

INTRODUCTION

Economic development is a complex process vital to a community's pursuit of greater prosperity. Additionally, economic development is the primary means available to a community for maximizing its quality of life. Successful community development is a significant result of a well executed economic development process that is given high priority by local leadership, and supported by residents. Moreover, economic development generates the local revenues that pay for public improvements and facilities. The economic success of Center should be of concern and interest to all residents.

The minimum purpose of economic development planning for Center should be to increase the local labor force and population by providing increased employment opportunities in amounts which are equal to the rate of increased employment in the whole of the United States. Only when the city realizes this goal will it be assured of participating in the increased general well being of the nation.

Many aspects of local development and demographic trends have a significant influence on Center's economic potential. State, national, and international economics also influence the regional and local economic potential and contribute to the underlying assumptions for conducting regional and local economic analysis.

HISTORICAL DEVELOPMENT AND GENERAL CHARACTERISTICS

Regional Context

Center, with a current population of roughly 5,785 persons, contains a total land area of approximately 4,026 acres. The city, located in Shelby County, is approximately 18 miles west of the Louisiana border, 64 miles southwest of Shreveport, 77 miles southeast of Longview, and 172 miles northeast of the Houston Metro area.

In terms of natural geographic features, Center is situated on level to gently rolling terrain with a

variety of trees and areas of agricultural. There are two creeks, Stonedrive Creek, which is located in southeast portions of the city, and Prairie Creek, which is located in northern portions of the city. Toledo Ben Reservoir, a major regional water resource, is located approximately 15 miles to the east.

An important location factor from a regional context is Center's proximity to key transportation features. The local, most commercially significant roadways are: State Highway 7, which runs northeast to Joaquin and southwest to Nacogdoches, US Highway 96, which runs north to Carthage and south to Beaumont and State Highway 87, which runs northeast to Timpson and south to Port Arthur. All of these highways eventually provide access to the Interstate Highway systems that provide further access to major metropolitan areas in Texas and surrounding States. There are also a network of farm-to-market (F.M.) and county roads in the area which serve to connect adjacent cities and outlying service areas to businesses in the Center area.

Travel patterns indicate that Center's residents maintain a strong regional relationship with surrounding communities. According to the 2000 census, working persons have a travel commute of roughly 16 minutes or more. It appears that Center functions primarily as the county judicial seat and has developed due to its natural resources and industrial complexes.

It should also be noted that Center's location outside the pressures and restrictions of intense urban life combined with its convenient location relative to local and regional economic centers, makes the City a stable community capable of providing a good, small town quality of life and a healthy environment for raising a family. Center's friendly, small town attributes should be an important factor considered by businesses and industries.

General Economic History

Center developed as an agricultural focal point and as the judicial seat for Shelby County. A railroad was built through town to provide the essential transportation link to support this agricultural production and distribution throughout the region. Eventually, the development of a modern highway network eliminated the significance of the railroad on local commerce and this

service was finally eliminated. The emerging trucking industry gradually revitalized those area towns which were located at the crossroads of well traveled highways. During this subsequent period of economic development, Center's evolving role for serving area populations has become clearly defined. With its churches, schools, City and County government, banking, service and retail stores, Center can be assured of continued growth and development. Today, Center finds itself as a stable community offering a small town quality of life at a time when perceived social problems plague many major urban centers. The city is now positioned to take on a role as home for those seeking a small town way of life.

If Center wishes to influence its future, rather than just passively accepting an economic role assignment given by others, the city must determine its desired economic niche and plan for its role in the rapidly evolving economy. Adoption of this Community Development Plan is an important step toward adapting to regional change, as well as laying the ground work for maximizing local economic opportunity in a timely manner.

Physical Growth Patterns

As previously stated, Center's initial impetus for growth was accommodating agricultural activities. Initially, commercial growth confined itself to the area around the railroad station, and housing was built close into town. Center's dependence on the railroad gradually declined in importance in favor of highways, and housing growth became less compact. As the demand for housing grew, Center responded to the expanding market pressures and grew.

