VISION 20/20

WICHITA FALLS, TEXAS

THE GATEWAY TO TEXAS...

City of Wichita Falls
Vision 20/20 Plan

April 2008

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ACKNOWLEDGEMENTS

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The project team would like to thank the many individuals who took time to participate in the development of this document. We are particularly grateful to the Mayor's Steering Committee, City of Wichita Falls Community Development Department and the many residents, business owners, and organizations who provided feedback and valuable insights regarding the community.

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DEFENSE DIVERSIFICATION PLAN

Executive Summary

This study was prepared under contract with the City of Wichita Falls, Texas, with financial support from the Office of Economic Adjustment, Department of Defense. The content reflects the views of the City of Wichita Falls and does not necessarily reflect the views of the Office of Economic Adjustment.

The Wichita Falls' regional economy has historically been driven by its government and energy sectors, and over the past 50 years the manufacturing sector has developed as the region's third economic engine. Recent events, however, underscore the region's need for further economic diversification. The 2005 round of the Base Realignment and Closures (BRAC) process will likely result in an estimated loss of approximately 1,990 direct and indirect jobs from Sheppard Air Force Base (SAFB). In addition, the closure of the Delphi plant and the recently announced closure of the Saint Gobain-Vetrotex plant will result in the loss of over 10 percent of the region's manufacturing jobs.

To address these economic challenges, the Wichita Falls region must effectively position itself to compete with the Metroplex and other emerging regional centers to attract talent, investment, and employers, as well as additional retail spending and healthcare services. This plan outlines strategies and actions that will strengthen the region's primary economic assets, enhance its ability to compete, and promote economic diversification.

VISION, GOALS, & OPPORTUNITIES

Economic development goals and strategies must be driven by a clear vision that directs community resources and guides decision-making. The vision for Wichita Falls that provides a framework for this plan is the following vision statement:

"A VIBRANT REGIONAL CENTER ATTRACTIVE TO TALENT AND INVESTMENT."

To support this vision, we propose the following three goals:

GOAL ONE: DEVELOP, RETAIN, ATTRACT, AND ENGAGE TALENT.

GOAL TWO: DIVERSIFY AND GROW THE ECONOMIC BASE.

GOAL THREE: PROMOTE AND ENHANCE WICHITA FALLS' QUALITY OF PLACE.

With these three goals in mind, we identified the primary opportunities for Wichita Falls. These primary opportunity areas are: **DOWNTOWN**, **TALENT**, **BUSINESS DEVELOPMENT, IMAGE / MARKETING**, and **SPECIAL AREAS**. The priority projects for each opportunity area are listed below.

DOWNTOWN

- Financing districts
- Formal incentives policy
- Downtown market report
- Downtown marketing campaign
- Catalyst project

TALENT

- "Come Home to Wichita Falls"-type campaign
- SAFB veterans survey and database
- Next Generation leadership initiative

BUSINESS DEVELOPMENT

- Recruitment of emerging sectors
- Healthcare cluster development
- Entrepreneurship development

IMAGE / MARKETING

- Comprehensive marketing & image study
- Local positive attitude campaign

SPECIAL AREAS

- Gateway Project
- Downtown revitalization

In the report that follows, we outline strategies and actions as well as discuss the priority projects for each opportunity area. We then provide a plan to guide the implementation of the strategies and projects. Following the implementation guide are detailed profiles of the recommended target industry and business sectors (Appendix A). Finally, we include the results of the SAFB veterans survey (Appendix B), the entrepreneurial assessment (Appendix C), and the community needs assessment (Appendix D).

	2006	BRAC Losses	Post-BRAC
SAFB Employment			
Military (includes students)			
Jobs	8864	-1907	6957
Payroll	$469,308,734	-$100,967,030	$368,341,704
Civilian			
Jobs	1402	-81	1321
Payroll	$68,737,892	-$3,971,305	$64,766,587
Contractor			
Jobs	2621	-2	2619
Payroll	$15,447,911	$0	$15,447,911
Indirect Jobs			
Jobs	3382	0	3382
Payroll	$99,396,980	$0	$99,396,980
Total			
Jobs	16269	-1990	14279
Payroll	$652,891,517	-$104,938,335	$547,953,182
Military Retirees (in 50 mi radius)*			
Retirees	3873	0	3873
Payroll	$72,084,000	$0	$72,084,000

