

INTRODUCTION

A common misconception is to equate economic development with growth. Growth is usually seen as a more negative experience and economic development is a more positive one. Growth can also be thought of as unplanned, a short-term solution, and imposed upon Smithville by someone (or somewhere) else. On the other hand, economic development should be viewed as planned, a more long-term solution, and done on local terms and at Smithville's own rate of speed.

Many people ask "what exactly is economic development?" It means different things to different people and different communities, but it includes one or more of three things: creation, retention, or reinvestment of wealth. Community development is a component of economic development that consists of preparing communities for the type of business development desired. Business development is the actual creation or retention of jobs, including expansions.

These jobs can take several forms including entrepreneurialism, recruitment of new jobs, retaining existing jobs, expansion of current industries, tourism, and spending money in communities made locally.

RECOMMENDATIONS

One thing should be made very clear from the start – economic development is a continual process. The recommendations contained in this section will definitely get Smithville off on the right foot, but their progress will always be in need of monitoring and adapting depending on what opportunities and challenges come along. New goals will probably emerge that no one even foresees now. Diligence and persistence will be key in keeping efforts on track, and ensuring that good opportunities don't pass by unnoticed.

ESTABLISH HIGHER EDUCATION OPPORTUNITIES IN BASTROP COUNTY

According to the USDA's Economic Research Service, educational attainment in rural America reached a historic high in 2000, with nearly one in six rural adults holding a 4-year college degree, and more than three in four completing high school. As the demand for workers with higher educational qualifications rises, many rural leaders have begun to view local educational levels as a critical factor in job and income growth in their communities.

Ultimately, the strength of the tie between education and economic development is influenced by the extent to which small rural counties lose youths through out migration. The loss of these potential workers from rural areas, as young adults leave for college and work opportunities in urban areas, is a concern that not only Smithville faces. This rural "brain drain" not only deprives local employers of an educated workforce, but also depletes local resources because communities that have invested in these workers' education reap little return on that investment.

Higher educational levels contribute to local economic development in several ways. Two of these ways are extremely important. First, a well-educated workforce facilitates

new ways of producing goods or providing services. Second, prospective employers and new businesses may view a well-educated local labor force as an asset when choosing among alternative locations for new establishments.

Reasons such as the ones stated above underscore the critical importance of finding ways to not only educate and train local youths, but also to keep them in the county as gainfully employed and productive members of the local community. Veterans are another potential beneficiary of higher education; currently over 6,000 veterans have to leave Bastrop County for higher education, which represents a large 'customer' base for a higher education facility.

Work with Opportunity Bastrop group to pursue efforts

As the attraction of higher education opportunities is also a goal for the Bastrop County strategic plan (Opportunity Bastrop County), there should be many ways that Smithville can become part of the solution on a more macro level. In other words, what's good for Bastrop County may be good for Smithville. However, that shouldn't preclude local leaders from pursuing higher education and training opportunities locally. The location of such a facility in Smithville would be of great benefit to the county as well.

Some of Smithville's goals will overlap with those of the Bastrop County plan. This is a good thing, as it reinforces the need for higher education opportunities in the area and the necessity of collaborating with other communities in Bastrop County to achieve those goals.

Contact ACC and Blinn College to establish relationship and explore potential for campus in the County

Smithville and Bastrop County are geographically well-placed to potentially attract a higher education facility to the area. Situated between two acclaimed community college systems, Austin Community College (ACC) in the Austin area and Blinn College in Brenham and nearby Schulenburg, Smithville's location could be desirable to them for expansion purposes.

Both college systems offer associate degree programs as well as workforce training, which could potentially be modified to meet the needs of Bastrop County employers.

For Blinn, the contact is Donald E. Voelter, Ph.D., Blinn College President, and his office number is (979) 830-4112. For ACC, contact Stephen B. Kinslow, Ph.D., at (512) 223-7598.

Strengthen existing relationship with ACC where classes are being offered in Bastrop County

Because ACC is already offering basic college-level courses at the Smithville High School, there is an inroad with them to expand upon the current offering. Discuss the feasibility of making the high school a small satellite campus, such as the one at the Round Rock Higher Education Center (<http://www.rrec.txstate.edu/>), but on a smaller scale. Smithville students can take first and second year college courses locally while working in Smithville. If an Associate's Degree is their ultimate goal, then they could

earn the degree while maintaining employment in Smithville and developing their job-related skills.

As previously mentioned, ACC also offers technical and vocational training. If courses in these areas are not currently being offered in Smithville, pursue potential opportunities to add them to the present curriculum in the future.

