



TEDC 2024 CEDA APPLICATION

All Applications Must Be Received by August 16, 2024

The 2024 CEDA nominations will be judged in each of the five categories that have made the most significant contribution to economic development in their community and the State of Texas.

AWARD CATEGORIES

The CEDA will be awarded to one community from each of the following five population categories: (as currently marketed). Mark the population category for which you are applying. In addition to CEDA by population, applicants will be considered for five criteria awards such as: Innovativeness, Transferability, Community Commitment & Leverage, Measured Objectives and Secondary Benefits.

- Population less than 10,000 _____
- Population 10,001 to 20,000 _____
- Population 20,001 to 50,000 _____
- Population 50,001 to 100,000 _____
- Population 100,001 to 250,000 _____
- Population 250,001 and above _____

NOMINATION:

Name of Community: _____

TEDC Member Name: _____ (individual member, not organization)

Telephone #: _____

Email Address: _____

Community Population (as currently marketed): _____

Community/Organization Linked-In Profile: _____

Application Submitted By: _____

Email Address: _____

Media Contacts: [optional]

Organization: _____ Contact Name: _____

Email Address: _____

Organization: _____ Contact Name: _____

Email Address: _____

Nomination
Texas Economic Development Council
Community Economic Development Award
Tyler, TX
2024
Population 100,001 – 250,000

Tyler, TX (Smith County)

- Tyler Economic Development Council
 - Private, non-profit (covers City of Tyler and Smith County)
 - 150 Investors
 - 501 (c) 3
 - Owner of four business parks
 - Operates a \$3.5 million RLF

Tyler Interstate Commerce Park – Great Southern Wood Preserving

In June 2021, The Tyler EDC contracted Leotta Location + Design to conduct a County-wide “Strategic Sites Initiative” to assist with identifying potential properties that could be acquired for economic development purposes. This process identified 57 properties that could be utilized for light industrial, heavy agribusiness, distribution and logistics, technology research and development, and medical parks.

In October 2021, the Tyler EDC presented its findings to the Smith County Commissioners Court to request funding to conduct due diligence studies in coordination with landowners. Smith County Commissioners approved \$1 million to be used for our Strategic Sites Initiative. These due diligence studies would allow us to prepare competitive sites to address our prospects key concerns, speed, risk, and cost.

Once funding was approved, Tyler EDC staff ranked the 57 properties by size and ease of access to critical utilities such as interstate and highway access, rail, water, sanitary sewer, natural gas, and electricity. In addition, the sites were analyzed for workforce availability within a 45-minute drive time. The utility information gathering and subsequent site ranking process was completed in January 2022. Afterwards, Tyler EDC contacted the owners of the top three sites and began negotiations to conduct due diligence, set pricing, and determine targeted industries suitable for their property.

However, the Tyler EDC quickly had to pivot in August 2022 when a prospect shortlisted our community for a \$50 million investment that projected 100 new jobs in phase I. The company, Great Southern Wood Preserving (GSWP), required a 150 acre site that was part of a 412 acre property along I-20. GSWP would commit to Tyler if the Tyler EDC could purchase the remaining 262 acres and assist with the extension of utilities, plus development of a new roadway with a signalized intersection for heavy truck traffic to the new business park.

The Tyler EDC and GSWP worked with Smith County Judge and Commissioners Court to draft a Chapter 381 agreement stating that the Tyler EDC would purchase 412 acres and sell 150 acres to GSWP for a new manufacturing facility, and Smith County would invest \$4.5 million in the development of a new roadway, CR-3344, within the business park. The Tyler EDC had to

liquidate assets from its Industrial Foundation account and borrowed the remaining funds from a local community bank to complete the purchase and completed a 150 acre sale on the day of acquisition.

The Tyler EDC coordinated with TxDOT and the North East Texas Regional Mobility Authority on an agreement to fund a signal design and construction project at the intersection of CR-3344 and SH-155 connecting the business park to I-20. Additionally, in 2021, Smith County voters had approved a \$45 million road bond package to rehab roads in the County, which provided the added benefit of reconstructing road networks connecting the property to I-20 via an alternate route.

The Tyler EDC worked with our utility partners, the City of Winona for Natural Gas, and the East Texas Municipal Utility District for water and sewer, which required that the Tyler EDC provide capital for the construction of new public utilities to serve the park. To fund utility construction, a Tax Increment Reinvestment Zone and Tax Increment Finance District was established so that the Tyler EDC could be repaid for its initial capital outlay for public utilities.

The park's infrastructure is currently near completion and GSWP's facility is scheduled to be operational in January 2025.

Innovativeness

- County-wide Strategic Sites Initiative to determine highest and best use sites for economic development purposes
- Coordination with utility providers to compile data on multiple sites throughout the county
- Multi-jurisdictional partnership: Tyler EDC, Smith County Commissioners Court, TxDOT, North East Texas Regional Mobility Authority (NETRMA), City of Winona, East Texas MUD.
- Tyler EDC borrowed funds to purchase a 412 acre raw land site to develop a business park
- Tyler EDC provided upfront capital to install public infrastructure and will be paid back by the established TIF
- GSWP did not request any incentives, only that utility connections be made available to them at their property line
- Smith County spent over \$4.5 million from their ARPA funds allocation to develop a new roadway for the business park

Transferability

- Texas type A and B sales tax organizations can fund similar eligible economic development projects
- Private organizations can also utilize local bank partnerships to borrow funds for property development
- The regional partnership used for this project could also work with other governmental and private economic development organizations through open communication and shared responsibility
- City and County incentives are available through Texas local government codes Chapter 380 (cities) and 381 (counties)
- NET RMA grants are available in 12 Northeast Texas counties
- TxDOT funds and tax credits can be used all over Texas and can be leveraged with local match
- TIRZs and TIFs are able to be established to fund developments in Texas

Community Commitment and Leverage

- Smith County leveraged its ARPA funds to put forward a chapter 381 agreement funding a new roadway benefitting this business park and its first tenant, GSWP
- Leveraged the increase in tax revenue to fund public utilities benefitting the business park and utility partners' facilities
- Borrowed funds from a local banking partner to make the development possible
- The business park "Tyler Interstate Commerce Park" is located inside FTZ #299

Measured Objectives

- GSWP is constructing a new YellaWood manufacturing facility, investing \$50 million and creating 100 new jobs for its Phase 1 project
- GSWP is projecting to have over \$100 million on the ground over the next 10 years
- GSWP did not request a tax incentive, thereby providing 100% of the added tax base to local taxing entities Ind TIF financing.

Secondary Benefits

- Tyler has a new business park on Interstate 20 that can be utilized to attract additional job creators
- The City of Winona will grow its natural gas network and add new customers
- The East Texas MUD will have an improved water and wastewater utility system benefitting both new and existing customers

Additional Information

Tyler Interstate Commerce Park Before/After:

<https://www.youtube.com/watch?v=gvUJgDypiSU>

Great Southern Wood Announcement:

<https://youtu.be/jNLPDEqxc18?si=AThbR-1VxEEzWMp6>