

**Economic Development Strategic Plan
New Braunfels, Texas**

FINAL REPORT

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I: Executive Summary

An award-winning economic development strategic plan was created for New Braunfels in 2012 through a wide-reaching, inclusive process. All of the goals of that strategy were accomplished and final outcomes even exceeded targets in several cases. This strategy is an update to that plan, involving less time and resources to create but focused on qualitative participation and performance-based strategies.

In September 2016, New Braunfels Industrial Development Corporation hired Pegasus Planning and Development to assist them in updating their economic development strategic plan. Concurrent with the strategy update is a citywide Comprehensive Plan process, which the consultants for the Economic Development Strategy are also involved in, focusing on the Economic Competitiveness and Tourism Strategies for the Comprehensive Plan. The Comprehensive Plan process is an 18-month process, whereas the Economic Development Strategy is a 7-month process and culminates in this document.

The strong, positive growth trends and economic opportunity in New Braunfels has continued since the last strategy, and new opportunities have emerged as Austin and San Antonio remain two of the top economies in the United States, with New Braunfels in the middle of these two growing metropolises. What has changed since the last planning effort are some emergent challenges, namely related to attracting and sustaining a quality workforce and having economic assets to support the growth of entrepreneurship, and commercial development. The following goals are focused on building upon existing economic development efforts and placing a stronger focus on new objectives that will improve the sustainable impact of continued growth.

Workforce Housing - Develop a funding and implementation engine for public-private partnerships to increase affordable housing for households earning at or below 80% MFI.

Quality of Place - Improve the Quality of Place, recognizing that “place” matters to a very mobile workforce by facilitating redevelopment/rejuvenation in key areas of the City.

Entrepreneurship - Implement final phase of a 3-phased strategy to support Entrepreneurship by creating a more sophisticated space and infrastructure.

Regional Transit - Create a short and long-range alternative transportation plan based on targeted, proactive land use planning and multi-modal connectivity.

Real Estate Development - Continue to increase commercial real estate investment with the addition of a diversified portfolio through boosting Class A Corporate Office plats by at least 300,000 sf.

Strategies and Metrics for each of the five areas above are listed below in each of the respective Goal sections.

II. Economic Development Strategic Plan

INTRODUCTION

This Economic Development Strategy is an update to the 2012 Strategy that has been largely completed. This Strategy is not mean to supplant any existing community and economic development effort, but rather to give community leaders a specific focus for additional actions that will be taken to shore up areas of weakness and leverage existing assets to take advantage of opportunities that exist in Greater New Braunfels.

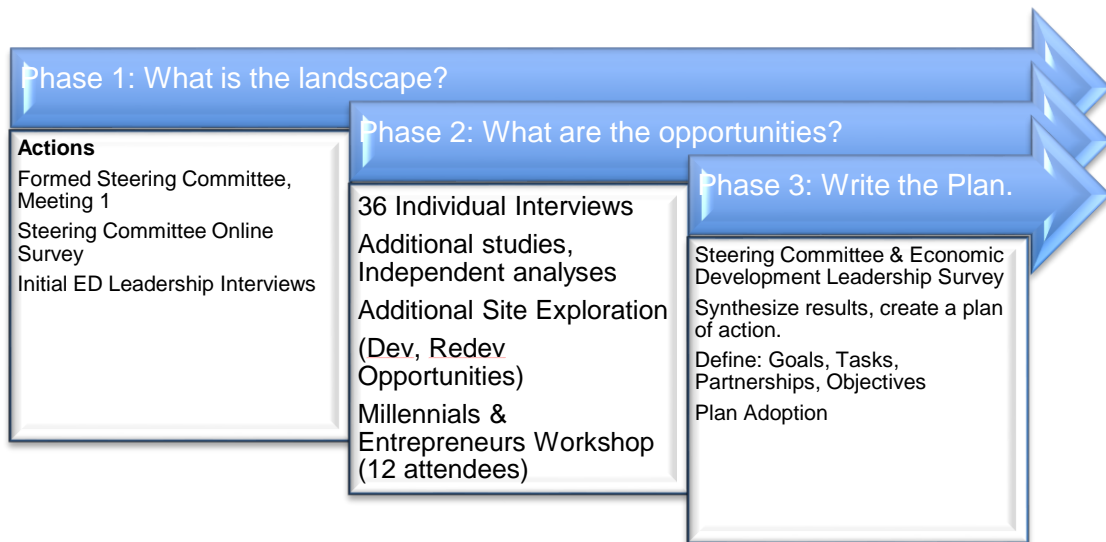
WHAT IS ECONOMIC DEVELOPMENT?

Economic Development is a process that aids in the creation of wealth in a certain area. Others have defined it as how the public sector stimulates private sector investment. This could take the form of investing in an industrial park, creating an innovation center, creating marketing to get attention of site selectors and companies, or fostering better education and workforce programs so that companies come here for a great workforce. Economic development has changed dramatically over the last 20 years where it used to be more about “smoke stack chasing” and is now about a Knowledge-Based Workforce”. This transformation means that the traditional commercial and industrial efforts should maintain, but be supplemented with a focus on what makes a local “talent” excited about being in New Braunfels? Is it the bikeability, the downtown shops that are so walkable, the heritage and culture? Understanding these assets and how to further stimulate interest among that key demographic – talented workforce – will be essential for New Braunfels to continue to embrace and address.

PROCESS & METHODOLOGY

Beginning in September 2016, the consultant team at Pegasus Planning & Development facilitated the creation of a comprehensive and inclusive strategic plan that reflects the needs of an economically diverse and culturally vibrant community rich in natural resources. The Graphic below demonstrates the specific actions involved in the Economic Development Strategic Planning process.

Figure 1: Planning Process Phasing



The IDC & Chamber have done well in recent years to increase community wealth, facilitate job creation, and diversify the tax base; however, the community has recognized that growth has come with some costs and not all have been able to access the benefits of growth in New Braunfels. Therefore, the approach to sourcing input during this project was a blend of both traditional economic data analysis and a more nuanced, creative approach by pursuing additional qualitative information that the numbers might not otherwise make apparent.

- **Literature Review:** Approximately 85 reports, studies, documents and plans were reviewed as part of this process.
- **Field Research:** Primary analyses included: spatial/market analyses to understand development opportunities, community tours and feedback sessions with locals to understand to what extent citizens carry a similar message and sentiment as that of the economic development leadership.
- **Phase 1 Steering Committee Meeting Online Survey**
- **Economic Analysis:** Public & private quantitative data review to understand demographics, fiscal/economic trends, and regional context.
- **Millennials & Entrepreneurship Workshop:** An informal, interactive workshop with local Millennials and members of the startup community to understand the needs of the city's next generation of innovation and leadership.
- **One-on-One Interviews:** Conducted over 30 interviews with local CEOs, Elected Officials, Chamber, Community Stakeholders, Public Servants, Young Professionals, and others.

- **Phase 2 Steering Committee & Economic Development Leadership Survey**

Supplementary Analysis: Ongoing New Braunfels Comprehensive Planning Process

In addition to serving as the prime consultants for the economic development strategic plan, Pegasus is simultaneously serving as sub-consultants on the City's Comprehensive Plan which began in October 2016. The planning process will span 18 months and focuses on nine subject areas, of which Pegasus is charged with ongoing support for two areas: Economic Competitiveness and Tourism. As of January 2017, Pegasus has completed the following tasks for the comprehensive plan which also provided additional substantive input in the formation of the economic development strategy:

- **Comprehensive Plan Community Dialogue #1:** Facilitated Group discussion for Economic Competitiveness & Tourism groups at a public gathering with more than 300 attendees. The dialogue covered some preliminary assessments of strengths and opportunities for each focus area. The economic competitiveness group was comprised of 24 attendees, while Tourism had 16.
- **Existing Conditions Technical Report:** Completed full draft as of January 17. Economic Competitiveness and Tourism sections of the report involved asset mapping, data highlights & summary statistics, and preliminary insights into secondary focus areas.

Additional Ongoing Community Planning & Implementation Efforts

In addition to both the Economic Development strategy and the Comprehensive Plan, New Braunfels community leaders are also being engaged in several ongoing planning and implementation efforts, including: Parks & Recreation Master Plan (the implementation of the 2013 bond program for \$86 million, part of which includes a Community Recreation Center; and the Current City Hall Master Plan¹. Despite the concurrence with the aforementioned complex ongoing efforts across the city, the proud refrain of “we are a community of doers” became all the more salient in interviews and discussion groups with leaders across the public and private sectors. This planning effort was able to leverage access to a well-established and informed set of stakeholders whose shared experiences and collaborations generally led to consistent goals and objectives that painted a cohesive vision for the next phase of economic development in New Braunfels.

¹ March 2016 Public Meeting #1 <http://www.nbtexas.org/DocumentCenter/View/9452>; July 2016 Public Meeting #2 <http://www.nbtexas.org/DocumentCenter/View/9470>

VISION & MISSION STATEMENTS

The following Vision and Mission Statements were developed through (1) consideration of the veracity of the process and results under the existing Vision & Mission Statements, as per the 2012 EDSP, and (2) qualitative analysis of primary data collected during the course of this study. They reflect a new evolutionary stage or chapter for New Braunfels that speaks to the increased complexity of their challenges and a balanced approach to finding New Braunfels' voice and place between two large and fast-growing urban centers and an emerging mega region.

Vision Statement

New Braunfels' will continue to demonstrate to the region a unique brand of leadership that promotes economic growth, job creation and a supports talented workforce through sustainable, equitable investments that create the fertile soil for business-led wealth creation and prosperity across a diverse and thriving community.

Mission Statement

New Braunfels will provide proactive support to facilitate the private sector 's ability to grow and compete through collaborative development of plans, policies and implementation tools that also balance the need to protect the community's vital natural resources and the quality of life of residents, visitors and a regional workforce.

III. Summary of Goals & Strategies

Table 1: Summary of Goals & Strategies

Focus Area	Objectives & Strategies
Workforce Housing	<p>Objective: Develop a funding and implementation engine for public-private partnerships to increase affordable housing for households earning at or below 80% MFI.</p> <p>Strategy (1): Conduct Feasibility Analysis and identify census tracts, relevant designations and pre-approval for various federal, state, local, and philanthropic affordable housing, mixed-income or commercial funds.</p> <p>Strategy (2): Conduct a Gap Analysis on the number of units needed at various income levels as a framework for understanding the size of the gap between construction and available financing (Strategies 1 and 2 can be conducted simultaneously).</p> <p>Strategy (3): Once target areas and gap financing levels have been identified, a public education and marketing campaign to steer implementation where most feasible and with greatest overall impact (highest resulting number of affordable units).</p> <p>Strategy (4): Create a specific set of incentives/deterrents for developers and businesses—including but not limited to density bonuses, inclusionary zoning, fees in lieu or higher/lower impact fees. This should include a critique of existing codes and practices.</p>
Quality of Place	<p>Objective: Improve the Quality of Place, recognizing that “place” matters to a very mobile workforce.</p> <p>Strategy (1): Continue to look for urbanization opportunities in Downtown by convening partners across the development community, banks & lenders, young adults, entrepreneurship, investors, and employer recruitment.</p> <p>Strategy (2): Plan (Jan 2018) and implement (2022) a redevelopment strategy for the Historic Milltown area of town.</p> <p>Strategy (3): Plan (Jan 2018) and implement (2022) a redevelopment strategy for the Westside area of town.</p> <p>Strategy (4): Leverage connectivity and place-making opportunities in emerging mixed use communities identified in this plan and emerging areas within the future land use plan in the 2017/18 Comprehensive Plan.</p> <p>Strategy (5): Improve connectivity to key areas of town via a strategically implemented bicycle and pedestrian mobility with an assigned fund for implementation.</p>
Entrepreneurship	<p>Objective: Implement final phase of a 3-phased strategy to support Entrepreneurship by creating a more sophisticated space and infrastructure.</p>

	<p>Strategy (1): Set up the existing startup hub, SPARK, and the partnership it represents, for success in an expanded space with smart design and a strategic location (preferably downtown, but potentially as part of a Veramendi Corporate Campus).</p> <p>Strategy (2): Funding a sophisticated, user-focused program to increase networking, Angel Investor Fund creation, and mentoring programs for the Greater New Braunfels that pulls in entrepreneurs from a 30-mile radius. Austin and San Antonio investors should also be sought for their involvement and to create links to Venture funds.</p> <p>Strategy (3): Create a benchmark survey and conduct ongoing needs assessment entrepreneurs in terms of their satisfaction of New Braunfels as a place to start a business.</p>
Regional Transit	<p>Objective: Create a short and long-range alternative transportation plan based on targeted, proactive land use planning and multi-modal connectivity.</p> <p>Strategy (1): Leverage the current ongoing Comprehensive Planning Process to engage the public, identify appropriate city/county tools (land use, infrastructure, transportation plans), incorporate commercial/mixed-use opportunities, and align phased implementation.</p> <p>Strategy (2): Engage stakeholders across public & private sectors, and target riders, both within and across the corridor (Ex: Schertz, Seguin, etc) to create a local & corridor transit plan with strategic links to a land use plan, multi-modal accessibility.</p> <p>Strategy (3): Align marketing and business attraction efforts to attract ideal tenants from subsectors within target markets [see Box below]</p> <p>Strategy (4): Within regional transit planning efforts, lead efforts to foment the identity and self-determination of communities within the I-35 corridor and their interdependence with economic centers of San Antonio and Austin.</p>
Real Estate Development	<p>Objective: Continue to increase Commercial Real Estate investment with the addition of a diversified portfolio through boosting Class A Corporate Office plats by at least 300,000 sf.</p> <p>Strategy (1): Assess feasibility for a Class A Corporate Campus anchor tenant within current and projected commercial real estate opportunities with access to or potential for incorporating quality of place amenities.</p> <p>Strategy (2): Conduct in depth target industry analysis to identify white-collar recruitment opportunities within subsectors or strongly-linked service sectors.</p> <p>Strategy (3): Be prepared with a refined marketing strategy to promote the existing local talent & labor pool but also relocation assistance and a “welcome-mat” strategy for assisting targets with rapid expansion and likely domestic or international recruitment.</p>

IV. Workforce Housing

Goal: Create an environment that offers the same social and economic mobility for all New Braunfels residents by focusing on building more housing options that are affordable for core portions of the middle class workforce.

Relevant Findings

New Braunfels boasts relatively high median incomes compared to San Antonio and the State of Texas; and despite rapid population growth, 68.5% of New Braunfels residents earn their salary elsewhere in the San Antonio and Austin metros. Local wages for people who actually work in New Braunfels are lower and have not grown fast enough to keep up with rising land values, rents, and transportation costs. This is to say that **the proportion of housing and transportation costs are rising faster than wages**. Housing unit growth has also lagged behind the rate of population increase, and the vast majority of new units have been in single-family development or rentals at the higher end market rates. Since 2003, the New Braunfels population has increased by 58% while only increasing housing units by 23% and Taxable Property Valuations have increased by an incredible 153%.

Table 2: New Braunfels Median Household Income & Wages, 2015

	Texas	San Antonio	New Braunfels
Median Household Income	53,207	46,744	59,721
Median Earnings for Workers	30,263	26,213	31,774

Source: American Community Survey, 5 Year Estimates

Table 3: Market Rents v HUD Fair Market Rents

	Efficiency	1 BR	2 BR	3 BR	4 BR
New Braunfels Median Market Rent*		\$890	\$1,090		
Comal County Median Market Rent*		\$860	\$1,150		
HUD 2016 Fair Market Rent **	\$596	\$739	\$929	\$1,222	\$1,430

Source: New Braunfels Housing Partners, 2016

Important Note: Apartment List Rentonomics[Aparmentlist.com]. Measuring base rent and does **not include costs of utilities, internet/cable, as with HUD measurements.*

***HUD amount includes ALL housing costs including utilities. Use this figure to establish income limits—FMR = 30% of income.*

To afford a Fair Market Rent for a 2 bedroom apartment (\$929), a household would need to earn a wage of \$17.87 per hour or an annual income of \$37,160; at minimum wage, a household would need 2.5 full-time wage earners². The table below is a compilation of locally-reported wages by approximately 318 New Braunfels wage-earners. Much of the workforce in New Braunfels earn wages that put them into a position of spending more than 30% of their income on housing.