SOURCE: *Sheppard Air Force Base, pro-forma calculation by TIP Strategies.*

Military Aviation and Wichita Falls

The origins of military aviation in Wichita Falls date back almost a century to World War I with the establishment of an Army aviation training field named Call Field. Call Field was an active military installation between 1917 and 1919, with squadrons flying in overseas service. The training field encompassed 643 acres, including present day Call Field Road. It was generally bounded by McNiel to Fairway Blvd. and Southwest Parkway to Kell Blvd. By 1941, Sheppard Field was established as an Air Corps technical training center and continues to play a key role in the Air Force's Air Education & Training Command (AETC).

Introduction

PROJECT BACKGROUND

The 2005 round of the Base Realignment and Closure (BRAC) Commission's recommendations resulted in the planned transfer of Sheppard Air Force Base's medical training missions to San Antonio's Fort Sam Houston. This will result in the loss of approximately 1,990 jobs and students. Furthermore, the reduction in personnel at Sheppard will also likely have a negative impact on its contract spending, which currently injects $228 million into the economy. In addition, local public schools, particularly Tower Elementary in Burkburnett ISD, that are dependent on school impact funds may see a funding loss as a result of BRAC, and local higher education institutions that provide post-secondary education for military personnel and trainees may see a reduction in their enrollment and tuition receipts.

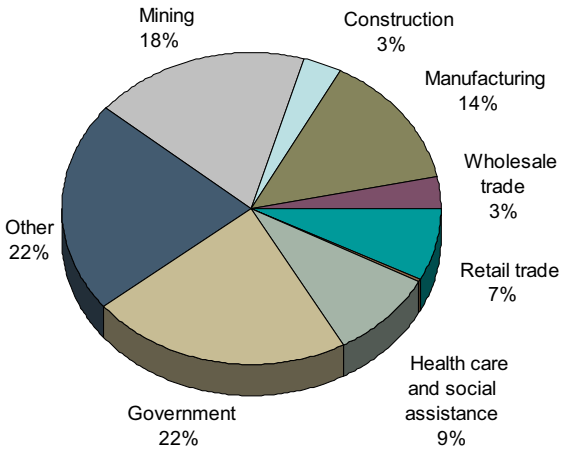
In preparation for these losses, the City of Wichita Falls contracted TIP Strategies, an Austin-based economic development consulting firm, to assist the city in the preparation of a defense diversification plan. The resulting report outlines strategies to implement that will strengthen Wichita Falls' primary economic development assets and promote economic diversification.

While this report specifically focuses on economic development and diversification in Wichita Falls, it is imperative that the communities in the region, including Wichita Falls, Burkburnett, and Iowa Park, recognize the important role that Sheppard plays in the region. They must be vigilant in recognizing both the community and economic impact Sheppard has on the region and in visibly supporting the needs of the training missions stationed at the base. The region needs to continue and even strengthen their support of the base and advocate new missions to promote growth at the base. These actions will hopefully avoid potential surprises as a result of future base realignment studies.

PAST HISTORY, CURRENT CHALLENGES

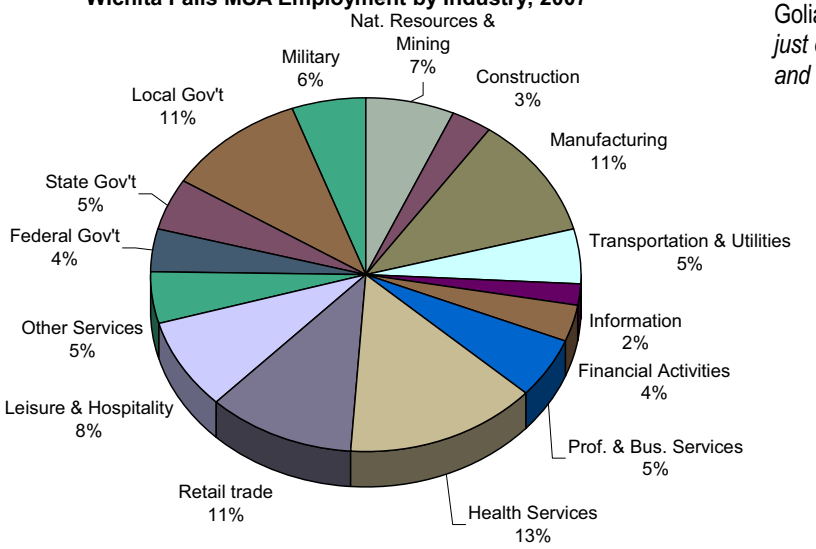
With the arrival of six railroads at the turn of the 20th century, Wichita Falls became a transportation and supply center for Northwest Texas and Southeastern Oklahoma. The discovery of oil in the Electra oil field (1911) and the Burkburnett fields (1918) led to an economic shift as oil-related industries and other support services rose to prominence.