In terms of business development, the central business district is the main focus for retail development. It is in need of continued revitalization to realize its full potential as the focal point for community life. Most local and commercial development in Center has located along Tehana and San Augustine streets, which intersects in the downtown area. Highway oriented commercial development has also located along State Highway 7, State Highway 87, and US Highway 96. To keep the downtown as the focal point of the community, it is important that commercial development be encouraged and supported.

In addition to opportunities for central business district revitalization, there may be some growth

opportunities for industrial uses in the northeastern portion of the city. Details regarding future land uses are located in Land Use Section of the Community Development Plan. The Future Land Use Plan depicts future land development characteristics. It is anticipated that, in response to current and future anticipated market demand, some portions of agricultural land within Center's extra-territorial jurisdiction will develop into medium density and low density, large lot single-family uses. The resultant service economy's response will be to create new commercial growth along State Highway 7, State Highway 87, US Highway 96, Loop 500 and redevelopment within the CBD.

Present Economic Activity

There were 309 businesses in Shelby County in 1997. Details are indicated in Table 5.1.

TABLE 5.1
SHELBY COUNTY
BUSINESS ACTIVITY

SECTOR	NUMBER OF ESTABLISHMENTS	ANNUAL PAYROLL (\$1,000)	NUMBER OF JOBS
Manufacturing	29	39,316	1,989
Wholesale trade	27	4,257	168
Retail trade	103	12,435	984
Real estate & rental & leasing	14	253	27
Professional, scientific, & technical services	24	1,985	132
Administrative & support & waste management & remediation services	15	577	55
Health care & social assistance	34	12,757	697
Arts, entertainment, & recreation	5	637	54
Accommodation & food services	23	2,045	243
Other services (except public administration)	35	1,777	115

Source: 1997 Special Economic US Census Report

In 1997, there were a total of 209 businesses in Center, providing numerous jobs. Details are shown in Table 5.2

TABLE 5.2
CITY OF CENTER
BUSINESS ACTIVITY

SECTOR	NUMBER OF ESTABLISHMENTS
Manufacturing	12
Wholesale Trade	15
Retail Trade	74
Real estate & rental & leasing	8
Professional, scientific, & technical services	20
Administrative & support & waste management & remediation services	11
Health care & social assistance	29
Arts, entertainment, & recreation	3
Accommodation & food services	17
Other services (except public administration)	19

Source: 1997 Special Economic Census Report

With respect to economic development, Center appears to be doing fairly well as it relates to all of Shelby County. With 22.5 percent of the county's total population, Center has 67 percent of all business establishments. Center also experienced almost a 1.7 percent increase in sales tax revenues from 2002 to 2003 which is inline with the average 1.8 percent increase for most other cities in the county. Put another way, Center appears to be participating in the rate of growth which Shelby County is experiencing as demonstrated by sales tax receipts growth. Table 5.3 indicates the most recent sales tax receipts data for six cities in the county.

TABLE 5.3
2002 vs.2003 SALES TAX RECEIPTS

TAXING ENTITY	2002	2003	PERCENT CHANGE
City of Center	\$1,761,465	\$1,790,692	1.7%
City of Carthage	\$1,954,558	\$1,992,513	1.9%
City of Henderson	\$2,679,908	\$2,662,547	-.65%
City of Nacogdoches	\$4,108,731	\$4,081,998	-.65%
City of San Augustine	\$249,095	\$243,437	-2.3%
City of Tenaha	\$28,573	\$32,904	15%
City of Timpson	\$59,283	\$58,117	-2.0%

Source: Texas Comptroller of Public Accounts

Although sales tax revenues for Center are increasing, the city must continue in its efforts to attract new business activity in order to keep pace with regional growth and to ensure that future sales tax revenues continue to increase and potential locally generated sales tax revenues remain in the city.