Table 4: Locally-Reported Occupational Wages³

	Hourly Wage
Certified Nurse Assistant	\$10.57
Licensed Vocational Nurse	\$18.72
Office Manager	\$15.83
Sales Associate	\$9.40

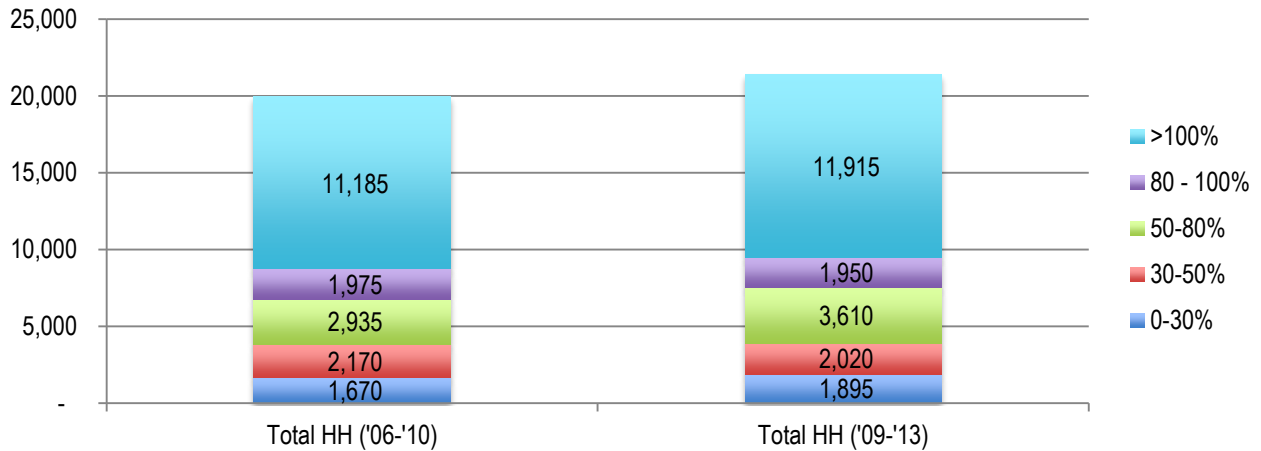
Source: Payscale.com*, December 2016

The affordability crisis is impacting a large part of the city's middle-class. For example, a household earning 50%-80% of area Median Family Income would earn a salary between \$29,861 and \$47,776; a local Office Manager in a standard service industry job earns an average of \$40,000 (Payscale.com). Graphic 1 shows the total change in the number of households by income bracket, with a focus on the number of those earning above Median Family Income, or MFI (>100%), and four income brackets below the MFI.

² Nlich.org; NBHP, 2016

³ Via Payscale a user-/labor-focused site for individuals seeking to learn more about what they could make in other areas, what others in their area are making with the same job with similar qualifications. Wages/salaries published do not necessarily reflect all data points for this position/skill level. Published results go through rigorous analysis before making information part of the public survey for an area to ensure these are wages for comparable work, education/certifications, hours, etc. It is a somewhat more granular level of data reported by local people. The results are also cross-referenced with existing public data sources on wages and salaries to verify that user-generated results are within a reasonable margin, as determined by Payscale.com.

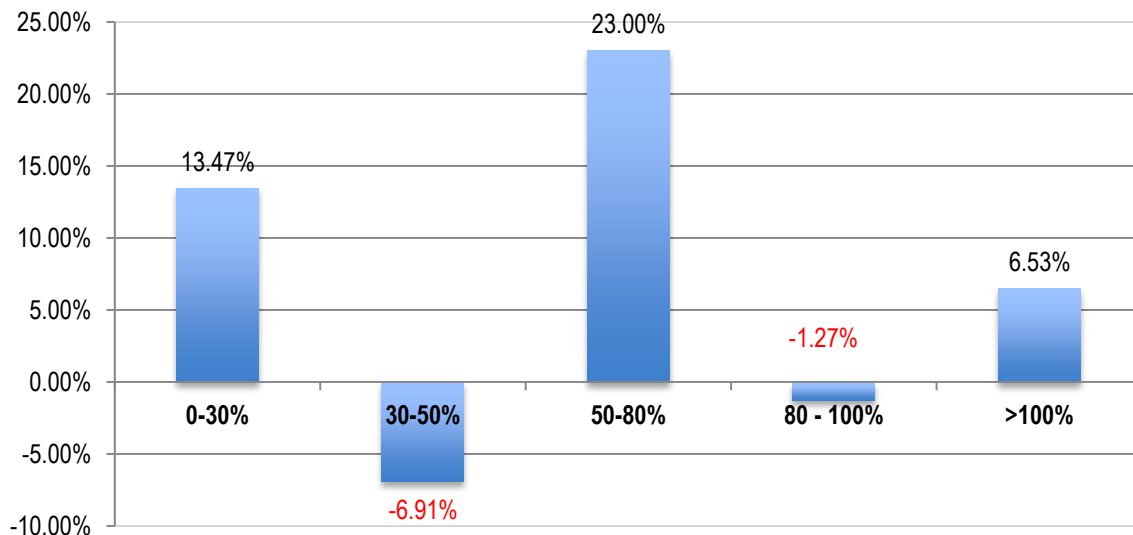
Graphic 1: New Braunfels Household Growth by Income Level
(as a percent of Area Median Family Income)



Source: US Department of Housing and Urban Development, HudUser Datasets – FMR (2016)

Though the number of households earning above Median Family Income increased, the overall trend was downward, meaning there was a far greater increase in the number and percentage of households earning below the median income; however the larger increase in incomes at the top continued to draw median wages upward. In New Braunfels, the number of households earning between 50-80% MFI increased by 23% from 2008-2013 (2,935 to 3,610) which is a far larger increase than any other population or income group; and households living on incomes between 0-30% MFI increased by over 13%. Only 6.5% of households crossed into the above median side of the equation.

Graphic 2: Percent Change in Households by Income Level



Furthermore, nearly 65% of households earning less than 80% MFI report they spend more than 30% of their income on housing.

It is important to understand these figures do not account for household size or marital status, and amid this trend the Median Family Income was also increasing. However, these trends still demonstrate that the increasing wealth of some can obfuscate the fact that income disparities are also widening for those in a more precarious economic position—that the rising economic tide is not necessarily raising all ships.

The lack of the provision of affordable housing presents a classic market failure: without more housing priced at rates that are affordable, consumers are forced to spend more on housing which in turn signals property owners to maximize rents and charge more, which then leads to new developers to analyze the market and build for what seems like obviously high demand for high rents. Meanwhile the renter is sacrificing saving, buying a home, saving to afford *moving* or for maintenance on their car, placing them in an increasingly vulnerable situation. Beyond the market failure, the gap has now reached levels that make the construction of affordable housing very challenging for any developer, even non-profits, particularly given the state of zoning ordinances that limit higher density development.

Through interviews, surveys and discussions we have identified some valuable tools for addressing the issue that focus on filling the gaps as ways of incentivizing the incorporation of affordable housing into the same moderate density, mixed-use developments or redevelopment areas that this entire report is also promoting and identifying means to implement. Such innovative projects offer the best opportunities to leverage a wide range of funding streams to achieve wins on all sides, including: a balanced pro forma for the public and private sector; equity and security for the gainfully employed resident; creating an accessible, multi-modal node of activity; and a talent attraction tool for business & industry.

Objectives & Strategies

Objective: Develop a funding and implementation engine for public-private partnerships to increase affordable housing for households earning at or below 80% MFI.

Strategy (1): Conduct Feasibility Analysis to identify census tracts, relevant designations and pre-approval for various federal, state, local, and philanthropic affordable housing, mixed-income or commercial funds.

Strategy (2): Conduct a Gap Analysis on the number of units needed at various income levels and a framework for understanding the size of the gap between construction and available financing (Strategies 1 and 2 can be conducted simultaneously).

Strategy (3): Once target areas and gap financing levels have been identified, a public education and marketing campaign to steer implementation where most feasible and with greatest overall impact (highest resulting number of affordable units).

Strategy (4): Create a specific set of incentives/deterrents for developers and businesses—including but not limited to density bonuses, inclusionary zoning, fees in lieu or higher/lower impact fees. This should include a critique of existing codes and practices.

Metrics for Workforce Housing

- At least four community and civil servant education initiatives or events to inform the public of the range of tools, products, partnerships, costs and benefits of affordable housing in the community by November 2017.
- Completed Affordable Housing Gap Analysis by June 2017.
- Identify & continue to benchmark the total number of affordable housing units that exist in New Braunfels (owner and renter occupied) and compare this to the Gap Analysis “demand” figures to truly determine size of the gap by units and households.
- Geographic & target zone funding opportunity analysis by census tract completed by August 2017.
- New Affordable Housing Policy on how and where to stimulate mixed-income housing completed by November 2017.
- Conduct a baseline analysis to determine the current ratio of leveraged affordable housing development funds per public dollar invested. Establish this baseline and then create a goal for the community to achieve. Discuss with other Cities, but striving for a 10-20% affordable housing amount (of overall development density) would be good goal.

V. Quality of Place

Goal: Invest in creating more sustainable, connected, culturally rich, mixed-use community hubs built on a people- or labor-centric approach to economic growth to strengthen business attraction & expansion efforts.

Relevant Findings

In any strategy it is critical to consider macroeconomic trends, or demographic trends, when making long-term decisions. Gone are the days of traditional economic development methods of “smoke-stack chasing.” Today’s economy is driven by knowledge & talent—or simply, *people*! The demographic cohorts below are important to consider for their relative amounts of experience, education levels and diversity (both within their cohort and across the talent pool) in terms of age, race/ethnicity, values, and life stages.



There are some things that *all* demographic groups value when deciding where to live, take a job, buy a home, invest or travel. Access to a job, good schools, safety--these are considered fundamental or “basic” needs. As our population ages healthcare is increasingly important, and all generations now consider accessible outdoor recreation or fitness a need, particularly Millennials and Gen X-ers with children. Central Texas has many natural amenities, but few communities are able to leverage the opportunities of their geography quite like New Braunfels; though we should note that our research did find that access to these natural resources is far more catered to tourists.

In recent decades (since approximately the mid-1990s) we are also seeing that now a *majority* of Americans also prioritize a more diversified environment that offers mobility, a strong local business base, and a stronger sense of community⁴. From historical, small towns to car-oriented suburban neighborhoods, and even within inner-urban industrial mega blocks, we are now seeing consumer preferences demonstrating that investments in alignment with the values below yield stronger, more sustainable economic, fiscal, and environmental outcomes. Many individuals (Boomers entering retirement, and Millennials) will even vote with their feet to find a car-optional lifestyle, accessibility to entertainment & recreation and a diversity of activities—what we call “Quality of Place.” Businesses understand this more than any; CBRE, a

Quality of Place consists of those characteristics of a community or region that make it distinctive from other places and attractive as an area to reside, work, and/or visit. Quality of place encompasses a community’s environment, civic traditions, cultural amenities, and recreational opportunities. Quality of Place improvements have increasingly become a focus for economic development leaders as a way to attract Talent, which then attract companies.

global consulting and commercial firm, states that 38% of businesses in the country report that they have a hard time filling available positions. CBRE’s clients look for places to attract and keep their workers happy and they seek communities who are actively promoting strategies for a live/work/play environment.

Talented, creative people seek areas where they are constantly exposed to inspiring spaces, places, and people. New Braunfels’ rich cultural heritage, stunning natural resources, tourism amenities, small town feel, and quality of life give it a distinct sensibility. However, there is limited access to much of its rich amenities for local residents. There are relatively few areas with walkable, accessible, small-scale retail or dining establishments. There are gaps in bike & pedestrian networks to make it easy for residents to maximize their proximity to such attractive resources. Investing in these resources is not only a direct investment in what people want; it will also make the community more competitive for attracting businesses who offer higher-wages and are looking for a place that will keep their people happy and productive.

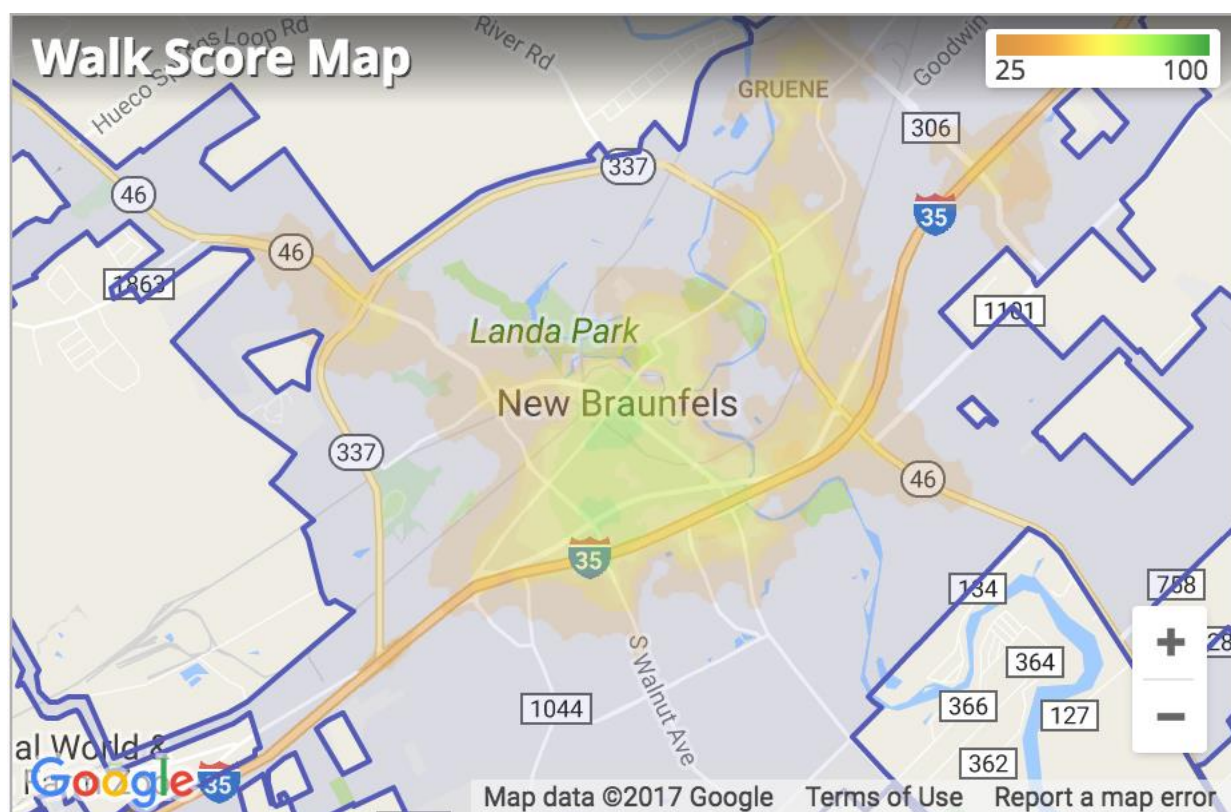
“Businesses looking to attract and retain the best employees need to make strategic decisions not just about who they hire, but where. That means setting up operations in cities and towns where top talent in a particular industry is most likely to want to live, work and play.”

--CBREVoice, Forbes.com, Nov 2016

⁴ Source: Urban Land Institute Community Surveys (2013-2015); Blog.Walkscore.com (2009); CityLab (3/15/16); StrongTowns.org (7/6/16)

Throughout the strategic planning process frequent discussions related to the need to improve the pedestrian experience on the sidewalks and more walkable areas around the historic downtown. This is corroborated by a look at Walkscore.com, a database of neighborhood level analyses of walkability and related forms of mobility across a community, including the concentrations of retail, dining, parks, and multi-modal access (sidewalks, bike lanes, transit, etc). Below is a Walkscore heat map of New Braunfels; while the city has an overall walkscore of 22 (ranking it a “very car dependent city”), the downtown has a score of 74.

Graphic 3: Walkscore Heatmap of New Braunfels



Walk Score®	Description
90-100	Walker's Paradise Daily errands do not require a car.
70-89	Very Walkable Most errands can be accomplished on foot.
50-69	Somewhat Walkable Some errands can be accomplished on foot.
25-49	Car-Dependent Most errands require a car.
0-24	Car-Dependent Almost all errands require a car.

Source: Walkscore.com, January 2017.

Additionally, during interviews, casual spontaneous conversations with young residents, and a focused workshop with young adults and entrepreneurs, there was significant discussion on the need for more independent businesses across retail, food, bars and nightlife that caters to a range of audiences including local residents. The desire for *more diversity* was a key descriptor of much of these critiques. In addition, public transportation or increased paths and sidewalk connectivity for car-alternate evenings out were mentioned several times. Overall, field data gathered from interviewees indicated the following:

- Young people and young families are far more likely to leave New Braunfels to spend their money on food and entertainment. This is not enough to push them to leave, but they would rather spend their money locally.
- There is a great desire more social activities for locals to mingle, network, and become active in planning and implementing projects or businesses that are not focused around tourism destinations or in chain retail corridors. They have many ideas but little awareness of resources or steps to implement.
- While historic or culturally significant small businesses are interesting and a source of local pride, there is not a diversity of options for arts, culture, cuisine, low- to high-budget entertainment, and transportation to what places exist.
- Many indicated a desire for more affordable, small scale residential living alternatives closer to walkable areas or downtown – specific home types mentioned include 1-2 bedroom lofts, townhomes, and “shotgun homes.”
- Bike connectivity and public transportation for locals were high on the list for creating more connections between residents and activity centers.
- There is a great need to understand the long-term fiscal impacts & viability of current development trends and the future land use map currently being designed for the city’s Comprehensive Plan.

Objectives & Strategies

Objective: Improve the Quality of Place, recognizing that “place” matters to a very mobile workforce.

Strategy (1): Continue to look for urbanization opportunities in Downtown by convening partners across the development community, banks & lenders, young adults, entrepreneurship, investors, and employer recruitment.

Strategy (2): Plan (Jan 2018) and implement (2022) a redevelopment strategy for the Historic Milltown area of town.

Strategy (3): Plan (Jan 2018) and implement (2022) a redevelopment strategy for the Westside area of town.

Strategy (4): Leverage connectivity and place-making opportunities in emerging mixed use communities identified in this plan and the 2017/18 Comprehensive Plan. Create specific, tangible goals and recommendations across economic & community development institutions that directly impact infrastructure, transportation and future land use planning.

Strategy (5): Improve connectivity to key areas of town via a strategically implemented bicycle and pedestrian mobility plan with an assigned fund for implementation.

