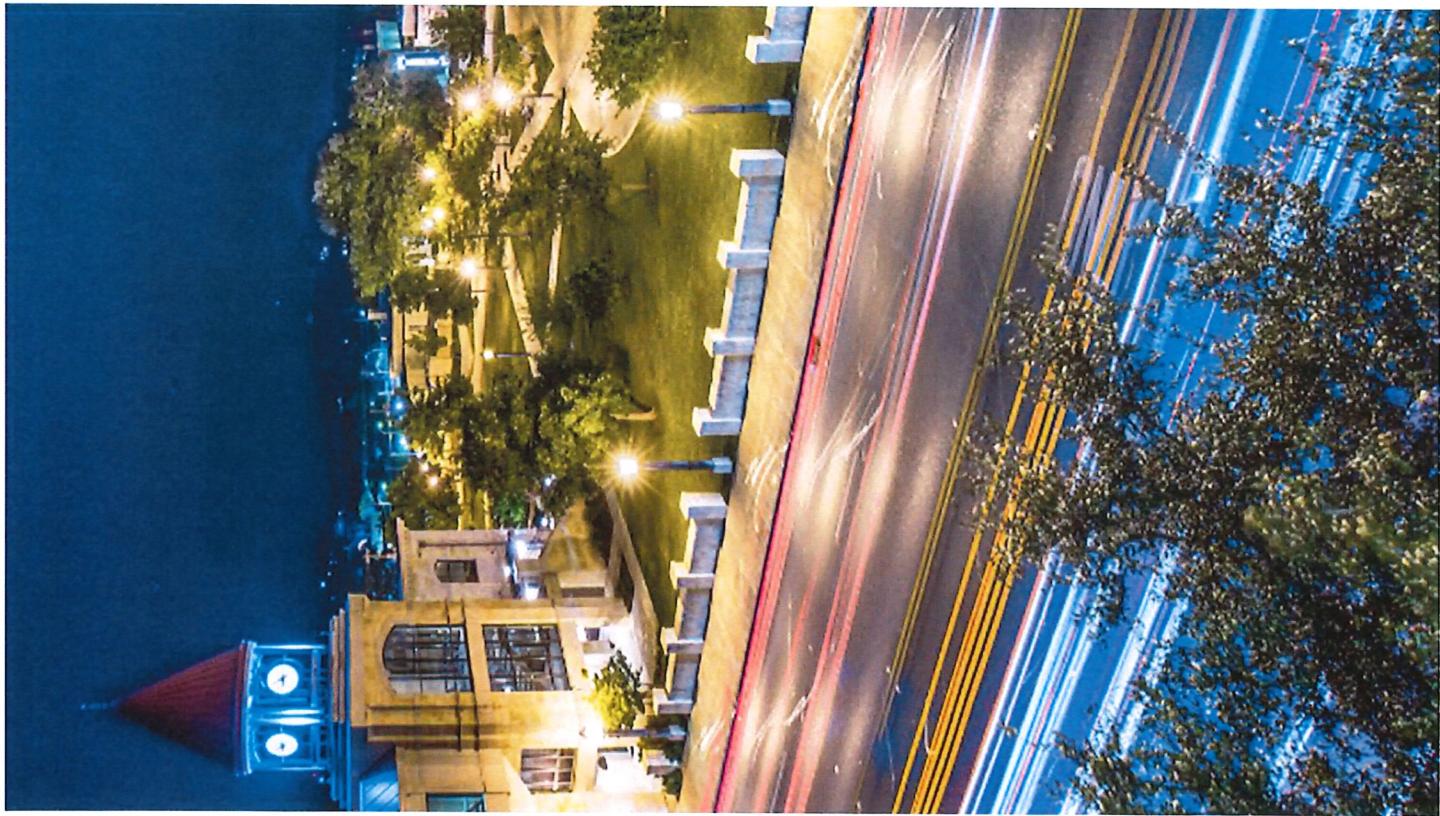
# KEDC Active Projects

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<b>Skymaster</b> <i>(Killdeer Mountain)</i>	Aerospace sector, potential for 200 jobs, above ACW, conducted visit to HQ last month, making progress
<b>Tin Roof</b> <i>(Prime Metal Bldgs)</i>	Metal fabricator, locating off Harper Road, new construction, 15-20 jobs, part manufacturing & commercial component
<b>Blue HQ</b>	Aerospace & defense firm, seeking building, conduct training, host federal delegations
<b>Replenish</b>	Small operation, seeking facility, medical sector, creating 20 jobs, good wages
<b>Vista</b>	Outside county, massive mfg. operation, San Antonio-area project, with direct and significant economic impact to Kerrville



# Roadmap 2021



# KEDC Business Ecosystem

City of Kerrville-Workshop, Aug. 18, 2020

# 2021 Plan of Action

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## Second Year of 2-Year Roadmap

Focusing on developing cluster  
Specifically Aerospace-Aviation  
Opportunities with current project pipeline

Continue entrepreneur development  
Focus on people getting jobs, local industry  
Grassroots marketing, i.e., Kerrville Together

Business recruitment (where we can)  
Develop what we have, all business  
Tesla could prove huge opportunity



# 2021 Plan of Action

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Focusing on **developing cluster**

Specifically Aerospace-Aviation

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# 2021 Plan of Action

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## Second Year of 2-Year Roadmap

Focusing on **developing cluster**

Specifically Aerospace-Aviation

Opportunities with current project pipeline

Continue entrepreneur development

**Focus on people getting jobs, local industry**

Grassroots marketing, i.e., Kerrville Together

### Additional Goals:

- i. Upskilling Workforce
- ii. Economic Resiliency
- iii. Local Diversification

Business recruitment (where we can)

**Develop what we have, all business**

Tesla could prove huge opportunity



# Proposed Budget



# Proposed Budget Reductions FY20/21

Line Item	FY19/20	FY20/21	Reduction
Business Recruitment	\$ 20,000	\$ 0	\$ 20,000
Marketing, Web, Design	\$ 23,000	\$ 5,000	\$ 18,000
Staff Training	\$ 5,000	\$ 3,000	\$ 2,000
Conferences, Meetings	\$ 10,000	\$ 5,000	\$ 5,000
Contract Services	\$ 12,667	\$ 4,067	\$ 8,600
Meals, Entertainment	\$ 12,000	\$ 3,000	\$ 9,000
Travel	\$ 17,000	\$ 10,000	\$ 7,000
KEDC Service Agreement	\$ 55,400	\$ 18,500	\$ 36,900
		Subtotal	\$106,500
		Other	(\$22,500)
		<b>TOTAL</b>	<b>\$84,000</b>

# Proposed Budget FY20/21

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Stakeholder	FY19/20	21% Cut	FY 20/21
EIC	\$250,000	\$ 52,500	\$197,500
City	\$ 50,000	\$ 10,500	\$ 39,500
County	\$ 50,000	\$ 10,500	\$ 39,500
KPUB	\$ 50,000	\$ 10,500	\$ 39,500
<b>TOTAL</b>	<b>\$400,000</b>	<b>\$ 84,000</b>	<b>\$316,000</b>

