

— TEXAS —

ROCKDALE

— EST 1874 —

MUNICIPAL DEVELOPMENT DISTRICT

2023 Annual Report



December 15, 2023

2023 Annual Report

The Rockdale Municipal Development District is a one-stop resource for businesses of any type or size looking to take advantage of the City's unique location and assets by locating either inside the City limits or in the City's extraterritorial jurisdiction.

In addition, we leverage our regional and state economic development resources to tell Rockdale's story as a business investment

destination - one that can provide business owners and employees with the best opportunity to join a vibrant community, find professional success and personal fulfillment, and benefit from a location proximate to an urban area but distant enough for a rural lifestyle.

This Annual Report shows the activities and progress made on the MDD Board's goals and objectives.

MISSION STATEMENT

The Municipal Development District's mission is to make the community a better place to live, work, and do business.

LEADERSHIP

Rockdale City Council

Brett Boren, Mayor
Lin Perry, Mayor Pro Tem
Scott Starnes
Brad Caffey
Kyle Walker
Esme Olivares-Rueles
Dave Melton

The Rockdale Municipal Development District was created by the City of Rockdale voters in 2012. The seven-member board is appointed by the Rockdale City Council for two year staggered terms.

The Rockdale Municipal Development District Board is responsible for selecting and hiring an Economic Development Director, who is responsible for implementing the annual plan.

Rockdale Municipal Development District Board

Nathan Bland, Board President
John King, Board Vice-President
Denise Wallace, Board Secretary
Jason Barcak, Board Treasurer
Dr. Denise Monzingo
Joyce Dalley
Brian Wallis

Rockdale Municipal Development District Staff

James Gibson, CEcD MEDP -
Economic Development Director
Michelle Toungate - Executive
Assistant

RMDD Vision and Values Statements

The RMDD Board of Directors adopted the following Vision and Values statements on January 24, 2022.

Vision Statement

The Rockdale Municipal Development District will be the premier economic development organization in the Central Texas region that helps businesses and residents prosper.

Values Statement

Stability. The Rockdale Municipal Development District will be an organization that is financially stable by producing a balanced budget, engaging in long-term financial planning, and being prudent stewards of public funds. The MDD will be operationally secure by establishing sound financial and internal control policies and governance structures. The MDD will also carefully manage and consider the risks (operational and financial) inherent in managing an economic development organization.

Transparency. The Rockdale Municipal Development District will share all available information willingly and openly.

Operational Excellence. The Rockdale Municipal Development District will follow current economic development best practices. The RMDD will strive to execute our mission to the best of everyone's ability. Any work product will be of the highest quality for our best efforts.

Innovation. The Rockdale Municipal Development District will be engaged in continuous learning. This learning will inspire everyone involved with the RMDD to uniquely approach problems.

Tenacity. The Rockdale Municipal Development District will not give up until our mission is complete.

Inspiring. The Rockdale Municipal Development District will be thought leaders for other community leaders and the broader business and economic development community.

Collaboration. The Rockdale Municipal Development District will openly and eagerly work as a resource with other economic development entities and local business and community organizations to help them achieve their goals.

Planning. The Rockdale Municipal Development District will view its work and actions in terms of a long range effort. This will include creating viable and realistic strategic plans that will secure the enduring success of the community.

Director's Message

2023 was indeed a very active year for the Rockdale Municipal Development District (RMDD). The main thesis of this report is that we are working with the Board, City Council, and community to create a sustainable program - rather than running around looking busy. Everything that we do is meant to be with intention that serves a larger purpose or aim.

There are many foundational things that need to happen before we can undertake marketing activities and begin to realize tangible results. Specifically, in 2023 and into 2024, the RMDD's focus is on building our product - improving Rockdale as an investment location and readying the new industrial park to take to market. These are small, marginal improvements, which if followed consistently, will culminate in appreciable changes.

The large story of 2023 was the announcement in July of the new 3,300 acre Advanced Manufacturing and Logistics Center at the former ALCOA site. This announcement generated much interest in Rockdale as a place for residential and commercial investment. Moving forward, this will be a large employment center that the City can leverage for its own growth.

