



Fiscal Year
2023

Annual
REPORT

**ROSENBERG
ECONOMIC DEVELOPMENT**

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Rosenberg Development Corporation

The Rosenberg Development Corporation (RDC) was created by election in 1995. It is a Type-B economic development corporation funded by a one-half cent sales tax. State law authorizes the RDC to engage in projects related to primary job creation. Primary jobs are jobs that infuse new dollars into the local economy by creating or selling a product or service that is ultimately exported to regional, state, national, or international markets.



RDC Board of Directors

Tom Suter, President

John Dorman, Vice President

Isaac Davila, Secretary

Larry Wilkinson, Treasurer

Mayor Kevin Raines, Director

Councilor Alicia Casias, Director

Councilor Marc Morales, Director

Staff

Joe Esch | Executive Director

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Jackie Wehring | Assistant Director of Economic Development

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Rosenberg Fast Facts



Current population of **41,768**

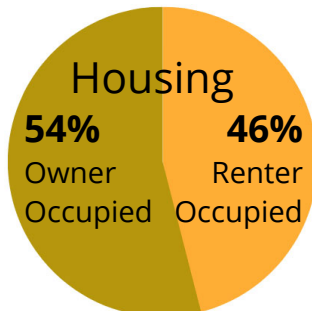
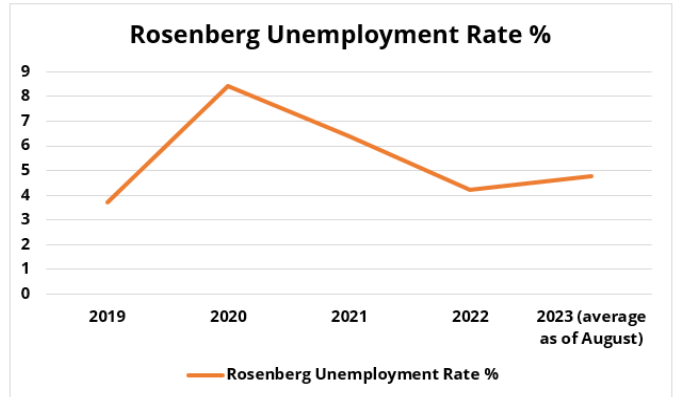
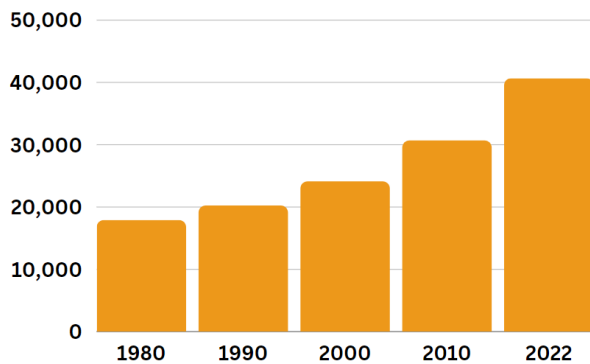


14,245 total households



\$64,088 median household income

U.S. Census Historical Population



Rosenberg Largest Employers

Employer	Industry
Lamar Consolidated ISD	Education
Frito Lay (ETJ)	Manufacturing
Texana Center	Healthcare
Dollar Tree	Distribution
Fort Bend County	Government
City of Rosenberg	Government
Kroger	Grocery
Benedettini Cabinetry	Manufacturing
Aldi	Distribution
SiEnvironmental	Utility Services
OCuSOFT	Pharmaceutical
Seatex	Manufacturing
Biotics Research Corporation	Pharmaceutical



*Data Source: Applied Geographic Solutions

FY 2023 Performance Summaries

City Property Tax Abatements

Company	Aldi	Dollar Tree	Wet Sounds
Duration of Agreement (Tax Years)	2017-2026	2021-2030	2022-2031
% Abated Year One	70%	75%	50%
% Abated Year Two	70%	75%	50%
% Abated Year Three	70%	75%	50%
% Abated Year Four	55%	75%	50%
% Abated Year Five	55%	75%	50%
% Abated Year Six	55%	75%	50%
% Abated Year Seven	55%	75%	50%
% Abated Year Eight	55%	75%	50%
% Abated Year Nine	55%	75%	50%
% Abated Year Ten	55%	75%	50%
Capital Investment Required	\$44,000,000	\$130,000,000	\$8,500,000
Primary Jobs	72	300 (by year 3)	40