# Proposed Budget FY20/21

Stakeholder	FY19/20	21% Cut	FY 20/21
EIC	\$250,000	\$ 52,500	\$197,500
City	\$ 50,000	\$ 10,500	\$ 39,500
County	\$ 50,000	\$ 10,500	\$ 39,500
KPUB	\$ 50,000	\$ 10,500	\$ 39,500
<b>TOTAL</b>	<b>\$400,000</b>	<b>\$ 84,000</b>	<b>\$316,000</b>

# In Closing

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2020 Budget	Volunteered reduction, Covid situation
Mid Year Pivot	Put people to work, businesses back
2021 Goal	Cluster development with local focus
2021 Budget	Affordable plan for community size
Marketing Campaign	Keeping door open for possible funding of marketing-recruitment campaign 2021

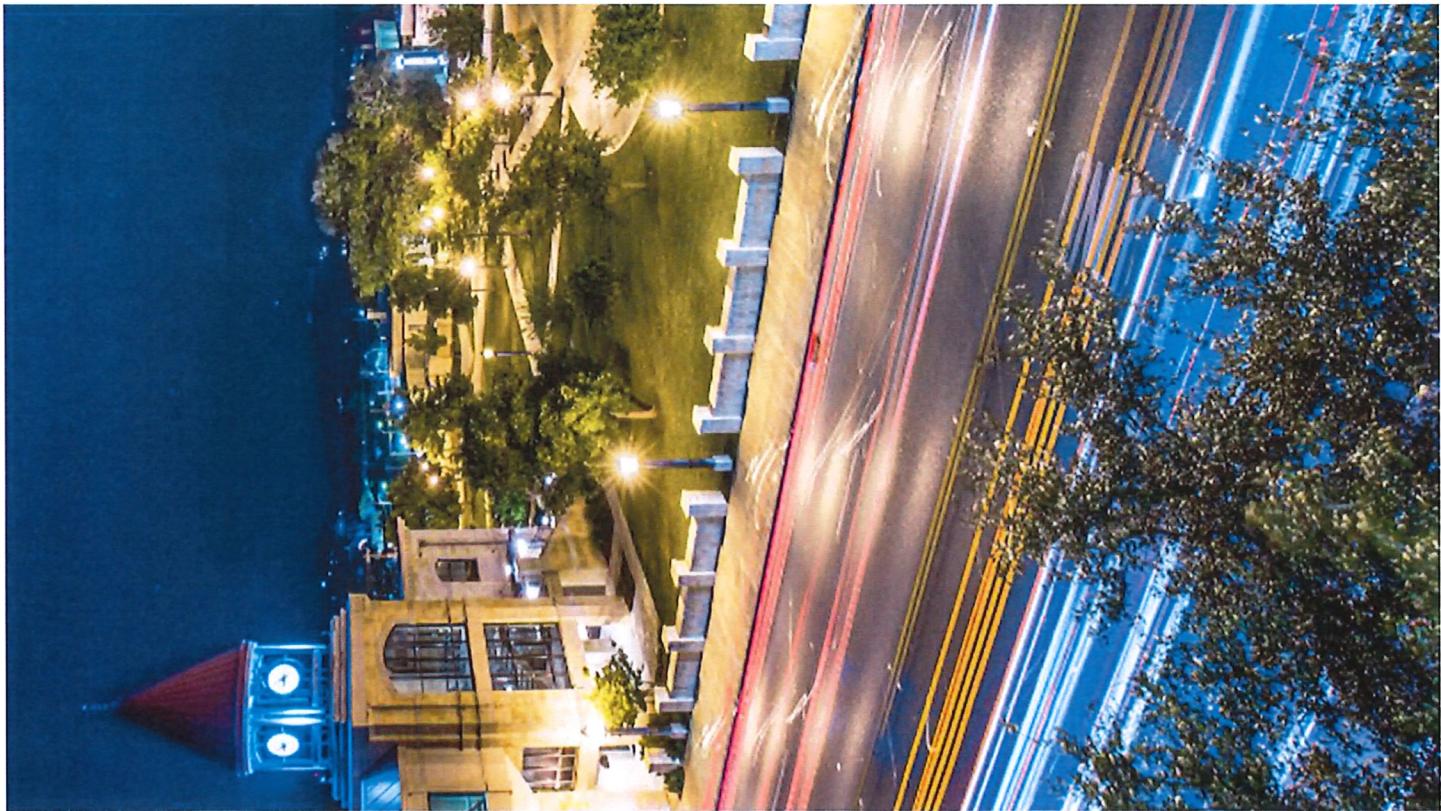


# Proposed KEDC Budget

## FY 2020-2021

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**Gilberto Salinas**, Executive Director  
Kerr Economic Development Corp.



## KEDC 2-YEAR ROADMAP & ECONOMIC DEVELOPMENT ECOSYSTEM

NOTE: 2050 is for Comprehensive Plan / AV is 2018-2022 Business Plan / COO is Immersion Tour / TIP is Tracy, Andy