The majority of commercial establishments in Center are located in the downtown area. They consist of small retail centers catering generally to local trade. Larger commercial development complexes have tended to locate in more populous communities such as Tyler and Shreveport which have larger population concentrations. Though Center has significant retail development, it should find ways to attract additional businesses.

OTHER STUDIES

There have been several other economic development studies for Center. A "Multi-Phase Strategic Marketing Plan for the Deep East Texas Council of Governments" was completed in 1999. In 2004, the "Central Business District Vision Plan" was completed by the Center Chamber of Commerce. The Texas State Comptroller's Office has also completed a study titled "Southeast Texas Regional Outlook". This report reflects current economic and employment data for counties in the Southeast Texas.

The Comptroller's publication states that between 2000 and 2002, the southeast Texas region's economy grew at a 1.5 percent annual rate. This is expected to continue for the next few years and is slightly slower than the 1.9 percent growth rate expected for the state as a whole. By 2005, total employment in the Southeast Texas region should reach more than 385,600 jobs, up from 358,700 jobs in 2000. Center is located near major roadways in the heart of this region and should experience some of the overlapping effects from growth as projected for this region as a whole.

INVENTORY OF EXISTING ECONOMIC BASE

In November 2003, a survey of all economic activities in the City of Center was completed. The survey results are depicted on the Existing Land Use Map in the Land Use Section of the Community Development Plan. It is important to mention that Center's banking needs are met by Farmers State Bank, Shelby Savings and Citizens State Bank. These financial institutions provide banking related services to area residents.

There is currently a large range of employment opportunities in Center. In addition to the typical small retail/service employment normally associated with smaller communities, Center also has Tyson Foods, Inc. (1,175 employees), Armstrong Wood Products (385 employees), Hallmark/Center Fixture Operations (85 employees), General Shelters/Port-a-Cool (325 employees) and the Center Independent School District (280 employees).

Utility & Communication Services - Center residents and businesses are served with water, sewer, electric, natural gas, telephone utilities and waste disposal service.

Water and sewer services are provided to the residents and businesses by the City of Center and are generally available to most areas of the city. Solid waste disposal in the City of Center is offered by Olympic Waste. A range of services for commercial and industrial trash disposal is offered with a monthly charge based on volume and frequency of collection. The telephone service for Center is provided primarily by SWB. A basic monthly rate of about \$50.00 for local service for each business line. Phone service is available to all parts of the City. High speed DSL and high speed internet are also available through a variety of servers. Electrical distribution is provided by AEP-SWEPCO which serves Center with electricity. For commercial and industrial

customers there is a basic charge of \$7.00 plus 3.52 cents per 600 kilowatt hours (KWH) 2.03 cents for each of the next 1,900 (KWH), and 3.52 cents for all additional (KWH). All service voltages are available in Center for manufacturing operations, including 12/208, 120/240, 240/480 and 277/480. Natural gas is supplied by CenterPoint Energy.

Labor Force - The 2000 Census reveals that the total work force of Center was 2,053 persons with an unemployment rate of close to 3.4 percent. The 2000 median household income in Center was \$26,061. A delineation of employed persons by occupation and persons employed by type of industry is presented in Tables 5.4 and 5.5.

TABLE 5.4
CITY OF CENTER
EMPLOYMENT BY OCCUPATION

ACTIVITY	SKILL LEVEL	NUMBER	PERCENT
Managerial & Professional	Higher	409	19.9%
Service Occupations	Higher/Moderate	303	14.8%
Sales and Office	Moderate	522	25.4%
Farming, Forestry & Fishing	Lower	86	4.2%
Construction, extraction, and	Higher/Moderate	94	4.6%
Production, transportation and material moving	Higher	639	31.1%
TOTAL		2053	100.0%