City Property Tax Abatements Continued

Company	OCuSOFT	Seatex	Luxury Boat & RV	Biotics
Duration of Agreement (Tax Years)	2020-2026	2020-2024	2022-2026	2023-2027
% Abated Year One	70%	50%	25%	75%
% Abated Year Two	70%	50%	25%	50%
% Abated Year Three	70%	50%	25%	50%
% Abated Year Four	70%	50%	25%	25%
% Abated Year Five	70%	50%	25%	25%
% Abated Year Six	70%	N/A	N/A	N/A
% Abated Year Seven	70%	N/A	N/A	N/A
% Abated Year Eight	N/A	N/A	N/A	N/A
% Abated Year Nine	N/A	N/A	N/A	N/A
% Abated Year Ten	N/A	N/A	N/A	N/A
Capital Investment Required	N/A	N/A	\$6,000,000	\$8,000,000
Primary Jobs	125	110	N/A	175 (by year 2027)

FY 2023 Performance Summaries

Current RDC Incentives

Company	TSTC	Dollar Tree	Dollar Tree	Wet Sounds	Brazos TC (Amended)
Duration of Agreement (Tax Years)	2015-2025	2020-2030	2021-2025	2022-2031	2022-2026
Type of Incentive	Infrastructure Improvements	Infrastructure Improvements	Job Creation Incentive	Infrastructure Improvements	Infrastructure Improvements
Year One	\$200,000	\$1,650,000	\$250,000	\$75,000	\$287,500
Year Two	\$200,000	NA	\$250,000	NA	\$287,500
Year Three	\$200,000	NA	\$250,000	NA	\$287,500
Year Four	\$200,000	NA	\$250,000	NA	\$287,500
Year Five	\$200,000	NA	\$75,000	NA	NA
Year Six	\$300,000	NA	NA	NA	NA
Year Seven	\$300,000	NA	NA	NA	NA
Year Eight	\$300,000	NA	NA	NA	NA
Year Nine	\$300,000	NA	NA	NA	NA
Year Ten	\$300,000	NA	NA	NA	NA
Total Incentive	\$2,500,000	1,650,000	1,075,000	75,000	1,150,000
Capital Investment Required	NA	130,000,000	130,000,000	NA	NA
Primary Jobs	NA	300 (by year 3)	300 (by year 3)	40 (by 2022)	NA

Sales Tax Rebates - Chapter 380 Agreement

Company	BFS Texas Sales (Formerly BMC; RDC Rebate)	BFS Texas Sales (Formerly BMC; City Rebate)	Combined Annual Total
Duration of Agreement (Tax Years)	2017-2036 (1 - 10/Yr. Option)	2017-2036 (1 - 10/Yr. Option)	
Type of Incentive	Sales Tax Rebate	Sales Tax Rebate	
Year One	\$314,546.20	\$629,092.39	\$943,638.59
Year Two	\$432,892.81	\$865,785.62	\$1,298,678.43
Year Three	\$429,058.94	\$858,117.87	\$1,287,176.81
Year Four	\$576,539.63	\$1,153,079.27	\$1,729,618.90
Year Five	\$1,159,376.71	\$2,318,753.41	\$3,478,130.12
Year Six	\$1,886,243.47	\$3,772,486.94	\$5,658,730.41
Year Seven	Contingent upon total sales	Contingent upon total sales	
Year Eight	Contingent upon total sales	Contingent upon total sales	
Year Nine	Contingent upon total sales	Contingent upon total sales	
Year Ten	Contingent upon total sales	Contingent upon total sales	
Total Incentives to Date	\$4,798,657.76	\$9,597,315.50	\$14,395,973.26
Capital Investment Required	NA	NA	NA
Primary Jobs	Retain 50	Retain 50	Retain 50