Contact Technical Schools to determine their requirements and if it is feasible to recruit a campus to Smithville

Higher education in Smithville and/or Bastrop County is a worthy goal. Another very viable alternative or complement to higher education is technical or vocational training. Training and skill development in this area can put people to work locally in a relatively short period of time – especially compared to four-year degree program at a university. Technical schools can train workers to perform highly skilled and also high paying jobs. These employees will live and work in Smithville and Bastrop County, and will help the economy thrive.

There are several national technical schools that have locations in Austin, and one Texas-based school in Waco. Due to Austin's proximity to Smithville, it is doubtful that a school with full course offerings will place another location so close to an existing one. However, if a great need for specific job training emerges or a high number of potential workers from Smithville can be found, a satellite campus is not out of the question.

Most of the course offerings at the schools listed below include drafting, computer science and technology, telecommunications, electronics, web design, engineering, medical, legal, construction, HVAC, culinary, avionics, and automotive technology programs.

Following are the nearby technical schools and their contact information:

Texas State Technical College
Elton Stuckly, Jr. President
Waco
(254) 867-4800
Elton.stuckly@tstc.edu

ITT Technical Institute
6330 Hwy. 290 East, Ste. 150
Austin, TX 78723
(512)467-6800

Texas Computer Training Institute
3301 Northland Drive, Suite 312
Austin, TX 78731

Texas Culinary Academy
11400 Burnet Rd., Ste. 2100
Austin, TX 78758

Everest Institute
9100 US Hwy. 290 East Building 1
Austin, TX 78754

Consider distance learning center in Smithville with use as a conference center, possibly in partnership with MD Anderson and / or Smithville ISD

With the high costs of business travel, higher education, and now, gasoline, a distance learning center makes a great deal of sense. Its uses are nearly endless, and include tele-conferencing, for-credit college courses, professional development and certification maintenance, continuing education (e.g., language courses, computer courses, etc.), and more. The historic school may provide an opportunity for this type of facility.

Having the M.D. Anderson facility in Smithville could be a drawing card for a facility of this type. If housed at or near that location, it could be utilized by M.D. Anderson staff as well as Smithville and other Bastrop County communities.

One model to consider is The University Center (<http://www.tuc.edu/>), which is housed within the North Harris Montgomery Community College District in The Woodlands. This facility offers limited four-year degree programs from six Houston-area universities including Texas A&M and the University of Houston. Students who attend The University Center can maintain their local residences and local employment, while still reaching their educational goals. This facility is equipped with several distance learning conference and classrooms that can be utilized by the community and other community-based organizations.

WORK WITH ISD TO STRENGTHEN VOCATIONAL EDUCATION AND WORKFORCE TRAINING OPPORTUNITIES

Local leaders are now faced with two key questions. First, does a better educated and better trained population lead to greater economic growth? Second, are there ways to improve the education that youths receive locally, particularly through improvements in elementary and high schools, to enhance the economic well-being of rural residents and communities?

The answer to both questions is yes. According to a recent USDA study, rural counties with high educational levels saw more rapid earnings and income growth over the past two decades than counties with lower educational levels. Preliminary research demonstrates a connection between better schools and positive outcomes in earnings and income growth for rural workers and rural communities.

Survey business owners to determine needs

There is no other way to strengthen vocational education and workforce training without talking to the ones who would reap the benefits – local business owners. This could be done as a component of a business retention and expansion program (BREP), or as a stand alone piece that seeks to uncover only workforce information.

A likely place to start would be with chamber members or with the City of Smithville permitting office to get a list of businesses based in Smithville. Once the questions have been determined, a short mail survey should be sent to each registered business. Face-to-face survey sessions would be the ideal method, however, this may prove to be impractical depending on the number of businesses to be surveyed and the number of volunteers available to assist.

Be careful what you ask for – Smithville's leadership must be prepared to handle expectations and follow up with the local business community after all the information has been gathered. This will most certainly pique the curiosity of the business owners, and many may be expecting a return on the input they provided.

Support existing DECA program and related internships, etc.

According to USDA's Economic Research Service, school-to-work programs typically include cooperative education, internships, youth apprenticeships, and programs like DECA. Cooperative education and DECA programs are arrangements between schools and employers, and vocational training and work periods during school time to fulfill the cooperative program. Youth apprenticeships require paid work experiences that are coordinated between the school and workplace learning that result in recognized credentials at the end of the program.

Programs like these can provide several advantages to students and the communities where they reside. They reduce some of the struggling that young workers can experience as they enter the workforce. Schools can more easily develop educational programs that meet the needs of the regional employers, and employers can more easily recruit qualified workers.

Provide information to high school students about opportunities in trades

Growing up in any community, most youths only learn about a handful of careers prior to entering the workforce. We all know what teachers do, as well as firemen, doctors, and lawyers. But did any of us every hear anything about being an accountant, or computer network technician, or HVAC technician? This lack of information makes it very difficult for students to make careful choices when it comes to job opportunities or degree options. Service jobs are also a growing need that could be an opportunity for students. For example, the Hyatt resort has service positions, many of which have high salaries and advancement potential that may provide a career opportunity for students.