Metrics for Quality of Place

- Measure the average “house to grocery store” distance (or other retail amenity) throughout the City. Use this as a baseline number, and then create a “walkable” goal to achieve for every neighborhood. This should lead to land use policy regarding stimulating of infill development in certain areas of New Braunfels who may be, for example, in a food desert.
- Analyze bicycle and walkable habits of residents and visitors to help guide any new bikeline/connectivity project in New Braunfels. Conduct several surveys to gauge seasonal interests and issues and gather key insight into larger tourism markets. This will provide insight into the best locations to stimulate the most bikability and walkability.
- Redevelopment strategy for at least 2 nodes or urbanization areas of New Braunfels completed by February 2017.

- Conduct baseline analyses for redevelopment areas that are identified in the Comprehensive Plan. Analyze the existing tax base contribution, existing residential base, asset map items such as schools and public facilities, and key job and retail markets. .
- Use walkscore as an evaluation metric⁵ to increase the city's score from 22 to 50 by 2022 targeted expansions in high score areas (current high score of Downtown is a 74).
- Increase Housing density and Jobs density in target zones & Downtown by 5% annually.

⁵ Data tools for planning efforts available at <https://www.walkscore.com/professional/research.php>

VI. Entrepreneurship

Goal: Strengthen the existing entrepreneurship resources with investments across the entrepreneurial ecosystem that will increasing local investment capacity, local funding sources, and marketing efforts.

Relevant Findings

Small business growth and Entrepreneurship became one of the core areas of focus for New Braunfels during the last Economic Development Strategy. Economic Development leaders sought to create a Center for Entrepreneurship by creating partnerships with the Small Business Development Center (SBDC) and University of Texas – San Antonio (UTSA). The Center for Entrepreneurship was created and is now SPARK Small Business Center, and the SBDC is now a vendor of SPARK.

Much of the “heavy lifting” for entrepreneurship was completed during these first two years of implementing the 2012 strategy, including the creation of a three-phase plan for supporting small business and entrepreneurship, including: (1) shoring up base of operations by creating the partnerships and base resources (UTSA/SBDC/Staff/Data Analysis) (2) rebranding & enhance marketing which is in its final stages with a new website and a new building, and (3) have local dollars chase local opportunities. Phases 1 and 2 are nearly complete, so the strategy should now focus on the third phase.

Before delving into strategies for Phase 3, it is important to understand that currently there is not a strong culture for entrepreneurship in New Braunfels. Great, visible examples of new ventures exist, such as in the tourism industry, but not a real culture of innovation or encouraging the start of something new, better and different at whatever scale or size of business. There is also a perception that new developments, firms or innovations are stymied by a culture of conservatism and maintaining a status quo. This perception can be overcome but the important thing is to start somewhere and build on even small existing resources. For example, Houston's tech-focused START cowork space is growing a startup culture by teaching its in-house entrepreneurs to leverage local industries that have lagged behind in interactions with outside startup communities such as Oil & Gas, Logistics, and Healthcare; however, conference space rentals, pitch nights and events are also open to startups and supporters across Food & Beverage service, music, entertainment and culture.



According to those interviewed as part of this project, there is a relatively high population of high net worth individuals, or accredited investors, in NB but most of them continue to invest in real estate. There is no local investor group, no meaningful pipeline to link entrepreneurs to investors, and no established programs to offer well-vetted opportunities for local investors to assess. SPARK is building infrastructure to do this but this needs to be a systematic and strongly-supported initiative. Creating a Local Angel Investor Network, with a moderate pool of risk capital, is necessary before a sophisticated, self-realizing Venture Capital Fund can exist. Such a Network can use SPARK/SBDC as a hub to organize and look at local investment opportunities.

There is insufficient space and limited infrastructure for entrepreneurs to gather, network, receive trainings and meet with local mentors & investors. New Braunfels IDC recently provided additional funding for some minor improvements to the SPARK building but it is woefully small and inadequate for NB's needs. The current 1400 sf space needs should be located in a between 5,000-10,000 square feet; spaces for startup companies to grow, source entrepreneurial talent and generate momentum. For New Braunfels, it could be a space where more traditional investors and business elite feel comfortable to stop in for programs, meet new entrepreneurs in casual and structured settings, or leverage the opportunity to telecommute from shared office space on an hourly or monthly basis. This is similar to an executive suites—cowork space hybrid, where large investor pitches, trainings and networking events can occur, with several small and a large conference rooms, and where mentorship between the VCs and the local startups can be facilitated. Such a space would work well within or near a unique, mixed-use corporate campus in line with recent trends to keep young talented workers inspired and offering outgoing executive populations more opportunities to pass on their leadership capacity to the emerging business & community leaders.

Objectives & Strategies

Objective: Complete implementation of the Three-phase small business and entrepreneurship strategy to bridge the final links between local dollars to local opportunities.

Strategy (1): Set up the existing startup hub, SPARK and the partnership it represents, for success in an expanded space with smart design and a strategic location (preferably downtown, but potentially as part of a Veramendi Corporate Campus).

Strategy (2): Funding a sophisticated, user-focused program to increase networking, Angel Investor Fund creation, and mentoring programs for the Greater New Braunfels that pulls in entrepreneurs from a 30-mile radius. Austin and San Antonio investors should also be sought for their involvement and to create links to Venture funds.

Strategy (3): Create a benchmark survey and conduct ongoing needs assessment entrepreneurs in terms of their satisfaction of New Braunfels as a place to start a business.

Metrics for Entrepreneurship

- 25% annual increase of participants at networking events, year over year starting with 1-event per month and targeting an initial benchmark of 20 attendees.
- Form an Angel Investor Capital Fund by January 2018.
- One annual pitch competition to venture fund at end of year one and growing to quarterly pitch events by 2022.
Entrepreneurs Survey satisfaction levels indicate that 80% of participants rate New Braunfels as a great place to start a business.
- Creation of an entrepreneurs mentor program by January 2018.
- Formation of a new facility (>5,000 sf) for SPARK by December 2020.

VII. Regional Transit

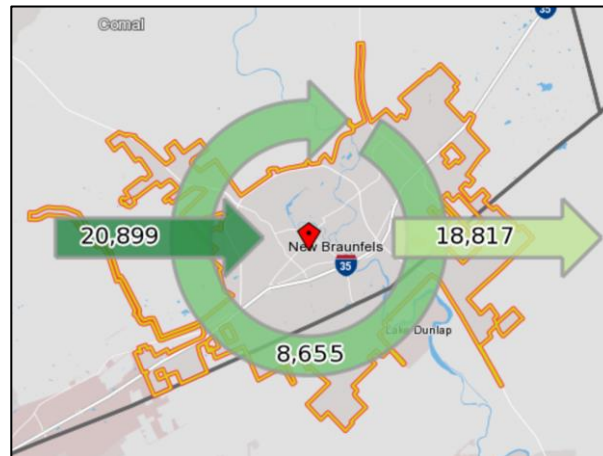
Goal: Create a car-alternative environment with transportation options implemented at the local, intercity, and regional level designed to connect, enhance and revitalize a strategic network of mixed-use districts, denser residential/commercial hubs, attractions, and unique districts.

Relevant Findings

According to 2014 US Census job inflow/outflow data, 27,472 people had were employed in New Braunfels and 68.5% (18,817) of residents leave the city for work everyday. At the same time, 70.7% of the 29,554 local jobs are filled by people outside the community who commute into the city for work. This type of commuter pattern is not only disproportionately large for the population size, but it is also concentrated along very few corridors and results in clogged arterials. Although some additional and expanded highway infrastructure will be built in the coming years, ultimately congestion will return due to the limited land available for outward expansion, sensitive environmental resources, and the continued need to use available land to increase density and commercial uses for fiscal sustainability.

Figure 2: Inflow/Outflow

Job Counts in 2014



According to VIA's Long Range Comprehensive Transportation Plan, "Vision 2040" Northeast Transit Service Study (completed February 2016), the San Antonio-New Braunfels Metro area is expected to grow nearly 300,000 people by 2040, causing unacceptable congestion levels unless mitigated by public transit, rideshares, and other auto-alternative transportation modes are not pursued⁶. Given that most local jobs are filled by commuters and most New

⁶ "VIA Vision 2040: Northeast Transit Service Study" by HNTB (Feb 2016)

Braunfelens work outside the area, the greatest impact on congestion will come from reducing cars on the road by the commuting population.

Currently the community is connected to the VIA network through limited vans or demand-based service; however full service, fixed bus routes will be needed in as soon as the next three years. Based on projected local and regional employment and population growth, ***by 2020 New Braunfels will have sufficient demand to support 1 local and an intercity route linked to both Seguin and Schertz/Cibolo.*** By 2040, New Braunfels demand is projected to support 4 local fixed routes and 6 intercity routes between Seguin, Schertz and Cibolo. Additional demand will support growing from 2 to 5 regional routes connecting to employment centers & economic hubs such as the New Braunfels Municipal Airport, Fort Sam Houston and regional Medical Centers. Additionally, all routes are planned to connect via a commuter rail line linking Austin and San Antonio. Below is a graphic demonstrating the connected principal cities and routes of the Vision 2040 Plan.

Implementation for commuter transit solutions would be relatively distant, but VIA's resources and linkages to the region are critical to consider and pursue to address regional traffic flows and potentially damaging congestion. Without thoughtful, strategic land use and infrastructure planning, capital investment and operating funds will be wasted. Operating just one fixed local service route for a 9-12 mile distance will cost on average \$1.5 million per year, and intercity peak-level commuter service will cost \$922,000 for a 42-50 mile route, as per a connection from New Braunfels to Seguin.

There was great interest across every aspect of the community in local transit in the short term while also pursuing intercity and regional commuter-transit options. New Braunfels is a relatively small Mid-sized city⁷ and is not exceptionally dense, however there are some strong existing and emerging hubs to begin conceptualizing a plan that starts locally and expands into the regional transit network. The objectives and strategies below are built on this "think global, act local" approach. Lastly, these efforts will enhance the chambers' efforts in attracting office and white-collar jobs.

Objectives & Strategies

Objective: Create a short and long-range alternative transportation plan based on targeted, proactive land use planning and multi-modal connectivity.

⁷ Defined as those with populations between 50,000-200,000.

Strategy (1): Leverage the current ongoing Comprehensive Planning Process to engage the public, identify appropriate city/county tools (land use, infrastructure, transportation plans), incorporate commercial/mixed-use opportunities, and align phased implementation.

Strategy (2): Engage stakeholders across public & private sectors, and target riders, both within and across the corridor (Ex: Schertz, Seguin, etc) to create a **local & corridor transit plan** with strategic links to a land use plan, multi-modal accessibility.

Strategy (3): Align marketing and business attraction efforts to attract ideal tenants from subsectors within target markets [see Box below]

Strategy (4): Within regional transit planning efforts, lead efforts to foment the identity and self-determination of communities within the **I-35 corridor** and their interdependence with economic centers of San Antonio and Austin.

Metrics for Regional Transportation

- By January 31, 2019, have a regional mobility plan for the New Braunfels – San Marcos-Schertz-San Antonio Region that focuses on connecting cities via a rural and regional mobility strategy, designated bike lanes for commuters, and other forms of smart commuting.
- By January 31, 2018, have a large Employers Summit for the New Braunfels region that focuses on regional transportation solutions.
- Creation of a fixed-local transportation line starting between tourism centers, major retail corridors (Ex: Creekside), and Downtown New Braunfels by 2020.
- 2 Fixed Intercity connections between targeted commuter centers by 2022.



Award-winning Mountain Express – Flagstaff, AZ

Population (2015): 70,320

Area:

<http://mountainline.az.gov/>

"Mountain Line is Flagstaff's award-winning public transit system, serving residents and visitors on eight routes throughout town and stopping at many of the area's biggest attractions. Don't hassle with parking and leave the driving to them on their fleet of primarily hybrid-electric buses. Visit the Mountain Line website for trip planning assistance and information on fares and passes."⁸



Bend Area Transit, operated by Cascade East Transit – Bend, OR

Population: 87,014

Area: 33.27

See: Bend Area Transit Plan (Completed 2013) Website at BendOregon.gov

⁸ <http://www.flagstaffarizona.org/plan-your-trip/transportation/bus/>

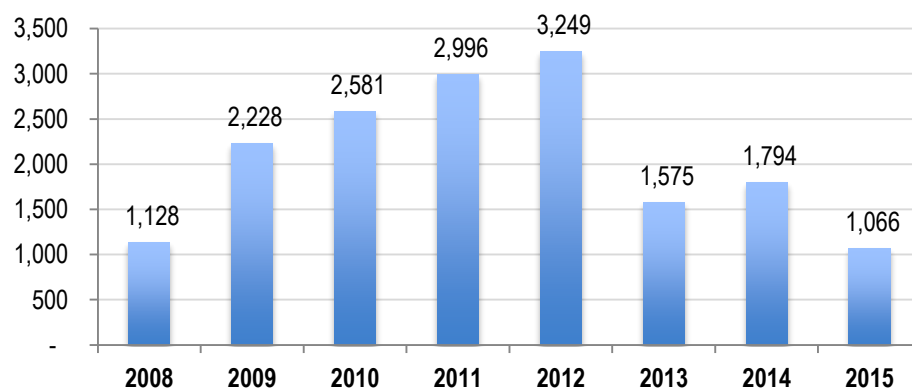
VIII. Real Estate Development

Goal: Maintain fiscal responsibility and support growth through expanding and strategically marketing for new commercial/industrial development with a focus on Corporate Campus & Class A office space expansion in strategic or higher density mixed-use nodes.

Relevant Findings

Commercial real estate investments over the past approximately 8 years have been largely focused within the retail and industrial markets. The following indicator demonstrates the amount of commercial investment the local economy is able to attract on a per capita basis.

Graphic 4: Commercial Real Estate Investment Per Capita



Source: New Braunfels EDC

Like many peer communities along the I-35 corridor, New Braunfels has successfully leveraged their strategic location to increase employment in Manufacturing and Warehousing, Transportation and Logistics sectors. The Industrial Development Board's previous five year plan (2010-2015) targeted adding 350,000 new sq ft into the market and far exceeded this target with the opening of the new, 96-acre Titan Industrial Park and the early capture of some key anchor tenants (namely, CGT). These efforts resulted in the adding 740,000 industrial sq ft—more than double their target objective.

Industrial real estate is projected to remain competitive as e-commerce and warehousing/logistics companies expand further into niche retail subsectors like personal shopping—or trunk-delivery—and food & grocery. Cushman &

Wakefield global chief economist, Kevin Thorpe also notes the projected impact of these innovations and autonomous vehicles to continue boosting the market for years to come⁹. New Braunfels should continue to leverage what strategically located industrial land it has and can be acquired privately or publicly along the I-35 corridor while it can; however, as community leaders have recognized, such land is limited and competition with other communities in the I-35 and I-10 corridors can push communities to consider the speed of absorption or quantity jobs above the *quality* of jobs and complementarity with the community's needs and assets. For example, industries with highly seasonal swings that align with seasonal swings in tourism could increase local economic volatility.

New Braunfels' strong demographics—high levels of educational attainment, available workforce, high incomes, high real estate values—as well as quality of life, natural resources and attractive housing market make it a competitive market for the construction of a Class A corporate campus development.

The Greater San Antonio-New Braunfels office market has witnessed strong absorption, falling vacancies, and steady rents for Class A & B office space since 2012 (CBRE, 2016). Submarkets in the northeast sector, areas inside the 1604 Loop metro lag behind other submarkets for existing gross square feet and new construction. In New Braunfels, vacancies exist at the low end of the market while top tier products are limited in size and quantity. Local inquiries and interest among potential Class A tenants indicate existing demand for plats of larger than 50,000 sf feet. With the San Antonio market rents overheating and vacancies low in primary job centers, New Braunfels can capitalize on the pull factors of lower rents, a higher population of Millennials, & rich natural and cultural amenities offered by the city and counties of the north-central metro.

“Downtown office markets have led this cycle, but experts are projecting a shift in performance to suburban markets [in 2017]...This growth is thanks in large part to the shift in suburban development that is catering to Millennials and young professionals' live/work/play preferences. As for downtown markets, vacancies are projected to increase by 30 bps to 10.9%.

*“This may be a good year to take advantage of pricing dislocation in the suburbs,”
[Kevin] Thorpe, Cushman & Wakefield Global Economist told us.*

“Suburban office is a growth story in the making and the fundamentals are improving more than most people realize.”

-- CBREVoice, Jan 2017

⁹ “Office & Industrial Fundamentals to Remain Strong this Year, Cushman & Wakefield Reports (Jan 2017)
<https://www.bisnow.com/national/news/office/office-industrial-real-estate-to-be-pretty-good-bet-for-investors-in-2017-69482>

Smart design, land use and product alignment should be considered heavily and in tandem with a standard recruitment process¹⁰. Just as modern economic development philosophy has shifted toward a talent-focused model, corporate office spaces are imparting the same place-making methods to site selection and spatial design as urban planners or life-style center developers. Walkability, bikability, accessible recreation, retail and entertainment and proximity to housing—quality of place amenities—are all part of a way for the businesses to build efficiency, creativity, and quality of life as talent attraction and retention tools built into their entire setting. Below the objectives & strategies section are some illustrative descriptions and marketing materials of modern corporate campus.

Figure 3: Box Relocates from Palo Alto to Suburban Transit-Adjacent Campus



Box decided to relocate to a new suburban campus in Redwood City next to a regional rail stop not only to escape the excessive rents of Silicon Valley. In fact, it was a labor-first decision. The move would bring their educated but young workforce nearer to a more affordable, livable community that could still offer a car-optional lifestyle. In addition, they recognized the economic and personal strain on their support staff—from administrators to janitors—who were dealing with the rent crisis that had reached the entire. Their lower wage workers were often forced to drive to their campus or spend hours on buses and trains to reach them. This reflects an ongoing trend in the office market, particularly for tech or software-as-a-service companies who need lower-rents and room for exponential growth.