FY 2023 Performance Summaries

Strategic Projects

Performance Agreement—Village Crossing

In December 2017, the RDC entered a Performance Agreement for a 108+ acre mixed-use development to be known as Village Crossing. The RDC agreed to design and construct the extension of Airport Avenue to U.S. 59 with water, sanitary sewer, and storm sewer facilities in an amount not to exceed \$3,173,050. Village Crossing, LLC, agreed to construct certain utility extensions and construct commercial improvements with targeted square footage and taxable value. Namely, Village Crossing has agreed to:

- ◆ Complete construction and opening of at least 50,000 square feet of commercial improvements by January 31, 2024 (later extended to January 31, 2026);
- ◆ Provide satisfactory proof that a minimum of \$5,000,000 of taxable value of improvements are constructed no later than November 30, 2024 (later extended to November 30, 2026); and,
- ◆ Complete construction of a minimum of \$10,000,000 of taxable value improvements no later than May 31, 2026 (later extended to May 31, 2028).

The Performance Agreement with Village Crossing was amended on January 11, 2018, to alter allowable uses and again on May 11, 2022, to extend the construction deadlines for the developer due to the widespread effects of the 2020 pandemic. A Third Amended and Restated Performance Agreement was approved in September 2023 to extend construction deadlines an additional two (2) years.

The RDC satisfied its obligation with the completion of Airport Avenue improvements on November 30, 2021. Village Crossing, LLC, is actively working to meet the obligations of this agreement and currently has one commercial business operating in the development, Cavender's Boot City (approximately 17,590 sq. ft.; certified appraised value for 2023 is \$3,315,000.) Four (4) additional businesses have either begun the platting process or have initiated due diligence for planned future construction.

Strategic Project—Grocery Recruitment

Significant new residential development on the west side of Rosenberg has highlighted the desire for an area grocery store. Staff has initiated conversations and established contacts with several established grocery retailers operating in Texas.

A major preferred grocery chain is currently evaluating the area and it appears to be an issue of timing. A grocery store will develop when additional residential construction reaches a level the market believes will sustain a new store. The City's Planning Department has been approached by this grocery chain on potential sites and development requirements.

FY 2023 Performance Summaries

Strategic Projects

Strategic Project—Avenue H/Highway 90-A Revitalization Project

In FY2021, the RDC established a multi-year revitalization project along Avenue H/US 90A from the Richmond city limits to the Triple Fork area. After a kick-off delay in FY2022 due to staffing vacancies, the Avenue H/Highway 90A Revitalization Blue Ribbon Committee has begun its work in FY2023 and has opted to hire professional planning services to evaluate the project area and establish a framework to move the project forward. Staff has solicited quotes and selected a firm for these services, and is working to create a general services contract with the selected firm to begin in early FY2024.

Strategic Project—Economic Development Strategic Plan

In FY2023, the RDC budgeted \$200,000 for professional services to create a ten-year strategic plan specifically geared toward economic development and achieving desirable growth. After soliciting formal bids, the RDC selected TIP Strategies, Inc., a firm that is concurrently working on a similar strategic planning project for Fort Bend County which provides more familiarity with our region.

At the close of FY2023, the project is nearing the end of the initial phase of information gathering and public input from area business leaders, elected officials, major employers, City staff, non-profit groups, and education entities. A final plan will be presented in FY2024.