Source: 2000Census

The skill level associated with a particular occupation relates primarily to the required practical experience or training/education which is attained. Training usually involves extensive on-the-job training and a high level of applied technical expertise. Occupations with high skill levels often require much expertise, more than a year of work experience and have high requirements for entry. Moderate skill level occupations have entry level requirements that might include on-the-job training and at least several months work experience before skills are mastered. Lower skill occupations include those that require little or no prior experience before the employee masters the job requirements. The second criteria pertains to educational requirements for the particular

occupation. This may include college, technical school or apprenticeships. Occupations with high educational entry requirements usually require at least one college degree. Moderate educational requirements usually require a high school diploma and might require an Associate Degree from a two-year college, technical college training , or other specialized course work. Finally, those occupations with low educational requirements generally do not require completion of high school.

As can be seen for Center, over 70 percent of all residents tend to be employed in occupations which require a higher or higher/moderate skill level. Many of these persons are employed as teachers and/or professionals who may work elsewhere but choose to live in Center.

TABLE 5.5
CITY OF CENTER
EMPLOYMENT BY INDUSTRY

ACTIVITY	NUMBER	PERCENT
Agriculture, Mining, & Forestry	136	6.6%
Construction	62	3.0%
Manufacturing	530	25.8%
Wholesale Trade	48	2.3%
Retail Trade	328	16.0%
Transportation and warehousing, and utilities	68	3.3%
Information	18	0.9%
Finance, insurance, real estate, and rental and leasing	111	5.4%
Professional, scientific, management, administrative, and waste management services	94	4.6%
Educational, health and social services	328	16.0%
Arts, entertainment, recreation, accommodation and food services	165	8.0%
Other services (except public administration)	109	5.3%
Public administration	56	2.7%
TOTAL	2053	100.0%

Source: 2000 Census

Average weekly salaries in Shelby County are below those for the State of Texas. According to the Texas Workforce Commission, average weekly salaries in the 1st Quarter 2004 for employed

persons in Shelby County is \$448 compared to \$686 for the entire state.

Industrial Sites - There is presently a significant amount of industrial land use within Center. The ready availability of labor and lower land costs are factors that also make Center an attractive location for additional industrial uses. Because of a large population and labor pool, Center has also the potential to attract small and moderately sized operations. Residential development will continue to be the most dominant land use, along with ancillary development. However, industrial opportunity should be pursued in conjunction with economic development grant funds which are available to assist in the development and implementation of industrial activity. Although the demand for developing industry may not occur in the short term, it is still important to plan for future industrial uses for eventual tax base and employment expansions.

Commercial Sites - The Land Use Section of the Community Development Plan identified and analyzed the need to provide commercial sites. The Land Use Plan Section provides specific data for the location, condition, infrastructure and availability of commercial sites.

Transportation -The City of Center is served by a system major roadways including State and US Highways, Farm to Market Roads, local streets and area county roads. The main roadway transportation features in the city are State Highway 7, State Highway 87, Loop 500 and US Highway 96. These highways serve as an important thoroughfare linkage for residents departing to and from work destinations outside the city.

The transportation facilities generally appear to be capable of accommodating anticipated population growth and resultant increases in land use demand created within the existing City Limits for the foreseeable future. However, as new areas are developed a new network of minor streets may need to be planned and constructed.

Center provides no local air transportation facilities. The nearest airport scheduled service outside of Center is Shreveport Airport (about 60 miles to the northeast) The closest major link to international connections and commercial air travel and freight is located at Dallas/Fort Worth

International Airport, approximately 180 miles to the west.

Motor freight service is available to prospective businesses from the major carriers including Central Freight, United Parcel Service and Federal Express.

Raw Materials - Lumber is the most significant raw material found in abundance in the Center area. Accompanied with regional production resources and good highway transportation, Center has ample quantities of raw materials to offer. The capacity of State Highway 7, State Highway 87, and US Highway 96 for access to other major highways allow for most materials to be transported.