There are some ways to help overcome this obstacle – all of which have been used with great success in small communities all over the country.

Youth leadership programs are one way to combat this lack of information. Most successful youth leadership programs are run through an adult leadership program or through a local chamber of commerce. Typically, they last for several months and educate young people about their community and engage them in community involvement. Students learn about city government, public utilities, economic development, health and human services, and more. Aside from exposing students to what it means to be a responsible citizen, youth leadership programs offer several other benefits. They create future leaders in communities, create relationships between youth and local businesses and organizations, and expose students to potential career choices.

Another way to create awareness of career options is to develop a job shadowing program. Job shadowing on a larger scale usually takes place in the summer when students have the time to devote to the program. For a day or a week, a student shadows someone at a local business or company and gets to see the inner-workings of that specific job and place of employment. If the person being shadowed wears a suit and tie, then the student does also. They attend meetings with customers and watch/participate in every aspect of daily job duties of that profession.

On the website <http://jobshadow.org>, several benefits to job shadowing are discussed:

For Students:

- Provides an answer to the questions, "Why do I have to learn this?" and "Would I want to make this job a career?"
- Lets students learn first-hand what it takes to make it in their fields of interest from the people who know best.

For Educators:

- Helps motivate students to learn by demonstrating the tangible applications of classroom lessons

For Employers:

- Helps prepare the future workforce
- Shows students career possibilities in different industries
- Demonstrates a tangible commitment to supporting and improving the community

The last method is more common, but still can be highly effective in creating awareness of and interest in local job and career opportunities among students. That method is simply a career fair. Discuss organizing one with the high school administration and counselor if this is not already occurring. Invite major area employers as well as employers that might have less common job types. The career fair could be one that travels to high schools in all the Bastrop County communities.

Establish apprenticeship program with local trades

The needs of local trades can be assessed during the businesses survey as described earlier in this section. One of the questions could be used to determine which tradesmen are interested in offering apprenticeship programs and are prepared to facilitate them.

Apprenticeship programs for high school students, while not as common, are extremely effective ways of training young workers for a skilled trade prior to entering the workforce. Most apprenticeships begin as the student is entering his/her junior year of high school. They allow students to work towards a career in a skilled trade, earn credentials, and complete secondary education in a two-year period of time. With both a diploma and the skills to get the job done when they graduate, these students have a big head start.

After being hired, many apprentices will, because of their skills, be asked to train new apprentices, or will find opportunities to manage operations, start their own businesses, or use their experience as a base for technological or engineering studies at a college or university.

SUPPORT EXISTING EMPLOYERS

Consider this: 70% to 80% of all new jobs created will come from companies already located in Smithville. Many communities make the mistake of focusing on mainly recruitment of new companies and their associated new jobs when given the task of job

creation. Doesn't it make more sense to keep the primary focus local, and help existing businesses grow and become more profitable? This is not to say that there should be no recruitment efforts at all. Determine what proportion of retention and expansion vs. recruitment is best for Smithville.

A Business Retention and Expansion Program or BREP can take many forms and be successfully completed with varying levels of resources, manpower, and time. A BREP has a simple, yet powerful goal: to understand the needs of local business and industry, and to provide all available assistance to help these existing businesses expand and prosper. Typically, a BREP seeks to identify business obstacles and works to remove them. Through this process a community's business climate may be improved, which can result in expansions of existing businesses.

Survey business owners to determine their needs and concerns

As mentioned in the goal on strengthening vocational education and workforce training opportunities, surveying local businesses can provide a great deal of information. The survey itself can take many forms, from face-to-face meetings, to E-mail surveys, to mail surveys, and finally, to a focus group setting. All methods are effective – it will depend on Smithville's leadership to determine the method that will work best.

Questions will be designed to assess local business opinions of the business climate, the ease or difficulty of doing business in Smithville, what could be done to make their business more successful, workforce issues, infrastructure constraints, supplier opportunities, and whether or not Smithville should expand its economic base.

Following the business survey, all responses should be recorded, analyzed, and summarized in a final report.

Determine what, if any, assistance the community can provide

Based on the findings of the business survey final report, the City of Smithville and the other community-based organizations (e.g., Chamber of Commerce, local economic development corporation, Main Street, etc.) can then begin the process of determining what is feasible to offer to local business that would address their issues and concerns. This can be done through a task force appointed by the city council.

Develop a strategic plan for action to address any issues that result from the survey process. Solutions can run the gamut from an immediate local action such as installing a turn lane in front of a business, to long-term needs that must be addressed through legislation at the state or federal level.

