

ROCKDALE

— TEXAS —

A STONE'S THROW AWAY

Located inside the Texas Golden Triangle, Rockdale is a Stone's Throw Away from the growing Austin market, with abundant water and utilities, available sites, and a talented workforce

2024 Annual Report

December 2024



Downtown Rockdale
July 2024



MAKING THE COMMUNITY A BETTER PLACE TO LIVE, WORK, AND DO BUSINESS

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.

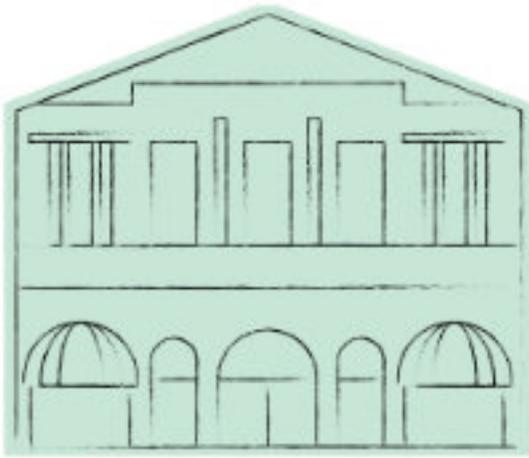
In addition, we leverage our regional and state economic development resources to tell Rockdale's story as a business investment opportunity that can provide business owners and employees with the best connection to join a vibrant community, find professional success and personal fulfillment, and benefit from a location proximate to an urban area but distance enough for a rural lifestyle.

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



CONTENTS

1	ROCKDALE LEADERSHIP
2	DIRECTORS MESSAGE
3	VISION STATEMENT
4	VALUES STATEMENT
5	STRATEGIC PLAN REVIEW
6	Community Leadership
8	Quality of Place
9	Industry Attraction
10	Workforce Development
11	Housing Development
12	Retail Expansion
14	COMMUNITY ECONOMIC METRICS



The Rockdale MDD 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 Board is responsible for selecting and hiring an Economic Development Director, who is responsible for implementing an Economic Development Plan.

CITY COUNCIL

Mayor

Ward Roddam

Mayor Pro Tem

Lin Perry

Council Members

Scott Starnes

Brad Caffey

Kyle Walker

Esme Olivares-Rueles

Dave Melton

ROCKDALE LEADERSHIP

MDD BOARD

Board President

Nathan Bland

Board Vice President

John King

Board Secretary

Denise Wallace

Board Treasurer

Brian Wallis

Board Members

Joyce Dalley

Rebecca Luckey

Bob Slobod

MDD STAFF

Economic Development Director

James P. Gibson, Jr. CEcD MEDP

Executive Assistant

Michelle Toungate

Intern

Caroline Jayamaha

DIRECTOR'S MESSAGE



The Rockdale MDD continues to try to lead the community to prepare for the massive growth that is coming this way. We are also beginning to see the fruits of that trend materialize in the community.

Rockdale is now, more than ever, chained to the national and global economy. While that may have been the case when ALCOA was in operation, that chain was certainly broken following its' closure in 2008. However, that relationship is being re-established in a deeper and sophisticated way.

There has been a slowdown in Samsung's production schedule; this could be in Rockdale's favor as it gives the community more time to prepare to take advantage of the economic activity generated there.

Sandow Lakes Ranch (SLR) made an initial project announcement of a new power plant facility. This is the first tangible project announced by SLR's management and indicates that this, too, is moving beyond a concept.

In 2024, the Rockdale MDD, along with other regional partners, commissioned a study by Dr. Ray Perryman to project the amount of growth heading this way. This study predicts that Milam County will realize an additional \$4 billion in economic output and nearly 200,000 jobs. For Rockdale, this will induce demand for an additional 20,000 housing units and push Rockdale's population to 50,000.

With this information, we now have a grasp of the magnitude of the work required of this community's leadership. The City adopted a new Comprehensive Plan in

2024, providing a much needed framework for managing growth.

This growth is starting to take root and manifest itself. The new Cornerstone subdivision has the first batch of homes with residents living there. The City Council approved the development of a second subdivision in 2024. A new Dollar Tree was built and opened in late 2024.

More value was added to the City's tax rolls in 2024. While the City and MDD's sales tax revenues were down, if adjusted for a large one-time payment the prior year, sales tax was actually slightly up.

