

From a lump of coal to a diamond in Wichita Falls TX.

In 1979, Stanley Tools Company built a 181,000 sq. ft. manufacturing facility in Wichita Falls, TX and became an anchor for the local manufacturing community. Unfortunately, Stanley Tools closed their Wichita Falls facility and subsequently left a tired and worn out building in 2002.

In 2007, the deed was transferred to group of community stakeholders known as Production Blvd, L.L.C. led by local businessman and philanthropist Harry Patterson. The group took over the dilapidated building and began to make improvements. After nine years of ownership, Production Blvd, L.L.C. had completed the work they had planned and they decided to donate the facility to the Wichita Falls Economic Development Corporation, a.k.a. 4a Board.

Immediately, the 4a Board knew there were additional items that needed to be repaired or replaced. The most expensive repair was a new roof of the 181,000 sq. ft. building. Along with the deteriorated roof, the electrical systems in the building were outdated – hardly ready for a new tenant. Between repairs, maintenance, and upkeep, the 4a Board spent nearly \$2.5 million dollars on the property over a three-year period. On May 1, 2017, the property officially hit the market with Binswanger of Texas, Inc. as the listing company and Holmes Davis IV as the listing agent.

In June 2019, the Chamber of Commerce received a call from a gentleman from Pamlico Air inquiring about the building. By mid-September we had a signed Letter of Intent (LOI) from Pamlico Air. The LOI simply stated that Pamlico Air wanted to purchase the building and invest capital to customize the facility to their needs with the end goal of opening a brand-new manufacturing and assembly plant to construct residential, commercial and industrial air filters. Top executives at Pamlico Air stated they needed 200 – 300 full time employees as production ramps over the next two years.

To land this project, our economic development team:

- I. Was **innovative** by offering a forgivable loan at the time of the building sale. The funds from the forgivable loan were used to help with additional renovation. The terms of the loan forgiveness were based on the total number of jobs created at the facility. The forgivable loan was secured by an irrevocable letter of credit.
- II. Created **transferability** by offering an employee relocation assistance incentive. Pamlico Air is eligible for a \$3,000.00 per employee incentive if the Company needs to recruit employees from outside of Wichita County. Company will receive incentive if employee(s) relocates and remains a resident of Wichita County for a minimum of six months. Not only does this program help with workforce it also increases the population of our community.
- III. Showed **community commitment and leverage** by collaborating with local government agencies and elected officials using property tax abatements for

both real and business personal property. We also relied on and used the State of Texas sales tax exemption on manufacturing equipment and the triple freeport exemption.

- IV. **Measured objectives:** Pamlico Air vowed to create 200 jobs in our community. The company brought a new industry to Wichita Falls and their manufacturing and assembly process opened new doors for our workforce. Jobs offered range from entry level line work to upper management, all within the walls of a climate-controlled facility. The Wichita Falls facility currently supplies 70% of the North American market Pamlico Air serves. Pamlico Air has invested 5 million dollars to date in the Wichita Falls plant. Additional investment is planned as new production lines open.
- V. **Community Impact and Secondary Benefits:** An economic impact analysis from the Chmura Company shows the direct employment of 200 Pamlico Air will create an additional 81 Indirect jobs and 95 Induced jobs, with a total community payroll impact of \$25,894,109 annually.
 - i. Source: JobsEQ®
 - ii. Data as of 2020Q1

With approval of the offered incentives, Rise Capital, L.L.C., a division of the parent company for Pamlico Air, closed on the building on December 19, 2019, and renovations began that day with a local contractor.

By March 2020, Pamlico Air was ready to open two lines of assembly and hiring had been announced. Even with the challenge of a world-wide pandemic and a city-wide Shelter-In-Place order in the same month, Pamlico Air was able to move forward with hiring as an essential business. After great success with their hiring process, Pamlico Air has reported 140 full-time employees and four open lines of production as of July 24, 2020. Pamlico Air officials state that their hiring goal is 240 full-time employees by the conclusion of their first year.

On July 7, 2020 Pamlico Air's CEO, Travis Stephenson, and CFO, Scott Lampe, were in town to visit their newly opened facility. Our Mayor of Wichita Falls, Stephen Santellana, was onsite to greet our guests and give his thanks for Pamlico's Air ongoing relationship with the city. Along with the Mayor, city, and county elected officials, 4a board members, community stakeholders, City Manager Darron Leiker, and the news media all attended the plant tours (attached photos courtesy of Times Record News).

Pamlico Air has made a big impact on Wichita Falls. Through every challenge they have faced, Pamlico Air has remained positive and though many other companies suffered layoffs, Pamlico Air was one of few who has continued to expand their operations during these trying times.