The goal in this process is to improve the community's business climate, which will hopefully result in expansions of existing businesses. Further, a healthy existing business base will be the sort of place new businesses will want to relocate.

'Shop at Home' program to encourage residents to patronize local stores

A Shop at Home program is also discussed in the Downtown Revitalization section of this document. However, some further program examples are included here as well.

One program is Shop Local Rewards. By visiting local businesses, consumers can be entered into a monthly drawing for a \$100 (or some other predetermined dollar amount) "Shop Local" gift certificate redeemable at any participating business. As a way of saying "thank you" to community members for shopping local, 10% of the participation fees paid by businesses are set aside for beautification efforts in the community.

Another example is "Chamber Bucks" or "Chamber Checks" that can be redeemed by any participating business. The program is designed to keep dollars local and drive potential buyers to chamber businesses by using "Chamber Bucks". Here's how it works:

- Participation is free for Merchant chamber members
- All Chamber members are automatically enrolled
- "Anytown 'Chamber Bucks' Accepted Here" window clings will be distributed
- "Chamber Bucks" act just like checks -- merchants accept & redeem for cash at Anytown National Bank.

Still another example of a Shop at Home program is a Gift Certificate Program. In an effort to make it easier for local consumers to shop at home, chambers can make use of a Chamber of Commerce Gift Certificate Program. The program is designed to be very simple:

- A consumer purchases a \$10, \$15 or \$25 gift certificate (or nowadays, an electronic gift card) from the Chamber office.
- The consumer redeems the gift certificate at any participating Chamber of Commerce member business.
- The participating business redeems the gift certificate at the Chamber office for its cash value.

"Shop at Home" programs do not need to be overly complicated or cumbersome. They are intended to make local shopping easier and more popular for consumers, so research existing programs on the Internet or talk to other chambers who have implemented successful programs. This is an excellent example of not needing to reinvent the wheel. Find a program that seems appropriate, and adapt it to meet local needs.

Continue on-going interaction with business owners to ensure they feel the support of the community and leaders are aware of what is happening with the business

The BREP process does not end with the strategic action plan. The summarized results should be communicated to all of the businesses that participated in the survey, as well as any actions or solutions the city intends to implement. Nothing can damage this effort more than dropping the ball at this stage. These local businesses have chosen to invest in Smithville, and they must believe that Smithville is investing in them. This can only be demonstrated by continual and open, two-way communication, and appropriate follow-up. The city and the task force should also continue to monitor progress and results, and communicate them so that the program can remain effective.

EXPLORE THE POTENTIAL FOR AN INDUSTRIAL PARK

Some members of the community may find typical manufacturing companies objectionable or undesirable businesses to locate in Smithville. If this is the case, incubators could be a more palatable use for buildings in the industrial park.

Business incubators are viewed as a key means to strengthen local economies because they help more new businesses survive the precarious early years. Thus, municipal governments often fund and support business incubators as a way to increase the number of companies in a community. This, in turn, increases the number of better-paying jobs and broadens the tax base. There are also efforts underway in many communities to establish business incubators that will establish and strengthen the local entrepreneurial climate.

Business incubators can take many forms. Many incubators involve technology-based companies, while others might be medical or pharmacological research companies. One Texas community is even beginning a culinary incubator program that would attract small companies with a focus on food or food products. The companies would share a commercial kitchen and other common office supplies and services.

Contact the National Business Incubation Association or NBIA via their website at <http://www.nbia.org> for information and resources on business and technology incubators.

Identify potential funding for a park

Without the ability to enact (and make use of) an economic development sales tax, funding an industrial park could prove problematic. However, there are still some things that could be explored here. Following are some potential sources of funds for acquisition of the land and subsequent improvements:

- Solicit the donation of land from local property owners as a tax benefit. The city would then need to run utility infrastructure to the property if it wasn't pre-existing. The county also owns land formerly owned by the Industrial Foundation which could become the nucleus of an industrial park.
- If the city were able to acquire some donated property, additional funding could come from the sale of sites at the newly designated industrial park location.
- While this would take a great deal of time, the city could allocate funds from general revenue.
- The city could participate in the State of Texas Industrial Revenue Bond Program (IRB), which offers financing of capital projects consisting of industrial and manufacturing plants and other projects that qualify. This program is designed to provide tax-exempt or taxable financing for eligible industrial or manufacturing projects as defined in the Development Corporation Act of 1979 (Act). The Act allows cities, counties, conservation and reclamation districts to form non-profit industrial development corporations (IDCs) or authorities on their behalf. The purpose is to provide bonds for projects within their jurisdictions. More information is available at http://www.governor.state.tx.us/divisions/ecodev/ed_bank/irb_program.

- Lastly, tax increment financing (TIF) and a tax increment reinvestment zone (TIRZ) could be utilized. More information about TIFs and TIRZs is below.