Wichita Falls MSA GDP by Industry, 2005



Source: Bureau of Economic Analysis

Wichita Falls MSA Employment by Industry, 2007



SOURCE: Economy.com

However, oil production in the area declined in importance in the 1960s with competition from other areas of the state. At this time, Industrial Development, Inc. (the precursor to the present-day Board of Commerce and Industry) was formed and successfully recruited a number of large primary employers throughout the 1960s and 1970s. Nevertheless, the 1980s presented new challenges with the closure of several manufacturing facilities and the severe decline in oil prices mid-way through the decade.

Throughout the 1990s and 2000s, Wichita Falls has continued to seek economic diversification. Although these efforts have resulted in the growth of the manufacturing sector, the economy remains relatively dependent on both the oil sector (included in mining) and government (see figures to the left).

Wichita Falls has long served as an important economic center in the Texoma region between Dallas-Fort Worth and Oklahoma City. However, with the dramatic growth of the Dallas-Fort Worth Metroplex in the past decade, Wichita Falls has seen its role as a regional center diminish as the gravitational pull of the Metroplex grows and regional transportation linkages with the Metroplex are strengthened.

As a result, Wichita Falls must directly compete with the Metroplex for talent and investment as well as employers, healthcare services, and retail spending. To compete successfully, Wichita Falls must carve out a niche for itself and capitalize on the amenities and assets it can offer that a Goliath-sized metropolitan area cannot. In this way, *the central challenge for Wichita Falls is not just economic diversification, but also how to position itself to compete favorably with the Metroplex and other emerging regional centers, such as Lawton, Oklahoma.*

Methodology & Approach

METHODOLOGY

To better understand the region, its challenges and opportunities, the consulting team focused on collecting both qualitative and quantitative data through site visits, interviews, and primary and secondary data sources. These research activities included:

- Data collection, analysis and assessment:
  - Analysis of demographic and economic trends of Wichita Falls compared to peer communities
  - Analysis of occupation and industry employment data to identify areas in which Wichita Falls holds a competitive advantage state-wide and nationally
  - Economic impact of SAFB and BRAC
  - Inventory of entrepreneurial assets
- Stakeholder interviews (24)
- Focus groups
  - Downtown business and property owners (50 attendees)
  - Manufacturers (11 attendees)
  - Healthcare (18 attendees)
  - Human resource managers (17 attendees)
  - Entrepreneurs (12 attendees)
- Public input forum (85+ attendees)

With this information, the consulting team created a SWOT (Strengths, Weaknesses, Opportunities, and Threats) and identified the areas of opportunity that create the framework for the report. The SWOT analysis is presented in Appendix D: Community Assessment.

OUR APPROACH

Figure 1

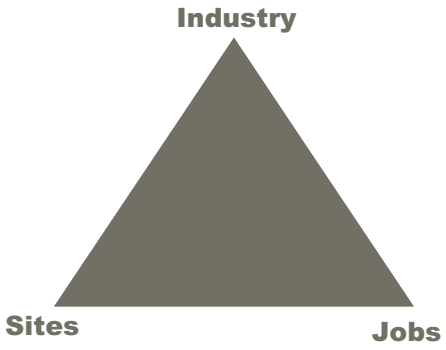
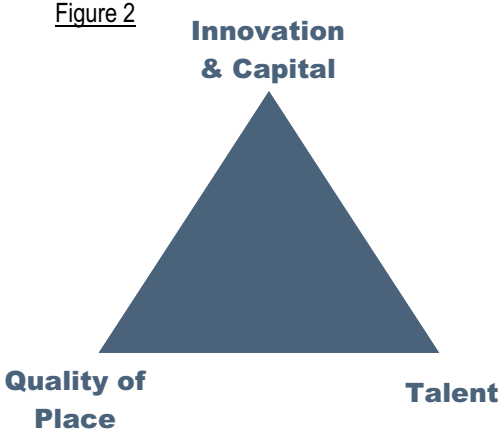