BUSINESS RETENTION EXPANSION		MARKETING to KERRVILLE		HUMAN CAPITAL PIPELINE		ENCOURAGING ENTREPRENEURS		CORPORATE RECRUITMENT		STAKEHOLDER COMMUNICATION		ORGANIZATIONAL HOUSEKEEPING		
<b>INDUSTRIAL FOOTPRINT (2050-E4)</b> Seek out responsible, strategic growth opportunities to increase property tax revenues – balancing land uses which generate higher tax revenues versus those with higher service costs.	<b>MARKET RESEARCH (COO)</b> Collection of data, combined with identifying and preparing content.	<b>LABOR SHED (AV-Sec.3)</b> Update the labor shed analysis done by Avalanche Consulting.	<b>BUSINESS INCUBATION (2050-E1)</b> Develop program to support local entrepreneurs through an incubator facility, where KEDC would provide:	<b>OUTREACH (AV-Sec.1)</b> Outreach missions targeting select high-impact companies.	<b>ED MASTER PLAN (2050-E1; TIP)</b> Develop a holistic economic development master plan outlining:	<b>REPORTING (AV)</b> Implement Quarterly Reports to stakeholders and Biannual Workshops with partner entities.	<b>2YR ROADMAP (2050-E1; TIP; COO)</b> This plan of action which becomes the Master Plan for the next 2 years.	<b>STAKEHOLDER RETREAT (TIP)</b> Once per year, hosted by the KEDC with or without a consultant.	<b>Goals, Objectives</b>	<b>ED MASTER PLAN (2050-E1)</b> Develop a holistic economic development master plan outlining:	<b>Site Selectors (AV-Sec.1)</b> Host site selectors as part of familiarity tour.	<b>POLICIES, PROCEDURES (COO)</b> Articles of Incorporation and Bylaws have been created for the KEDC, but the missing component to complete the business are the Policies & Procedures.		
<b>SHOVEL READY (AV-Sec.2, TIP)</b> Create an Industrial Park Plan specific to development of the Hwy 27	<b>BRAND (TIP)</b> Leverage the Hill Country brand.	<b>BUILD BRIDGES (AV-Sec.3)</b> Between the private sector and workforce training; Build relationships between employers and educators; Form apprenticeship programs.	<b>COLLABORATE (AV-Sec.3)</b> Increase regional workforce initiatives through the collaboration of the local institutions.	<b>DELEGATIONS (AV-Sec.1)</b> Host business delegations.	<b>ANNUAL ECONOMIC FORUM (COO)</b> Host a keynote speaker, provide a State of Economic Development to stakeholders and the community.	<b>ANNUAL ECONOMIC FORUM (COO)</b> Meetings with KEDC Board and IEC Members on a periodic basis, to provide update and also receive input from each of the members.	<b>ECONOMIC INCENTIVES (2050-E2)</b> Re-examine the EIC and City incentive matrix in terms of:	<b>KERV AIRPORT (TIP)</b> Airport has capacity for expansion, specifically in aviation and aerospace sector.	<b>Target industries</b>	<b>ANNUAL ECONOMIC FORUM (COO)</b> Meetings with KEDC Board and IEC Members on a periodic basis, to provide update and also receive input from each of the members.	<b>ONE-ON-ONE VISITS (COO)</b> Meetings with KEDC Board and IEC Members on a periodic basis, to provide update and also receive input from each of the members.	<b>COMMUNITY PRESENCE (COO)</b> Provide an update at all Kerrville area organizations, once per year for each identified community organization.	<b>PROSPECT FLOW CHART (COO)</b> Delineate the prospect development process, specifically with the KEDC community's economic development toolbox, i.e., state incentives.	
<b>TARGET SECTORS (2050-E12; AV)</b> Advanced manufacturing Aviation and aerospace Craft agriculture Food processing, storage Information, Analytics Energy Healthcare and medical	<b>PROMOTIONS (AV)</b> Campaign to promote Kerrville as the Capital of the Hill Country.	<b>FRESH TALENT (TIP)</b> Schreiner University is the key to drawing fresh talent to Kerrville.	<b>BRANDING (2050-E9/E11)</b> Promote Kerrville as a college town, to help build the next generation of local entrepreneurs and help build a campus-oriented retail and entertainment district.	<b>MENTORING (AV-Sec.3)</b> Establish a SCORE Chapter for small business and entrepreneurs.	<b>LOCAL EXPERIENCE (TIP)</b> Leverage local professional experience and wealth to grow small Business Forum.	<b>MENTORING (AV-Sec.1)</b> Support and participate in Gov. Small Business Forum.	<b>CREATIVE INCENTIVES (2050-E5)</b> Develop creative financing mechanisms to diversify the community's economic development toolbox, i.e., state incentives.	<b>COLLABORATION (TIP)</b> Increase collaboration and cooperation to develop a regional approach to economic development.	<b>Small business</b>	<b>MENTORING (AV-Sec.3)</b> Establish a SCORE Chapter for small business and entrepreneurs.	<b>COLLABORATION (TIP)</b> The KEDC will work with the following target sectors and in turn, work to develop subsectors from each:	<b>Target sectors</b>	<b>IMPACT STUDIES (2050-E1)</b> Conduct economic impact studies / white papers / executive summaries for local industry and communicating to stakeholders.	
<b>INVENTORY (AV-Sec.2)</b> Conduct and maintain inventory of commercial and industrial property.	<b>ASSETS (AV-Sec.2)</b> Create marketing materials specifically for site selectors:	<b>WORKFORCE COMMISSION (COO)</b> Host the Texas Workforce Commissioner in order to obtain funding commitment, custom programs for local existing business.	<b>INVESTMENT (AV-Sec.3)</b> Partnership with the school district to proactively address workforce needs.	<b>INVESTMENT (AV-Sec.3)</b> Establish a SCORE Chapter for small business and entrepreneurs.	<b>INVESTMENT (AV-Sec.3)</b> Leverage local professional experience and wealth to grow small Business Forum.	<b>INVESTMENT (AV-Sec.3)</b> Provide an update at all Kerrville area organizations, once per year for each identified community organization.	<b>PROSPECT FLOW CHART (COO)</b> Delineate the prospect development process, specifically with the KEDC and partnering entities.	<b>HILL COUNTRY EDO (TIP)</b> KEDC should consider establishing and/or rebranding as a Hill Country Economic Development Organization.	<b>Local experience</b>	<b>INVESTMENT (AV-Sec.3)</b> Establish a SCORE Chapter for small business and entrepreneurs.	<b>INVESTMENT (AV-Sec.3)</b> The KEDC will work with the following target sectors:	<b>INVESTMENT (AV-Sec.3)</b> Increase collaboration and cooperation to develop a regional approach to economic development.	<b>IMPACT STUDIES (2050-E1)</b> Conduct economic impact studies / white papers / executive summaries for local industry and communicating to stakeholders.	
<b>ECONOMIC INDICATORS (COO)</b> Researching, tracking local and national economic trends.	<b>ASSETS (AV-Sec.2)</b> Create marketing materials specifically for site selectors:	<b>INVESTMENT (AV-Sec.3)</b> Host the Texas Workforce Commissioner in order to obtain funding commitment, custom programs for local existing business.	<b>INVESTMENT (AV-Sec.3)</b> Partnership with the school district to proactively address workforce needs.	<b>INVESTMENT (AV-Sec.3)</b> Establish a SCORE Chapter for small business and entrepreneurs.	<b>INVESTMENT (AV-Sec.3)</b> Leverage local professional experience and wealth to grow small Business Forum.	<b>INVESTMENT (AV-Sec.3)</b> Provide an update at all Kerrville area organizations, once per year for each identified community organization.	<b>INVESTMENT (AV-Sec.3)</b> Delineate the prospect development process, specifically with the KEDC and partnering entities.	<b>HILL COUNTRY EDO (TIP)</b> KEDC should consider establishing and/or rebranding as a Hill Country Economic Development Organization.	<b>Local experience</b>	<b>INVESTMENT (AV-Sec.3)</b> Establish a SCORE Chapter for small business and entrepreneurs.	<b>INVESTMENT (AV-Sec.3)</b> The KEDC will work with the following target sectors:	<b>INVESTMENT (AV-Sec.3)</b> Increase collaboration and cooperation to develop a regional approach to economic development.	<b>IMPACT STUDIES (2050-E1)</b> Conduct economic impact studies / white papers / executive summaries for local industry and communicating to stakeholders.	
<b>INHOUSE MARKETING PROGRAM</b> Kerrville will create an internal marketing program which in it's first year will be specifically designed to promote to Kerrville stakeholders and community members. After the COO's Immersion Tour, it is evident that the KEDC needs to promote inward and not so much outbound. Marketing tools include:	<b>RELATIONS, LOCAL INDUSTRY</b> Either new construction or existing facility, the KEDC BRE Program will provide guidance and foster:	<b>HUMAN CAPITAL INITIATIVE</b> The biggest challenge for Kerrville is the growing our own workforce. The KEDC will create a program, similar to the BRE, but specifically to address workforce development, The following entities will be involved:	<b>INVESTMENT (AV-Sec.3)</b> The KEDC will be in a support role for both, the proposed incubator program being developed by Schreiner University and the Kerrville Chamber.	<b>INVESTMENT (AV-Sec.3)</b> The KEDC will be in a support role for both, the proposed incubator program being developed by Schreiner University and the Kerrville Chamber.	<b>INVESTMENT (AV-Sec.3)</b> The KEDC will be in a support role for both, the proposed incubator program being developed by Schreiner University and the Kerrville Chamber.	<b>INVESTMENT (AV-Sec.3)</b> The KEDC will be in a support role for both, the proposed incubator program being developed by Schreiner University and the Kerrville Chamber.	<b>INVESTMENT (AV-Sec.3)</b> The KEDC will be in a support role for both, the proposed incubator program being developed by Schreiner University and the Kerrville Chamber.	<b>INVESTMENT (AV-Sec.3)</b> The KEDC will be in a support role for both, the proposed incubator program being developed by Schreiner University and the Kerrville Chamber.	<b>Local industry</b>	<b>INVESTMENT (AV-Sec.3)</b> The KEDC will be in a support role for both, the proposed incubator program being developed by Schreiner University and the Kerrville Chamber.	<b>INVESTMENT (AV-Sec.3)</b> The KEDC will be in a support role for both, the proposed incubator program being developed by Schreiner University and the Kerrville Chamber.	<b>INVESTMENT (AV-Sec.3)</b> The KEDC will be in a support role for both, the proposed incubator program being developed by Schreiner University and the Kerrville Chamber.	<b>INVESTMENT (AV-Sec.3)</b> The KEDC will be in a support role for both, the proposed incubator program being developed by Schreiner University and the Kerrville Chamber.	<b>INVESTMENT (AV-Sec.3)</b> The KEDC will be in a support role for both, the proposed incubator program being developed by Schreiner University and the Kerrville Chamber.
<b>COMMITTEE: Industry Roundtable Group</b> Working group made up of plant managers, executives of top employers, whom will meet on a quarterly basis to discuss local trends, opportunities and	<b>COMMITTEE: 40-Under-40</b> The KEDC will work with the committee to coordinate the contest and host the event for the winners.	<b>COMMITTEE: Mayor's Workforce Housing Task Force</b> The KEDC is in a support role with this group, providing it's expertise in economic development.	<b>COMMITTEE: Aviation, Aerospace &amp; Space</b> Due to current prospect activity, the KEDC has an opportunity to create a cluster within the airport and at the Airport Commerce Park.	<b>Jobs, payroll and CAP created</b>	<b>Jobs, payroll and CAP created</b>	<b>Jobs, payroll and CAP created</b>	<b>Completion, implementation of: KEDC Roadmap, KEDC Policies &amp; Procedures, Incentives Policy, Impact Studies and Flow Chart(s)</b>	<b>Annual event</b>	<b>Annual event</b>	<b>Annual event</b>	<b>Annual event</b>	<b>Annual event</b>	<b>Completion, implementation of: KEDC Roadmap, KEDC Policies &amp; Procedures, Incentives Policy, Impact Studies and Flow Chart(s)</b>	
<b>KEY PERFORMANCE INDICATORS (Aligned with all plans)</b>	<b>Companies visited</b>	<b>Website metrics</b>	<b>Website metrics</b>	<b>No. of entrepreneurs developed</b>	<b>No. of entrepreneurs developed</b>	<b>No. of entrepreneurs developed</b>	<b>Completion, implementation of: KEDC Roadmap, KEDC Policies &amp; Procedures, Incentives Policy, Impact Studies and Flow Chart(s)</b>	<b>No. of expansion jobs</b>	<b>Payroll from expansion</b>	<b>Industrial Absorption Rates</b>	<b>Industrial Absorption Rates</b>	<b>Industrial Absorption Rates</b>	<b>Completion, implementation of: KEDC Roadmap, KEDC Policies &amp; Procedures, Incentives Policy, Impact Studies and Flow Chart(s)</b>	