TIF is a financing tool used to attract development or redevelopment to areas that are currently not benefiting from private-sector investment. The area in which TIF is being used is known as a Tax Increment Reinvestment Zone (TIRZ).

TIRZs act as economic stimuli to surrounding areas. By leveraging private investment for certain types of development within a targeted area, TIFs can be used to finance new and/or enhanced public improvements and infrastructure. These improvements and infrastructure, in turn, attract additional private investment in surrounding areas.

Tax increment collected in a TIRZ can only be used in certain ways as specified by Texas statute. These uses, known as "eligible project costs", include the acquisition and construction of public works, public improvements, and new public buildings. They also include rehabilitation costs of existing buildings, financing costs, and administrative costs.

The cost of improvements to the area is repaid by the contribution of future tax revenues by each taxing unit that levies taxes against the property. Specifically, each taxing unit can choose to dedicate all, a portion of, or none of the tax revenue that is attributable to the increase in property values due to the improvements within the reinvestment zone. The additional tax revenue that is received from the affected properties is referred to as the tax increment. Each taxing unit determines what percentage of its tax increment, if any, it will commit to repayment of the cost of financing the public improvements.

Identify location for a park

The Smithville Industrial Foundation is listed on the Smithville website as owning 6.9 acres. It is located about a mile from the Smithville Municipal Airport and adjacent to the Union Pacific Railroad tracks in the center of Smithville. Properties adjacent to the site include a city warehouse to the south and an active industrial area to the north. If this site is unsuitable, or an additional site is desired, the comprehensive planning process identified other potential locations.

As a part of this comprehensive planning process, several maps were developed that highlight existing and future use of land. Land near or adjacent to existing manufacturing facilities has good highway access, and rail access would be key criteria to identify for an industrial park.

In the land use workshops, a future land use map was developed that identified potential parcels of land that could be used for industrial purposes. One of these parcels could be targeted for use as an industrial park. Similarly, land adjoining the airport might make a good site for an industrial park. However, only certain types of businesses would be appropriate for this location.

ESTABLISH AN INCENTIVE POLICY FOR RECRUITMENT AND EXPANSION

It is a good idea to have a base incentive policy in place whether a business is asking for incentives or not. Once there are agreed upon terms and performance measures, local leaders will be in a position to act quickly when a business inquires, and thus, not risk missing out on a great business expansion or relocation opportunity.

The base incentive policy could be set up to establish minimum requirements for jobs and investment. In other words, if a company came to Smithville with a certain number of jobs and investment, they would receive "X" incentive. If they exceeded the minimum, then there would be room to negotiate from the base incentive package. This would apply to expansions as well as new businesses.

Incentive programs should not be a "free lunch" for companies interested in relocating to Smithville or expanding current operations. Any incentive packages developed for both retention and expansion should be based on well-defined measures of performance, such as number of new jobs created or retained, amount of capital investment added, etc.

Work with County and school district to set common standards

Since property tax abatements are one of the more commonly-used incentive tools, it is imperative that the Smithville ISD administration is on board. The school district must fully understand the tie between attracting business and the ability to employ high school graduates at home. Wherever possible, try not to succumb to the "brain drain" previously discussed, where students who receive the investment of an education leave town for job and career opportunities. By offering incentives that will help attract new businesses and encourage existing ones to expand, more local job opportunities are available for Smithville ISD students following graduation.

Put this way, the school district may be more willing to play a role. School district property taxes can also be abated, so there must be a willing partner in the school administration for this to work properly.

Establish 'two-tiered' system that rewards existing businesses for expansion
The first tier, Tier 1, could be for established local businesses who wish to expand their existing operations. Established businesses often represent the best option for a community's economic renewal, so it makes good sense to first work toward ensuring their success and growth. Since job creation and investment are likely to be lower for and existing business/industry, the incentive package offered (compared to recruiting a new business) should be proportionally lower.

Tier 2 would be set up for new businesses that are usually bringing a higher level of new employment and capital investment to the community. The incentive scale should slide up in this case.

Another tier of incentives, or Tier 3, could also be provided to new businesses that conform to targeted industries or businesses Smithville would like to recruit. Thus, if the company is one that is highly desired and sought after, it could receive a different level of incentive package than the other two tiers.

Local Incentive Examples:

- Property tax abatements – Eligible developments can be given abatements up to 100% (or an agreed upon percentage) based upon the new tax base value the project will add and based upon the number and type of jobs the project will save or create.
- Municipal Grants – The City of Smithville may provide loans and grants of city funds as well as city employees and equipment to promote economic development projects within the city. Eligible projects may receive sales tax grants, franchise fee grants, utility line extensions, etc.
- Revolving Loan Funds – The fund offers small businesses financing of up to a certain dollar amount for fixed asset financing or working capital purposes in cooperation with the banking community. The interest rate offered for this type of loan is typically lower than the prime, with variable terms depending on the use of funds.
- Employee Training Incentives – The City of Smithville could serve as a liaison to local job training and career centers offering training for specific types of workers needed in the existing workforce for an expansion or relocation.

