

MCEDC INSIDER

Matagorda County Economic Development Corporation Newsletter

Spring 2015

President's Pen

DC Dunham, MCEDC President

Matagorda County's economic development landscape in 2015 is encouraging, and I am excited about what the future will bring.

With a new slate of officers and the challenge of searching for a new executive director, the next few months are filled with endless possibilities and challenges.

Matagorda County EDC has a dedicated board of directors that I am thrilled to work with. Our County Judge Nate McDonald will continue to serve as our Vice President; Port of Bay City Commissioner George Harrison will remain as treasurer, a role he has well-filled for many years; and Port of Palacios Executive Director Debbie Morris will continue to provide her excellent leadership and guidance to this board as our secretary.

Every officer elected has demonstrated their utmost dedication to moving Matagorda County forward into a prosperous future.

We continue to work with our partner agencies from across the county to harness our resources, address our challenges and promote our assets to ensure that Matagorda County is known as a business and industry friendly community on the cusp of growth. Economic Development cannot be accomplished in a vacuum, but as a team effort. Without county-wide buy-in, we won't get very far. Our strong partnerships with Matagorda County Commissioner's Court, Palacios Economic Development Corporation, Port of Palacios, Bay City Community Development Corporation, Port of Bay City, Palacios Chamber of Commerce, Sargent Area Chamber of Commerce, Matagorda Chamber of Commerce and Bay City Chamber of Commerce and Agriculture are the key to moving this county forward with a united front.

Finally, our board is committed to finding the right Executive Director candidate who will be a great fit for Matagorda County. We have appreciated Mike Strotheide's contributions to our organization over the past two years. Under his direction we took great strides in marketing our county nation-wide to potential new developers. Mike also helped us create an updated website that allows us to tell our story to prospects.

As always, creating jobs and expanding the tax base remains the motivating goal in our efforts. We are excited about the growth we are currently experiencing and look forward to multiplying our successes.



Palacios Pavilion: Rising Again

Almost since the town's founding, Palacios, Texas has been known far and wide for its beautiful over-water pavilions that were always a hub of community activity.

The Palacios Pavilions' unique location hovering over South Bay has been its greatest attraction and its worst enemy through the years.

The pavilions took regular beatings by hurricanes through the years with the final blow being dealt a few years ago when officials closed the pavilion to the public, deeming it a safety hazard.

Just as in years past, Palacios residents were not satisfied to let the famous landmark die for good. *See Pavilion, Pg. 4*

In This Issue:

- A message from the MCEDC President
- Reviving Palacios' Historic Pavilion
- Increasing Housing in Matagorda County
- A look at Nature Center's New Building

Housing: Key to capturing growth

As Matagorda County continues to see industrial and retail growth, a major concern for economic developers has been to make sure there is adequate housing available to accommodate and capture the surge in county employment.

The positive economic impact of creating jobs within the county is multiplied when those same employees make Matagorda County their permanent residence where they pay taxes and trade with local merchants.

One of the main challenges to growth is lack of desirable housing options. Many newcomers are looking for newer homes situated close to a variety of retail amenities. To be able to recruit the desirable retailers, economic developers need to be able to prove a certain population, traffic count, and income level among other things. In order to capture new employees as new residents, which will improve demographics, available housing should be in place.

While the housing shortage continues to be a challenge, the good news is that more and more new housing options are opening up as industrial projects near completion and peak hiring.

While many builders are choosing to purchase lots in already established subdivisions, there are brand new housing developments in construction and planning phases.

Both cities of Bay City and Palacios have made moves in the last couple of years to promote new housing options through economic incentives.

The City of Palacios was the first to offer incentives to new housing builders by waiving certain construction fees.

In 2013, the Bay City Community Development Corporation, seeing the great need for new housing in Bay City, created an incentive program for home builders. On a case by case basis, the program allows for reimbursement of all building and plan review permit fees, sewer tap fees and surcharge fees, and water tap fees AFTER the builder receives the certificate of occupancy. The criteria for incentive eligibility are:

- The house must be within the City of Bay City limits or Extraterritorial Jurisdiction;
- Application with copies of building permit, sewer and water tap fees receipts;
- And approval by the Bay City Community Development Corporation.

As an added incentive, the City of Bay City adopted a policy that allows the Mayor, on a case by case basis, to grant a three-year, 100 percent City of Bay City tax reimbursement to the builder that can also be passed on to the homeowner.