**City of Kerrville**  
**Economic Improvement Corporation**  
**FY2021 Budget**

	FY20 Estimated	FY21 Proposed Budget	FY22 Projected	FY23 Projected	FY24 Projected
<b>Beginning Cash Balance</b>	\$3,921,213	\$1,693,958	\$2,690,608	\$4,748,922	\$6,906,803
<b>Revenue</b>					
Sales Tax	3,749,025	3,511,307	3,581,533	3,653,163	3,726,227
Interest and Miscellaneous	33,624	9,000	12,680	37,489	59,068
Loan Proceeds	1,000,000	-	-	-	-
<b>Total Revenue</b>	<b>4,782,649</b>	<b>3,520,307</b>	<b>3,594,212</b>	<b>3,690,652</b>	<b>3,785,295</b>
<b>Expenditures</b>					
Administrative					
Supplies and Miscellaneous	60	500	500	500	500
Professional Services	-	10,000	10,000	10,000	10,000
KEDC	220,000	197,500	200,000	200,000	200,000
Administrative Services Fee	185,000	185,000	195,000	200,000	205,000
Total Administrative	405,060	393,000	405,500	410,500	415,500
Debt Service					
Debt Service - Series 2019 Ref (River Trail)	253,919	251,344	251,019	250,891	251,206
Debt Service - Series 2012 (River Trail)	251,630	247,830	254,030	249,030	249,030
Debt Service - Series 2015 (KSC)	605,850	603,150	605,350	602,350	605,200
Total Debt Service	1,111,399	1,102,324	1,110,399	1,102,271	1,105,436
Project Contributions					
Legion Lift Station	1,000,000	-	-	-	-
Olympic Drive	894,000	-	-	-	-
Thompson Drive Partners	283,333	283,333	-	-	-
Schreiner River Trail	750,000	-	-	-	-
KFOR - Arcadia	600,000	-	-	-	-
Airport Projects	150,000	225,000	-	-	-
Doyle School	50,000	450,000	-	-	-
Downtown Streetscape	(324,275)	-	-	-	-
Downtown River Trail Feasibility Study	-	50,000	-	-	-
Skymaster	2,090,386	20,000	20,000	20,000	1,020,000
Total Project Contributions	5,493,444	1,028,333	20,000	20,000	1,020,000
<b>Total Expenditures</b>	<b>7,009,904</b>	<b>2,523,657</b>	<b>1,535,899</b>	<b>1,532,771</b>	<b>2,540,936</b>
<b>Net Revenue (Expenditures)</b>	<b>(2,227,254)</b>	<b>996,650</b>	<b>2,058,313</b>	<b>2,157,882</b>	<b>1,244,358</b>
<b>Ending Cash Balance</b>	<b>\$1,693,958</b>	<b>\$2,690,608</b>	<b>\$4,748,922</b>	<b>\$6,906,803</b>	<b>\$8,151,162</b>