Revenues/Expenditures

**CITY OF ROSENBERG, TEXAS
ROSENBERG DEVELOPMENT CORPORATION
AS OF SEPTEMBER 30, 2023 - PRELIMINARY**

Classification	2022-23 Amended Budget	2022-23 Act. Rev/Exp YTD	2022-23 Encumbered	2022-23 YTD Budget Remaining	% of Budget
REVENUES:					Target 100%
<i>Sales Taxes</i>	\$ 6,300,000	\$ 6,333,369	\$ -	\$ (33,369)	101%
<i>Interest Earnings</i>	127,700	330,826	-	(203,126)	259%
TOTAL REVENUES	6,427,700	6,664,194	-	(236,494)	104%
EXPENDITURES:					
Administration (max 10%):					
Office Supplies	1,300	760	-	540	58%
Computer Supplies	2,000	7,746	-	(5,746)	387%
Board Meeting and Director's Expenses	3,500	3,659	-	(159)	105%
Electricity	4,000	3,319	-	681	83%
Other Supplies	1,300	583	-	717	45%
General Insurance	4,000	3,892	-	108	97%
Education and Training	10,000	8,809	-	1,191	88%
Administration Services - City Reimbursement	352,024	264,486	-	87,538	75%
Subtotal for Administration Expenses	378,124	293,253	-	84,871	78%
Marketing:					
Postage	500	104	-	396	21%
Advertising	40,000	22,023	-	17,977	55%
Printing and Binding	4,000	3,735	-	265	93%
Subtotal for Marketing Accounts	44,500	25,862	-	18,638	58%
Memberships & Services:					
Business Recruitment	20,000	17,753	-	2,247	89%
Dues, Subscriptions & Service Contracts	11,000	6,742	-	4,258	61%
Software Subscription Service	8,000	8,000	-	-	100%
RDC Memberships	36,000	22,305	-	13,695	62%
Subtotal for Memberships & Services Accounts	75,000	54,800	-	20,200	73%
Professional Services:					
Engineering Fees	37,500	-	-	37,500	0%
Other Professional Services	20,000	-	-	20,000	0%
Other Professional Services - Strategic Planning	200,000	72,113	102,966	24,921	88%
Legal Fees	30,000	16,862	-	13,138	56%
Building Repair & Maintenance	5,000	1,940	-	3,060	39%
Rights-of Way Maintenance	235,000	185,057	36,583	13,360	94%
Downtown Maintenance	25,000	19,289	-	5,711	77%
Subtotal for Professional Services	552,500	295,261	139,549	117,690	79%
Infrastructure:					
Furnitures and Fixtures	5,000	1,754	-	3,246	35%
Debt Service - Principal	157,413	157,413	-	-	100%
Debt Service - Interest	32,684	32,684	-	-	100%
RDC Projects Fund	5,274,500	5,230,791	-	43,709	99%
Subtotal for Infrastructure Accounts	5,469,597	5,422,642	-	46,955	99%
TOTAL EXPENDITURES	\$ 6,519,721	\$ 6,091,818	\$ 139,549	\$ 288,354	96%

FY 2023-2024 Project Funds

The RDC has allocated \$4,440,000 for capital expenditures in the FY2024 budget.

FY 2024 Project Descriptions

I-69 Waterline Extension—\$1,000,000

A project to extend water distribution service along I-69 to accommodate future development.

US 90-A Corridor Revitalization Project—\$1,000,000

Additional funding allocation toward a multi-year revitalization project along Avenue H/ Highway 90A from Richmond city limits to the Triple Fork area. The cumulative project funding carried forward from prior budgets is approximately \$1,750,000.

Brazos Town Center Driveway—\$575,000

Years three and four of a four-year performance agreement commitment for the construction of a new driveway into Brazos Town Center, the addition of a traffic signal at Town Center Boulevard, and related signage and landscaping. The RDC will pay the final two annual installments in FY2024 to complete its reimbursement commitment for the addition.

Prospective Business Incentives—\$500,000

These funds can be utilized for incentives to prospective businesses for the creation of primary jobs.

Travis Park Splash Pad Improvements—\$350,000

A project to add a water recycling system to the Travis Park splash pad.

Texas State Technical College—\$300,000

Ninth annual installment of a ten-year commitment to TSTC for the operation of its campus in Rosenberg. TSTC opened in the fall of 2016 and will ultimately accommodate about 5,000 students.

Brazos Town Center Phase I and Phase II Connector Street—\$200,000

Additional funding allocation for a project to design and construct a connector street under I-69 to improve access and ease traffic congestion between both phases of Brazos Town Center. In FY2023, \$650,000 was budgeted bringing the cumulative project funding level to \$850,000. The total project cost is estimated at \$1,000,000. Fort Bend County has included this project in the 2023 Mobility Bond election, approved by voters in November 2023.