Figure 2



Economic development is undergoing major structural changes, ranging from site requirements to talent to livability to regional planning. Working within the vacuum of traditional economic development is becoming increasingly untenable, as the benefits of primary industries, retail growth and professional services have shifted, requiring new analytical approaches.

Economic development planning has failed to keep pace with global economic changes. A graphic representation of the old economic planning models might envision a triangle representing the following goals: industry, sites, and jobs (Figure 1). This model assumes that the recruitment of new businesses could be best accomplished by providing sites in industrial parks, which in turn would result in the creation of new jobs. For many regions, this remains the default economic development strategy. Unfortunately, this approach depends heavily on tax abatements and the availability of fully serviced land. As a result, the benefits of attracting new industry and "creating new jobs" is often compromised by a lack of services, reduced land for housing and open space, and increasingly compromised economic vitality.

Economic development planning that is responsive to new opportunities—an approach championed by TIP Strategies—sees the same "triangle" with different goals: innovation and capital, quality of place, and talent (Figure 2).

Rather than relying on incentives and cheap land to recruit industry, this approach recognizes the increasing importance of quality of place in the attraction and retention of business. This approach keeps quality of place on equal footing with innovation and capital. It recognizes that community development initiatives may generate a return that is as significant as that of industrial parks (which are often disconnected from the community and require huge public investment). We also see "jobs" as something more than just a reduction of unemployment—looking instead at the duration of those jobs, the wages they pay and their impact on the community. This broader perspective is what we describe as "talent." It holds the view that retaining and attracting younger workers is not synonymous with job training or current workforce programs.

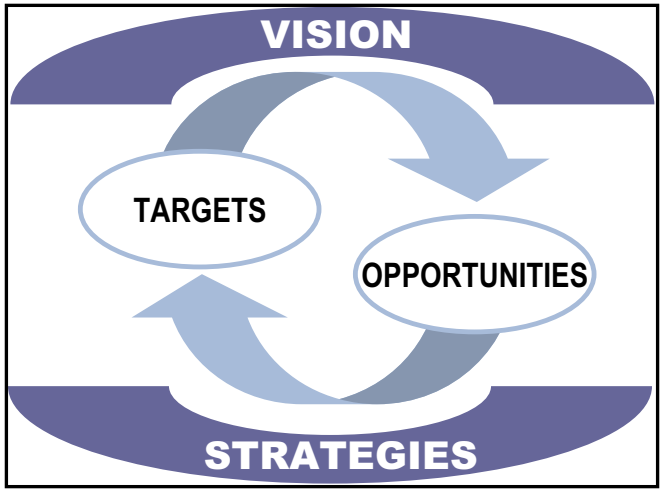
TIP defines economic development as the application of public resources to stimulate private investment. This definition recognizes that decisions regarding everything from telecommunications to workforce development must be informed by the response they will receive from the private sector. Since private investment is increasingly linked to technology and knowledge workers, it is only sensible for public entities to respond in kind. This approach frequently requires infrastructure investment, making it congruent with the site selection and expansion goals of private companies.

economic development (n)

1. the application of public resources to stimulate private investment

- TIP Strategies, Inc.

What we have learned from our team's experience in cities, counties, regions, and states underscores the benefits of a more holistic approach. There are, regrettably, too many examples in which a project is evaluated only on a fiscal basis, only to leave residents of the community dissatisfied and neighborhoods more economically fragmented and less economically viable than before the project was undertaken. As a result, an economic development methodology based on **TALENT**, **INNOVATION**, and **PLACE** helps redefine the types of business as well as the types of public resources under consideration, and provides for the basis of a more realistic evaluation of options to stimulate private investment.