--Source: SPUR.org, *Reimagining the Corporate Campus*

Objectives & Strategies

Objective: Continue to increase Commercial Real Estate investment with the addition of a diversified portfolio through boosting Class A Corporate Office space by at least 300,000 sf of net leasable space.

¹⁰ <http://www.spur.org/publications/urbanist-article/2016-09-21/corporate-campus-local-history>; <http://www.spur.org/publications/urbanist-article/2016-09-21/rethinking-corporate-campus>

Strategy (1): Assess feasibility for a Class A Corporate Campus anchor tenant within current and projected commercial real estate opportunities with access to or potential for incorporating quality of place amenities.

Strategy (2): Leverage existing industry reports done for San Antonio, but further examine a few areas for New Braunfels that will provide in depth target industry analysis and identify white-collar recruitment opportunities within subsectors or strongly-linked service sectors.

Strategy (3): Be prepared with a refined marketing strategy to promote the existing local talent & labor pool but also relocation assistance and a “welcome-mat” strategy for assisting targets with rapid expansion and likely domestic or international recruitment.

Metrics for Real Estate

- Complete feasibility for corporate campus by July 2017, which would include recommended next steps, immediate opportunities and examples of how other cities have stimulated similar projects.
- By December 2017, Complete industry analysis of regional companies who could move their headquarters to New Braunfels. This may include a labor-shed analysis for some of the major employers who may be on northside of San Antonio.
- By June 2018, launch (with local partners) a Real Estate Marketing Strategy to invest in New Braunfels for Industrial, Office and Retail. Identifiable areas from Redevelopment Strategy work and analysis from the Real Estate section will support the identifiable markets for growth.

Case Studies & Illustrative Examples

Pearl Brewery Redevelopment – San Antonio, Texas¹¹



Images: (Above) Redeveloped Pearl Brewery/Full Goods Warehouse, 2013, via Inhabitat.com

Description: 26 acres, Northeast of Downtown San Antonio along the San Antonio River.

¹¹ <http://mjmmg.com/pearl-brewery-case-study/>

“Today, Pearl Brewery is a culinary and cultural destination set amid a tapestry of historic and contemporary structures, gardens, plazas, public pathways, open spaces and tree-lined streets.” – MJM Managemnt Group Case Study

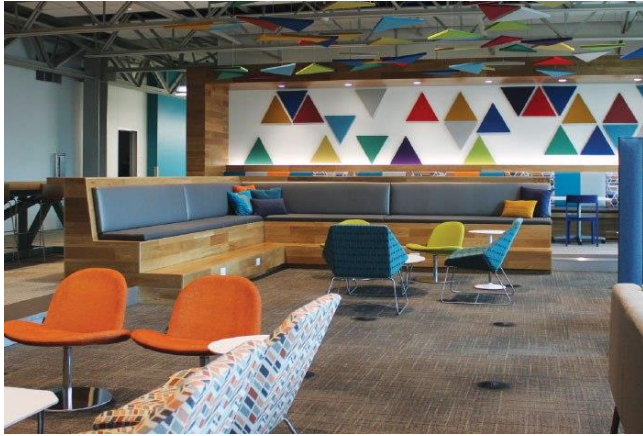
Emphasis on green design and high building standards; 350 residential units; office + retail; restaurants; Culinary Institute of America campus; open-air amphitheater, sculpture garden, cafes & open-air dining areas; balance of destination and neighborhood services tenants.

NXP & SolarWinds Shared Campus – South Austin, Texas¹²

“Andrew Smith, senior vice president of developer Lincoln Property Co., said he has seen the types of amenities incorporated into the design of office properties change dramatically in the past 30 years as businesses have changed to become “employee-centric,”

“NXP Semiconductors N.V. can hold meetings with colleagues at its expansive outdoor courtyard, practice yoga and join groups in the fitness center, then have lunch at its multi-option food court. [Nearby] information technology management company SolarWinds offers catered lunch twice a week from local vendors in a cafeteria with a gaming area. Kitchens throughout the building provide free drinks. Open space as well as casual meeting rooms decorated with murals of local sights and attractions are located on every floor...Office spaces in suburban areas include showers in designated restrooms because employees may ride their bicycles to work or during an exercise break, Smith said. With past experience in Dallas, Houston and New Orleans, showers as a standard amenity is unique to Austin...”

¹² <https://communityimpact.com/austin/top-stories/2016/04/27/area-offices-offer-silicon-valley-inspired-amenities/>



Graphic 5: Advertisement of Vonage Campus—Holmsdel, NJ

The Vonage Campus

Vonage's state-of-the-art corporate headquarters is located in Holmsdel, New Jersey, which is a stone's throw from the Jersey Shore and less than an hour from New York City.

- **Vonage Offices** Vonage maintains an open atmosphere that is conducive to communication, which is after all our business.
- **Décor** – Exciting, welcoming and comfortable.
- **Recreation Facilities** - Fitness facility with TV's at every cardio machine, basketball court, tennis court, baseball field and driving range. Don't forget our beautifully landscaped courtyard where employees go to relax, eat lunch or catch some sun.
- **Vonage Café** - Our café offers a variety of foods from our Grill, Salad Bar, Sandwich Bar, Brick-Oven Pizza and Specialty Station. The only thing better than fresh food is free fresh food. All full time Vonage employees receive a monthly \$100 credit towards any food purchased in the Vonage Café.
- **Break Rooms** - Cold drinks and snack machines are available throughout the building.

The company also has offices located in Atlanta, Chicago, Dallas-Fort Worth, Denver, Minneapolis, Phoenix, Salt Lake City, the United Kingdom and Israel.

[VIEW ALL JOBS](#)



IX: Economic Overview

Regional Context

New Braunfels is strategically located in the Central Texas region and is a city of regional significance, with a growing number of residents and jobs and an exceptional quality of life. Centered between Austin (the State Capital) and San Antonio (the home of the Alamo), each year “more than three million visitors come to explore the shopping and recreational activities steeped in German and Hispanic culture and heritage” (New Braunfels Economic Development Council, 2016). Comal County and New Braunfels are “ranked as the fifth fastest-growing county and second fastest-growing city in the nation [and] are experiencing an unprecedented growth rate—growing at an average of 4-5 percent per year, or a 58 percent increase in the last decade.” (New Braunfels Economic Development Council, 2016).

Located 30 miles from San Antonio and 45 miles from downtown Austin, New Braunfels is easily accessible by Interstate Highway 35. Loop 337 circles the town’s center and connects Interstate 35 at the north and south of town. Conveniently located within a four-hour drive of larger cities such as Houston, Corpus Christi, Fort Worth and Dallas, New Braunfels is also just a three-hour flight to international trade centers in Mexico, Central and South America. New Braunfels is an increasingly popular place for residents, businesses and employers.

Recent Initiatives & Other Emerging Opportunities

There have been several planning initiatives in the last ten years that have recognized New Braunfels’ growth. These initiatives have led, in part, to the shape and built forms of New Braunfels today, and that will continue to shape the city’s future through 2030. The city’s amenities and proximity and key roadways solidify its standing as a growing center between Austin and San Antonio.

Transportation

New Braunfels is accessible by Interstate Highway 35 and by Greyhound bus, which provides seven northbound and six southbound routes daily. (New Braunfels Economic Development Council, 2016) The City of New Braunfels 2012 Regional Transportation Plan was coordinated with the City of Seguin, the counties of Comal and Guadalupe, the Texas Department of Transportation and the Alamo Area Metropolitan Planning Organization. Though the **Lone Star Rail District** project was exploring possibilities for an intercity passenger rail service (LSTAR), the project’s environmental clearance process has been temporarily suspended (Lone Star Rail District, 2017).

Beginning in 2016, New Braunfels' EDF hired Angelou Economics to study the construction costs and economic impacts if a 30 mile **"Southern Connector" between Interstate 35 and State Highway 130**¹³. The economic impacts of the Southern Connector—including from job creation, increased productivity, savings from reduced congestion, reduced commute times, tax revenues, etc— of this project are in the billions of dollars. Although the study indicates that the Connector will only *delay* and not prevent inevitable regional congestion, such an investment will still improve regional mobility in the short- to medium-term and provide an additional strategic investment for industry and labor mobility.

In addition, delaying oncoming congestion by several years will provide a useful buffer of time and access new financial resources for studying and investing in other strategic, long-term transportation investments to increase economic competitiveness in attracting primary employers. One such opportunity is to **access an industrial rail connection via the existing spur at the Texas General Land Office site along Interstate 35** in the northeast sector of Greater New Braunfels. Access to a spur would greatly increase New Braunfels business attraction efforts, as many industrial, warehousing, and logistics firms require a rail connection as a minimum standard for relocation. Economic development leaders in New Braunfels should continue to study this emerging opportunity and be prepared to be opportunistic and aggressive in pursuing it as such opportunities arise.

Community Growth

In 2013, the Alamo Area Metropolitan Planning Organization Mobility 2040 Plan identified New Braunfels as one of 34 activity centers in the region in which future transportation investments will support growth. Within New Braunfels itself, three sub-regional attractions—New Braunfels Center, New Braunfels Retail and Schlitterbahn Water Park—were also noted as areas needing interconnectivity to other cities by highway and public transportation.

As New Braunfels continues to grow, it will densify, creating new centers of activity. It will also become more urban in its form. It is an imperative that economic development opportunities are identified and investments are aligned with a thoughtful approach to land use, transportation and infrastructure plans. Concerning upcoming trends in the future, more urban development can be seen in New Braunfels' **planned 2400-acre mixed-use Veramendi community**, the development agreement for which was finalized in 2015. This project, once completed, will add 5,000 new dwellings, 480 acres of parkland, and a new elementary school to the community. "Even more development is coming, as work begins on Veramendi, with housing and retail planned, just outside New Braunfels' northwestern city limits. Over the next 25 years, more than 12,000 to 15,000 people could move into Veramendi, essentially the equivalent of adding another town on top of New Braunfels." (The Dallas Morning News, 2016) This is just one example of a recent effort but there are numerous initiatives taking place to harness new opportunities brought about by growth in the county and city.

Environment: New Braunfels' Parks and Recreation Master Plan represents the vision for the parks system over the next 10 years. In 2012, the Edwards Aquifer Recovery Implementation Program (EARIP) developed a Habitat Conservation Plan (HCP) for the

¹³ InNewBraunfels.com (September 2016) <<https://innewbraunfels.com/chamber/2016/09/12/traffic-congestion-south-central-texas-seeks-solutions/>>

protection of the endangered species in the Comal and San Marcos springs and Rivers. This plan recommends a slew of habitat protection and flow protection projects, including the removal of non-native vegetation, restoration of native habitat, and limited channel modification in both the Comal and San Marcos Rivers. The Edwards Aquifer Recovery Implementation Program also addresses water conservation from the Edwards Aquifer for the five-county aquifer region.

In 2014, New Braunfels established a Stormwater Management Program, which details New Braunfels' approach to protecting water quality. In addition to identifying the best management practices necessary to reduce the discharge of pollutants into its waters, the Program also provides an implementation schedule. Many of these concepts—preserving native habitats, enhancing water quality and restoring riparian ecologies—will be on display at the Headwaters at the Comal environmental education center, located at a former New Braunfels Utilities site.

Economy

In 2012, New Braunfels completed an award-winning **Economic Development Strategic Plan** which explored the community's success and goals across topics such as: real estate development; entrepreneurship and small business development; tourism, cultural and recreational development; and workforce development. This Plan is an update to the 2012 plan. In addition, City Council approved the **Downtown Implementation Plan in 2010**, which serves as a roadmap for the City, development community, and stakeholders to spur economic development and direct public revitalization projects in Downtown New Braunfels. The City is also completing a **redevelopment plan for the former City Hall facilities** to add a significant amount of hotel rooms near the historic downtown. **Implementing the Downtown Plan and downtown urbanization near the new hotel facility present strong opportunities to achieve economic development objectives detailed in this Plan.**

Commercial real estate expansion efforts of the last five years were primarily focused on retail, healthcare and industrial growth along the Interstate 35 corridor which is likely to continue given population trends and remaining developable commercial lands. The growth of **retail can be attributed to new developments such as Westpointe Village, Town Center at Creekside, Village at Creekside and various others.** Together these developments alone will have over 3.5 million square feet of retail space at full build-out. Retail growth will continue demonstrating strong growth due to local demographics and as indicated by the \$1 billion retail leakage for New Braunfels and Comal County¹⁴.

Additional commercial opportunities exist at the Veramendi development, New Braunfels Regional Airport and remaining pads at Titan Industrial Park. Veramendi will offer 480 acres of parks and open space and 380-acres of commercial space in a largely residential community, including a town center, office, retail, new schools and a higher education campus—making it a preeminent opportunity for an integrated liver-work-play community hub. In recent years, the New Braunfels Regional Airport has increased and renovated hangar space & aviation repair capacity¹⁵, extended the taxi land runway from 5,300 to 6,500 ft¹⁶, and is

¹⁴ 2015 Retail Gap Analysis, The Retail Coach (September 2015)

¹⁵ <http://10-35economicalliance.com/target-industries/>; http://herald-zeitung.com/business/article_4871eee6-61c7-11e6-a5fd-a732e430c2ba.html

¹⁶ http://seguingazette.com/news/article_d47ac81e-67cb-11e5-9505-a39e0064e2de.html

adding a new business access road connection toward Farm to Market 758. Investments have increased the Airport's self-sufficiency and are attracting increased interest from businesses. The 96-acre Titan Industrial Park will continue to focus on filling the approx. 720,000 sf of build-to-suit pad sites with nearly direct connections to Interstate 35¹⁷.

Small Business Development

One major success of the 2012 Economic Development Strategic Plan's efforts to strengthen the pipeline to start and grow local businesses was the creation of the **Hispanic Business Alliance (HBA)—a partnership between the New Braunfels Chamber of Commerce and the Comal County Hispanic Council**. The first initiative of the program is to assist the City's minority and small business lending program, an idea born directly from the City's 2012 economic development strategic plan¹⁸. The board of directors and early membership base continue to demonstrate their excitement, ambition and vigor through proactive outreach and networking programs, including frequent mixers with strong and consistent attendance¹⁹. The HBA program and initiatives will not only assist in directly increasing funding for the small business community, but it also increases visibility of the community's cultural diversity which will encourage new diverse groups to engage in and enrich the economic development stakeholder network. The entrepreneurial culture within the Hispanic communities is well documented and the rate of new business ownership among Latinos/Hispanics far exceeds that of other demographic groups²⁰, and given national and state demographics and growth projections foretell that by investing in Hispanic and Latino's education, access to capital and growth opportunities will directly impact overall growth in small business and entrepreneurship. Additionally, the efforts of the HBA provide a strong local model for scaling outreach and adding programs to reach more demographic groups or different tiers in the small business development arena.

Recreation

In 2013, voters approved a \$15.7 million bond to fund a \$23.5 million **Community Recreation Center at Landa Park**²¹. The Industrial Development Corporation has committed \$5.8 million toward the facility, and additional \$2.2 million was provided by New Braunfels School District. Construction broke ground in October 2016. The funding and progress on the facility demonstrates the community's strong relationships and proactive collaboration across public and private institutions. The wealth of programs and activities to be hosted at the rec center will directly impact and improve local quality of life, youth development and community health & wellbeing. **Economic development leadership should continue to support construction and programming budgetary needs of the facility, as its success directly impacts talent attraction efforts detailed in this report.**

¹⁷ <http://3cb0o248woo330xjry6tpusb6.wpengine.netdna-cdn.com/business/wp-content/uploads/sites/11/2016/03/TIPNewBraunfels-MktgPkg-2016.pdf>

¹⁸ <https://innewbraunfels.com/work/expand-a-business/microloan/hispanic-business-alliance/>

¹⁹ <https://www.facebook.com/NBHispanicBusinessAlliance/>

²⁰ <http://www.cnn.com/2016/04/18/latinos-the-force-behind-small-business-growth-in-america.html>

²¹ <http://www.nbtexas.org/1905/Community-Recreation-Center>; <http://radionb.com/news/local-news/article32238/new-community-recreation-center-design>

Tourism & Hospitality

In 2010, the City completed a **Downtown Implementation Plan** with detailed findings and goals for a more urbanized, connected and vibrant mixed-use Downtown corridor. The plan is full of recommendations for parking, traffic management, bikability, pedestrian improvements, promotion, incentives, and governance & accountability. Many elements of the plan have been implemented; however, **implementation has been inconsistent and there must be continued commitment to achieving these goals and putting funds behind those initiatives**. The City is also implementing a promising **redevelopment for the former City Hall** property, which will bring a major hotel into the Downtown, a much-needed tool to increase pedestrian activity and bring more tourism dollars into the urban core.

X: Economic Development Delivery System

The City Government of New Braunfels, TX

The City staff works directly with the New Braunfels economic development stakeholders and has established a strong communication channel, through the development director staff position, to regularly inform the City Council of the economic development process as it unfolds, no matter the size and scope of the prospective deal. The City staff is required to assess the risk of each Type B investment to prepare and accurately inform the City Council before a vote is taken on any financial allocation. Specifically, the City staff is involved in all economic development negotiations and it performs return on investment (ROI) calculations to provide specific data points for the New Braunfels Industrial Development Corporation and City Council to cite when affirming the use of economic development funding mechanisms. Also, the New Braunfels Industrial Development Corporation has an Advisory Team composed of the Mayor, City Manager, Type B President, EDF Chairman, County Auditor and NBU CEO that is briefed monthly on all economic development activity by the Chamber President.