In response, Bay City has seen a significant increase in new housing construction.

Take a look at what's happening in housing development around the county:

Way Point Landing: This brand new housing development in Palacios features a total of 83 lots with 58 being on the waterfront. This subdivision is mixed-use residential with a park area and a boat ramp that provides all residents water access. Roughly 60 lots were sold the very first weekend it was open to the public.

Beachside: A 374-lot gated community that is located on a peninsula between Turtle Bay and Tres Palacios Bay with 164 waterfront lots, 133 water view lots and 77 interior lots. This subdivision has all underground utilities, concrete streets and a beautiful lighthouse that will serve as a club house for residents. This development was built in 2009 and was victim of the economy downturn in subsequent years.

In 2013, after the Tenar-isBayCity announcement, Chipman Construction built a beautiful spec house that is now available for tours.

Golden Glen: Though the subdivision was built in 2009, Golden Glen has seen very little activity with less than a handful of new homes going up until the end of 2013. Over the last year, five builders—Peltier Builders Inc., Heritage Homes, Allison Custom Homes, LLC, Debo Homes and Leckhampton Homes—have been busy leaving very few of the 72 lots still available for construction. Golden Glen homes begin in the \$160K price range.

Little River Ranch: A brand new subdivision located five minutes east of Bay City on Highway 35 in a serene country setting. Little River Ranch covers 42 acres and offers 46 lots sized from a half-acre to 1.3 acres. The property offers open prairie, water's edge or wooded building sites with amenities such as concrete-paved roads throughout the development; a private water system; a greenbelt around the entire development; a shared community barn for residents with horses or fair animals; and a homeowner's association that will oversee the upkeep of barn and waterways.

Moore Addition: An older, established corner of Bay City, Moore Addition has recently seen a crop of brand new housing popping up on Second Street.

See *Housing*, Pg. 3

...Housing

from Pg. 2

Bay Ridge

Subdivision: A long established subdivision in Bay City located just off of Highway 60 south. This neighborhood has been home to Bay City residents

for more than 30 years. Now, a previously undeveloped section of the neighborhood has been a hotbed of building activity.

Bay City North

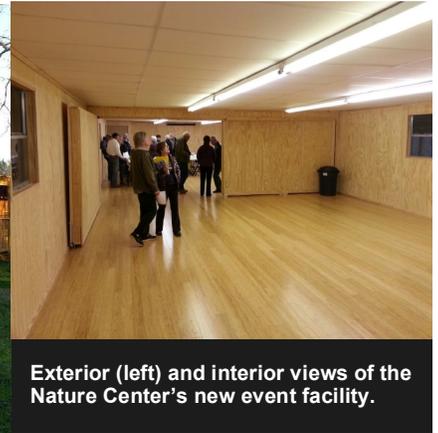
Downtown: As a first step in building out the Bay City North Downtown Plan that was created with citizen input in 2012, a local builder will begin construction on 18 new patio homes located just behind the Wells Fargo block on Eighth Street.

The BayTex Lofts:

Located just east of the courthouse square on Sixth Street, one of Bay City's treasured historic buildings -- the former BayTex Hotel is undergoing complete historic renovations to become 18 loft-style apartments.

Vaquero River

Estates: Located near Blessing, this gated, private subdivision has 74 lots—30 are river front properties and all have river access via a private boat ramp. Lots range from 1-3 acres with sprawling old oak trees.



Exterior (left) and interior views of the Nature Center's new event facility.

Boosting tourism at Nature Center

In August, the MCEDC board supported the tourism engine of economic development with a \$5,000 donation to help build a brand new event and education building at the Matagorda County Birding Nature Center (MCBNC).

The Nature Center is a draw for thousands of tourists each year, generating significant local sales tax revenues. The new indoor education and event center increases the Nature Center's capacity to host larger groups for various activities.

"We're so excited about our beautiful new building," said Donna Younger, MCBNC Director. "This has been a long time dream of mine and we're just thrilled that it has come to fruition."

The 24' X 64' building is one large open space that can be separated by a floating wall. It has a 10 foot wrap around porch with scenic vistas of the beautiful nature center grounds. The building is wheelchair accessible and equipped with tables, chairs, air conditioning and heating. The building will accommodate 100 guests at a time. The planned renovations that remain unfinished are restrooms and additional lighting.