The Milam County labor market has improved with a larger labor pool and a growing number of jobs. The unemployment rate remains below 5%.

Finally, the Milam County Gross Domestic Product grew in 2023, the most recent available data, even after adjusting for inflation.

It will take continued effort to get the Milam County economy to recover from where it was while ALCOA was operating. Specifically, more manufacturing jobs need to be created and more dollars need to be imported into the community.

There are many reasons to be excited about Rockdale's future. The work done in the prior three years will continue to set the community up for long term success in 2025 and beyond.

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



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.

OPERATIONAL EXCELLENCE

The Rockdale Municipal Development District will follow current economic development best practices. The MDD 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.

TRANSPARENCY

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

INNOVATION

The Rockdale Municipal Development District will be engaged in continuous learning. This learning will inspire everyone involved with the MDD 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.

STRATEGIC PLAN REVIEW

The 2023 Strategic Plan was developed to address the root cause of a market failure in Rockdale – an increased investment risk profile. The plan action elements were designed around the concept of working to reduce that risk, whether that be actual or perceived.

Problem Summary

Rockdale presents a very high risk profile, as evidenced in the plan's economic and risk assessment.

Elevated risk increases the cost of doing business in Rockdale.

The Opportunity Cost of investing in Rockdale are too high, relative to the lower risk profile offered by other communities.

Therefore, there is sufficient evidence to conclude that Rockdale's chief problem or barrier to economic development is: Investment risk/capital avoidance in Rockdale is too high. The opportunity costs of choosing Rockdale over a community that presents less risk is too great. The end result is a market failure.

Strategic Plan Goal

The goal of the Economic Development Strategic Plan is for a significant deployment of public resources and leadership to reduce investment risk and ameliorate Rockdale's market failure so that capital investment will flow into Rockdale.

Strategic Plan Elements

The Economic Development Strategic Plan was organized around seven topical areas:

- *Community Leadership and Organizational Development*
- *Quality of Place/Life – Rockdale as an Investment Location*
- *Attracting New Industry*
- *Workforce Development*
- *Housing Development*
- *Entrepreneur Ecosystem*
- *Retail Expansion*

This report format is different from previous Annual Reports in that the sections are organized around the topical Strategic Plan elements. This allows for better understanding of progress towards the strategic plan goals.

COMMUNITY LEADERSHIP AND ORGANIZATIONAL DEVELOPMENT

Goal Statement

The Rockdale MDD will build consensus in the community around its vision and mission, its capacity to achieve the community's vision, and exhibit competence to the public.

Objectives

1. Achieve strategic alignment with other planning documents and efforts.
2. Maintain a quality governance structure
3. Demonstrate professionalism
4. Internally market to the community to create a high sense of community efficacy

Accomplishments

Planning

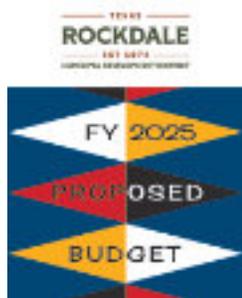
Completed the Rockdale 2050 Comprehensive Plan

Completed the Dr. Perryman Hwy 79 Corridor economic impact study, in partnership with WilCo EDP and Cities of Hutto and Taylor. This plan projects over 190,000 new jobs created in Milam County and demand for an additional 20,000 housing units in Rockdale – pushing the city's population to 50,000.

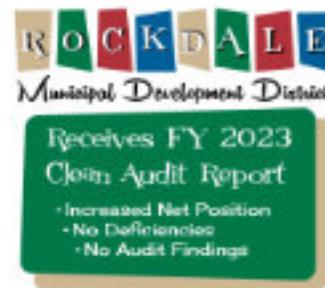


Governance

Adopted FY 2025 Budget



Received clean FY 2023 audit report



Met all reporting requirements – weekly and monthly staff report, quarterly council report, and annual report

Demonstrate Professionalism

Won IEDC Silver-level award for the 2023 Annual Report



Lunch and Learn Board Training

Held six lunch and learn leadership events:

- Milam County commissioners
- Dave Porter – Williamson County Economic Development Partnership
- Russ Boles – Williamson County Commissioner
- Carol Johnson - Site selection video
- Carlton Schwab – Texas Economic Development Council
- Terry Zrubek – Office of the Governor, Economic Development and Tourism