State Incentive Examples:

- The Texas Enterprise Fund can be used for a variety of economic development projects, including infrastructure development, community development, job training programs and business incentives (http://www.governor.state.tx.us/divisions/ecodev/ed_bank/tefund).
- The Texas Capital Fund Infrastructure and Real Estate Programs provide a way for an eligible applicant to receive funds to make infrastructure and/or real estate improvements to support a specific business that is expanding or beginning operations in the applicant's jurisdiction. The business must create or retain jobs for Texans (http://www.agr.state.tx.us/agr/program_render/0,1987,1848_6050_0_0,00.html?channelId=6050).

Update community website to provide accurate and thorough information

The Smithville website (<http://www.ci.smithville.tx.us>) is critically important to update, and on many different levels. In its current format, pertinent information gets lost too easily and its appearance is not user-friendly. Too much and too many different types of information are housed within one web location, which makes it confusing to Internet visitors. This is not the desired reaction.

For the business community, community information such as the Smithville community profile is somewhat readily available. This could still be improved upon.

For visitors, however, relevant tourist information is much harder to find. Most consumers will try to find the local chamber of commerce website for tourist information, unless the community has a convention and visitor bureau. In smaller communities, like Smithville, the chamber usually fills that role.

In a Google search for "Smithville Texas Chamber of Commerce", <http://www.smithvilletexas.net> is among the first of the results produced. This is the chamber page. There is very limited information available on events, despite the fact

that there is actually a very good calendar on the main City of Smithville page. A link back to that calendar could be easily set up. The most troublesome thing, though, is that there is no link to information on Smithville's attractions or things to do in the area, lodging, restaurants, etc. on the main page of the Chamber's site. Visitors have to know to look at the business directory to find that type of information. For many potential visitors, this is simply too much. Why not make it as easy as possible for them to get information about Smithville so that they can visit and spend money in town.

One very positive aspect of Smithville's Internet function is the many free wireless locations throughout town. This is appealing to the entrepreneurial community or creative class as well as visitors.

INCREASE TOURISM

As mentioned in the historic preservation section, tourism can be an extremely important form of economic development – especially in small and rural Texas communities. The Governor's Office of Economic Development and Tourism states that in 2005, traveler volume to Texas grew to 203 million travelers – the highest ever on record. About 70 percent, or 143 million travelers, were leisure visitors to Texas. Business travel to Texas accounted for the remaining 30 percent, or 60 million travelers.

These travelers spend a great deal of money while visiting Texas. In 2005, total direct travel spending was \$49.2 billion. This represents at 10.8 percent increase over the preceding year. This spending by travelers results in money in the pockets of local businesses, state and local tax revenues, and jobs. In 2005, travel spending in Texas directly supported 514,000 jobs with earnings of \$14.6 billion. Spending directly generated at least 100 jobs in 171 of Texas' 254 counties.

Can there be any doubt why attracting tourists to Smithville is so important?

Continue to hold events, such as Thunder on the Colorado and Duathlon

Events are a big driver of visitor traffic to rural Texas communities, especially those that are multi-day events. Events that last for more than one day, or takes up a significant part of one day, are much more likely to generate overnight stays. In addition, they also result in increased expenditures in food and beverage purchases, entertainment, and other expenditure categories. If Thunder on the Colorado and the Duathlon do not currently meet the above criteria, consider extending them to get the full benefit of having a visitor come to Smithville.

Bike rallies, such as Thunder on the Colorado, are growing in popularity around the country. Due to the extremely high costs of purchasing these motorcycles, the clientele is not the "Hell's Angels" group of days gone by. Rather, they are increasingly high paid professionals who enjoy riding their bikes and appreciate being accommodated by rural communities. Because of the professions of the bike rally attendees, there is often a proportional amount of local spending that they generate. This group can be a very lucrative one to attract.

Duathlons, triathlons, and adventure races are very popular activities for sports enthusiasts and are sweeping the nation at a phenomenal rate. Their popularity continues to rise and new events spring up on seemingly a daily basis.

If the success of the current Duathlon warrants, Smithville should consider adding adventure racing to its athletic arsenal. The United States Adventure Racing Association (www.usara.com), located in Austin, states that there are currently about 300 sanctioned races in the United States and about 20 in Texas.