Opportunities

With these three goals in mind, we identified the primary opportunities for Wichita Falls. For each opportunity, we outline strategies and actions, identify priority projects, and provide a plan to guide the implementation of these projects, strategies, and actions. These primary opportunity areas are listed below:

- **Downtown**
- **Talent**
- **Business Development**
- **Image / Marketing**
- **Special Areas**

Vision, Goals, & Opportunities

Economic development goals, strategies, and actions must be driven by a clear vision. The practical value of the vision is in directing community resources and guiding decision making. Successful vision statements are bold. They provide clear direction, are comprehensive, and can be supported by goals and strategies. In turn, the opportunities and targets that are identified in the plan help promote the vision, goals, and strategies.

The statement below represents the vision for Wichita Falls that creates a framework for the opportunities, strategies and actions identified in this plan.

VISION STATEMENT:

"A VIBRANT REGIONAL CENTER ATTRACTIVE TO TALENT AND INVESTMENT"

As a regional center, Wichita Falls draws residents and economic activity from surrounding areas. Strengthening its position as a regional center will be essential to Wichita Falls' long-term sustainability and economic vitality. The ability of Wichita Falls to attract talent and investment are two key elements to strengthening its position as regional center.

We believe the following three goals will support the proposed vision and provide a strong framework for strategies and actions:

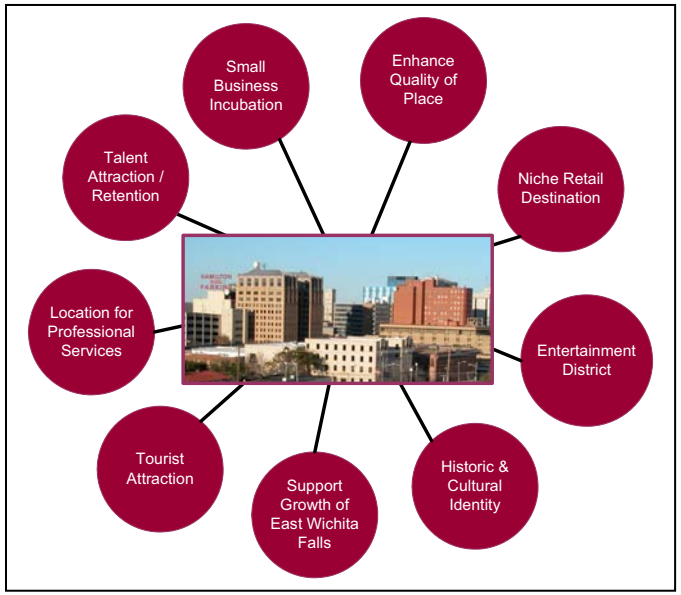
GOAL ONE: DEVELOP, RETAIN, ATTRACT, AND ENGAGE TALENT.

GOAL TWO: DIVERSIFY AND GROW THE ECONOMIC BASE.

GOAL THREE: PROMOTE AND ENHANCE WICHITA FALLS' QUALITY OF PLACE.

Priority Projects

- FINANCING DISTRICTS
- FORMAL INCENTIVES POLICY
- DOWNTOWN MARKET REPORT
- DOWNTOWN MARKETING CAMPAIGN
- CATALYST PROJECT



Downtown

Downtown Wichita Falls served as the center of the community from the city's founding in 1882 through the oil boom until the 1970s. The advent of the Sikes Senter Mall and surrounding commercial development in 1974 drew large retailers, including JC Penney and Sears, out of downtown. This change in commercial development patterns, in conjunction with a weakening of Wichita Fall's oil sector, hastened the decline of downtown as the commercial center.

As the commercial draw of the mall area grew, residential development followed, moving growth in a southwesterly direction. This pattern has continued to the present. Consequently, downtown is no longer the geographic center of the city and is "out of the way" relative to the newer commercial centers around the mall. Downtown must now compete with newer commercial centers for tenants and visitors without the advantage of a central location within the city.

As a result of these development patterns, downtown has become largely a workday destination for employees and people conducting business with downtown institutions and establishments. In addition, the vacancy rate of downtown buildings is high and many historic buildings have fallen into disrepair. It is no longer the busy center of the community that it once was.