2023 saw Rockdale start an authoritative Comprehensive Plan process which included a robust community vision and outreach effort. This process includes a Park Master Plan and future-looking Utility Assessment. The RMDD has provided staff support on this

project. A staff-completed Economic Development Strategic Plan will be incorporated into the new plan. RMDD staff also assembled a Target Industry Analysis, identifying which industries would be good fits for Rockdale.

A branding effort started in 2023 which saw a new logo, tagline, and website for the RMDD. This will greatly help us market Rockdale to industry and future residents.

The new industrial park project has taken longer than anticipated to birth - a number of curve balls were thrown at the project.

The City authorized the RMDD to lead a new community tourism program. This is meant to grow a different sector of the local economy, but also to create the kind of community social capital that will be necessary for Rockdale to be successful over the long run.

Similarly, the City created Tax Increment Reinvestment Zone #2 which is meant to provide a dedicated funding source for improvements in Downtown and along the East Cameron Ave. Corridor.

There are many reasons to be excited about Rockdale's future. The work done in 2023 will set up long-term success in 2024 and beyond.

James P. Gibson, Jr. CEcD, MEDP
Economic Development Director
Rockdale Municipal Development District

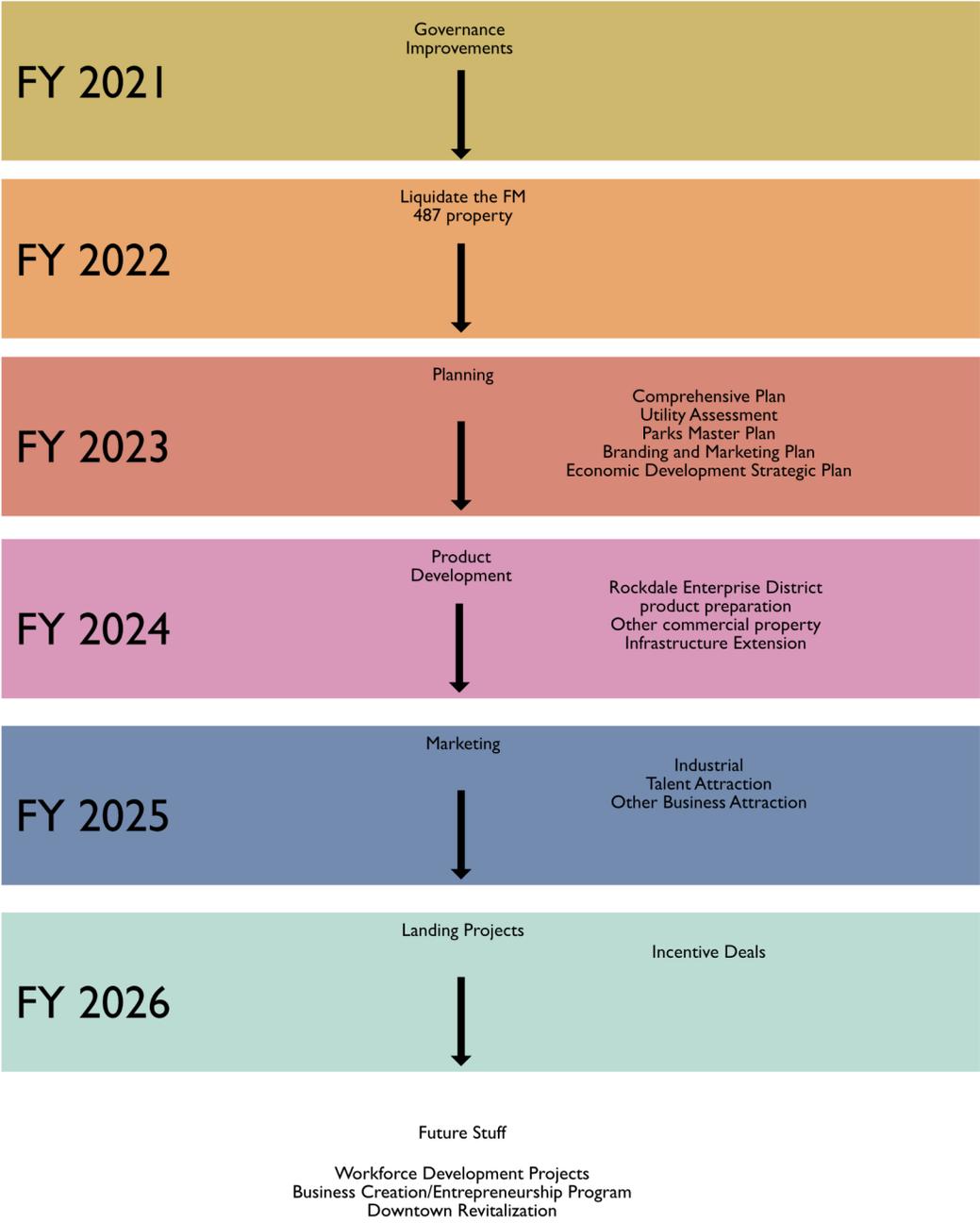
This report is formatted to show activity by major Goal set by the MDD Board of Directors, then FY 2022 financial information, followed by selected demographic and economic data.