FY 2023-2024 Project Funds

FY 2024 Project Descriptions Continued

Traffic Signal—Commercial Drive at Plaza Drive—\$125,000

Additional funding allocation to design and construct a traffic signal.

Dollar Tree Distribution Center—\$115,000

Year five of a five-year term of direct incentives to Dollar Tree for the creation of primary jobs in the amount of \$75,000. An additional \$40,000 is allocated for the reimbursement incentive of 50% of City property taxes paid in tax year 2023.

Wayfinding Signage Project—\$100,000

Additional funding for a previously approved project to design, fabricate and install directional signs to direct traffic to locations of public interest and public facilities. The project is underway and new signage is expected in FY2024.

Parks Improvements & Texas Master Naturalists—\$100,000

These funds can be used for qualified improvements to public parks in Rosenberg, with \$50,000 specifically allocated to the Texas Master Naturalists for Seabourne Creek Nature Park improvements.

Fort Bend Transit—\$75,000

The RDC participates in an interlocal agreement with Fort Bend County Transportation to provide expanded bus routes through Richmond and Rosenberg. Fort Bend Transit operates a Demand-Response Service, a Commuter Park & Ride Service, and a Point Deviation Route Service throughout the area. RDC funds are used exclusively for Rosenberg area services.

Business Recruitment & Community Outreach

Expanded Recruitment Tools

With the Board's support, staff has engaged two robust data applications in FY2023 for business recruitment and marketing efforts:

- ◆ **Placer AI** compiles anonymous cell phone data for highly detailed, customizable analytics used for retail evaluations, traffic flow patterns, dwell times, and demographics of a selected customer base.
- ◆ **CoStar** is a proprietary database of property information allowing for a detailed analysis of commercial sites for marketing and site selection use.

Special Events, Outreach and Education

Events and continuing education courses attended by Economic Development staff allow the department to build direct relationships with site consultants, real estate brokers, developers, and local business organizations.

Department staff participated in the following events:

- ◆ Tour of Port Freeport for RDC Members
- ◆ Fort Bend Familiarization Tour
- ◆ Fort Bend County Economic Development Directors' Luncheon
- ◆ 2022 Fort Bend Legislative Conference
- ◆ Greater Fort Bend EDC Monthly Membership Meetings
- ◆ Highway 36A Coalition Board Member Quarterly Meetings and two (2) Guest Speaker Lunches
- ◆ Hosted familiarization site visit for Greater Houston Partnership (GHP)
- ◆ Annual State of the City of Richmond Address
- ◆ Annual State of the City of Sugar Land Address
- ◆ Annual State of the County Address
- ◆ Fort Bend Regional Infrastructure Conference
- ◆ Rosenberg 101 Citizen Academy
- ◆ TSTC Tesla Training Facility Open House
- ◆ Fort Bend County Economic Development Department Open House
- ◆ Consular General Luncheon hosted by County Judge KP George
- ◆ Houston-Galveston Area Council (H-GAC) Roundtable hosted by Discover Downtown for regional historic districts
- ◆ STOA Architects 40th Anniversary Event
- ◆ Central Fort Bend Chamber Workforce Development Division monthly meetings
- ◆ OCuSOFT building dedication ceremony
- ◆ Precinct One Update with Commissioner Vincent Morales
- ◆ "Cities Coffee" meetings with the city of Richmond and Central Fort Bend Chamber staff
- ◆ Introduction meeting with new WCJC recruiting coordinator
- ◆ Fort Bend Epicenter facility tour for Rosenberg officials
- ◆ Numerous individual meetings with developers, commercial brokers, and site selectors

Marketing & Community Resources

Public Awareness/Marketing

- ◆ Social media used to share information on state and federal business assistance programs, such as the Texas Travel Industry Recovery Grant Program, Fort Bend County Small Business Grant Program, the RDC's Business Improvement Grant Program, as well as educational opportunities from the Small Business Development Center and other entities.
- ◆ Promoted RDC attended events, such as the tour of Port Freeport, for increased public visibility of the RDC.
- ◆ Increased in-person visitors to new facility by hosting public meetings and by shared efforts with Communications Department to encourage public awareness of tourism information and various grant program application forms available for pick-up.
- ◆ Attempted to work with Business View and Business In Focus magazines on updates to promotional articles on Rosenberg, which were published in late 2020 at no cost to the RDC. Due to recurring, questionable business practices and editorial inconsistencies, staff withdrew support after multiple course correction attempts.