Housing - After analyzing population projections, occupancy rates, and housing conditions, there is a recognized demand for housing and a need for expansion and maintenance of Center's housing stock. Without adequate housing supply, Center's economic development potential is limited. Specific housing strategies and information are provided in the Housing and Land Use Sections of the Community Development Plan and are important components of Center's future economic development effort.

BARRIER ANALYSIS

A "barrier analysis" is an analytical method used to identify the specific economic development factors that can hinder or restrict growth, as well as to identify economic development potential. The factors used examined cost and operating conditions. The information used for each factor was obtained from various statistical data sources, consultation with City officials and site visits. Factors for Center were compared to comparable factors for the Southeast Texas region and for the state. A rating of **BETTER**, **NEUTRAL** or **NOT AS GOOD** was then assigned for each of the factors examined to determine how Center compared to the region and state. The results of the information have been tabulated in Tables 5.6 and 5.7.

TABLE 5.6
CITY OF PILOT CENTER
BARRIER ANALYSIS - COST FACTORS

COST FACTOR	RATES FOR CENTER (Shelby County)	REGIONAL AVERAGE RATES	STATE AVERAGE RATES	CENTER COMPARED TO REGION	CENTER COMPARED TO STATE
WAGES *** (WEEKLY)	\$448	\$448	\$686	NEUTRAL	BETTER
ELECTRICITY (1,000 KWH PER MONTH)	\$55	\$95	\$98	BETTER	BETTER
NATURAL GAS (10,000 CF PER MONTH)	\$85	\$85	\$127	NEUTRAL	BETTER
WATER & SEWER (50,000 GALLONS PER MONTH)	\$126	\$113	\$137	NOT AS GOOD	BETTER
BUILDING CONSTRUCTION (PER SQ. FT.)	\$30	\$30	\$25	NEUTRAL	NOT AS GOOD
LAND COST (5 ACRES)	\$10,000	\$10,000	\$20,000	NEUTRAL	BETTER
PROPERTY TAXES (\$100,000 SINGLE-FAMILY RESIDENCE)	\$2,700	\$2,700	\$3,500	NEUTRAL	BETTER

Sources: Texas Municipal League; TX. Comptroller Office; Texas Department of Economic Development

TABLE 12.7
CITY OF CENTER

BARRIER ANALYSIS - OPERATING CONDITION FACTORS

OPERATING CONDITION FACTORS	CENTER	REGIONAL (R) AND STATE (S) AVERAGES	CENTER COMPARED TO REGION AND STATE
UNSKILLED LABOR SUPPLY	608 PERSONS	2,629 PERSONS (R)	NOT AS GOOD
SKILLED LABOR SUPPLY	1,445 PERSONS	7,172 PERSONS (R)	NOT AS GOOD
PRODUCTIVITY	HIGH	HIGH	NEUTRAL
UNIONIZATION	PARTIALLY	PARTIALLY	NEUTRAL
LABOR-MANAGEMENT	NO DISPUTES	NONE REPORTED	NEUTRAL
ELECTRIC POWER	SUFFICIENT SUPPLIES ON GOOD SYSTEM	AMPLE SUPPLIES	NEUTRAL
SEWER AVAILABILITY	GOOD COLLECTION AND TREATMENT SYSTEM	ADEQUATE	BETTER
WATER AVAILABILITY	CAPACITY MEETS DEMAND	ADEQUATE	NEUTRAL
GAS AVAILABILITY	SUFFICIENT SUPPLIES WITH GOOD SYSTEM	ADEQUATE	BETTER
COMMON MOTOR CARRIER	DROP SHIPS AVAILABLE	ADEQUATE	NEUTRAL
RAIL SERVICE	SOME AVAILABLE	SOME AVAILABLE	NEUTRAL
AIR SERVICE	NONE AVAILABLE	SOME AVAILABLE	NOT AS GOOD
HIGHWAYS	GOOD	GOOD	NEUTRAL
QUALITY HOUSING SUPPLY	MEETS DEMAND	MEETS DEMAND (R)	NEUTRAL
VOCATIONAL EDUCATION	AVAILABLE	AVAILABLE	NEUTRAL
SITE AVAILABILITY	GOOD - LAND AVAILABLE	GOOD	NEUTRAL
SCHOOL FACILITIES	GOOD	ADEQUATE	BETTER
MEDICAL SERVICES	AVAILABLE	AVAILABLE (R)	NEUTRAL
NATURAL RESOURCES	AGRICULTURE/LUMBER PRODUCTION	SOME MINERAL AND AGRICULTURE PRODUCTION	NEUTRAL