The building was a gift to the nature center from Bay City's Fraternal Order of Eagles. It was originally used by Bay City Independent School District as extra classroom space. It was moved on to the property in July of 2014 and has been under renovations throughout late summer, fall and winter.

The MCBNC board of directors, with the help of generous donors, have invested about \$110,000 to complete the renovations and funds are still being raised to completely finish out the project by adding the restrooms. Currently, nature center patrons access the restrooms via an easy five minute walk or courtesy cart ride to the pavilion area facilities.

The new education and event center has already been a big hit with nature center visitors. The local Cub Scout Pack has adopted it as a special project, holding meetings there and planting beautiful raised beds for all nature center guests to enjoy. Also, a consortium of four local churches involved in a healthy living campaign have used the new event center for meetings and wellness activities.

"All of our guests have been impressed," said Younger. "Many of them have said they had no idea that this meeting facility is available to the public and they are excited about spreading the word."

"It is our hope that this serene new facility at one of Matagorda County's most beautiful locations will be a tourism driver that will have a positive impact on our coastal economy," said MCEDC President DC Dunham.

...Pavilion *from Pg. 1*

Almost as soon as the last pavilion was closed, the Palacios Beautification and Pavilion Committee set to work on rebuilding this community institution. That effort got its initial burst of momentum when the committee learned it had been awarded the Matagorda County Coastal Impact Assistance Grant (CIAP) in the amount of \$1,004,327. With a million dollar boost propelling the committee, they set to work raising additional funding in excess of \$415,000 to date with at least \$160,000 more pending decisions.

With the total cost of completion of a new Palacios Pavilion estimated at \$1.768 million, the Matagorda County Economic Development Corporation decided to step up and pitch in \$15,000 to the project. The pledge will be given in two payments – one in 2015 and one in 2016. The MCEDC board firmly believes that helping to rebuild the Palacios Pavilion will be an exceptional platform for increased tourism and therefore increased economic activity in Matagorda County.

According to Joe Kana, Palacios Beautification and Pavilion Committee President, the Pavilion will be owned by the city and jointly operated and managed with the Pavilion Committee.

“The Pavilion and its park-like setting will be the keystone for future waterfront development in Palacios,” said Kana. “The facility will be a destination for educational workshops, organization meetings and retreats, community events, private rentals and much more. These events, in addition to the Pavilion’s unique and historic character, will bring recognition and economic benefit to our entire County.”

This pavilion will be the first to sit just off the water’s edge near Palacios’ beach and recreational marina. It will keep its traditional circular shape with decking 180 degrees around the structure providing a water view from all perspectives. It will be designed to hold about 175 people inside where it will be equipped with a catering kitchen, state of the art electronics for educational programs and entertainment events, dressing areas and restrooms. It will have an elevated construction which will allow for ecological education opportunities and fishing below.

Although the Pavilion will be used for plenty of entertainment events, its main purpose and function will be as an Educational Wetlands Facility. The Pavilion, as well as its surrounding environment, will be designed in such a way as to provide a variety of educational opportunities on coastal ecology.

The official groundbreaking ceremony is scheduled for early summer.

The Matagorda County Economic Development Corporation (MCEDC) Board represents all of Matagorda County and consists of 11 appointed members from five public entities — Matagorda County, the Palacios Economic Development Corporation, the Bay City Community Development Corporation, Navigation District #1, the Port of Bay City Authority and the four Chambers of Commerce from Bay City, Sargent, Matagorda and Palacios.

The MCEDC is focused on recruiting new industrial and commercial businesses and tourism infrastructure developers to Matagorda County.

MCEDC Board Members:

DC Dunham—BCCDC—Pres.
Nate McDonald—Comm. Court—VP
Debbie Morris—MCND#1—Sec.
George Harrison—Port of BC—Treas.
Bobby Wilkinson—Bay City CDC
John Chipman—Palacios EDC
John Sardelich—Palacios EDC
Ron Laws—Palacios Chamber
Susan Mitchell—Matagorda Chamber
Mitch Thames—Bay City Chamber
Tiger Lane—Sargent Chamber

Mission Statement:

To attract, develop and retain environmentally acceptable business and industry in and near Matagorda County.

For questions or comments concerning the newsletter, please contact Heather Menzies, MCEDC Director of Communications, at 979.245.8913 or via email at hmenzies@mcedc.net.

For more information on MCEDC, visit our website at: www.mcedc.net.



2200 Seventh Street, Ste. 302
Bay City, TX 77414