One of the reasons that adventure racing is so popular is that it emphasizes teamwork and there is a strong social/networking tie in the sport. Adventure racing clubs have popped up all over the country whose members train, compete, and socialize together. There are currently 17 such clubs in Texas including the following near Smithville:

- Adventure Club San Antonio
www.adventureclubsa.com
Tony Rico
tony99rico@aol.com
- Austin Adventure Racing Team
www.austinadventureracingteam.com
Debbie Richardson
advrace@pdg.net
- Team Xterra (Austin)
www.teamxterrasports.com
Victor Sauers
v.sauers@worldnet.att.net

Many of these races have themes that can increase the level of interest and excitement in the hosting destination. Fayetteville, AR hosts the "Lewis and Clark Urban Adventure Race", Huntsville, TX hosts the "Texas Jailbreak Adventure Race", and Bastrop, TX hosts the "Big Chill 24-Hour Adventure Race". Most of these events are held in local/regional parks or state park facilities that feature a water element such as a lake or river.

Market Smithville amenities at trade shows and other events

Smithville is in an envious position geographically compared to other parts of the state. There are at least three regional tourism groups and one countywide group that market the attractions of their individual regions to the traveling public.

LCRA's Colorado River Trail (<http://www.lcra.org/coloradorivertrail>) is involved in a handful of trade show opportunities throughout the year. All are focused directly on the consumer, and include a regional or targeted demographic focus. Shows are distributed throughout the state geographically to cover the Dallas-Fort Worth metro area, the Houston metro, Austin, and South Texas. Targeted demographics include Winter Texans, heritage tourists, outdoor enthusiasts, and the military. Participation in these shows is offered to Colorado River Trail communities free of charge.

The Texas Historical Commission sponsors heritage tourism regions all over the state. Bastrop County is one of only a few counties located in more than one region. Thus, Smithville would have opportunities to participate in cooperative marketing efforts in both the Texas Brazos Trail (<http://www.texasbrazostrail.com>) and the Texas Independence Trail (<http://www.texasindependencetrail.com>) regions.

Within Bastrop County is the BEST group, or Bastrop, Elgin, Smithville Texas. Since cooperative efforts are at this group's heart, pursue continued marketing opportunities with them to further stretch marketing dollars.

Work with Hyatt to establish connection to get visitors to Smithville

The Hyatt Regency Lost Pines Resort and Spa presents Smithville and Bastrop County with an incredible opportunity. The trick, however, is creating and promoting the right set of attractions to get Hyatt guests to want to leave the property.

With all the things to do on the Hyatt property itself, Smithville must focus on the unique and unexpected to attract these visitors to the area. A lot can be done here, and the following are just a few ideas.

- Make downtown Smithville a primary destination for dining, shopping and entertainment in Bastrop County. Focus on unique, locally-owned experiences that can't be found in "Everytown, USA". While the Hyatt has several dining options, visitors would be enticed to visit a fun or quaint local establishment to get a meal they can't find anywhere else. The same thing holds true for shopping and entertainment venues. Focus on the smaller boutiques instead of chain stores, bar and grills, the Hyatt visitors probably have in their own home towns.
- Like Bastrop is already doing, highlight local recreational activities such as canoe or raft trips on the Colorado. Rising Phoenix Adventures in Bastrop has created a niche by offering tours that are longer than or different from the ones offered at the Hyatt. They have also diversified their business by adding bicycle rentals. What can Smithville do that is either something the Hyatt doesn't offer, or capitalizes on a deficiency in the Hyatt's activity offerings?
- Once there is some developed tourism product to offer them, partner with the Hyatt to promote these products to Hyatt guests. Steve Dewire, Hyatt's General Manager, has expressed a great deal of interest and enthusiasm in promoting offsite venues for his guests to enjoy. He wants his guests to be happy and stay with the Hyatt as long as possible, so if guests are offered something he can't, he will promote that.

Market river access and activities when established

Aside from offering fun things to do for residents and visitors, recreational opportunities have an economic benefit as well. According to USDA's Economic Research Service, every type of recreation county (e.g., winter, water, mountain, etc.) in the United States has a slightly higher median household income than the average for all other non-metro counties. Recreation counties also have a distinctly higher share of adults who have a 4-year college degree or higher. Thus, these counties seem to have brighter economic prospects than many non-metro counties that depend on traditional rural and small town industries. Developing the recreational opportunities along the river and that connect Smithville to the state park, might prove to benefit more than just quality of life.

Whatever recreational opportunities are developed – hike and bike trails, river access for canoes and kayaks, etc. – this investment in the community must be promoted. This can be accomplished in several ways: 1) via the tourist information found on the new and improved website, 2) included on local promotional brochures, 3) included on

pedestrian information kiosks, 4) included in a local wayfinding effort, 5) taken to tourist-oriented trade shows, and much more.

