



Bastrop, Texas, Economic Development Corporation

A Review of Activities

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Economic Development

What are Primary Jobs?

- **Primary Job**
A primary job is a job that produces goods and/or services for customers that are predominantly outside the community. This creates new "outside" dollars for the community. Once an employer is paid for the products and/or services, that wealth is redistributed in the community through wages paid to employees and through suppliers.
- This creates a "multiplier effect" in the local economy providing additional demand for secondary jobs.
- Thus, the benefit of primary jobs.

Bastrop EDC Targets

- **Target: Life Sciences with Numerous NAICS Codes –32/33 Series (emphasis upon plastics)**
- Some of the most applicable targets for Bastrop in the Life Sciences might include the medical instruments.
- **Target: IT with Numerous NAICS Codes-54/56 Series**
- Within the broad category of IT, it was suggested that Administrative Support, Data Centers, Digital Media and Software serve as targets. Support for Life Sciences Above



Bastrop EDC Targets

- **Target: Manufacturing with Numerous NAICS Codes –33 Series**
- This target supplements the earlier targets and connects nicely with primary jobs for Bastrop.
- The targets identified in the Bastrop EDC Strategic Plan remain valid. They would provide primary employment, are conducive to the Austin Region's growth patterns and provide diversity for the Bastrop economy, specifically.
- Targets of Hospitality and Retail will be discussed in the future by another presenter.



Opportunities for Bastrop

- *Human capital is what keeps the wheels turning at life sciences companies, both big and small, and it is vital to growth.*
- *In the past five years, the average employee salary has experienced 19.2% growth, and the total number of industry institutions has increased by 13.1%.*
- *A widespread strategy being employed, particularly in the pharmaceuticals sector, has been the hiring of contract research organizations (CROs).*
- *Companies opting to remain in top tier clusters despite increasingly high lab rents and R&D costs is revealing that access to talent is the top priority for life sciences tenants.*
- *Life Sciences Outlook | United States | 2017-JLL*



What does Bio/Life Sciences Growth Mean in Terms of Real Estate?

- *Nine of the top 10 U.S. clusters currently have single-digit direct vacancy rates.*
- *In an effort to meet high demand in tight clusters, investors across the country are converting office space to lab space.*
- *As the industry continues to grow, the number of jobs and commercial space will need to grow with it.*
- *The integration of data analytics into the life sciences industry reveals how these companies are beginning to act more like high-tech companies as well as the different types of employees they will seek out going forward.*
- *Life Sciences Outlook | United States | 2017-JLL*

What does this mean for Bastrop?

- Does space exist in Bastrop to accommodate Bio/Life Sciences Projects? Are there buildings that could be converted to this type of usage? Given the previously mentioned “tech model”, is Bastrop (Austin Region) poised to benefit from this?
- Are there sites that could be developed into Bio/Life Sciences Projects? Are there developers willing to do spec space?
- “But for now, the developer of the \$200 million project, King Street Properties, doesn’t know what tenants will occupy this future hive of drug discovery that is now just a hole in the ground.” Boston Globe 5.20.17

What can the BEDC do to enhance its recruitment effort?

- Admittedly, Bastrop isn't Boston as it relates to Bio/Life Sciences, however, Bastrop has considerably more competitive pricing and is within the Austin Region—a major growth hub. Should the EDC explore spec space and extending infrastructure to sites for not only this but other primary employers?
- Would it be feasible to explore a 20,000 sq. ft. spec building with expansion capacity?
- Is housing available to accommodate expanding companies and their employees? If not, shouldn't the EDC consider developing and implementing a strategy to address housing? How does this impact workforce?

What can the BEDC do to enhance its recruitment effort?

The 50 Industries That Constitute the Advanced Industries Sector

MANUFACTURING		ENERGY
Aerospace Products and Parts	Motor Vehicles	Electric Power Generation, Trans., and Distribution
Agr., Construction, and Mining Machinery	Navigation, Measurement, and Control Instruments	Metal Ore Mining
Aluminum Production and Processing	Other Chemical Products	Oil and Gas Extraction
Audio and Video Equipment	Other Electrical Equipment and Components	SERVICES
Basic Chemicals	Other General Purpose Machinery	Architecture and Engineering
Clay Products	Other Miscellaneous Manufacturing	Cable and Other Subscription Programming
Commercial and Service Industry Machinery	Other Nonmetallic Mineral Products	Computer Systems Design
Communications Equipment	Other Transportation Equipment	Data Processing and Hosting
Computers and Peripheral Equipment	Pesticides, Fertilizers, and Other Agr. Chemicals	Medical and Diagnostic Laboratories
Electric Lighting Equipment	Petroleum and Coal Products	Mgmt., Scientific, and Technical Consulting
Electrical Equipment	Pharmaceuticals and Medicine	Other Information Services
Engines, Turbines, and Power Trans. Equipment	Railroad Rolling Stock	Other Telecommunications
Foundries	Resins and Synthetic Rubbers, Fibers, and Filaments	Satellite Telecommunications
Household Appliances	Semiconductors and Other Electronic Components	Scientific Research and Development
Industrial Machinery	Ship and Boat Building	Software Publishers
Iron, Steel, and Ferroalloys	Medical Equipment and Supplies	Wireless Telecommunications Carriers
Motor Vehicle Bodies and Trailers	Reproducing Magnetic and Optical Media	
Motor Vehicle Parts		

What are common themes relative to economic development?

- Talent/workforce
- Infrastructure
- Available Buildings/Sites
- Available technology
- Access to universities/education overall
- Quality of life
- How does Bastrop compare? Within Central Texas? State of Texas? United States? Globally?
- What is the EDC doing to compete favorably?

Observations from the outside

- BEDC targeted industries are viable targets, particularly for the outsourced components of Bio/Life Sciences
- Close proximity to Austin, UT, other colleges and universities, airport, interstate highways enhance Bastrop's competitiveness and provide additional quality of life opportunities to the growing QoL in Bastrop
- BEDC staff is engaged in IAMC, regional marketing efforts with state and regional allies
- Sites are being improved—more could be added
- Additional available buildings suitable for targets would be beneficial

Key Issues for future

- Near term
 - Maintain and expand recruitment and marketing presence/protect budget
 - Develop Housing strategy to grow population/workforce internally
 - Develop sites and buildings
- Long term
 - Evaluate BEDC effort and modify as needed
 - Collaborate with region/state to grow regional/state economy

Suggested Activities

- Enhanced Business Retention/Expansion Program—identify a minimum number of contacts with local employers and visit; expansion opportunities can be uncovered and issues would be known that are common to business.
- Develop both internal and external means of lead generation—this is done through collaborative marketing, BEDC calling on site selector/brokers, etc.
- Host site selector/brokers on site in Bastrop for familiarization tours—preferably around an event—perhaps even with regional partners



Questions/Comments

Thank you for your participation