OPPORTUNITY

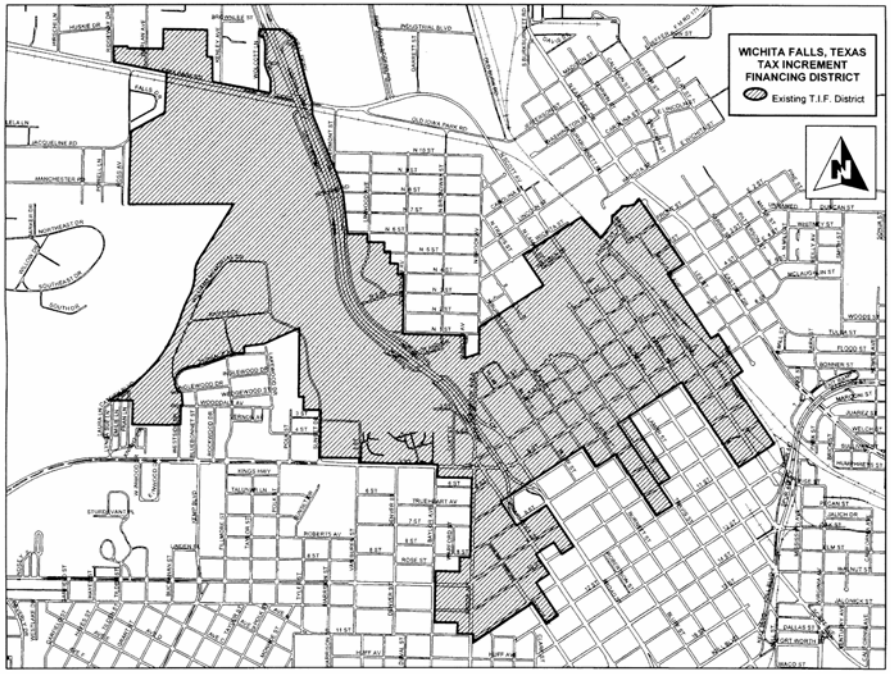
A vibrant downtown is a key component to economic vitality. Downtown revitalization influences every economic development issue facing Wichita Falls, from talent attraction and retention to quality of place to economic diversification.

The economic potential of downtown Wichita Falls is obvious. The historic buildings, walkable street grid, existing businesses and institutions create a strong base for revitalization efforts.

With 6,000 students at Midwestern State University and a daily average of almost 6,000 students at Sheppard AFB, Wichita Falls has a sizeable population of young adults that generally would take advantage of downtown retail and entertainment options. In addition to attracting young adults, a revitalized downtown with a diverse range of entertainment, retail, residential, and employment options could draw from over 100,000 residents in Wichita Falls and over 350,000 residents in the region. The implementation of effective strategies as part of a well-coordinated revitalization effort can make a significant difference in restoring downtown Wichita Falls to a prime destination in the region. This, in turn, will greatly enhance the community's economic vitality.

STRATEGIES

> "A healthy and vibrant downtown boosts the economic health and quality of life in a community. Specifically, it creates jobs, incubates small businesses, reduces sprawl, protects property values, and increases the community's options for goods and services. A healthy downtown is a symbol of community pride and history."
>
> *- The Pew Partnership for Civic Change*



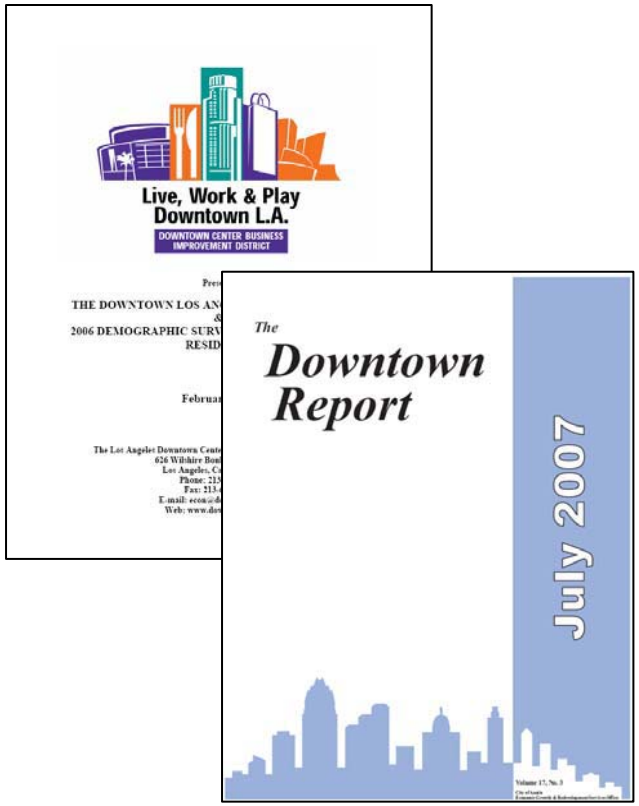
1. Formalize tools for promoting revitalization.

