

June 26, 2019

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Dear Jonas,

Thank you for allowing Avalanche to facilitate the joint Copperas Cove EDC / Copperas Cove City Council workshop on June 25, 2019. It was truly a pleasure to get to better know your community and meet local leadership.

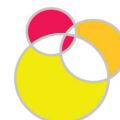
As a follow-up to the workshop, we will share a copy the workshop presentation along with this memo that summarizes the most important things that I had during the workshop.

We went into the workshop with the goals of building a common understanding among leadership of the role of Copperas Cove EDC in the community, creating a new mission statement for the EDC, refining your targets, and identifying priority topics for the EDC to address over the next year.

Overall, it felt like success on all these goals. The leaders in the room are well versed in economic development, and at the start of the workshop, there was some skepticism regarding the need for another discussion of this sort. By the end of the workshop, participants seemed excited, aligned, and in agreement about next steps. It was especially encouraging to hear the call for more joint EDC-City Council meetings of this sort in the future.

### **General Observations**

- Increasing the tax base was identified as a primary desired outcome for many, and changes in the tax base was discussed as a potential metric. As you noted in the meeting, overall change in the tax base is affected by many factors outside the control of Copperas Cove EDC – new retail establishments, local spending, changing home values, the city's tax rates, and more. If this remains a top metric for stakeholders, my recommendation would be to track specific tax base changes affected by CCEDC activities – for example taxable capital investments made by assisted companies or changes in property values due to CCEDC infrastructure investments or land swaps.
- Numerous workshop participants, including Council Member Chavez and CCEDC Chair Adam Martin, noted the importance of telling CCEDC's story more internally within



Copperas Cove. In particular, Council Member Chavez suggested that along with long-term goals and metrics, developing tangible, visible, short-term metrics, such as infrastructure investments, movement towards identified actions, and others that can be shared regularly with the community to maintain their faith in the EDC and its mission. It was great to hear that continuous engagement with the local community is on the minds of the board and council, because often this work falls to the wayside as economic development organizations get busy with their daily work. But internal communication is critical to maintaining support for activities, keeping partners aligned, and identifying new partners and opportunities.

- Some participants brought up the role of the EDC in thinking long-term and helping the community prepare for future economic, workforce, and other trends. On that topic, we have seen other communities host regular public or leadership meetings to discuss specific long-term issues – often bringing in experts to share perspectives and help inspire local planning around the issues.
- It was great that Copperas Cove Chamber President Alicia Menard was able to join the discussion and encouraging that CCEDC, the Chamber, and City are exploring more ways to work collaboratively.

### **Mission Statement**

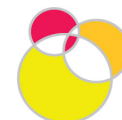
The group put together some great ideas for the mission statement. Below are my notes from the board, followed by a first draft that brings them all together in one statement. Please edit and share with the EDC Board and City Council until you have reached an agreeable final statement.

#### *Notes*

- Primary jobs -> not specific industries, because they change
- Grow the economy
- Encouraging investment
- That enhances quality of place (maybe a different word?)
- Include Business retention & expansion
  - Assisting
- Use active words – actively pursue, proactive, aggressively, etc
- Note community partnership / collaborative effort
- Revitalization was brought up, but perhaps tabled as more a focus of the city
- Suggestion that perhaps it should include a reference to long-term thinking and planning
  - Being forward thinking
  - Helping leadership understand future opportunities

#### *Draft Mission Statement*

The Copperas Cove Economic Development Corporation's mission is to proactively encourage the creation of primary jobs and investment in Copperas Cove by recruiting desirable new businesses,



assisting existing businesses with retention and expansion, and planning for long-term economic trends and opportunities. Copperas Cove EDC is the first point of contact for primary employers and closely collaborates with the City and other partners to ensure that programs and investments reflect the community's shared values and enhance Copperas Cove's quality of place.

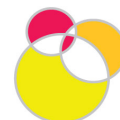
## Targets

The discussion around targets was productive, and workshop participants have a good understanding of local strengths and opportunities. I was impressed by their depth of knowledge related to Fort Hood, the Operational Test Command, and the new Army Futures Command – as well as local infrastructure, workforce training, and other areas.

Of all targets discussed, those focused on Defense truly stood out. Copperas Cove's location adjacent to Fort Hood, proximity to Austin and the Army Futures Command, exiting military workforce, and existing veteran population with extensive military experience make Copperas Cove stand out from other communities across the country. The city has other assets as well, the Narrows, available greenfield land, highway access, 4a investment tools, and more, but the potential to develop a unique identity around Defense and particularly defense manufacturing felt like a tremendous opportunity.

Taking our pre-workshop starting target list and notes from the workshop, below is a revised draft list of targets with some grouping and suggestions from Avalanche, including potential niche clusters within larger targets:

- Advanced Manufacturing:
  - Aerospace & Aviation
    - It was mentioned that Firefly in Bragg is looking to locate a manufacturing facility
    - Drone technology could fit in here
  - Component Assembly
    - And potentially Refurbishing
  - Medical Devices / Orthopedics
    - Perhaps with a focus on Veteran's
    - Building on the VA hospitals and nursing program at Central Texas College
    - Based on our experience, without a medical school, this might be a long-shot. These businesses tend to cluster heavily in specific communities with concentrated life sciences and medical research expertise.
  - Robotics
    - Building on programs at Central Texas College
- Defense
  - This could remain fairly broad, but focusing on a wealth of opportunities that connect Fort Hood, OTC, and the Army Futures Command
  - Manufacturers, suppliers, offices – any businesses public and private that interact regularly with regional military operations.
  - Could include research and testing facilities
- Services & Supply Chain



- Data Centers – regionally/locally focused
- Distribution Facilities
- Medical Suppliers
- Professional Service Centers
- Other targets on the starting list that didn't generate much discussion during the workshop:
  - Craft Agriculture –
    - There is good potential here. You could also include Locally-Sourced Agriculture, which is a rapidly growing trend across the country and in Austin. Versus a tourism focus, this is about developing farms that supply Austin, Waco, DFW, and other regional cities where consumers are seeking more locally-sourced options.
  - Energy –
    - Also potential here, but perhaps worth including as a sub-set of Advanced Manufacturing depending on how you wish to frame it.
    - In general, the Clean Energy sector has not created as many jobs as many forecast ten years ago, and Oil & Gas operations tend to locate either in the shale plays or with headquarters in the major metros.
    - That being said, component manufacturing, equipment manufacturing, and repair operations could make sense in Copperas Cove.

## **The Year Ahead**

The group discussion lead to three clear priorities for the next year:

1. Land Swap with Fort Hood
2. The Truck/Rail Multi-Modal Facility
3. Internal Communication – Looking at civic organizations and building community understanding of and support for the EDC and its efforts

Other priorities discussed included:

- Organizational Fundamentals –
  - Putting together planning documents such as a Marketing Plan and Action Plan.
  - Preparing and sharing regular reports on EDC progress
  - Exploring long-term opportunities / Research plan
- Finalizing Targets
- Scheduling a regular EDC/Council/Chamber meeting – perhaps every 6 months

A couple more long-term ideas were also discussed:

- Engaging with site selectors
- Exploring future relationships with Spaceforce