Won the TEDC 2023 Economic Excellence Award



Staff and Board Training

Staff Training

- Basic Economic Development Course
- Sales tax class
- Three TEDC conferences

Board training

- New board member completed Basic Economic Development Course and sales tax training

Internal Marketing

Wrote 12 articles for the Rockdale Reporter on economic and community development topics

Issued 13 press releases

Started a quarterly e-newsletter for the Rockdale community and site selection consultants. 840 contacts. Send three times: June, September, and December



2024 Community Business Survey Results

38% of respondents agree or strongly agree that Rockdale is an excellent place to have a business

50% of respondents disagree or strongly disagree that local municipal services are well worth the level of local taxation

60% of respondents agree or strongly agree that they are very satisfied with their business' present location

Completed a new business resource flyer and hand distributed to local businesses



QUALITY OF PLACE/LIFE

Goal Statement

Rockdale will become an aesthetically pleasing community which will offer desirable community amenities with a reasonable tax rate.

Objectives

1. Improve Rockdale's physical appearance in Downtown and major corridors
2. Take measures to improve Rockdale's business operating environment
3. Create a reputation as being a developer-friendly community
4. Improve the quality of Rockdale's utility infrastructure
5. Improve Rockdale's physical infrastructure and amenities for residents
6. Begin an arts/cultural program to package the community's cultural capital
7. Be a welcoming community for new residents



Belltower being raised on the 1895 old city hall building

Accomplishments

The Explore Rockdale tourism sub-committee created a tourism master plan and presented it to the Rockdale City Council.

Rockdale was awarded a \$500,000 Downtown Revitalization Program grant from the Texas Department of Agriculture. The MDD is providing the \$75,000 match.

The MDD cleaned up the property at Travis St./Cameron Ave.



The MDD contributed \$5,000 to the Rockdale Downtown Association for holiday decorations



ATTRACTING NEW INDUSTRY

Goal Statement

Rockdale will take advantage of its strategic location and current industrial trends to attract other industry to the community.

Objectives

1. Create viable industrial real estate product for industrial absorption - the Rockdale Enterprise District
2. Effectively market Rockdale's assets as an attractive industrial location
3. Ensure Rockdale's industrial market competitiveness is on parity with peer communities

Accomplishments

Industrial Product

Continued working on activating new industrial park. Geotechnical exploration was done to determine the presence of abandoned underground coal mine shafts – no large presence on the site. Developed relationship with a new development partner.

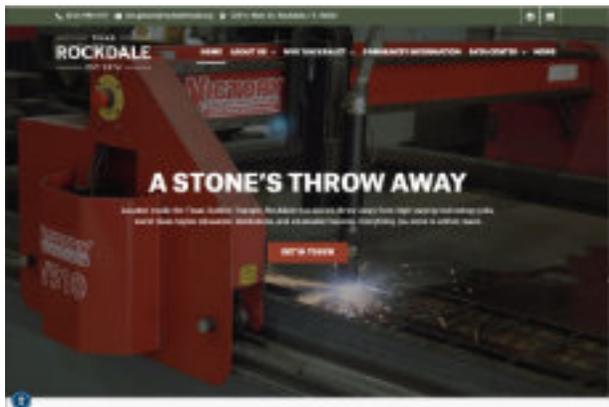
The City was awarded a \$500,000 Community Development Block Grant (CDBG) from the Texas Department of Agriculture for a new East Cameron lift station which will serve the new industrial park. The MDD is contributing the \$50,000 grant match.

Marketing

MDD joined Team Texas as a bronze sponsor for business recruitment.

Increased LinkedIn page followers – +477 from 2023. 2,569 followers as of December 20, 2024

Launched new Rockdale MDD website



Project Pipeline

Prospect Leads Responses: 24

Prospect Site Visits: 5 – Jacob, General, Spark Zero, Ewers, and Ocelot

Active Projects: 2 – Project Ewers and Bobcat

WORKFORCE DEVELOPMENT

Goal Statement

Rockdale will partner with key stakeholders to take steps to invest in human capital so that new industry locating to the area can rely on a documented talent pipeline.