Select Print and Digital Advertising

- ◆ Fort Bend Chamber of Commerce Newcomer's Guide
- ◆ Fort Bend Herald Newcomer's Guide
- ◆ Central Fort Bend Chamber Membership Guide
- ◆ Fort Bend County Fair Magazine
- ◆ Newspapers in Education Sponsor
- ◆ Beasley Media Group—digital side bar advertising in select business development resource online publications

Community Resources

The Business Improvement Grant program awarded four (4) reimbursement grants in FY2022-2023. Of the four approved projects, one grantee has completed their project. The remaining grantees are working on improvements for signage, façade improvements and parking lot repaving in highly visible locations. Reimbursement grants totaling \$34,648.11 were approved for the BIG program.

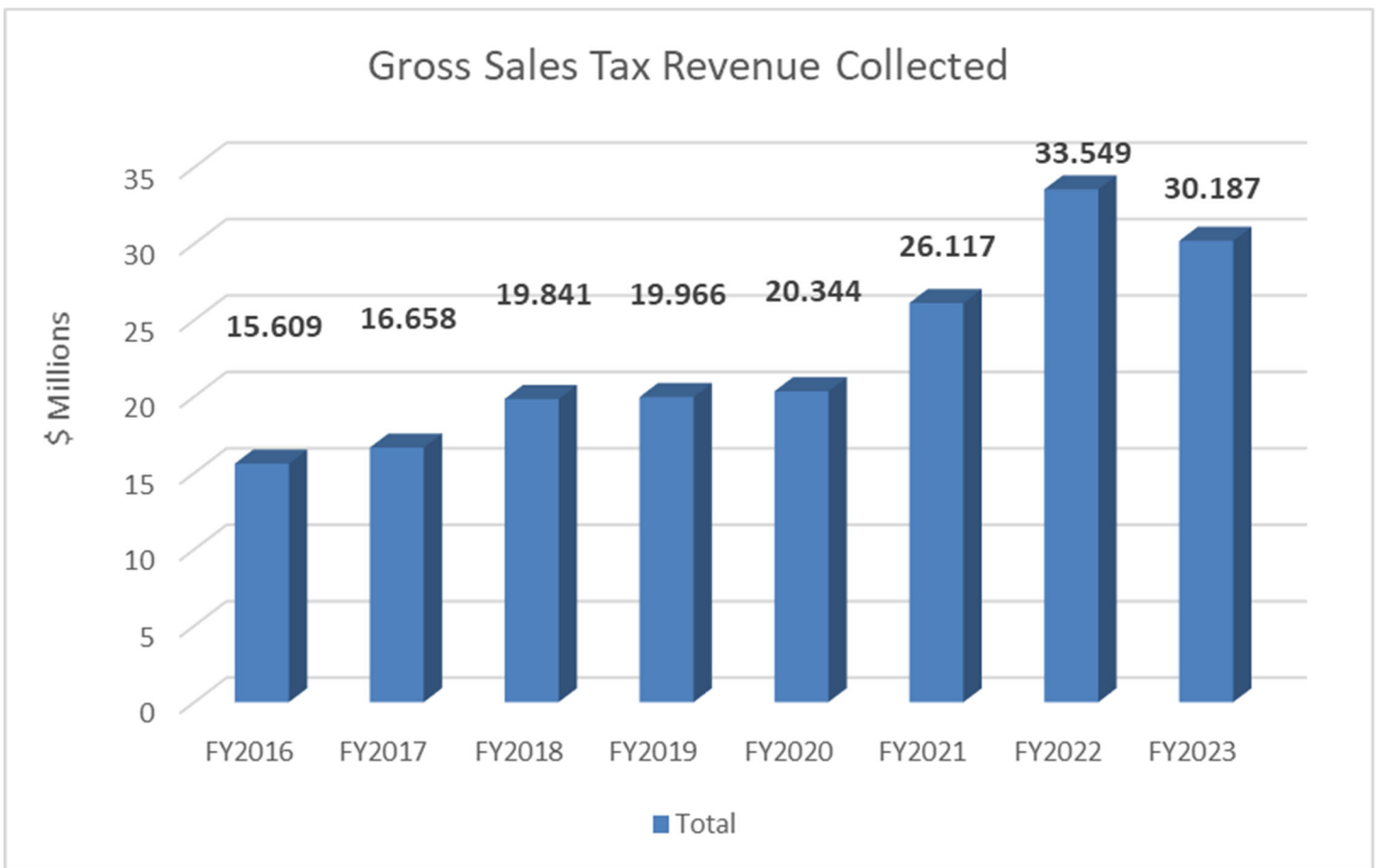
Established in FY2018-2019 with a \$100,000 total budget, the BIG program has funded \$63,639.85 in exterior business improvements since its inception. Budgeted funds in the amount of \$36,360.15 remain for future grant reimbursement awards.