Economic Development Finance Tools

The City's economic development financing tools include various tax abatements, Type B investments, tax increment reinvestment zones (TIRZ), Chapter 380/381 economic development agreements as well as grants and loans that can be provided to eligible prospects by the City Council and Commissioners Court.⁶⁰ The New Braunfels City Council reviews and votes to approve all tax abatement and Type B economic development outlays. The City also receives economic development funding through the State of Texas, including the following types:

- CDBG (e.g. housing rehabs, façade improvements, drainage)
- HOME funds (Texas Dept. of Housing and Community Affairs)
- FEMA (e.g. post-disaster funding)
- Homeland Security Grants

The City of New Braunfels's Type B Economic Development Corporation (i.e. New Braunfels Industrial Development Corporation - NBIDC) administers an estimated \$6 million in economic development investments per year. The NBIDC issues loans and

grants funded by the Type B sales tax to support business retention and expansion. The revenues from the Type B sales tax can be used to fund a wide variety of projects including land, buildings, equipment, facilities expenditures and improvements related to projects defined in Section 2 of the Act or found by the NBIDC to be required or suitable for use for other projects, including quality of life projects.

Each Type B investment is tailored for a company's needs and based on the number of jobs, amount of wages above the average county or industry wage and capital investment to the community. The Chamber and City staff work with each prospect to better understand their site and facility needs and workforce requirements to create jobs in New Braunfels. Then, an incentive package is organized with a blended package of economic development incentives/investments that leverage Type B funding.

A Tax Increment Reinvestment Zone (TIRZ), or "Tax Increment Financing" (TIF), is a tool that local governments can use to publicly finance needed structural improvements and enhance infrastructure within a defined area. New Braunfels has one established a TIRZ district in the city limits that covers the Town Center at Creekside development.⁶¹

The City of New Braunfels and Comal County also offer economic development incentives in accordance with Chapter 380/381 of the Texas Local Government Code. Grants and loans can be provided to eligible prospects by the City Council and Commissioners Court to promote development and diversification of the economy of the state, elimination of unemployment or underemployment in the state, and development and expansion of commerce in the state.⁶² These have been employed most recently at the Westpointe Village development.

Census- Designated Urbanized Area

As a result of the 2010 Census, the City of New Braunfels achieved the census- designated urbanized areas threshold (i.e., UZA), with a population of 57,740. In 1962, the United States Congress passed legislation requiring MPOs for all census designated urbanized areas (UZAs) with populations greater than 50,000 to provide program funding for transportation projects at a regional level. This establishes region- wide plans developed through intergovernmental collaboration, rational analysis and consensus- based decision making.

Main Street Program

There is a Main Street Program that is supported by the City's Downtown Board. It is currently implementing a design and connectivity plan that is infrastructure- based. The plan was completed in 2009, and it provides a set of catalytic design and development actions and policies to strengthen market opportunities and enhance the look and feel of the downtown core to make it an attractive, vibrant, walkable, community- oriented district.

The New Braunfels Chamber of Commerce

The Chamber of Commerce, under contract with Comal County, the Greater New Braunfels Economic Development Foundation (which is a private sector- funded, non- profit foundation), New Braunfels Utilities (NBU) and New Braunfels Industrial Development Corporation, provide the business recruitment and attraction services for economic development projects in New Braunfels. The 17- member Chamber staff is also responsible for tourism development and the New Braunfels Convention and Visitor's Bureau is housed inside the Chamber facilities. In addition to its staff members, the Chamber has a 24- member board of directors as well as a six- member executive committee. The Chamber is a part of TexasOne, which is a state program that facilitates visits to global cities to market Texas communities. The Chamber has also developed a social media marketing strategy that includes up- to- date information sharing as well as engagement through Facebook, Twitter, LinkedIn, SlideShare, Flickr, YouTube and ZoomProspector.

New Braunfels Economic Development Corporation

The Chamber, City and Foundation are represented under the Economic Development Corporation or EDC²². The EDC brand, which is managed by the Chamber, serves as the single point of contact that offers corporate support for businesses looking to create new jobs—either by relocating new businesses or helping existing businesses expand in New Braunfels.

The EDC is staffed by four personnel, consisting of a Director of Economic Development, an Marketing and Research Director, an administrative assistant and the President and Executive Director of the Economic Development Foundation. The city sales tax corporation (NBIDC) expends supports salaries and benefits of all four positions (including insurance, benefits, taxes, etc.) which equates to approximately 3.3 percent of the NBIDC's annual revenues. Public funding for the EDC comes from the New Braunfels Industrial Development Corporation, New Braunfels Utilities (NBU) and Comal County. Private funding comes from entities including Goodwill, engineering firms, banks and the real estate, medical and manufacturing companies. Additionally, private funding comes from the Greater New Braunfels Economic Development Foundation (GNBEDF), a private foundation that partners with the EDC to pay a matching amount toward these professional services and staffing costs. The EDC was also built to help the Chamber market its services to specific clusters and the following industry targets:

- Aviation- Related Activities
- Healthcare and Related Medical Technologies
- Data Centers
- Logistics/Distribution
- Telecom/Information
- Specialty Food
- Automotive Suppliers
- Music Industry

10/35 Economic Development Alliance

Regionally, the Chamber has formal economic development partnerships with neighboring cities. The 10/35 Economic Development Alliance is a partnership between New Braunfels Economic Development Corporation and Seguin Economic

²² NB EDC, Feb 2017

Development Corporation with a primary goal to recruit and retain business and industry within the region. The Alliance focuses on the following clusters: Aviation, IT/Data Centers, Manufacturing, Specialty Foods and Warehouse/Distribution.

Small Business Development Center

The New Braunfels Industrial Development Corporation funded an initial phase of The Center for Entrepreneurship (TCE – Now SPARK) that initially created a culinary arts incubator. SPARK now utilizes the University of Texas at San Antonio's SBDC to operate a satellite office located in a downtown building offering a full range of services. They are currently raising funds and implementing improvements to a new 1,400 sf space and are seeking opportunities to expand further into a 5,000-10,000 sf space in order to launch a more comprehensive entrepreneurship effort with the establishment of a local angel investor fund, networking, and mentorship program.

Funding for the SBDC's services are provided by the New Braunfels Industrial Development Corporation in New Braunfels (66%) and the the Type A Board in the City of Seguin (33%). The Center for Entrepreneurship funds the SBDC operations through a Sponsored Program Agreement with the UTSA to rent and operate the SBDC Satellite Office. The Center of Entrepreneurship's Board currently acts in an advisory capacity to the SBDC and is exploring ways to further expand upon the SBDC's offerings and networks.

Envision New Braunfels Technical Report Highlights

Note: The following pages were drawn from the Technical Report to the New Braunfels Comprehensive Planning process. Highlights and tables were drawn from sections on Growth & Future Land Use [specifically sections on population demographics, household statistics, and current land use data], Economic Competitiveness, Tourism, and Transportation.

Existing Conditions

New Braunfels is a part of a growing megalopolis from San Antonio to Austin. “Of the 15 fastest-growing cities in the U.S. from 2014 to 2015, four of them—Georgetown, first, New Braunfels, second, Frisco, fourth and Pflugerville, 11th--were in this region. (The Dallas Morning News 2016) New Braunfels’ affordable cost of living is 15 percent below the national average and made possible by low city, county and school district taxes. (New Braunfels Economic Development Council 2016)

POPULATION PROFILE

In the last 20 to 30 years, the population of New Braunfels has grown by 158 percent. New Braunfels went from 27,334 residents in an incorporated area of 25.44 square miles in 1990 to more than 70,000 residents in 44 square miles in 2016. The community’s current population of 70,543 is 82 percent larger than just six years ago (57,740 as of census 2010). This equates to a population density, or people per square mile, of 1,603 for New Braunfels. By comparison, there are 2,007 people per square mile in San Marcos, 3,004 people per square mile in Austin and 3,188 people per mile in San Antonio, Texas (as of 2016).

Year	Population	Area (Square Miles)	People per Square Mile (Population Density)
2016	70,543	44.00	1,603
2010	57,740	29.25	1,974
2000	36,494	29.25	1,248
1990	27,334	25.44	1,074
Population Growth Source: New Braunfels EDC 2016 Economic Benchmarks Report			

Year	Population Projection
2031	96,538
2026	87,269
2021	78,158
Projected Population Growth Source: PROS Consulting City of New Braunfels Parks and Recreation Strategic Plan Key Findings, November 2016	

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021.

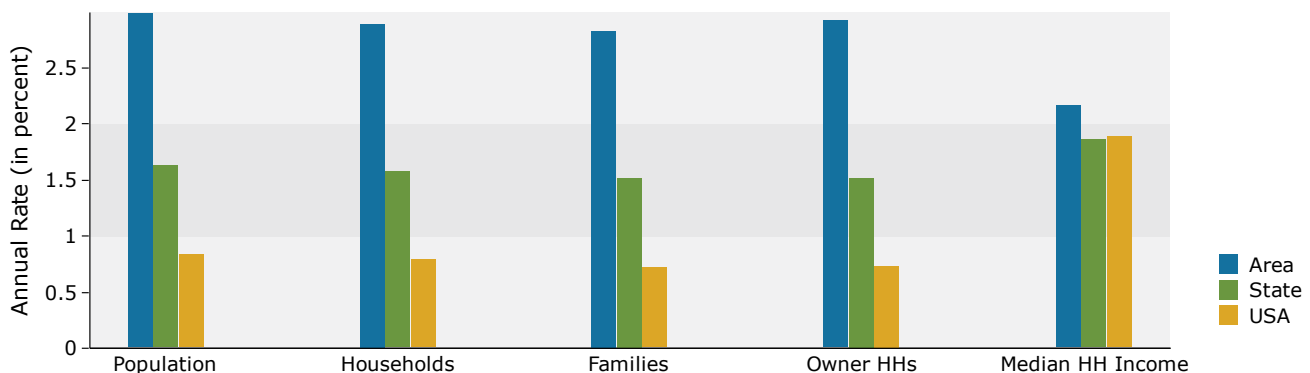
Household Income

In 2016, the median household income for New Braunfels was \$59,055 with the average household earning \$74,758. Those numbers are indicative of an upper middle income community, with 3.4 percent exceeding \$200,000 of annual income. By 2021, New Braunfels median and average household incomes will increase by nearly \$6,000, a larger increase than the per capita income increase of only \$2,000.

	2016		2021	
Households by Income	Number	Percent	Number	Percent
<\$15,000	2,367	9.0%	2,661	8.8%
\$15,000 - \$24,999	2,131	8.1%	2,354	7.8%
\$25,000 - \$34,999	2,959	11.3%	3,726	12.4%
\$35,000 - \$49,999	3,307	12.6%	2,594	8.6%
\$50,000 - \$74,999	5,044	19.3%	5,278	17.5%
\$75,000 - \$99,999	4,174	16.0%	5,555	18.4%
\$100,000 - \$149,999	4,133	15.8%	5,382	17.8%
\$150,000 - \$199,999	1,163	4.4%	1,501	5.0%
\$200,000+	880	3.4%	1,116	3.7%
Median Household Income	\$59,055		\$65,737	
Average Household Income	\$74,758		\$80,756	
Per Capita Income	\$27,906		\$29,884	

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021.

Trends 2016-2021

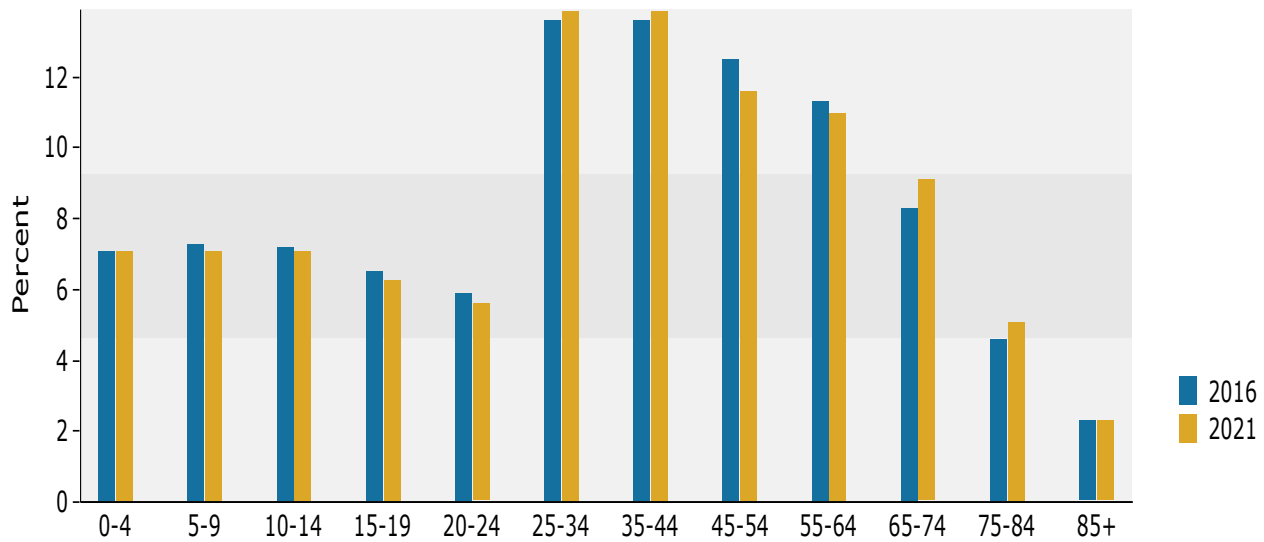


Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016-2021.

AGE DISTRIBUTION

The chart below illustrates estimated age trends in New Braunfels through 2021. The city population has a lower proportion of persons aged 15-24, and a growing number of middle aged people that are 25-44 years old. Seniors and empty nesters are expected to continue to comprise a large proportion of the population.

Population by Age



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021.

Summary	Census 2010	2016	2021	2016-2021 Change	2016-2021 Annual Rate
Population	57,744	71,869	83,274	11,405	2.99%
Households	21,261	26,157	30,167	4,010	2.89%
Median Age	35.6	36.8	37.0	0.2	0.11%
Median Male Age	34.3	35.6	35.8	0.2	0.11%
Median Female Age	36.9	38.1	38.3	0.2	0.10%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021.

Ethnicity

New Braunfels' population includes many households of German, Hispanic and Anglo descendants. Today the population by race-ethnicity is 1.3 percent Asian, 2.6 percent Black or African-American, 84.3 percent Anglo, 0.8 percent American Indian, 0.1 percent Pacific Islander and 8.4 percent another race or ethnicity. 38 percent are of Hispanic origin (any race). This table indicates that in the future New Braunfels will become more diverse and multicultural, as growing percentages of individuals moving to the area will be of Hispanic, Asian, Black, or African-American or mixed race descent.

	Census 2010		2016		2021	
Race and Ethnicity	Number	Percent	Number	Percent	Number	Percent
White Alone	50,136	86.8%	60,564	84.3%	68,655	82.4%
Black Alone	1,081	1.9%	1,879	2.6%	2,789	3.3%
American Indian Alone	385	0.7%	541	0.8%	688	0.8%
Asian Alone	595	1.0%	904	1.3%	1,275	1.5%
Pacific Islander Alone	24	0.0%	42	0.1%	56	0.1%

Some Other Race Alone	4,212	7.3%	6,005	8.4%	7,326	8.8%
Two or More Races	1,311	2.3%	1,935	2.7%	2,486	3.0%
Hispanic Origin (Any Race)	20,231	35.0%	27,328	38.0%	33,985	40.8%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021.

Land Uses

How land is used, how goods and services support daily life, and how residents travel around New Braunfels is central to quality of life in New Braunfels. Envision New Braunfels hopes to ensure quality of life for all residents, and to create equitable, healthy and attractive places for present and future generations. Envision New Braunfels aligns land uses with investments in transportation and other public infrastructure, and comprehensively considers the many related issues. How land is used does not happen in isolation from other topics important to the community, such as affordability, sense of community, health and environmental quality.

As the Future Land Use Map (2006) shows, residential low density, commercial and commercial industrial are the three dominant land uses in New Braunfels. Park land along waterways, together with open space, is integrated into residential and commercial spaces. Several mixed-use areas, such as Gruene, represent a moderate amount of New Braunfels current overall land use.