SOURCE: TFGA, INC.

The barrier analysis covering cost factors indicates that Center offers both benefits and liabilities regarding economic development. Liabilities include a very competitive labor market and the absence of suitable land sites. Benefits include lower land costs and electric costs. With respect to the barrier analysis for operating condition, cooperative labor, site availability (inexpensive but undeveloped), good schools and the availability of utilities represent Center's strengths. All other operational factors rated as either neutral or as a liability should not be a major detriment to local development since Center has relatively convenient access to many of these assets which are within both the urban areas of nearby, larger cities.

COMMUNITY ASSESSMENT

Several conclusions, observations and related policy issues become apparent after reviewing the findings contained in the barrier analysis:

- 1) *The overall property tax rate is slightly lower than the state average.*
- 2) *There is good commercial land availability which should meet the demand of future residential growth.*
- 3) *Center has considerable land availability for additional housing.*
- 4) *Center has industrial land availability which is outside the EPA "non-attainment" area and motor freight carrier and rail service is available.*
- 5) *Center's businesses and residents can be supported by highway transported raw material production.*

There are some obvious policy issues associated with the conclusion and observations listed above. It is apparent that Center has economic development opportunities it could embrace. There are also several problems it must address. Center must first make some decisions and set priorities. The following recommendations should be carefully considered:

- (a) The first priority should be for the City to encourage a unified economic direction for support with infrastructure for future economic development efforts.
- (b) In order to meet current and future infrastructure and basic service demands, the City of Center should adopt this Community Development Plan and continue its successful efforts in obtaining State grants.

- (c) Once a quality community (excellent housing and services) has been established by implementing the above recommendations, appropriate businesses should be targeted and secured and located in conformance with the Future Land Use Plan.
- (d) Center's central business area should be enhanced to maintain small town atmosphere and create a vibrant retail economy.

LOCAL REGULATIONS, ORDINANCES, AND POLICIES

The policies which could have the greatest potential to impact economic development are reflected in the subdivision and zoning ordinances. Center presently has no zoning which can be a detriment to new development. Such policies are not intended to discourage growth but to control growth and ensure that any new development provides for quality facilities and services and protect adjoining land owners from incompatible land uses. The controlling effect of new subdivision and zoning ordinances may appear to have a tendency to discourage growth since many developers may not desire to spend the necessary funds to construct a development to higher standards. However, this should not be viewed as a policy that inhibits economic development but, rather, ensures quality development and prohibits substandard development.

The reviewed policies included utility regulations, water rates, connection charges service deposits, electrical rates, building standards and fees, draft zoning and subdivision regulations. None of these policies reviewed should discourage business development.

ECONOMIC DEVELOPMENT PLAN

Economic development in Center should have three major thrusts: (1) retaining and expanding existing businesses; (2) enhancing the housing stock, quality of life issues and central business area, and (3) attracting new and appropriate businesses.

The City should provide both the forum and sense of purpose that are needed to coalesce those who control needed resources, who influence vital decisions, and who possess needed technical expertise. Such a coalition is essential to the implementation of this plan. Successful implementation of this economic development plan will require building the local interest needed

to provide the political support that the effort will require as it proceeds. The City, County, and the State should be working together to implement the economic development goals and strategies suggested below. Consensus-building is a difficult process, because the goals of the individual local interest groups may vary. However, the key participants must work out a program which all or most of them can support.