## Kerrville Convention & Visitors Bureau

### Proposed 2020/2021 Budget

<b>ADMINISTRATIVE EXPENSES</b>		
AUDIT & IRS FILING	\$ 5,100	
ADMINISTRATIVE POSTAGE	\$ 240	
BUILDING OFFICE SUPPLIES & EQUIPMENT	\$ 1,405	
INSURANCE (OTHER)	\$ 2,750	
OFFICE	\$ 17,450	
PAYROLL	\$ 184,714	
PAYROLL TAXES/ BENEFITS	\$ 49,511	
TELEPHONE SERVICE/ EQUIPMENT/ REPAIR/SYSTEM	\$ 1,800	
TTIA TRAVEL TOURISM COLLEGE	\$ -	
<b>TOTAL ADMINISTRATIVE</b>	<b>\$ 262,970</b>	
	29.51%	
<b>VISITOR CENTER</b>		
<b>STATE OF TEXAS CONTRACTED*</b>		
VISITOR CENTER PAYROLL	\$ 53,171	
VISITOR CENTER PAYROLL TAXES/ BENEFITS	\$ 22,025	
VISITOR CENTER	\$ 17,450	
VISITOR CENTER SUPPLIES EQUIPMENT & EXPENSES	\$ 6,750	
CAPITAL IMPROVEMENTS	\$ -	
VOLUNTEER APPRECIATION	\$ 2,000	
<b>TOTAL VISITOR CENTER</b>	<b>\$ 101,396</b>	
	11.38%	
*The state contract provides the following literature free of charge including freight: TX Highway Signs IH10 & Hwy. 16, TX Maps, TX Travel Guides, TX Calender of Events & TX Wildflower Guides		
<b>ADVERTISING, PROMOTIONS &amp; SALES</b>		
ADVERTISING	\$ 162,000	
ADVERTISING PRODUCTION COST	\$ 24,000	
ADVERTISING RESPONSE EXPENSE	\$ 24,050	
BROCHURE PRINTING, PUBLICATIONS & REPRO	\$ 28,250	
CONVENTION REGISTRATION/SUPPLIES/ HOSPITALITY	\$ 14,750	
INDUSTRY DUES & SUBSCRIPTIONS	\$ 8,115	
INTERNET MARKETING	\$ 25,955	
KERRVILLE-SCHREINER & SCOTT SCHREINER	\$ 20,000	
PUBLICITY, PUBLIC RELATIONS & AUDIO VISUAL	\$ 67,392	
RESEARCH	\$ 5,900	
SALES- CONSUMER & LOCAL	\$ 14,340	
SALES - CONVENTION/ GROUP	\$ 15,040	
SALES & SERVICES PAYROLL	\$ 69,575	
SALES & SERVICES TAXES/BENEFITS	\$ 26,217	
SALES-TOUR BUS	\$ 2,350	
SPECIAL EVENTS PROMOTIONS	\$ 18,200	
WATS LINE VISITOR INFORMATION	\$ 500	
<b>TOTAL ADVERTISING/ PROMOTIONS/ SALES</b>	<b>\$ 526,634</b>	
	59.11%	
<b>TOTAL BUDGET</b>	<b>\$ 891,000</b>	

*Good Morning*  
*Kerrville City Council, City*  
*Administration and*  
*Media*

*CVB Budget Presentation*  
*August 18, 2020*

# **Covid 19 had a Devastating Impact on the Kerrville Travel/Hospitality Industry**

**Hotel Occupancy Rate Impact 2020 vs. 2019**

March – Down 52.02%
April – Down 81.12%
May – Down 50.69%
June – Down 13.22%
<b>Third Quarter – Down 47.1%</b>

# Kerrville Group Cancellations Mid March to Date

**133 Groups Have Cancelled  
13,505 Roomnights Cancelled**

## **Revenue Loss to Kerrville**

**\$1,325,110.60 in hotel room revenue lost  
\$172,264,072 – Estimated HOT lost  
based on 13%**

**\$4,516,072 – Estimated Economic Impact Loss**

# Kerrville Events Cancellations Mid March to Date

## 94 Events Have Cancelled

**29 of those events are multiday events**

**Hotel Revenue, HOT Revenue and Economic  
Impact loss in the Millions**

**Triathlon Festival \$1,300,000.**

**James Avery Hill Country Golf Classic - \$510,456.**

**Chalk Festival - \$300,600.**

**Kerrville Festival of the Arts - \$726,000.**

**Robert Earl Keen's Fourth on the River - \$816,750.**

# STR Update

## 3 Months – June 2020 vs. June 2019

City	Hotel Occupancy Rate	Avg. Daily Rate
Kerrville	Occupancy 44.5%	ADR \$76.17
Fredericksburg	Occupancy 35.0%	ADR \$98.80
Boerne	Occupancy 31.2%	ADR \$87.17
San Marcos	Occupancy 32.5%	ADR \$69.62
New Braunfels	Occupancy 36.5%	ADR \$79.61
San Antonio	Occupancy 30.2%	ADR \$68.70

# STR Update

12 Months – June 2020 vs. June 2019

City	Hotel Occupancy Rate	Avg. Daily Rate
Kerrville	Occupancy 49.9%	ADR \$87.02
Fredericksburg	Occupancy 50.1%	ADR \$112.30
Boerne	Occupancy 45.9%	ADR \$98.70
San Marcos	Occupancy 49.5%	ADR \$87.78
New Braunfels	Occupancy 47.1%	ADR \$97.09
San Antonio	Occupancy 54.7%	ADR \$106.32

# **Leisure Travelers are Continuing to Visit Kerrville**

**One: Kerrville is a Drive Destination – Commercial airlift is not required for the market to reach our community.**

**Two: Kerrville is perceived to be an outdoor destination with a healthy environment, room to spread out.**

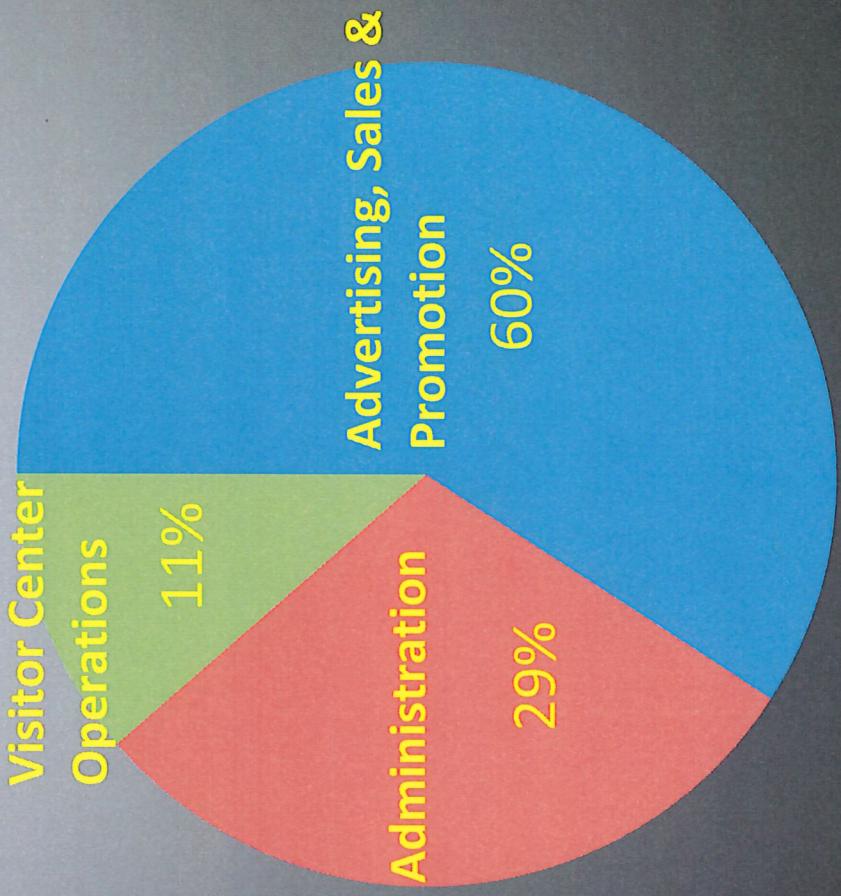
**Three: Strong “Quality of Life” product mix continues to be excellent.**