Figure: Land Use (2006)

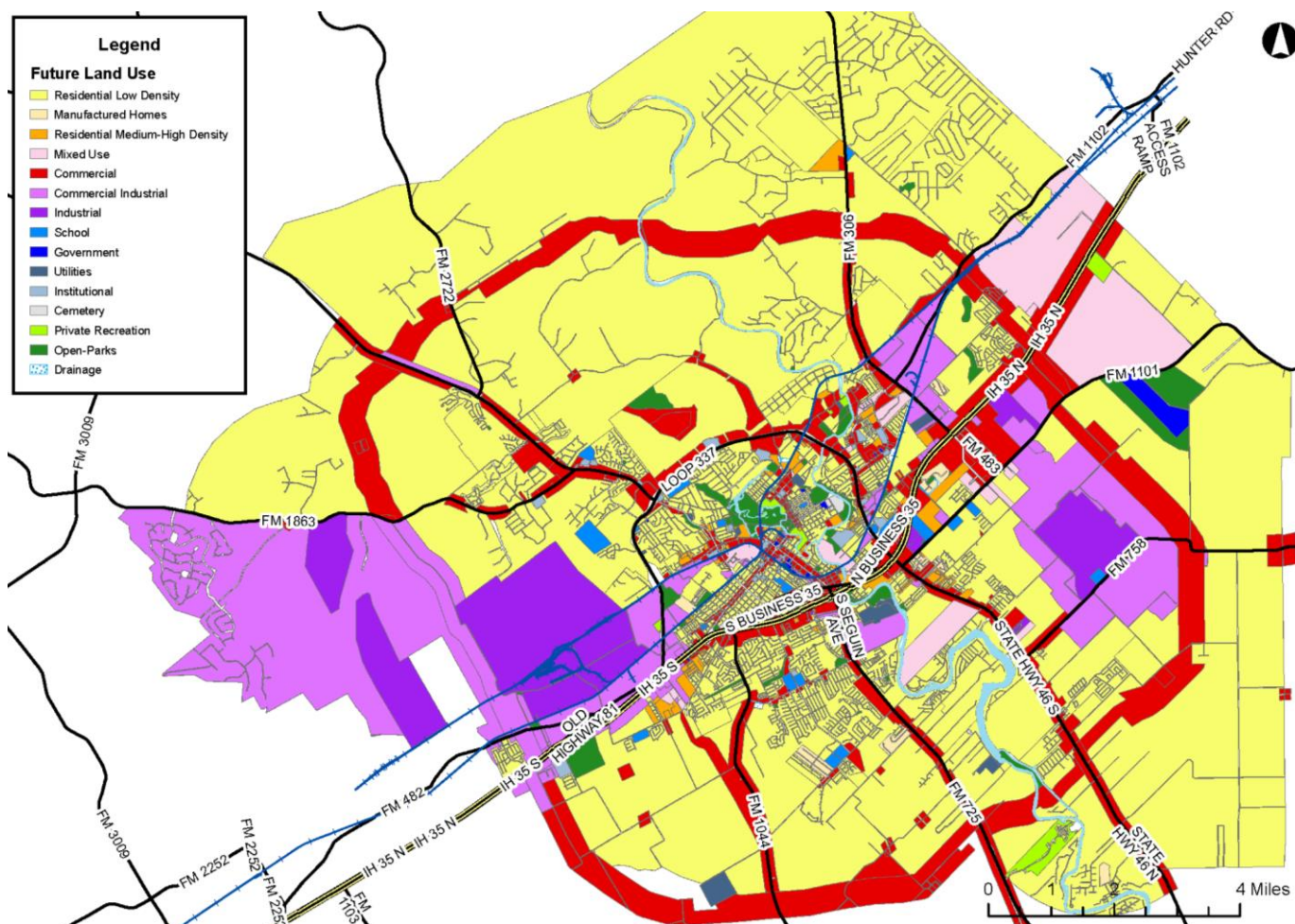
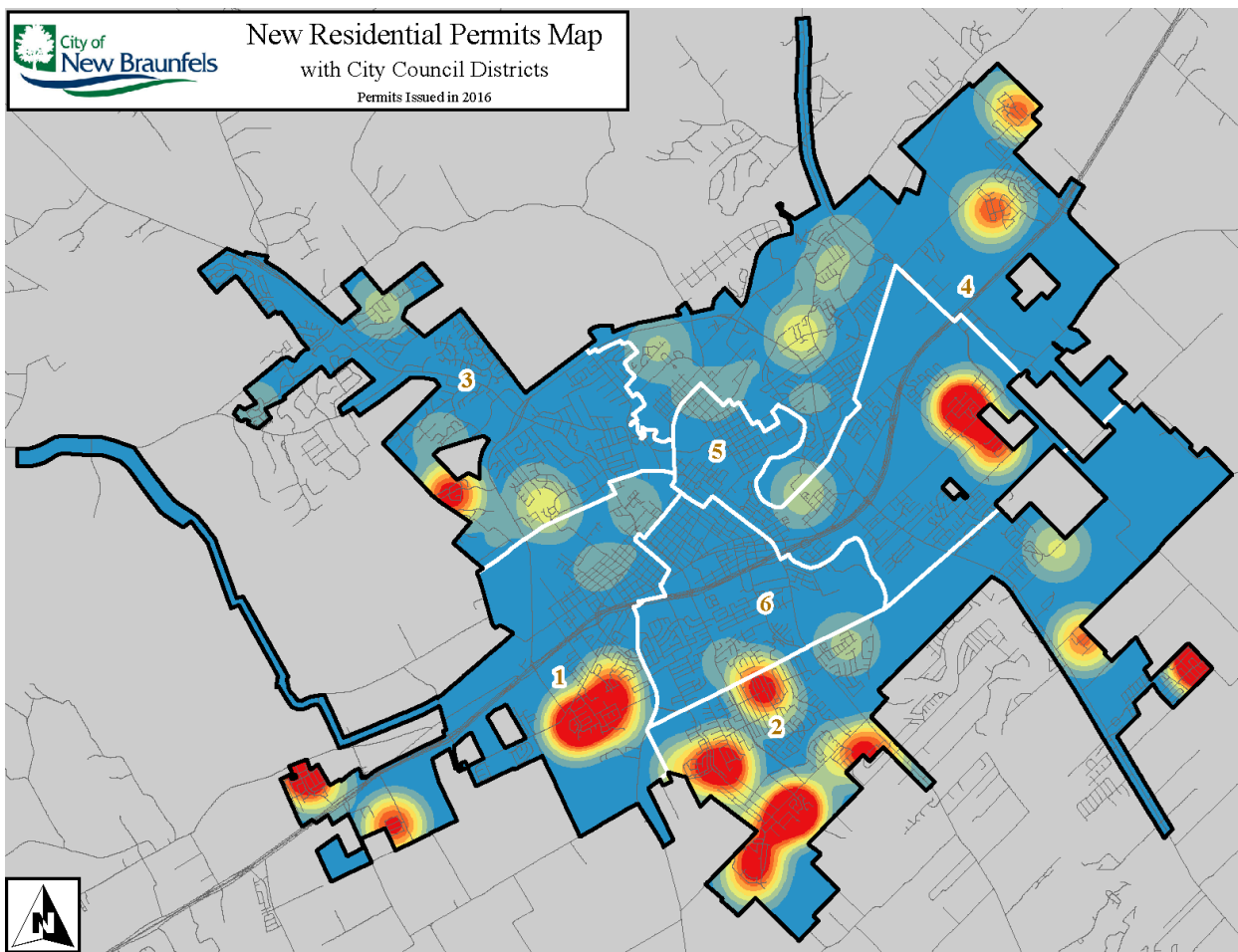


Figure: Land Use (2006)

Land Use	Acre	Percent
Central Business District	28	1%
Cemetery	41	0%
Commercial Industrial	3,575	2%
Commercial Resort	263	1%
Commercial	8,551	3%
Commercial General	6,384	17%
Commercial Neighborhood	280	3%
Commercial Office	330	3%
Commercial General	9	0%
Drainage	48	0%
Government	298	1%
Heavy Industrial	2	0%
Institutional	333	2%
Light Industrial	3,229	2%
Low Density Residential	3	0%
Manufactured Homes	473	1%
Mixed Use	5,058	2%
Open-Parks	1,499	3%
Park	36	0%
Private Recreation	353	0%
Quarry	4,433	0%
Residential High Density	520	2%
Residential Large Lot	36,378	6%
Residential Low Density	42,982	47%
Residential Medium Density	278	2%
Residential Low Density	18	0%
Resort Commercial	5	0%
School	511	1%
Utilities	325	1%
Grand Total	116,245	100%

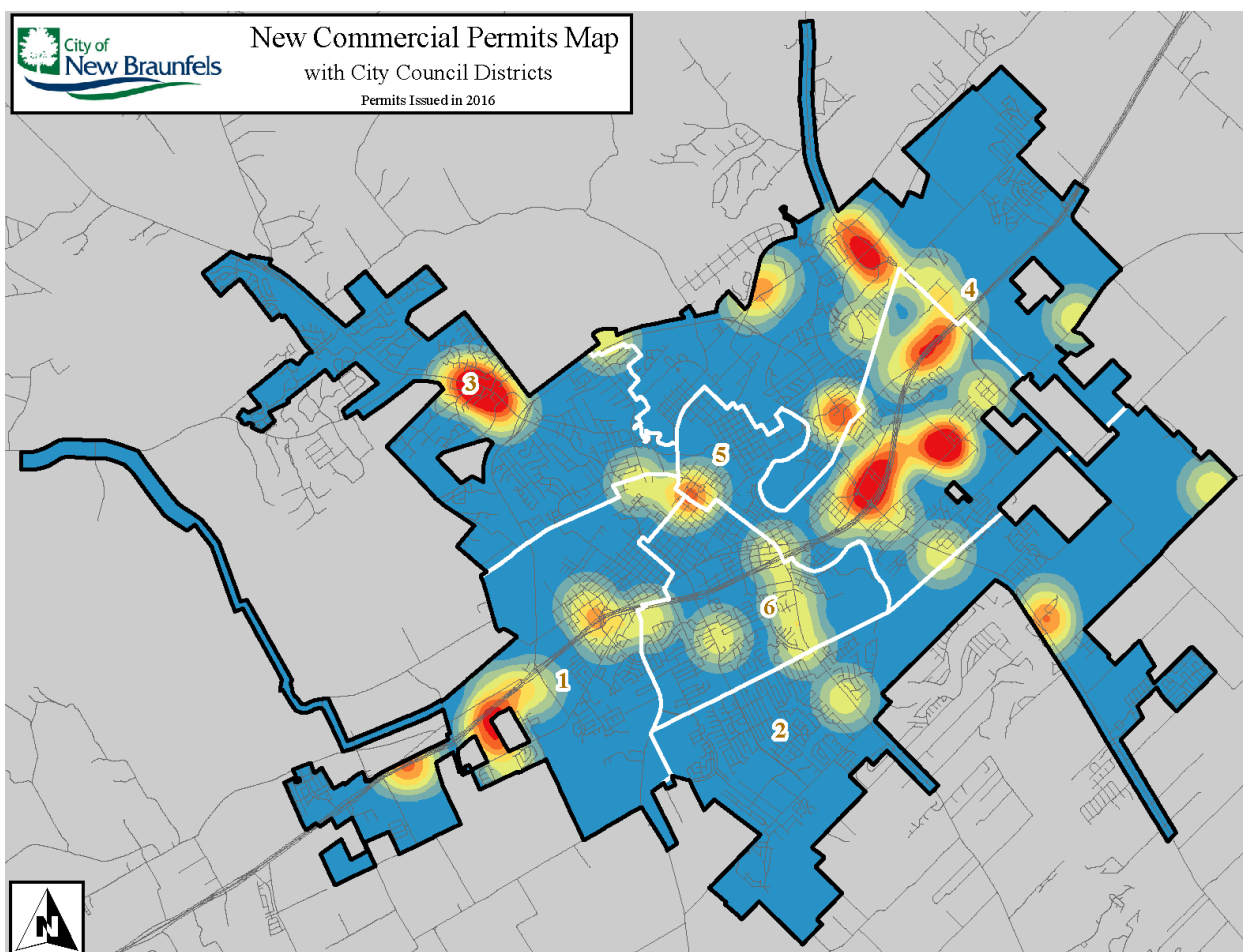
Residential Land Use

New Braunfels is primarily a residential community with a strong commercial and industrial base that emerged from the town's founding settlers. Types of neighborhoods vary, ranging from conventional subdivisions to gated communities and multifamily complexes. Elegant older homes, narrow shaded streets and beautiful yards often characterize more historic long-standing neighborhoods. Many homes are situated near the town's rivers and area lakes. Rural residential landscapes, with homes featuring larger lot acreage, are typically found along the outskirts of the city and extraterritorial jurisdiction, where large tracts of land are beginning to see infill development.



Commercial Land use

Today commercial land uses, shopping, goods and services are clustered downtown and along Interstate Highway 35, Loop 337 and other key transportation corridors. Types of commercial land uses range from general commercial to neighborhood commercial. Diverse commercial uses employ workers in a variety of professions from aerospace, automotive, construction, engineering, finance, health care and manufacturing. In the last nine years, the workforce has increased 44 percent and new primary jobs doubled since 2003, averaging 982 primary jobs per year. (New Braunfels Economic Development Council 2016) Commercial developments provide important sales tax revenue to the city. More commercial land uses help to diversify the tax base and ease tax burdens on both existing and future residential homeowners. New commercial permits indicate that commercial businesses and developers are interested in areas along Interstate Highway 35, as well as emerging places for residents or visitors to shop and work along Walnut Avenue, FM 725 and FM 306.



Economic Competitiveness

The following bulleted lists are summary or snapshot of Strengths & Opportunities identified by community dialogues and initial committee discussions.

Existing Strengths & Opportunities

- Downtown New Braunfels
- Historic Gruene District
- New Braunfels Regional Airport & Industrial Park,
- CHRISTUS Santa Rosa Hospital, 600 N Union Ave; CHRISTUS Ambulatory Surgical Center; CHRISTUS Santa Rosa Emergency Center @ Creekside;
- Resolute Health Hospital, 555 Creekside Crossing --128 beds, 56 acres, I-35 access.
- UTSA Small Business Development Center & Center for Entrepreneurship, 940 W San Antonio St
- Alamo Colleges – Central Texas Technology Center, 2189 FM758 -- Set to double the size of their current facility (adding 30,000 sf to current 25,000 sf facility) to increase higher education and workforce training.
- Wayland Baptist University NB Campus, 1650 Independence Dr

Emerging Opportunities

- Downtown Master Plan to redevelop former City Hall into Downtown Hotel & parking garage.
- Milltown Historic District & Faust Street Bridge

- One of the few areas with moderate to large land/existing buildings for redevelopment, ideally a walkable, mixed use opportunity zone for leveraging affordable housing funds & density bonus programs.
- Titan Industrial Park [\[Link 1\]](#)
 - 96 acres, I-35 access, large lots/dock facilities, Class A Industrial, Footprints between 50k-1M sf, Walmart Distribution Center (employs over 1000) nearby. Already captured major tenant (Canadian General Towers, auto industrial materials & supply) who purchased 28 acres for 240,000 sq ft facility and will invest \$50 million and employ 80+ FT workers by Jan 2018.
- Veramendi Development [\[Link\]](#):
 - Will improve EDC's ability to attract an anchor for Corporate Campus.
 - Future Howard Payne University Campus & New CHRISTUS Campus
 - "380 acres of non-residential uses including a town center, corporate campus, resort hotel, higher-ed campus and 2 elementary schools"
- Recreation Center will spur additional development activity in surrounding area.

Ongoing planning & implementation efforts:

- Economic Development Strategic Plan, New Braunfels Industrial Development Corporation, (2010-2015), Completed
- Economic Development Strategic Plan, New Braunfels Industrial Development Corporation, (2010-2015), Currently ongoing and to be completed & adopted February 2017.
- City of New Braunfels Downtown Implementation Plan (2010)

Economic competitiveness in the context of comprehensive planning refers to examining and strengthening the ability of New Braunfels to compete effectively and prosper in the regional, state, national and global economy. Understanding economic competitiveness involves an examination of New Braunfels' relative performance on core metrics that measure how the community satisfies the needs of job creators, such as unemployment, economic growth, job growth, access to a qualified workforce, K-12 and higher education, and the needs of people to fill those jobs, such incomes and wages, regional mobility, housing, health care, accessible recreation and entertainment. For sustainable economic growth, communities must invest on both sides of the equation New Braunfels is highly competitive in its ability to satisfy the needs of business and industry; however regional and local growth have precipitated challenges on the people-side of the equation: namely, in offering affordable housing, regional mobility, and accessible recreation and entertainment to all residents. Businesses understand that without a strong people-focused strategy, the talent and skilled labor pool can and will eventually be compromised.

The Economic Competitiveness Plan Element Advisory Group works to establish a coordinated approach to economic development. Their goal is to ensure the community is well positioned to attract workers and businesses, and to retain and sustain existing businesses.

Industry Growth

New Braunfels' economic development entities (including Industrial Development Corporation, Economic Development Foundation, Chamber of Commerce, City of New Braunfels Economic Development Manager and the New Braunfels Downtown Association) work together to create sustainable economic growth through quality job growth, diversifying the tax base, and diversifying & expanding the community's portfolio of employers.

Businesses grow by having access to resources in their regional vicinity—like natural resources, unique infrastructure, access to suppliers or consumers, or a talent pool with specialized training & education. Strong industry subsectors tend to grow in clusters of complementary, competitive, or cooperative businesses and associations leveraging their unique resources²³. The US Economic Development Administration defines a cluster as a regional concentration of related industries in a particular location. Understanding the regions assets and historic growth trends provide insights into how to formulate a targeted approach to cultivating growth in a regional context.

New Braunfels is part of the San Antonio-New Braunfels metropolitan area, as defined by the US Census Bureau. The metro spans across the following counties: Atascosa County, Bandera County, Bexar County, Comal County, Guadalupe County, Kendall County, Medina County and Wilson County. According to the US Census, in 2015 the metro ranked 25th in the nation by population (2,384,075), and 1st in the nation in terms of economic growth according to the US Department of Commerce.

New Braunfels is also located adjacent to the Austin—Round Rock—San Marcos metropolitan area, the 33rd largest metro with a population of just over 2 million and the 2nd fastest growing economy (US Census, US Department of Commerce).

The New Braunfels economy is built on a foundation of primary industry sectors that create output which exceeds what the local economy can absorb, thereby growing the economy. New Braunfels’ primary sectors include: Tourism and Hospitality; Manufacturing; Health care; and Logistics. Efforts to grow primary jobs are focused around a list of target industries (specific business categories within each primary sector) which are industries that are strategically aligned with regional economic development efforts and with community’s unique advantages and specific objectives.