The following economic development goals and implementation strategies are recommended based on an analysis of local economic history and regional influences, other study efforts, an inventory of the economic base, barrier analysis, community assessment, the regulatory environment, the directions given by the City and the other sections of the Community Development Plan.

GOAL: Organize the community to begin work in implementing the various elements of this economic development plan.

Objectives:

1. Commit to implementing this Community Development Plan and use it as the basis for directing the economic development effort of Center.
2. Determine the specific roles of key community organizations and clearly establish who will take the lead in promoting the city.
3. Assure proper funding and organizing of the "lead organization", and provide them with a clear charge using tools such as by-laws, operational policies, detailed community interviews, state legislative and program information, reporting requirements, data resources, etc.
4. Consider additional marketing strategies for further tourism development.
5. Conduct a local business/customer survey to determine what goods and services would be supported locally.

GOAL 2: Improve the infrastructure, housing, parks, central business district and quality of life to support growth in tax base and jobs for Center.

Objectives:

1. Implement this Community Development Plan to redevelop and enhance Center's CBD.

2. In order to establish needed revenues, adopt and implement a capital improvement plan; sell revenue bonds; and obtain State grant monies for infrastructure planning and construction similar to the present use of TxDot funds for downtown enhancement.
3. Once the plans and revenues are established, construct the infrastructure needed to support a high quality, attractive community with excellent housing, retail services, and access to area recreation opportunities.

GOAL 3: Retain and expand existing businesses.

Objectives:

1. Determine the specific needs of existing businesses using a business retention survey instrument.
2. Design incentive packages which help existing businesses meet their specific needs.
3. Enhance specific mechanisms for maintaining communications with local businesses determine changing needs or challenges.
4. Encourage local banks, along with the economic development corporation to establish a low interest fund program to assist local businesses to expand and/or fix-up their building.
5. Implement the improvements proposed in the Community Development Plan.
6. Make sure Center is promoted at county and regional events.

GOAL 4: Attract desirable businesses into Center.

Objectives:

1. Further develop the data base for analyzing economic development issues affecting Center.
2. Design incentive packages aimed at attracting the targeted businesses.
3. Develop criteria specific new businesses must meet to be eligible for the incentives.
4. Implement the improvements proposed in this Community Development Plan.
5. Develop marketing teams and design and fund a marketing program for "getting the word out" to targeted businesses.
6. Fully welcome and maintain new businesses attracted to Center.

PROPOSED PROJECTS

Based on the information collected and analyzed, several feasible economic development

activities that the City of Center could undertake are listed below:

1. Implement the Community Development Plan, and construct the necessary infrastructure to encourage the development of new quality residential subdivisions, supporting retail services and community facilities to accommodate the anticipated population growth.
2. Develop marketing and community sponsored programs which support the small town atmosphere.
3. Make a list of all historic sites for the purpose of preserving and promoting these sites as a means of attracting tourists to the city and preserving community heritage and history.
4. Consider additional annual festivals in order to further promote local events.
5. Actively seek HOME Program funds to assist in reconstruction of the local housing stock.
6. Support volunteer efforts to initiate a local beautification program to keep Center clean and enhance existing code enforcement efforts. This would include clean-up of vacant lots, cosmetic work on buildings (painting), removal of junk automobiles and farm equipment, and trash removal.

SOURCES OF FUNDING

In addition to seeking economic development grant funds and planning the use of economic development sales tax revenue, there are a variety of other funding and incentive sources for economic development. Information on programs is listed and generally described below.

SMART JOBS FUND

The Smart Jobs Fund is a business incentive program designed to increase the competitiveness of Texas in the global economy. This innovative program is helping Texas businesses to train the Texas work force for the kinds of jobs that lead to opportunities for advancement. The program is administered by the Texas Office of Economic Development.