**Four: Excellent medical facilities if needed.**

# Kerrville Markets That Have Continued To Do Well

- Motorcycle – Individuals and Groups
- RV Market – More RV Spaces than Hotel Rooms
- Short Term Rental Market – B&Bs, Cabins,

# KCVB 2020/2021 Proposed Budget Breakdown



# KCVB Proposed Budget

<b>ADMINISTRATIVE EXPENSES</b>	
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	29.51%

# KCVB Proposed Budget

## VISITOR CENTER

### STATE OF TEXAS CONTRACTED\*

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# KCVB Proposed Budget

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TOTAL ADVERTISING/ PROMOTIONS/ SALES	\$ 526,634
	59.11%
TOTAL BUDGET	\$ 891,000

# *Advertising Campaign Mix*

## *Goals for 2020-2021*

Print Media      44 %  
Television      34 %  
Digital Media      22 %

# *Ad Campaign - Print Media*

- Texas Monthly
- Texas Highways
- Good Sam RV Travel Guide
- Ride Texas
- Convention South
- Texas State Travel Guide
- TACO Guide
- Sports Events
- America's Best Vacation
- TSAE Directory
- Houstonia

# Market Research

## Purchased

- Hotel Industry Research
- Convention Leads
- State Office of Tourism Projects
- Economic Impact Studies