New Braunfels Target Industries
Music Industry
Healthcare and Medical Technologies
Specialty Foods
Data Centers
Logistics and Distribution
Telecommunications and Information
Aviation Suppliers

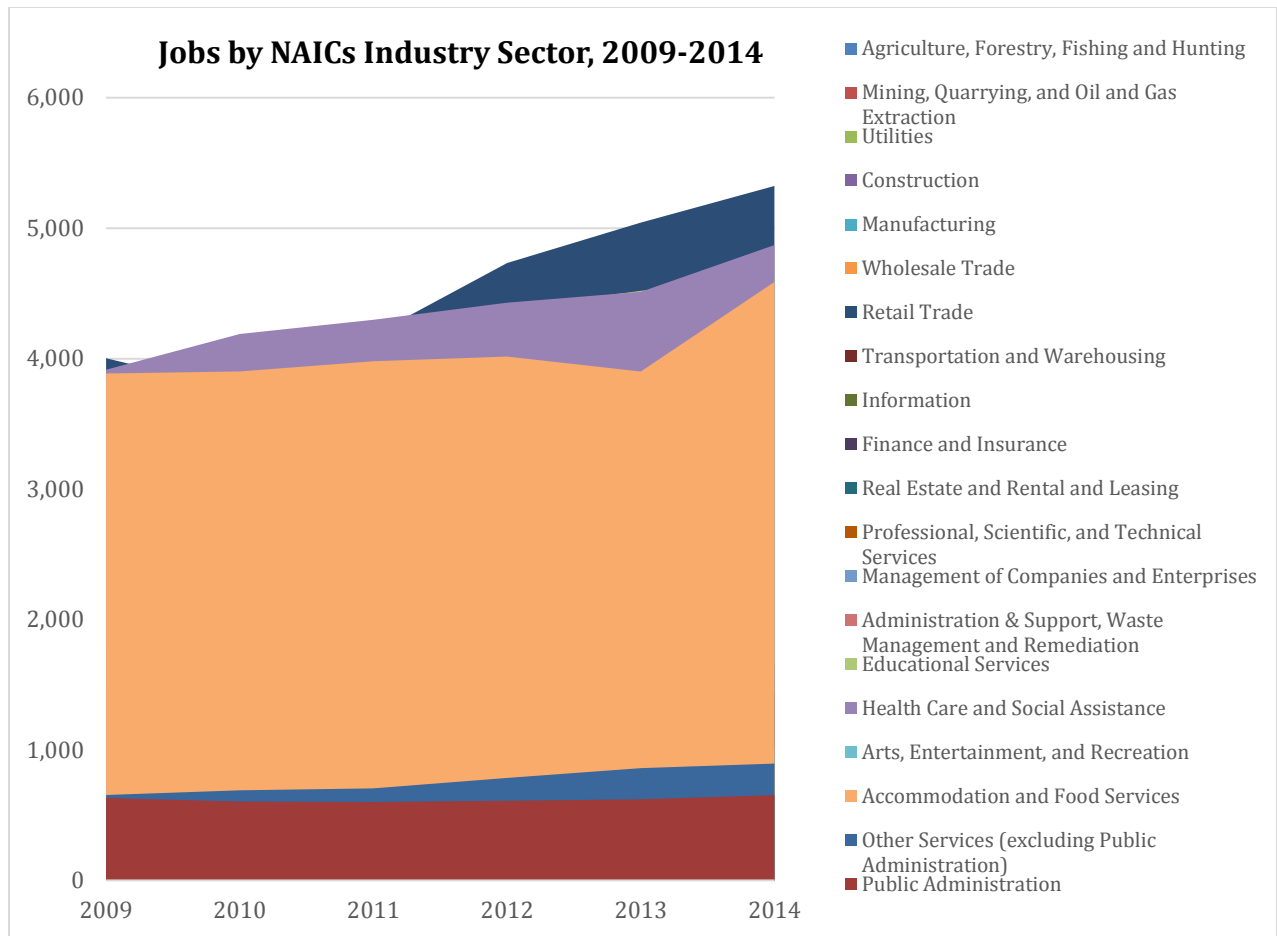
The table to the right lists New Braunfels’ current target industries.

The Chamber of Commerce, Industrial Development Corporation, and the City work together to promote the growth of these industries through marketing, business attraction & expansion, providing necessary infrastructure for their continued growth, and coordinating workforce development programs across the K-20 educational pipeline. These entities have leveraged a range of tools depending on

Trending Growth Sectors:

- Retail: 111 percent growth in retail sales tax collections since 2003; 200,000 more sq. ft. coming online; primarily focused in the Creekside Development area off the Interstate Highway 35 corridor.
- Healthcare: Creekside also added Resolute Health Hospital, CHRISTUS Santa Rosa Campuses, medical/professional office as well as accessible, proximate senior and assisted living housing units.

²³ International Economic Development Council: Economic Development Reference Guide, Regional Clusters sections, 2016



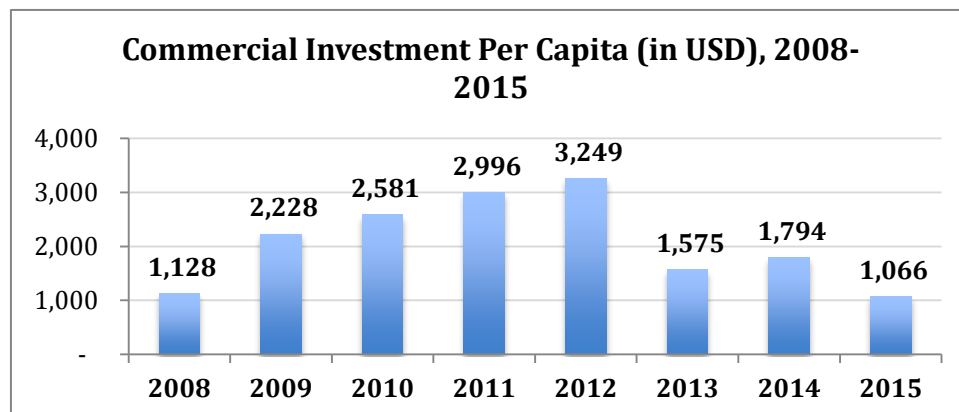
Local Jobs by NAICS Industry Sector, 2009-2014							
	2009	2010	2011	2012	2013	2014	% +/-*
Agriculture, Forestry, Fishing and Hunting	7	5	0	19	12	10	8.57%
Mining, Quarrying, and Oil and Gas Extraction	26	136	28	27	37	47	16.15%
Utilities	298	333	243	235	247	238	-4.03%
Construction	1,108	988	861	1,015	1,265	1,655	9.87%
Manufacturing	1,754	1,584	1,685	1,558	1,447	1,539	-2.45%
Wholesale Trade	2,077	2,247	2,396	2,420	1,361	879	-11.54%
Retail Trade	4,003	3,759	4,182	4,733	5,043	5,324	6.60%
Transportation and Warehousing	1,377	1,220	1,256	1,355	1,351	1,435	0.84%
Information	202	164	192	216	203	200	-0.20%
Finance and Insurance	493	716	657	677	568	588	3.85%
Real Estate and Rental and Leasing	385	349	334	339	323	398	0.68%
Professional, Scientific and Technical Services	535	560	623	721	789	838	11.33%
Management of Companies and Enterprises	387	401	501	473	556	618	11.94%
Administration and Support, Waste Management and Remed...	536	669	738	663	847	978	16.49%
Educational Services	1,505	1,465	1,534	4,385	4,520	4,644	41.71%
Health Care and Social Assistance	3,915	4,189	4,298	4,429	4,512	4,871	4.88%
Arts, Entertainment and Recreation	700	743	886	872	875	1,010	8.86%
Accommodation and Food Services	3,886	3,902	3,980	4,016	3,901	4,588	3.61%
Other Services (excluding Public Administration)	654	690	705	785	860	895	7.37%

Public Administration	631	604	600	610	621	653	0.70%
*Average Annual % Change, 2009-2014							

Source: U.S. Census On the Map, 2015 5-Year Estimates

Commercial Development

Commercial real estate investments over the past approximately eight years has been focused within the retail and industrial market. The following indicator demonstrates the amount of commercial investment the local economy is able to attract on a per capita basis.



Source: New Braunfels EDC

Industrial Growth: Industrial Growth: New Braunfels is located directly along the Interstate Highway 35 corridor (referred to as “the corridor” below) the primary auto, commuter and distribution fleet connection between the two fastest growing metro regions in the country (San Antonio and Austin) and the most expedient distribution connection to other networks and connections to major population centers stretching from Mexico to Canada. The Central Texas region’s growing incomes, population, and competitive set of economic development tools—from direct incentives to a flexible local taxing toolbox—has long attracted businesses who require a robust supply chain of goods. Growth in manufacturing, retail, ecommerce, and material processing have driven a boom in industrial real estate & services growth along the Interstate 35 corridor.

Like many peer communities along the corridor, New Braunfels has focused economic development efforts on leveraging their location along the I-35 corridor²⁴. It assists the community’s efforts to increase, diversify the property tax base and diversify the economic strengths of the community. The Industrial Development Board’s previous five-year plan (2010-2015) targeted adding 350,000 new sq. ft. into the market and far exceeded this target with the opening of the new, 96-acre Titan Industrial Park and the early capture of some key anchor tenants (namely, CGT). These efforts resulted in the community ultimately adding 740,000 industrial sq. ft.—more than double their target objective.

²⁴ http://www.mysanantonio.com/news/local_news/article/I-35-corridor-booming-northward-3537685.php;
<http://bexarwitness.com/market-watch-ih-35-corridor-gaining-more-industrial/#.WJQGwLYrlb0>;
<https://www.planetizen.com/node/89260/massive-growth-along-i-35-corridor-texas>;
<http://www.bizjournals.com/sanantonio/news/2016/10/10/how-big-is-the-growth-along-the-i-35-corridor-and.html>

Opportunities in Office market

The San Antonio-New Braunfels metro has witnessed strong absorption, falling vacancies, and steady rents for Class A and B office space since 2012 (CBRE, 2016) while continuing to be one of the strongest markets for new construction for the last three years (Transwestern, 2013-2016). In the last 24 months alone, the San Antonio metro added 1.59 million sq feet of Class A & B office space most of which has focused on the Central Business District and the North-Northcentral submarkets. Despite this tremendous pace of added sq ft, rents remain high, which is continuing to drive construction demand in a small set of submarkets (north central and central business) while Markets in the northeast sector of the San Antonio metro along I-35 have attracted mostly industrial, including New Braunfels.

New Braunfels is centrally located within the Greater San Antonio region and has lagged behind other submarkets for new construction. And given the relatively small size, age and location of available office in New Braunfels, the area shows surprisingly low vacancies and higher than expected rents. In summary, despite the less-than-ideal quality of inventory, rents are still high and the region continues to boom. These data indicate a need for New Braunfels to proactively position itself within the metro for office redevelopment, reinvestment or new construction of office space. New Braunfels' strong demographics—high levels of educational attainment, available workforce, high incomes, high real estate values—as well as quality of life, natural resources and attractive housing market make it a competitive market for the construction of a Class A corporate campus development. With a targeted marketing strategy, alignment of land use policy and a forward-looking financing approach, New Braunfels could position itself as a relatively lower-cost alternative for land acquisition with a more accessible and equally competitive talent pool that has already proven to be an attractive place for a white collar/management level workforce to live, work, and play.

Education and Workforce

The City of New Braunfels currently has limited options for higher education. The Alamo Colleges offer courses through NBISD's Learning Center and the Central Texas Technology Center (CTTC). CTTC opened in 2004 at New Braunfels's municipal airport and offers workforce training solutions in addition to freshman- and sophomore- level courses, allowing students to carry out the first two years of a degree to complete requirements for licensing and certification in special trades in Texas as well.

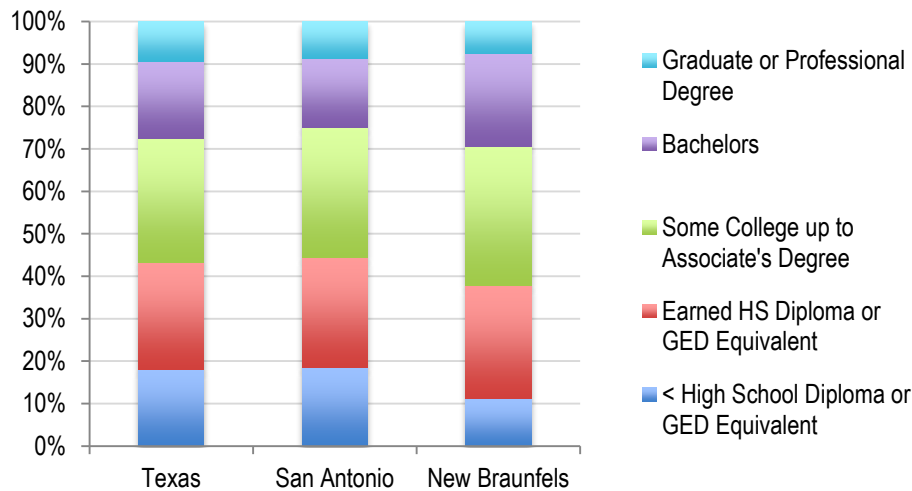
In spring 2012, Howard Payne University in Brownwood, Texas announced it will be making a long- term commitment to the City of New Braunfels with a new campus at the Veramendi development. Howard Payne University will be building a multi- million dollar campus and its educational offerings will include courses in computer information systems, nursing, engineering, and hospitality and tourism.

In Guadalupe County, Texas Lutheran University (TLU) is located in Seguin, which is about 15 miles from downtown New Braunfels. TLU offers four- year degree programs. Several other colleges and universities are within an hour's drive of New Braunfels, including Texas State University in San Marcos (about 18 miles from New Braunfels); the University of Texas and St. Edward's University in Austin (about 50 miles away); and several San Antonio- area schools including the University of Texas at San Antonio, Trinity University, St. Mary's University, University of the Incarnate Word and several Alamo Colleges campuses (all about 30 to 40 miles away).

Educational Attainment of the population over 25 in New Braunfels is higher than that of the State or the City of San Antonio²⁵. Nearly 89 percent have earned at least a high school diploma, and 29.3 percent of this working-age population has earned at or above a bachelor's degree. At the state and metro level, the population lacking a minimum of a High School Diploma or equivalent GED certificate is almost double that of New Braunfels.'

²⁵ City Limits

Educational Attainment, 2015 Population 25 Years or Older



Source: American Community Survey, 5-year estimates, S1501

Educational Attainment for the Population 25 years and older, 2015			
	Texas	San Antonio	New Braunfels
< High School Diploma or GED Equivalent	18.1%	18.5%	11.2%
Earned Diploma or GED Equivalent	25.2%	25.8%	26.5%
Some College up to Associate's Degree	29.2%	30.6%	32.9%
Bachelor's Degree	18.2%	16.2%	21.7%
Graduate or Professional Degree	9.4%	8.8%	7.6%

Source: American Community Survey, 5-year estimates, S1501

New Braunfels also boasts access to a regional labor shed—the working age population living within the area New Braunfels draws labor from—of more than 450,000 and nine institutions of higher learning across the region (NB EDC, 2016). The community's preeminent workforce development institution, Alamo Colleges—Central Texas Technology Center—is more than doubling the size of their New Braunfels campus from 25,000 to 55,000 and correspondingly expanding program capacity²⁶.

²⁶ INNewBraunfels.org: <https://innewbraunfels.com/chamber/2016/08/08/grow-cttc-expansion-set-open/>; 2016 IEDC Awards in Economic Development Application, NBIDC

Emerging Challenges – Workforce Housing and Regional Mobility

Despite the size of the regional workforce and high median incomes of the local population, local wage growth and the wages of newly added jobs remain insufficient to keep pace with the pace of rising rents and home values. According to the New Braunfels EDC, from 2003-2015, the New Braunfels population has increased by 58 percent while only increasing housing units by 23 percent over the same period (US Census, American Community Survey 5-Year Estimates, Selected Housing Characteristics). Additionally, Median Household Income has grown by 74 percent. Rapid population growth among high income individuals that far exceeds new residential growth leads to rapidly rising rents and property values—which is great for existing property owners but presents a drastic effect on local moderate to low-income households and renters. Taxable Property Valuations have increased by 153 percent, and as of 2016 asking rents for 1-2 bedroom for rent units are priced at 20% above Department of Housing and Urban Development Fair Market Rents²⁷.

Median HH Income and Wages for Workers, 2015			
	Texas	San Antonio	New Braunfels
Median Household Income	53,207	46,744	59,721
Median Earnings for Workers	30,263	26,213	31,774

Source: American Community Survey, 5-year estimates

Local Market Rent versus HUD Fair Market Rents					
	Efficiency	1 BR	2 BR	3 BR	4 BR
New Braunfels Median Market Rent*		\$890	\$1,090		
Comal County Median Market Rent*		\$860	\$1,150		
HUD 2016 Fair Market Rent **	\$596	\$739	\$929	\$1,222	\$1,430

Source: New Braunfels Housing Partners, 2016

*Apartment List Rentonomics[Apartmentlist.com]. Measuring base rent; does not include costs of utilities, internet/cable.

**HUD amount includes ALL housing costs including utilities. Use this figure to establish income limits—FMR = 30 percent of income.