TEXAS CAPITAL FUND REAL ESTATE DEVELOPMENT PROGRAM

This economic development program is designed to provide financial resources to non-entitlement communities. Funds can be utilized for real estate development to assist a business which commits to create and/or retain permanent jobs, primarily for low and moderate income persons.

This program encourages new business development and expansions located in non-entitlement communities. This program is administered by the Texas Department of Agriculture.

TEXAS CAPITAL FUND INFRASTRUCTURE PROGRAM

This economic development program is designed to provide financial resources to non-entitlement communities. Funds can be utilized for public infrastructure to assist a business which commits to create and/or retain permanent jobs, primarily for low and moderate income persons. This program encourages new business development and expansions located in non-entitlement communities. This program is administered by the Texas Department of Agriculture.

STATE OF TEXAS SMALL BUSINESS INDUSTRIAL REVENUE BOND PROGRAM

The State of Texas Small Business Industrial Revenue Bond Program is designed to provide tax-exempt financing to finance land and depreciable property for eligible industrial or manufacturing projects. The Development Corporation Act allows cities, counties, conservation, and reclamation districts to form non-profit industrial development corporations or authorities on their behalf. Their purpose is to issue tax-exempt and taxable bonds for eligible projects in their jurisdictions.

The industrial development corporation acts as a conduit through which all of the monies are channeled. Generally, all of the debt service on the bonds is paid by the business under the terms of a lease, sale, or loan agreement and as such does not constitute a debt or obligation of the governmental unit, the industrial development corporation or the State of Texas.

TEXAS BUSINESS EXPANSION PROGRAM (SBA 504 LOAN PROGRAM)

The Small Business Administration (SBA)504 loan is a fixed asset financing program which offers small businesses fixed interest loans at a below market rate. The SBA 504 stimulates local investment and creates new or saves existing jobs.

TEXAS DEPARTMENT OF ECONOMIC DEVELOPMENT TEXAS LEVERAGE FUND

The Texas Leverage Fund (TLF) is an "economic development bank" offering an added source of financing to communities that have passed the economic development sales tax to make loans

local businesses for expansion or to recruit new industries.

STATE OF TEXAS HISTORICALLY UNDERUTILIZED BUSINESS AND SMALL BUSINESS LINKED DEPOSIT PROGRAM

The State of Texas Historically Underutilized Business and Small Business linked Deposit Program ("Linked Deposit Program") was established to encourage lending to historically underutilized businesses and/or small businesses in distressed communities by providing lenders and borrowers a lower cost of capital.

TEXAS ENTERPRISE ZONE PROGRAM

The purpose of the Texas Enterprise Zone Program is to encourage job creation and capital investment in areas of economic distress by removing unnecessary governmental regulations, offering tax incentives and targeting other economic programs to businesses located in these areas.

ECONOMIC DEVELOPMENT PLAN AND ACTIONS

As a part of this Plan it is recommended that the following policies be adopted and implemented:

1. In addition to this Economic Development Study, a detailed strategic plan should be developed which is coordinated with the rest of this Community Development Plan, and which provides detailed action steps for community interaction, marketing, and improving the quality of life. The strategic plan should also include a customized marketing process, a proposed marketing theme, and identification of necessary marketing tools and materials. The cost of the strategic plan if done by outside consultant should be approximately \$10,000.
2. The policies suggested in this Community Development Plan should be adopted and implemented.
3. Quality of life improvements should be carefully planned, including improvements to the CBD, housing supply, retail services, and parks.
4. Economic development efforts are encouraged to first give priority to enhancing the development of infrastructure for supporting quality housing and supporting retail services.

However, should a strong opportunity for new industry arise which is beneficial to the community, economic development efforts are encouraged to respond with appropriate attention and incentive support to the prospective beneficial industry.

5. The Zoning Ordinance should be adopted and reviewed periodically to ensure maximum encouragement of quality, targeted new industries to locate in Center.