Objectives

1. Partner with Rockdale ISD and Temple College to facilitate the new college satellite campus in Rockdale
2. Identify local workforce skills needs and work to fill those gaps
3. Engage in workforce/industry outreach activities

Accomplishments

Training Facilities

Assisted Rockdale ISD secure \$5.3 million in Economic Development Administration (EDA) grant funding for the new College and Career Center.

Temple College held a ribbon cutting at the new satellite campus



2024 Community Business Survey Results

71% of survey respondents indicated that recruiting or retaining employees is very to somewhat challenging.

45% said it is very to somewhat challenging to find unskilled labor; however, 40% said it's not a problem.

67% responded that it is very to somewhat challenging to find skilled workers.

HOUSING DEVELOPMENT

Goal Statement

Building upon improvements in Rockdale’s quality of place, Rockdale will be able to deliver quality housing for all price points.

Objectives

1. Position Rockdale as a community of choice in the Central Texas region by leveraging recent quality of place investments for those working in Rockdale or in a commutable distance – help induce demand.
2. Create a pipeline of housing development projects into the Rockdale market – help create supply.

Accomplishments

Increasing Housing Supply

Had visits with multiple potential developers expressing a curiosity about Rockdale.

New home construction in Cornerstone started in February 2024.

Rockdale City Council approved agreements and zoning for new Republic Ridge subdivision



New home construction permits issued: 61

	Planned Lots	Homes Built	Percent Build Out
Cornerstone	672	51	
Republic Ridge	234	0	
Total	906	51	5.5%

RETAIL EXPANSION

Goal Statement

Rockdale will grow into a retail and commercial hub for the Greater Milam County area and capture retail leakage, ensuring imported dollars circulate multiple times in the community before flowing out.

Objectives

1. Create retail/commercial development concepts
2. Market these concepts to candidate companies

Accomplishments

Entered into contract agreement with Retail Strategies for retail recruitment efforts.

Conducted our own traffic count study – October 2024. Highest traffic count location – 22,000 vpd!

Attended the Austin Retail Live! Tradeshow

New Dollar Tree built and opened in October 2024.

Partnered with the City of Rockdale, Rockdale Chamber of Commerce, and KRXT for a Shop Local campaign. The MDD paid for banners throughout town and stickers to be placed at local businesses.



Façade grants made:

The MDD Board approved a facade grant for Majik firearms to assist them with facade repairs following a store break-in.

The Board also approved a grant to assist Maricela’s for a new sign.



MDD Sales Tax from Retail and Restaurants

The Rockdale MDD continues to receive additional sales tax revenue from retail and restaurants.

	Retail and Restaurant Total	Percent Growth
FY 2021	368,853	
FY 2022	410,516	11%
FY 2023	419,248	2%
FY 2024	440,477	5%

MDD Sales Tax from Local Businesses and Retailers

Sales tax generated from local businesses continues to be stable, although the proportion of local sales tax adjusted back to the norm.

	Total Sales Tax Allocation	Allocation from Local Businesses	Percent Local
FY 2021	450,964	316,072	70%
FY 2022	556,178	396,387	71%
FY 2023	513,541	394,009	77%
FY 2024	579,464	395,046	68%

Sales tax generated from local retailers also is very stable

	Total Retail Allocation	Allocation from Local Retailers	Percent Local
FY 2021	298,781	232,262	78%
FY 2022	327,923	253,781	77%
FY 2023	338,566	265,557	78%
FY 2024	351,894	265,944	76%

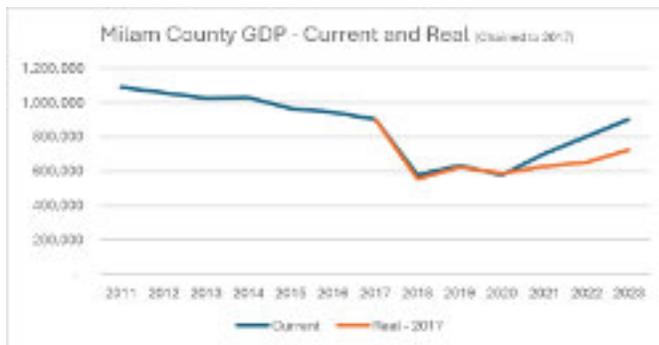
COMMUNITY / ECONOMIC METRICS

Milam County Economy and Business

The size of Milam County’s economy grew by 10.6% - adjusting for inflation in 2017 dollars. Other measures of economic growth also improved, such as the number of businesses in Milam County and City commercial utility accounts.