Economic Indicators

Gross Sales Tax Receipts

The chart below displays sales tax revenues collected for the City of Rosenberg as reported by the state comptroller's office and organized by the City's fiscal year of October 1 through September 30.

Total sales tax revenue collected for FY2022-2023 was \$30,187,579.28, a decrease of 10% from the FY2021-2022 total of \$33,548,674.81.

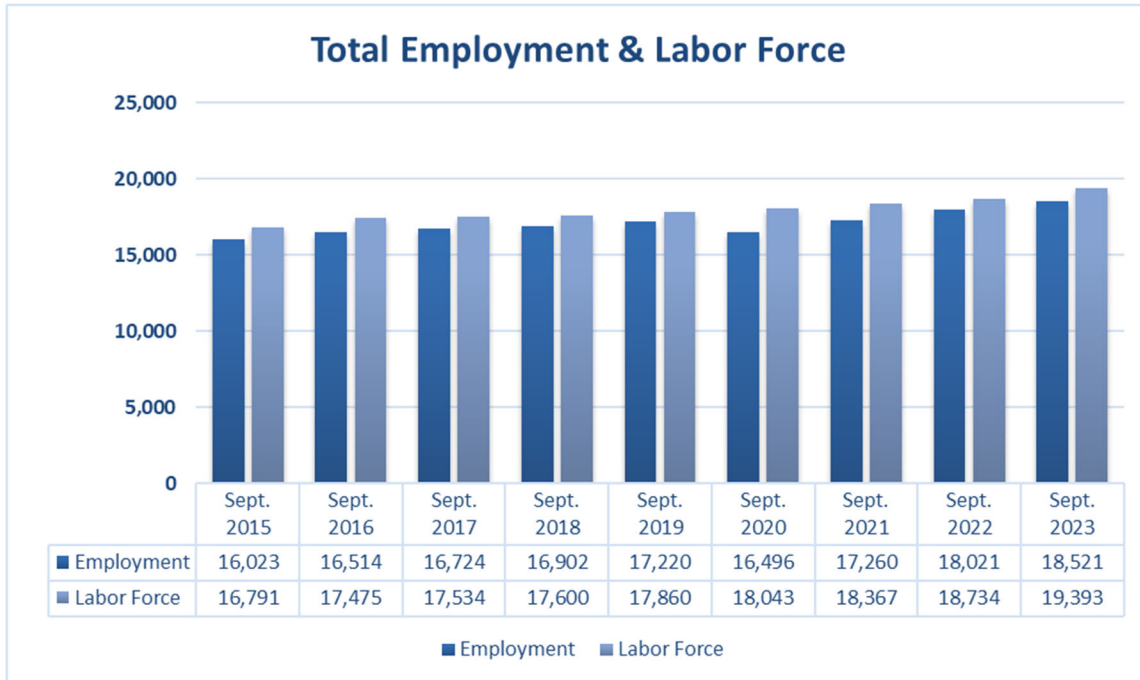


Source: Texas Comptroller - Allocation Historical Summary (organized by fiscal year)

Economic Indicators

Employment

The labor force increased from 18,734 in September 2022, to 19,393 in September 2023. Total employment increased from 18,021 in 2022 to 18,521 in September 2023. The unemployment rate for September 2023 was 4.5 percent.