Program Progression

The graphic below is meant to illustrate that a sustainable economic development program must go through certain stages before starting to see results and realize meaningful changes in the community.

First, the community must engage in long-range planning, decide what types of

businesses will do well, and determine if the infrastructure system can support growth. Then real estate product can be prepared. This involves securing control of property and learning as much as possible about it. With this information, the community can begin an aggressive marketing campaign to attract investment.



Goal 1 - Create and foster a transparent governance system

ACTION ITEMS

ACCOMPLISHMENTS

A. Continue regular reporting to the MDD Board and City Council
 1. Weekly email updates
 2. Monthly staff reports to the MDD Board
 3. Quarterly reports to the City Council

Weekly emails delivered to MDD Board and City Council. Monthly staff reports presented at MDD Board meetings. Quarterly reports to Council done in January, April, July, and October.

B. Develop detailed and transparent budget document

FY 2024 Budget was adopted in July 2023 and approved by the City Council in September 2023.

C. Conduct FY 2022 audit

The FY 2022 audit was completed in February 2023 and approved by Council in March.

D. Develop understanding of sales tax composition and performance

Staff has continually analyzed sales tax performance.

E. Evaluate and align MDD staff job descriptions to new strategic plan

Not accomplished in 2023

F. Conduct annual staff evaluations

MDD Director was evaluated in May 2023. Executive Assistant was evaluated in September 2023.

G. Create RMDD Annual Report

2022 Annual Report presented to RMDD Board in December 2022 and to City Council in January 2023. 2023 Annual Report presented to RMDD Board in December 2023.

Governance KPI's	Target	Actual
Regular MDD Board meetings	12	12
Special Board meetings		1
Large Purchases Made		
\$500 - 10,000		12
\$10,000 - 50,000		2
\$50,000 +		1
Board Members Current on		
Sales tax training	7	7
Open records	7	7
Open meetings	7	7

MDD Board approved amendments to the By-Laws to adjust certain language.

Goal 2 - Establish planning and visioning processes to guide organizational thinking

A. Begin the Comprehensive Planning Process

The 2023 Action Plan identified other items which are included in the Comprehensive Plan: A community Vision, Satisfaction/quality of life survey, Parks Master Plan, and Utility Capacity/Capability assessment

The Comprehensive Plan project started in March 2023 and should be complete by July 2024.

B. Community branding and marketing plan

New brand packet was approved by MDD Board in October 2023 and by City Council in November 2023

B. Rockdale Economic Development Strategic Plan and Target Industry Analysis

Staff completed the Target Industry Analysis i and the Strategic Plan in July 2023

Planning KPI's		Target	Actual
Age of Plan (years)			
	City comprehensive plan	7	6
	Economic development strategic plan	5	1
	Target industry list	3	1
	Parks master plan	5	5

Other Accomplishments

- Created Explore Rockdale! Tourism subcommittee
- Site consultant visit and community assessment

Goal 3 - Create robust MDD Board training and development program

ACTION ITEMS

A. Host various board group educational events

ACCOMPLISHMENTS

Held a Board Lunch & Learn with site consultant - Dean Barber, March 2023
Held one community Lunch & Learn presentations - Col. Foster, Ft. Cavazos
Coordinated one board/community training webinars.