	2022	2023	2024
City of Rockdale Commercial Utility Accounts			

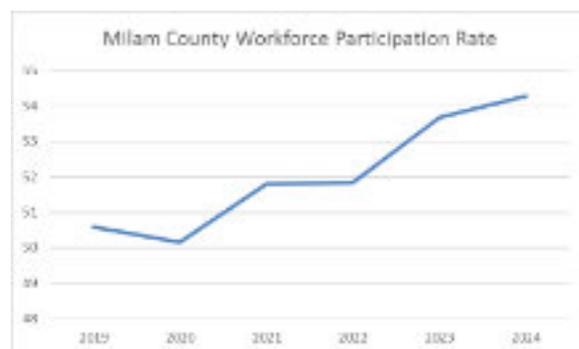
	2022	2023	2024
Milam County Business Establishments	444	465	470



	Current GDP	Real GDP - 2017
2011	1,091,014	
2012	1,055,451	
2013	1,026,659	
2014	1,030,414	
2015	965,484	
2016	944,564	
2017	900,706	900,706
2018	577,854	556,058
2019	634,209	623,476
2020	577,148	588,790
2021	700,708	630,690
2021	801,674	653,270
2023	904,461	722,426

Labor Market

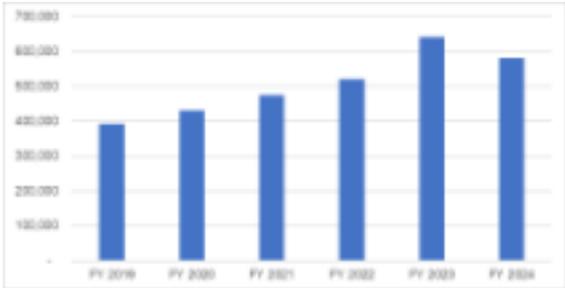
The Milam County labor market also showed improvement year over year. There were 6.8% more jobs in FY 2024 over the prior year, with a 6.7% growth in the civilian labor force. The workforce participation rate is the highest on record over the six years of data collected. The unemployment rate continues to be under 5% - the measure of full employment - for a third consecutive year.



	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Employment - Jobs	9,280	9,074	9,209	9,731	9,872	10,543
Civilian Labor Force	9,780	9,708	9,873	10,191	10,338	11,026
Unemployment	500	634	664	460	466	483
UE Rate	5.10	6.55	6.73	4.52	4.51	4.34

Fiscal Measures

Sales tax is considered to be a good proxy for a local economy’s health. In FY 2023, the MDD received a large one-time payment, which makes FY 2024 appear to be a very down year. Adjusting for this payment, the MDD’s sales tax allocation slightly increased, indicating that FY 2024 was an adjustment year.



FY 2019	391,671
FY 2020	431,397
FY 2021	475,038
FY 2022	521,573
FY 2023	641,860
FY 2024	580,752

Financial Performance

The Rockdale MDD outperformed its budget by realizing interest revenue from idle funds. This is money that is being reserved for the new industrial park (\$1,100,000).

The MDD spent more than it earned in sales tax, chiefly because of the completion of the Comprehensive Plan. The plan was funded by property sales proceeds that were placed in reserve.

The MDD maintains a health fund balance, having 61% of annual revenues in liquid reserves. While this resource is limited, the MDD is able to execute on projects if presented the opportunity.

	FY 2024 Amended Budget	FY 2024 Actual
REVENUE		
Sales Tax	588,000	580,752
Interest	5,000	87,140
Total	593,000	667,892
EXPENDITURES		
Personnel	229,800	221,305
Board of Directors	3,400	1,599
Economic Development	1,624,000	514,969
Community Marketing	21,700	17,367
Professional Development	2,000	1,008
Contractual Service	59,500	55,695
Supplies	9,500	8,948
Maintenance	10,800	8,584
Total	1,960,700	829,474

Beginning Fund Balance	1,668,945
Change in Fund Balance	(161,583)
Ending Fund Balance	1,507,362
Project Reserve	1,100,000
Net Fund Balance	407,362
% Net Fund Balance to Revenue	61%