Source: Texas Workforce Commission—Local Area Unemployment Statistics

New Home Starts

The City and ETJ enjoyed a record-setting pace for new home construction in calendar year 2020 and 2021, but has seen a slowing in new construction in 2022 and again 2023, likely tied to rising mortgage rates. With 723 new starts from January through September 2023, new home construction is conservatively projected to finish slightly higher than prior year at 775.

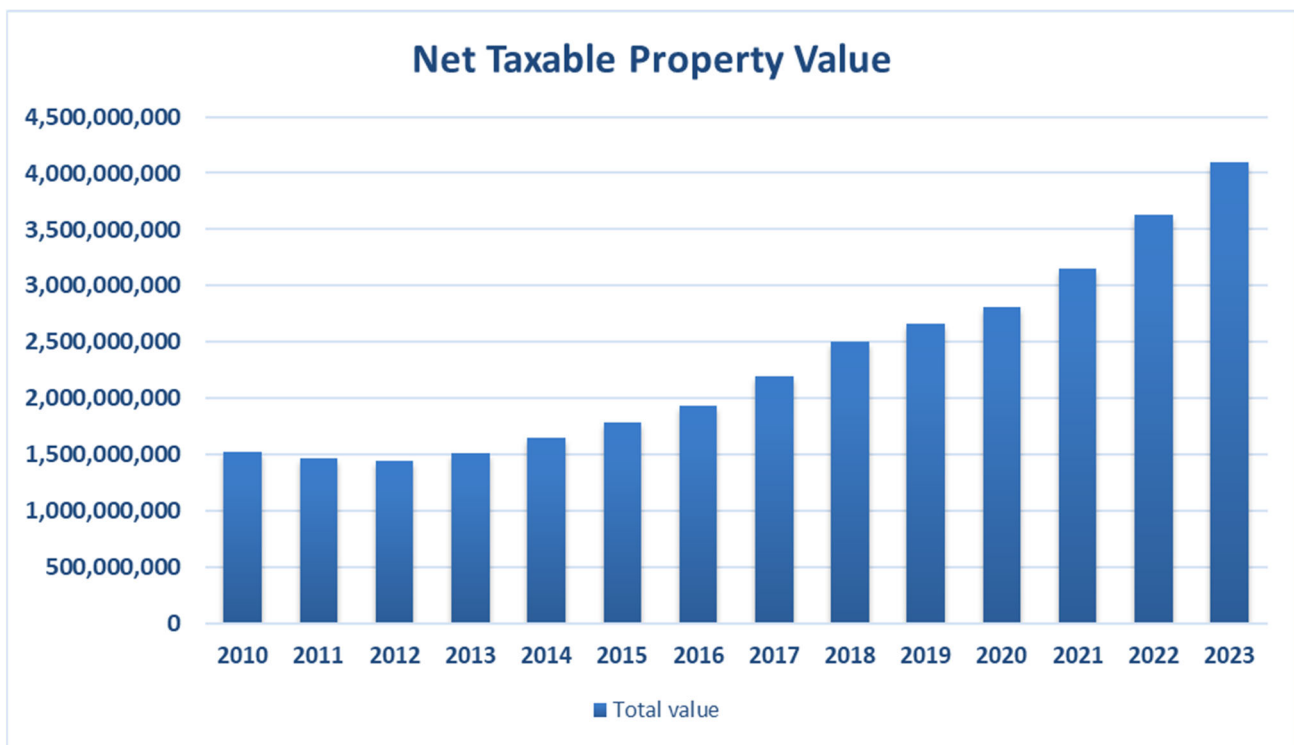


Source: City of Rosenberg Community Development Department

Economic Indicators

Certified Values

The current Net Taxable Property Value of \$4,100,344,059 is \$476,587,004 greater than the 2022 total of \$3,623,757,055, an increase of 13.15% over the prior year.



Source: Fort Bend County Tax Assessor-Collector