B. Encourage board members to attend Texas Economic Development Sales Tax training

Not accomplished in 2023

Goal 4 - Community Engagement

ACTION ITEMS

ACCOMPLISHMENTS

A. Promote the Rockdale MDD as a professional, competent organization to our peers

Staff served on TEDC and IEDC committees, served on the Board of the Development District of Central Texas.

RMDD received the 2022 Economic Excellence Award from TEDC - February 2023

B. Engage with the regional and local real estate community.

Staff had meetings with regional developers.

Local realtor lunches were not accomplished in 2023.

C. Engage with chief community leadership

The Rockdale City Council, RMDD, and RISD held a biannual joint meeting in September 2023.

D. Execute community leadership program

The second Leadership Rockdale class started in August 2023.

E. Conduct biennial local business survey and incorporate results into the economic development strategic plan

This item was not accomplished in 2023 but considered a component of the Comprehensive Plan project

F. Maintain active social media presence for MDD

See data below

MDD FaceBook Page as of 12-8-2022

Total Followers: 1,400 - grew by 300

MDD LinkedIn Page as of 12-8-2023

LinkedIn Followers Added	
2022	908
2023	948
Total Followers	2,092

	LinkedIn Followers
Taylor EDC	9
Hutto EDC	N/A
Pflugerville CDC	1,019
Round Rock CoC	2,761

Location	% Audience - 2022	% Audience - 2023
Austin	18.4	19.5
DFW	19.5	18.9
Houston	10	11.7
San Antonio	4	3.1

Seniority	% Audience - 2022	% Audience - 2023
Senior	17.6	21.3
VP	17.4	16.7
Director	17	17.3
Entry	-	14.7
CXO	13.1	10.7

Industry	% Audience - 2022	% Audience - 2023
Gov't Admin	23	24.2
Real Estate	13	12.7
Biz Consulting	6.2	5.5
Real Estate Brokers & Agents	4.5	5.5

MDD Staff submitted 16 economic development editorials and 13 press releases to local media.

The RMDD also participated in IEDC's annual Economic Development Week.

Goal 5 - Community Redevelopment Initiatives

ACTION ITEMS

ACCOMPLISHMENTS

A. Promote the facade and building improvement grant program Not accomplished in 2023

Facade grants

The MDD Board approved two facade grants in 2023:

Main Street Bookstore - completed 2023

Place of Hope Pregnancy Center - expected completion 2024

Facade grants approved in 2022:

East Bell Taphouse

The Christian Bookstore

The Snug



B. Seek funding for East Cameron Corridor Vision Plan

Created Tax Increment Reinvestment Zone #2 to provide funding source for downtown and East Cameron Ave. Improvements.

The MDD purchased property along Hwy 79 for the purposes of demolishing the structures and redeveloping the site.

The City and MDD were awarded a Texas Department of Agriculture Downtown Revitalization Program for \$500,000 for downtown sidewalks.

Goal 6 - Business Development Activities

A. Increase availability of housing stock in Rockdale Subdivision groundbreaking occurred in June 2023; first houses should be ready for sale by May 2024.

B. Recruit retail and hospitality businesses Staff updated the Retail Market report. Staff did not attend retail trade shows in 2023. Staff directly contacted regional retailers through the Resquared platform.

C. Execute the marketing plan for the Rockdale Enterprise District Staff were unable to accomplish this task due to the site documentation project not complete.

The Rockdale MDD responded to 11 prospect leads from the Governor's Office and hosted 2 site visits from one Korean company.

The RMDD, City of Rockdale, and Milam County each approved an assistance agreement with Project Bluebird - Lone Star School Bus Systems/OSS Fab Shop. \$4 million construction project and creation of 20 new full-time jobs.

Staff became involved with Opportunity Austin and the Williamson County Economic Development Partnership. Staff responded to 2 RFI's through Opportunity Austin.

Site documentation project for the new industrial park progressed in 2023.

Goal 7 - Professional Development and Growth

A. Attend professional conferences Staff attended the Basic Economic Development Course, the IEDC Annual Conference, and the TEDC Legislative and Annual Conferences.

Staff attended the Public Funds Investment Act training.

Financial Information

The information below provides a summary of how the MDD finished FY 2023.