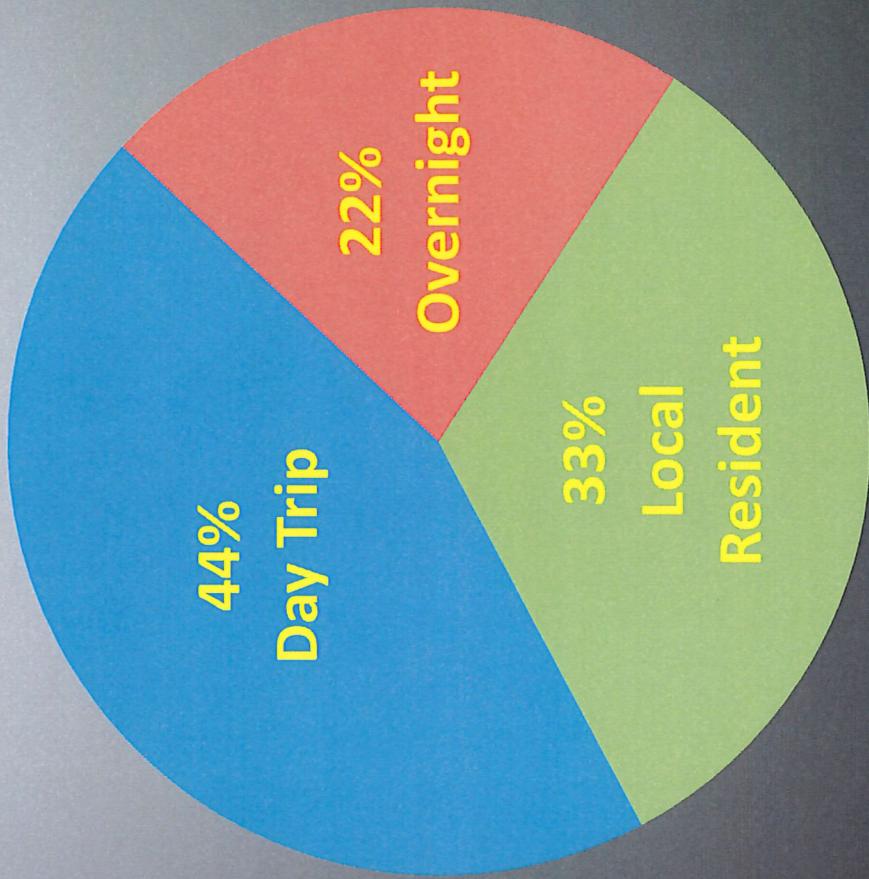
## Co-Op

- Visitor Center Demographics

## In-House

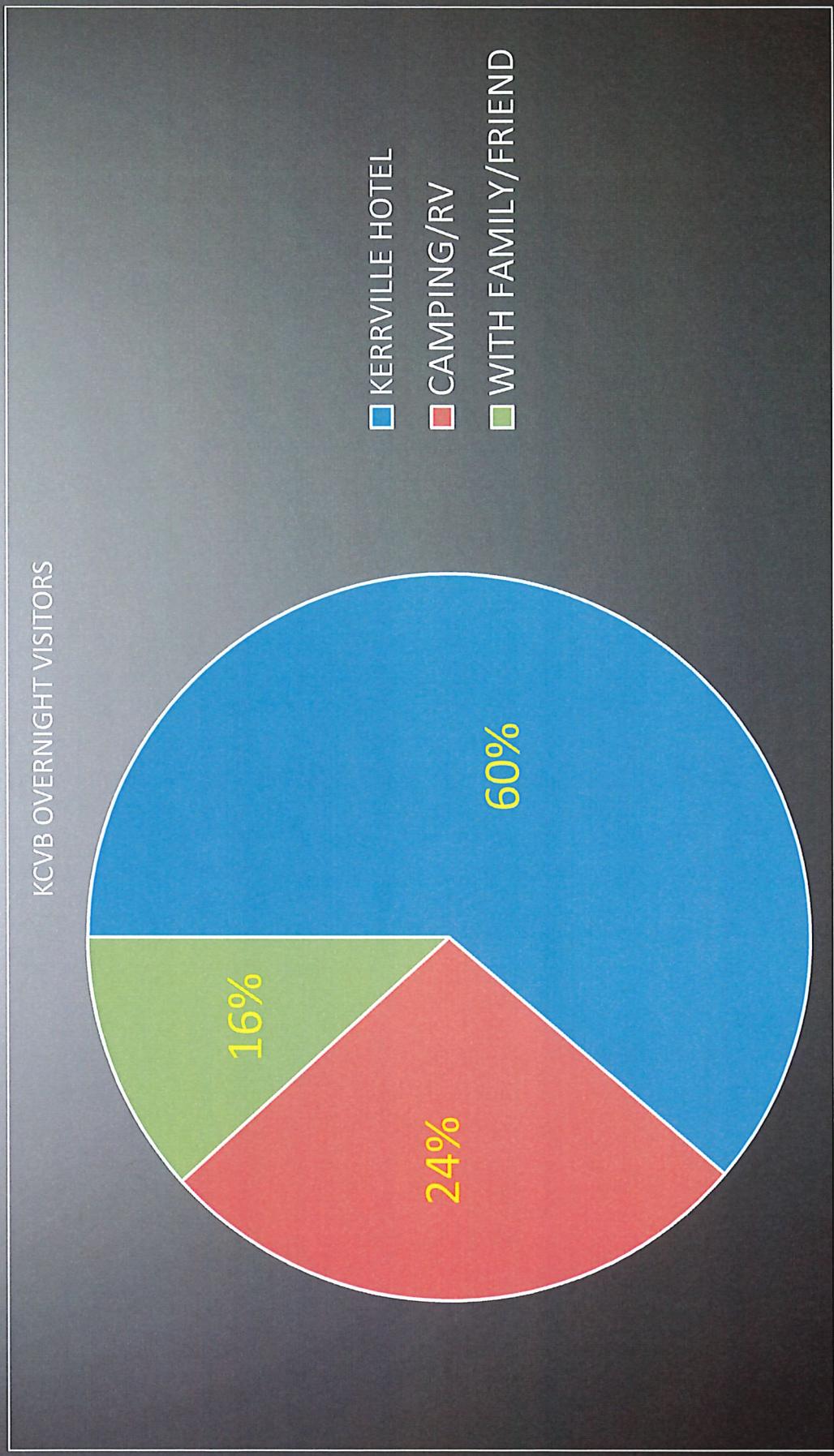
# Visitor Center Guests

October 2019 – July 2020



Source: Customer Contact/Survey

# Where Do Overnight Visitors Stay October 2019 – July 2020



Source: Customer Contact/Survey

# Hotel Occupancy Tax Collections

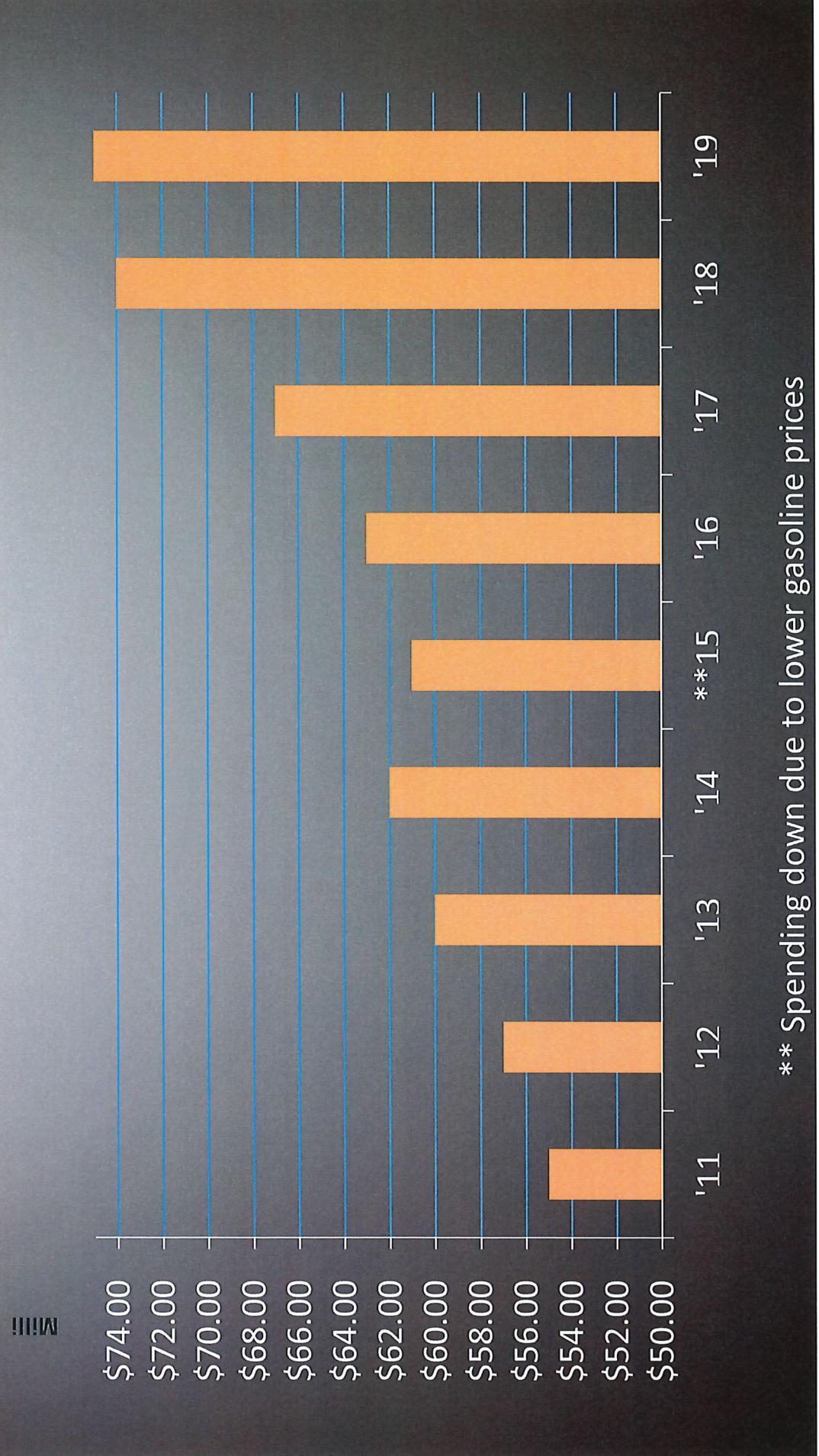
City of Kerrville  
Hotel Occupancy Tax Collections (Net)



Source: MuniServices, LLC & Avenue

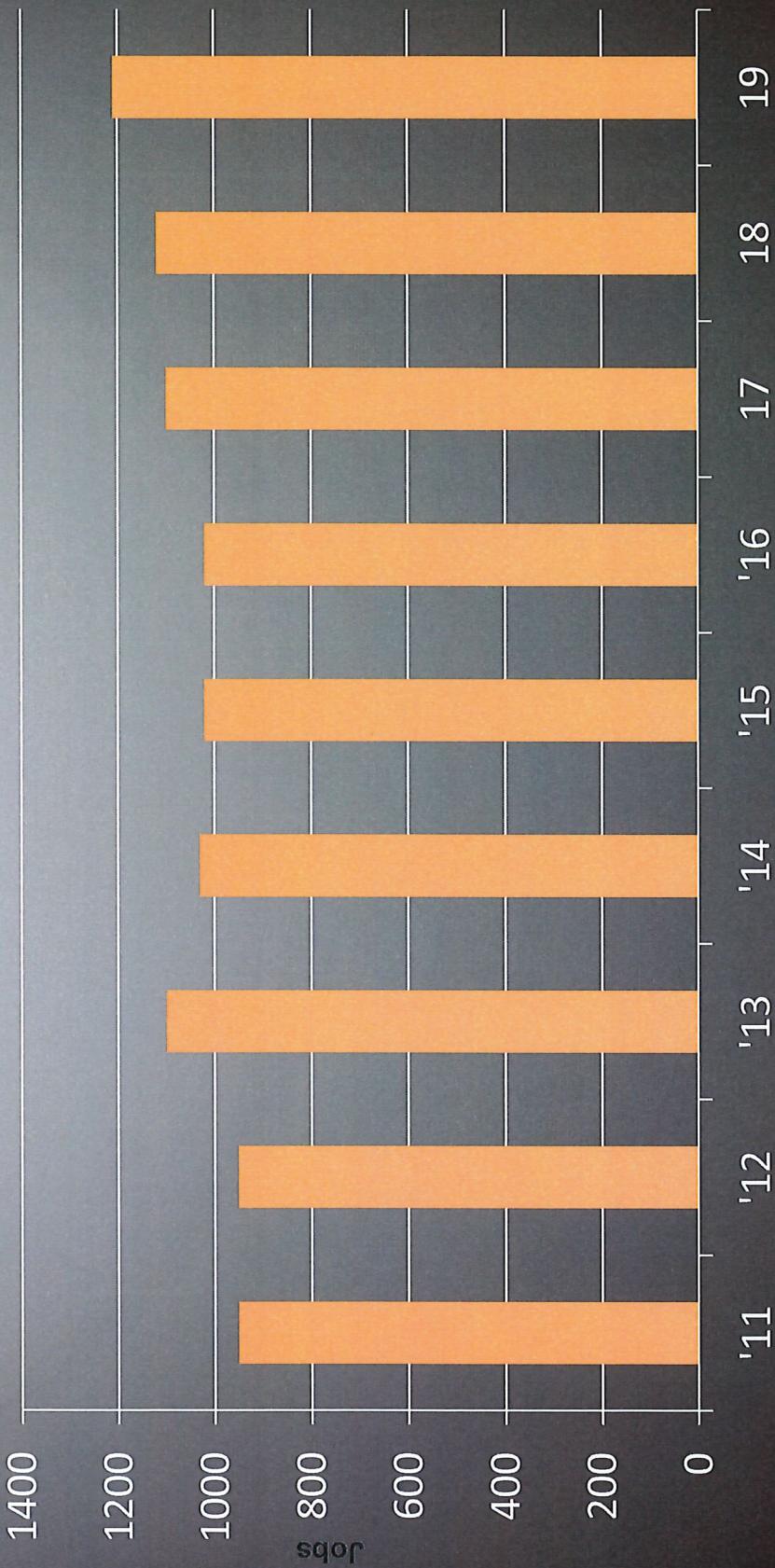
*The Following Graphs Were  
Developed By Dean Runyan  
Associates For  
The Texas Governor's Tourism  
Research Department*