To afford a Fair Market Rent for a 2-bedroom apartment (\$929), a household would need to earn a wage of \$17,87 per hour or an annual income of \$37,160; at minimum wage, a household would need 2.5 full-time wage earners (Nich.org; NBHP, 2016). The table below is a compilation of locally-reported wages by approximately 318 New Braunfels wage-earners. Much of the workforce in New Braunfels earn wages that put them into a position of spending more than 30 percent of their income on housing.

Locally-Reported Occupational Wages

²⁷NB EDC 2016; New Braunfels Housing Partners, 2016; HUDuser, 2016 FMR

https://www.huduser.gov/portal/datasets/fmr/fmr_il_history.html; <http://www.expressnews.com/real-estate/article/Shortage-of-affordable-homes-could-worsen-in-10840935.php?cmpid=gsa-mysa-result>;

	Hourly Wage
Certified Nurse Assistant	\$10.57
Licensed Vocational Nurse	\$18.72
Office Manager	\$15.83
Sales Associate	\$9.40

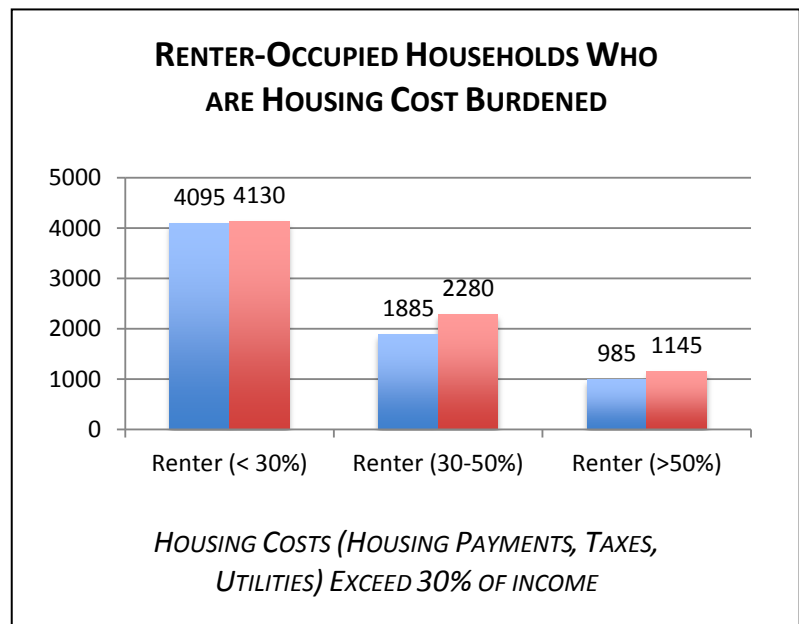
Source: Payscale.com*

**Payscale is a user-focused site for individuals seeking to learn more about what they could make in other areas, what others in their area are making with the same job, etc. Published wages/salaries go through rigorous analysis before making information part of the public survey for an area to ensure these are wages for comparable work, education/certifications, hours, etc. It is a somewhat more granular level of data reported by local people. This helps us to put a more familiar set of faces closer to the issue.*

The affordability is impacting a large part of the city's middle-class.

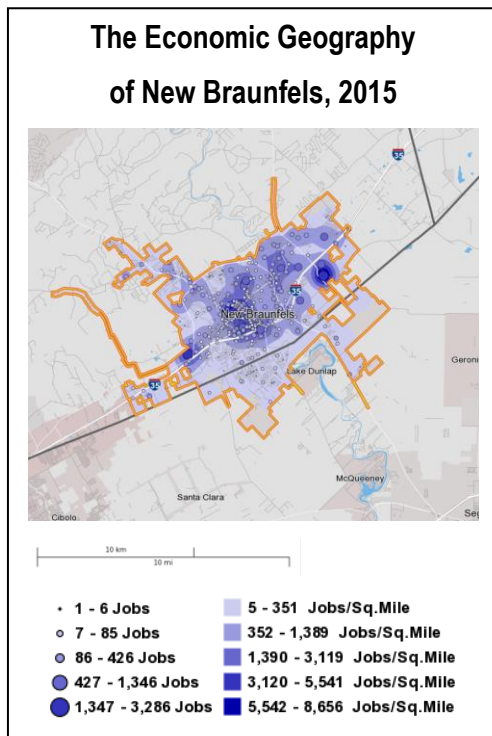
For example, a household earning 50 to 80 percent of area Median Family Income would earn a salary between \$29,861 and \$47,776; a local Office Manager in a standard service industry job earns an average of \$15.83/hr (Payscale.com). Among renter-occupied households in New Braunfels increase by 23 percent from 2008-2013 (2,935 to 3610), and 64 percent of households in this income bracket report they spend more than 30 percent of their income on housing.

The challenge remains a combination of a need to increase wages and the availability of housing that is affordable to income groups below 80% MFI.



Primary job growth is a benchmark measure for number of jobs added by employers who produce a good or service that is primarily sold outside the trade area. New Braunfels EDC conducts an annual survey of job growth of more than 50 such local employers (both new and existing) in this category and which indicates that 982 jobs *annually* since 2004 (NB EDC, 2016 Benchmark Report).

Unemployment levels are also consistently lower than state and metro levels, as indicated by NB EDC reports since 2008. It was last reported as 3.7 percent in October 2016, with the 8-county area measuring at 4.5 percent, and the state at 4.8 percent. Job centers are concentrated along the Interstate Highway 35 corridor, as indicated in the map below. The highest concentration is around the Creekside market which has a combination of high Retail, Healthcare, Logistics and Manufacturing employers.



The outlook among the area's primary employers and business leaders is overwhelmingly positive, according to recent surveys. The primary concerns for future expansion remain two-fold:

- (1) Fast-paced regional growth potentially causing mobility challenges in the movement of people, goods and services;
- (2) The need for public investments to grow, attract and retain a talented and skilled workforce.

New Braunfels' sits in an ideal location to leverage the explosive growth in startups, research and development and entrepreneurial culture of the San Antonio and Austin metropolitan areas. It is a community rich in wealthy, experienced managers and executives—as described by real estate developers, investment managers, economic development leadership and philanthropic fund leaders in the region²⁸—in a region rich in both stable industries that are often resistant to cyclical shifts (government, military, education, etc.) and innovation and technology. New Braunfels' is also seeing its share of influx of Millennials—talented, highly educated, tech-savvy class of labor born between approx. 1982-2000²⁹. The table below shows the competitive balance of young and old by demographic group.

	Texas	San Antonio	New Braunfels
Median Age	34.5	36.1	33.1
<i>Young and Mobile Emerging Talent Pool</i>			
Population 25-29 years	7.3%	8.2%	7.4%
Population 30-34 years	7.2%	7.4%	7.5%
Population 35-39	6.8%	6.5%	7.0%
Total	21.3%	22.1%	21.6%
<i>Outgoing Manager/Executive Talent Pool</i>			
Population 55-59	5.9%	5.6%	5.4%
Population 60-64	5.0%	4.8%	4.7%
Population 65-69	3.8%	3.7%	4.0%
Total	14.7%	14.1%	14.1%

However, despite these strong demographics, entrepreneurial activity is lagging in New Braunfels, relative to the region. The following emerging opportunities can catalyze entrepreneurial growth in the community: Howard Payne University's new campus, developing a cutting edge corporate campus, the small but burgeoning network of creative entrepreneurs, cowork spaces, and the emergence of a local angel network.

In addition to building the complex infrastructure of an entrepreneurial ecosystem, increasing the community's place-based amenities will make the city more attractive to the creative minds that will fuel the entrepreneurial engine, such as by increasing access to and visibility of trails and open spaces and a push to expand startup resources to small, independent food, arts and culture related businesses.

²⁸ Pegasus Planning & Development, interviews conducted vis-a-vis Economic Development Strategic Plan, Oct 2016-Jan 2017.

²⁹ <http://www.newstrategist.com/store/files/BB8.SamplePgs.pdf>

Quality of Place

Talented, creative people seek areas where they are constantly exposed to inspiring spaces, places, and people. New Braunfels' rich cultural heritage, stunning natural resources, tourism amenities, small town feel, and quality of life give it a distinct sensibility. Downtown New Braunfels and the Gruene Historic District qualify as unique places that are also real assets for economic development. Other services, such as the CHRISTUS Santa Rosa Hospital, CHRISTUS Ambulatory Surgical Center, Resolute Health Hospital, UTSA Small Business Development Center and Center for Entrepreneurship, Central Texas Technology Center and Wayland Baptist University New Braunfels Campus enhance both the city's economic productivity, and its appeal for employers and investment.

However, there is limited access to much of its rich amenities for residents. There are relatively few areas with walkable, accessible, small-scale retail or dining establishments. There are gaps in bike and pedestrian networks to make it easy for residents to maximize their proximity to such attractive resources. Investing in these resources is not only a direct investment in what people want; it will also make the community more competitive for attracting businesses who offer higher-wages and are looking for a place that will keep their people happy and productive. As one of the few areas with moderate to large land/existing buildings for redevelopment, the Milltown Historic District and Faust Street Bridge area are ideal opportunities to target mixed use development, and to leverage affordable housing funds and density programs.

Dialogue 1 Summary

At the Visioning Workshop held on November 29, 2016, the public identified strengths and opportunities related to Economic Competitiveness. The following represents key takeaways from each group's discussion regarding strengths and opportunities in New Braunfels. These strengths and opportunities will be further addressed in subsequent chapters.

Strengths

- Cultural and natural resource-based tourism are critical to New Braunfels' economy.
- New Braunfels' strategic location along the Interstate Highway 35 corridor offers a variety of economic development opportunities.
- City officials and community members approach economic development with a shared "can do" spirit.
- New Braunfels and its development community have mobilized large real estate development projects, including the Veramendi development and Titan Industrial Park, with significant economic upside for the city.

Opportunities

- Enhanced regional and local transportation options, including public transportation, could improve the movement of people and goods into and out of New Braunfels.
- As New Braunfels grows and its demographics shift, economic development initiatives need to involve all members of the community.

Tourism

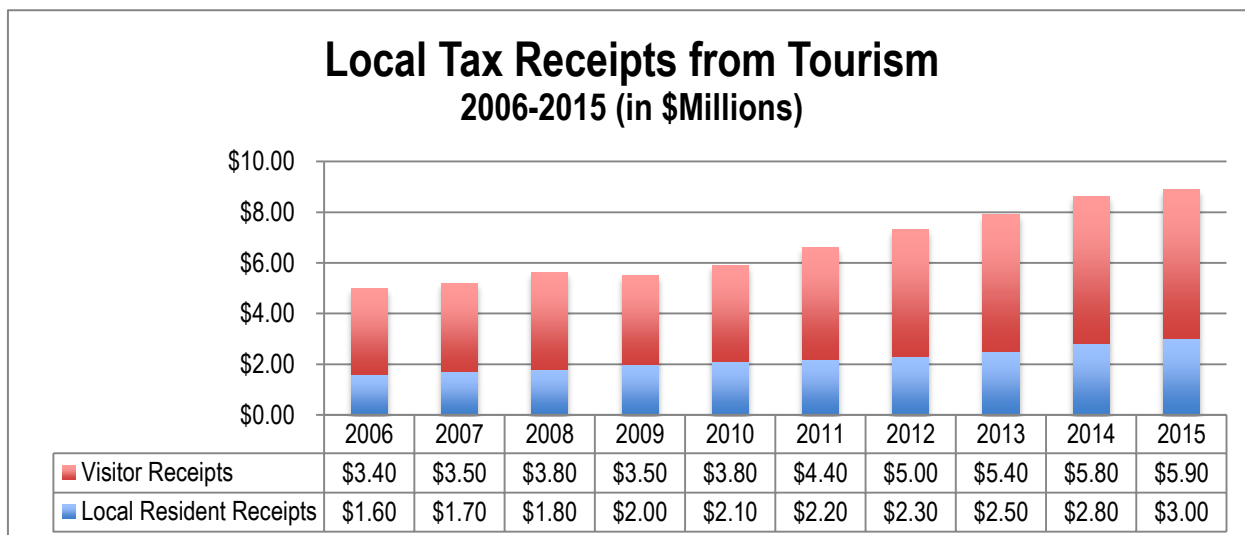
New Braunfels has long been one of Texas' premier tourism destinations. New Braunfels has diversified its tourism assets from summer-related assets such as the Guadalupe and Comal Rivers, or Schlitterbaun Water Park, to Fall and Spring festivals such as Wurstfest and Gruene.

The Tourism Plan Element Advisory Group focuses on goals and policies to capitalize on the positive impacts of tourism on the community. This includes the economy and the unique sense of place it engenders, as well as goals and policies that address tourism's impacts on infrastructure, public safety and the environment.

One of the largest industries worldwide and certainly in New Braunfels, Tourism and Hospitality not only provides direct employment opportunities but also gives indirect employment (2013 Economic Impact Study demonstrated a \$531 Million per year impact).

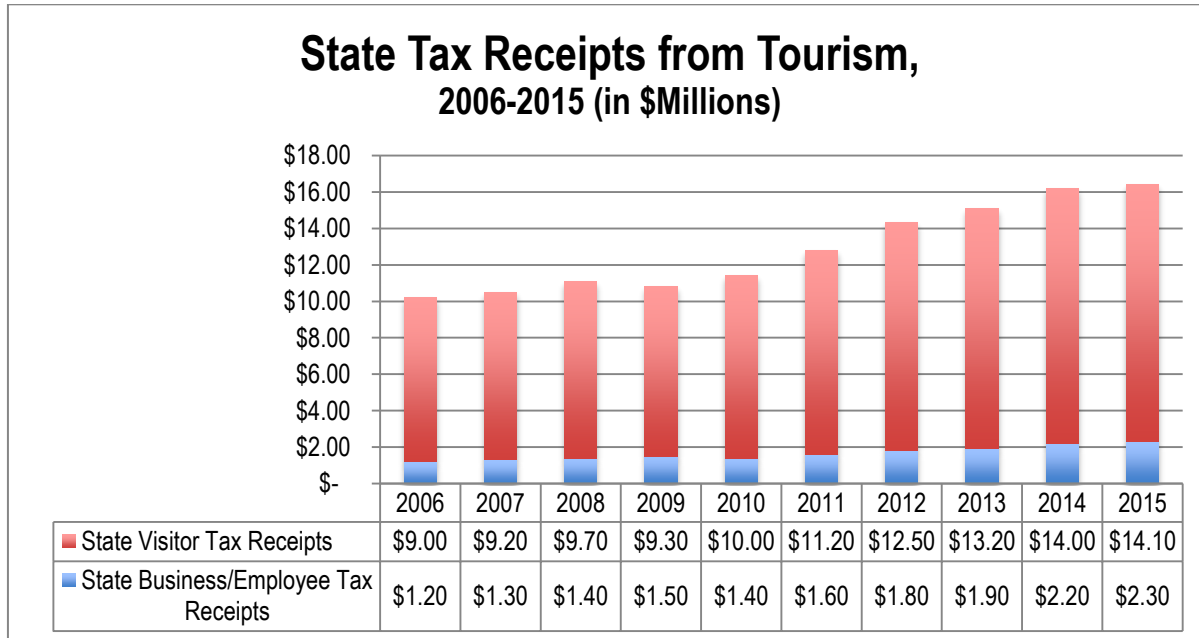
It is important to understand that Tourism is one of the most immediately impacted industries during an economic downturn, therefore continued economic diversity is important for New Braunfels. Yet, strengthening this industry is equally important. To that end, the most important areas to focus on for tourism include:

- Workforce Housing for the relatively lower wage tourism employees. Tourism is highly seasonal, therefore wage and salary data tend to sit below area median figures; however, seasonal labor from peak tourism months (particularly the summer months) can also counterbalance their employment cycles with local opportunities in other off-season opportunities trade and logistics (Ex: Walmart Distribution). Through strategic implementation and targeting, the community can convert some transient labor that is clogging regional infrastructure into established, gainfully employed residents.
- Downtown and Redevelopment Growth for perennial tourism (local and out of town)
- Residents generate approximately one third of gross tax receipts; and, annual tax receipts from locals increased at a faster rate (approx. 7.5 percent), than that of visitor receipts since 2006 (approx. 6 percent). Residents could be a strong source of anticyclical spending at tourism sites.



Source: Dean Runyan and Texas Department of Economic Development and Tourism

- Connectivity through bike-lanes, bike-share and reliable transit throughout New Braunfels but also to other regional tourism destinations such as the San Marcos Outlets, downtown Austin or Downtown San Antonio.
- Our regions' population centers are a tremendous opportunity for a day-trip length destination like New Braunfels. Transit connections could be used inflow/outflow of tourists and commuters.
- Young, talented workers and Millennials are increasingly seeking communities which offer a car-optional life-style.
- Local and regional bike paths and greenway connections could service tourists and reduce parking pressure in concentrated tourism hubs; especially if focusing on connections between corridor communities (ex: Seguin, Schertz, etc.) where much of the city's workforce inflow is coming from.



Source: Dean Runyan and Texas Department of Economic Development and Tourism

Hotels

Part of New Braunfels' tourist economy are the lodging resources needed to accommodate the influx of visitors during peak visitation season. As of November 2016, New Braunfels has 147 hotels, lodgings or short-term rental facilities. Of those, 80 met the minimum threshold to report sales revenue or taxable sales to the State Comptroller.

Of those that reported, 14 had between 10 and 20 rooms, 37 between 20 and 74 rooms, and 12 had more than 75 rooms. The largest hotel is the Resort at Schlitterbahn, with 147 rooms. Gross monthly receipts were \$2,560,374 (\$2,178,851 taxable).