REVENUES	FY 2023 Amended Budget	FY 2023 Actual (Unaudited)
Sales Tax	547,700	641,860
Interest	6,600	76,581
Other	1,433,700	1,434,489
Total	1,988,000	2,152,931

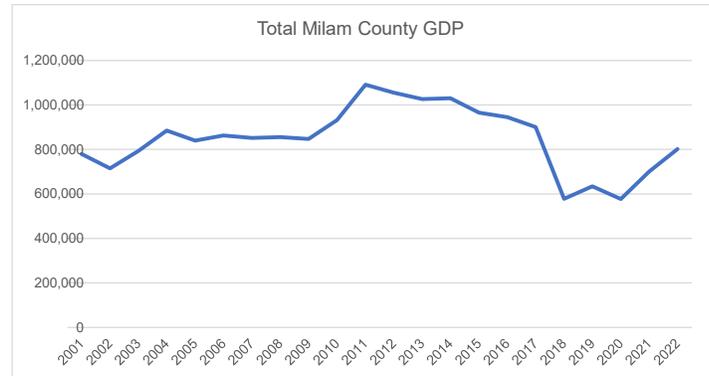
EXPENDITURES		
Personnel	195,200	196,623
Board of Directors	2,700	1,503
Economic Development Projects	705,500	376,088
Community Marketing	26,500	16,040
Training & Development	9,900	1,744
Contractual Service	27,000	24,991
Supplies	12,600	0,268
Maintenance	19,300	18,488
Debt Service	393,500	390,567
TOTAL	1,392,200	1,036,312

The MDD finished the fiscal year with \$1.67 million in the bank, growing its cash by \$1.12 million. After deducting outstanding project commitments, the MDD finished with over 1,000 days of operating reserves.

Select Demographic Data

2022 Data	Number	Percent
Population	6,006	
Households	2,248	
Income		
Household Median Income	43,100	
Household Average	76,959	
Per Capita Income	25,159	
Poverty Rate	15%	
Educational Attainment Population age 25+		
High School Graduate or College	2,306	59.5
Associates Degree	396	10.2
Bachelors Degree or Higher	453	11.7

The chart below shows the total size of the Milam County economy as measured in Gross Domestic Product for all industries, in current dollars. The County economy expanded by 14% in 2022 across all industries.



Source: apps.bea.gov
Bureau of Economic Analysis

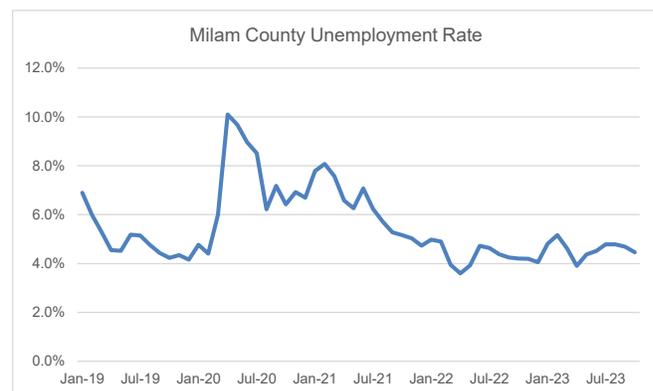
Employees by Occupation		
Employees over 16	2,823	
Management	219	8%
Professional	949	15%
Service	949	34%
Sales	404	14%
Construction	511	18%
Production	294	10%

The table and chart below shows the size of the Milam County workforce, the number of employment opportunities, and those actively seeking employment. The chart below shows the running unemployment rate from January 2019.

There are more people in the labor force, more jobs, and a healthy unemployment rate.

	2020	2021	2022	2023 -ytd
Civilian Labor Force	9,750	9,829	10,294	10,402
Employment	9,054	9,209	9,850	9,922
Unemployment	696	620	444	481

Employees by Industry		
Employees over 16	2,823	
Agriculture/Construction	485	17%
Manufacturing	158	6%
Wholesale/Retail trade	568	20%
Transportation	109	4%
Professional	61	2%
Education	471	17%
Arts	314	11%
Other Service	520	18%
Public administration	40	1%
Finance	58	2%
Information	0	0%



Source: TexasLMI.com
Texas Workforce Commission

Source: Placer.ai
STI Popstats - Rockdale city limits