# Direct Travel Spending 76 Million Dollars

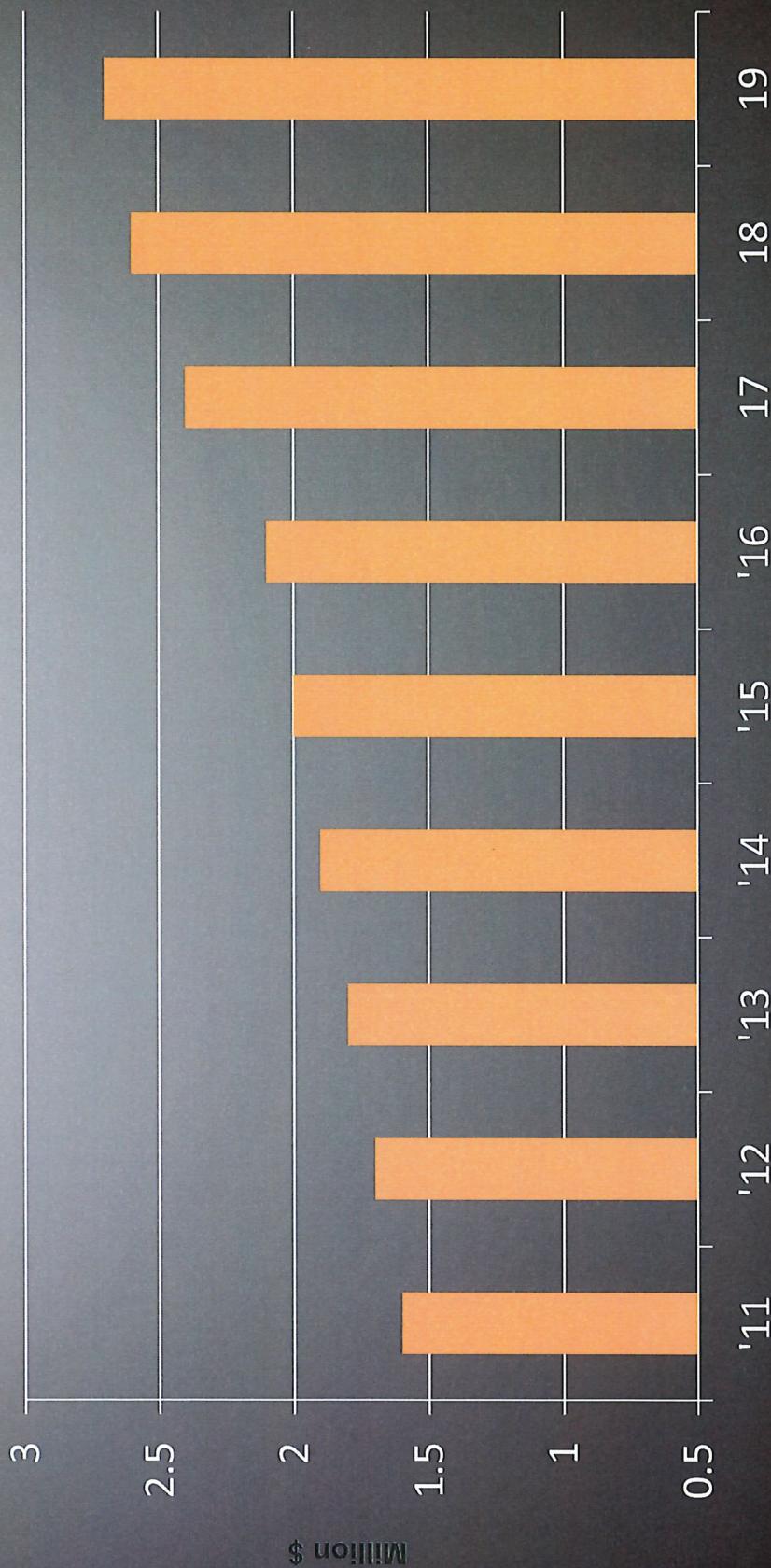


# Total Direct Employment

## 1210 Jobs



# Local Tax Revenue 2.7 Million Dollars



# Kerr County Economic Impact 2019

- Direct Travel Spending      \$112 m      +2.85%
- Employment                    1,720 Jobs      + 7.5%
- Earnings                        \$44.8 M      +7.69%
- Local Sales Tax                \$4.4 M      + 7.32%
- State Sales Tax                \$7.1 M      + 4.41%

# Return on Investment

- ROI Calculations based on the Formula Provided by the Texas Governor's Office of Tourism
- \$2.7 million tax dollars generated by visitors to Kerrville divided by CVB Budget of \$942,000. = \$2.85 in new tax dollars returned for every dollar invested.
- \$76 million total visitor spending divided by \$942,000. = \$80.68 returned for every dollar invested in tourism budget.

# Texas Survey Conducted Two Weeks Ago . . .

- Stress levels are impacting how people feel about travel right now.
- 62.1% of potential travelers say they will not travel until the crisis is over.
- 38% of individuals feel they will be traveling this fall.
- 44.5 say they will not travel until a vaccine is developed.

## **Survey Continued . . .**

- 61.5% of individuals expect things to get worse before it gets better
- 56% of travelers feel they will be taking some type of staycation this year.
- 59.7 of those surveyed do not want visitors coming to their community right now.

# Wrap Up

Tourism is a vital cog in the economic recovery process for Kerrville! Fortunately, we have many positive components to help drive the recovery.

We encourage everyone to help restart our economic engine.

Stay safe as you encourage visitors to explore Kerrville and urge your neighbors to enjoy a brief staycation right here at home by patronizing our local businesses, events and activities.

A  
&  
Q

THANK  
YOU