Establish weekend availability for tourism information

The chamber of commerce may find it difficult to be fully staffed and operational 7 days a week. Even with help from local volunteers, this may prove to be very difficult. If this is the case, consider installing some type of all-weather information kiosk located on the grounds of the chamber building. It could be stocked with Smithville brochures and maps so that visitors, who came when the chamber was closed, would not be turned away empty handed. Some examples of outdoor information kiosks are found on the following page.



Consider establishing tourism information radio or partnering with Bastrop

Another means of promoting local attractions to Smithville visitors is through tourist information radio. This method is not likely to bring visitors from out of town, unless there is a great deal of promotion along the highway as traffic approaches Smithville. However, signage could be installed that asked visitors to tune to station "X" for Smithville travel information.

They could hear prerecorded messages about upcoming events, be directed to a festival currently going on, provided directions to local attractions, and be informed about the local history.

Check into the availability of unused air space on both the AM and FM bands to determine if this is feasible to do on your own. Being so close to Bastrop, there might be a way to partner with them to provide Smithville with some air time on the Bastrop station.

In the beginning, perhaps, Smithville's information on the Bastrop station could be tied to a specific festival or event. If this method is successful, then consider branching out with a Smithville tourist information radio station.

DEVELOP AIRPORT PLAN TO BETTER INTEGRATE THIS ASSET INTO ECONOMIC DEVELOPMENT EFFORTS

The Smithville-Crawford Airport is an ideal location for continued light industrial and



commercial development. The key transportation factors are already in place, including air, highway, and nearby rail, and the area is already thought of as being an industrial location. These factors, in combination with nationwide trends, make an airport industrial park development a great fit.

Example of a commercial building located at an airport

An Airport Development Plan would help to promote the City of Smithville and attract potential companies who want to relocate their businesses. The development plan should provide for schematic design for the commercial buildings and industrial/manufacturing buildings, as well as the types of businesses would be considered appropriate to locate there. This development plan would then be a tool that Smithville can use to give prospective business a glimpse of what the future holds for the industrial development.

Determine what uses are allowed in proximity

Check on the current zoning for the land on the existing airport site as well as surrounding properties regardless of their availability. Most surrounding property is likely zoned as agricultural. On the airport site itself, light industrial uses, commercial, and aviation-related uses would probably be acceptable.

Work with adjacent property owners to determine availability of land

Since there is little to no available land for development held within the current airport site, the only choice is to expand. This may take time, as the desire by surrounding property owners to sell or donate property may not exist. However, it is never too early to begin these conversations with current land owners. Over time as land becomes available, the City of Smithville should look very closely at purchasing it for development purposes.

Work with airport management to establish goals for development

The city must work very closely with airport management to ensure that any additional use of the airport land and potentially the surrounding area does not conflict with its primary use as an airport. Any new development should “fit” within what Smithville considers to be acceptable new business-related developments and with what is appropriate to locate near the airport.

When developing goals for development at the airport site, there are several things to consider. Other communities and airport developments can really be a resource here. On the following page are a collection of ideas from airport industrial park developments around the country.

- Create schematic building configurations to provide a vision of how the airport industrial park development could appear in the future. The building square footages and configurations would be modified and designed specifically for the clients who would be locating in the airport industrial park development.
- Facilities which require airport runway access should consider areas available closest to the runway.
- Facilities that require railroad access can be situated in areas of the property with the best access to rail. A railroad spur could be provided for easy railway loading and unloading.
- All necessary utilities (water, gas, electric, and sanitary sewer) should be located within close proximity to possible buildable areas.
- Consider Special Use Zoning that would enable the use for principle businesses facilities such as warehousing/storage facilities and office/showroom development, fronting the Airport's main access road.
- Some recommended uses include aviation-related businesses, light industrial, start-up incubator businesses, commercial (including office park) businesses, industrial technology park, service sector, transportation, lodging, and public uses.
- Aesthetic enhancements should be made in the development of the industrial park including buffer strips and screening between commercial and light industrial uses and aviation-related uses of the site. This will soften the visual impact of the buildings and provide noise buffers and privacy.
- Consider uses of the site that are intended to create employment and business opportunities to complement and not compete with existing employment opportunities in Smithville.

CONCLUSION

Smithville has many of the pieces necessary to complete the local economic development picture. Some of the pieces are already in place, while others have yet to be fully utilized to their greatest potential. Build upon what already exists, but keep an eye to the future.

What is it that will give Smithville that competitive edge over other communities in the area? Will it be attracting higher education and workforce training? Or maybe it will be growing and expanding existing companies in Smithville? Or still yet, maybe an industrial park or airport development is in Smithville's future. Or maybe tourism development is the answer? The truth is that probably a combination of all these areas of economic development will provide Smithville with a successful mix of opportunities to help the local economy prosper and thrive.