- ❑ Secure funding sources to finance downtown revitalization initiatives and projects.
  - Recreate a Tax Increment Reinvestment Zone (TIRZ) that covers the downtown area. Revise the zone boundaries to take into consideration any planned public sector projects that may result in parcels' removal from the tax roll. Time the creation of the TIRZ to capitalize on planned developments.
  - Create a municipal management district or a business improvement district that overlays the downtown core. This district will have the authority to raise funds that can be used for marketing activities, landscape maintenance, infrastructure improvements, and generally to supplement services provided in the area.
  - Establish the organizational capacity to manage both financing programs. Many cities have created non-profit organizations that are managed by the district boards and have staff to handle the day-to-day operations of the programs. Downtown Wichita Falls Development, Inc. (DWFD) should be given this responsibility. In addition, DWFD can continue to spearhead downtown revitalization efforts, manage and guide investment in downtown to promote the vision of the downtown master plan, and organize and advocate for downtown business and property owners. Funding for the organization should consist of a mix of contributions from the financing districts, membership fees, and private donations.
  - Set a goal to invest a set percentage of 4A and/or 4B funds in downtown projects. Attracting primary employers and supporting community development downtown can help stimulate growth and counteract growth pressures from other areas of the city.
  - Secure any available federal and state funds that may facilitate revitalization efforts.

Formal incentives policies should be carefully crafted in a transparent manner to ensure that they yield a net benefit to area taxpayers. The following principals should be considered when establishing a policy: 1) the targeted investment would not occur without the incentive and 2) the investment should generate new economic activity in the area instead of displacing existing businesses.

When creating an incentives deal for a particular prospect, we recommend the following: 1) a statement demonstrating how the proposed incentive relates to the broader economic development strategies, 2) a formal cost/benefit estimate weighing the estimated direct/indirect benefits (e.g., tax base enhancement, increase in retail sales, increase in wage rates, etc.) to the incentive costs (e.g., tax abatements, training subsidies, infrastructure improvements, etc.) associated with a particular deal, and 3) a "clawback" agreement that guarantees the recovery of incentives funds if the firm makes fewer hires or investment expenditures than promised.

- ❑ Establish a formal incentives policy to encourage private investment downtown, as part of a comprehensive city-wide incentives policy. These incentives should be available for primary and secondary employers as well as existing and new businesses. In addition, this policy should be consistent with BCI's existing incentives policy for primary employers.
    - In cooperation with the 4A and 4B Board of Directors, create an incentives policy specific for downtown. The policy should incorporate a variety of tools, such as: Chapter 380 agreements, property tax abatement, and possibly reimbursement of certain fees as well as special programs to help defray renovation costs resulting from asbestos/lead paint remediation, historic preservation, and modernizing buildings to adhere to the city's building code. These programs could include forgivable loans, a revolving loan fund offering low-interest loans, or both.
    - Utilize a formal cost/benefit model similar to the model used by BCI to evaluate whether or not to offer incentives packages. This model should weigh the estimated direct/indirect benefits (e.g., tax base enhancement, increase in retail sales, increase in wage rates) and the incentive costs (e.g., tax abatements, training subsidies, infrastructure improvements) associated with a particular deal. The model should also incorporate the City's objectives for downtown development to ensure that projects promote these goals.
    - Structure the programs to include a "claw-back" agreement that guarantees the recovery of incentives funds if the firm does not meet pre-established milestones.
    - Establish an application process for prospects wishing to submit a project for consideration in the incentives program.
    - Create a Web site to publicize information regarding the incentives policy and application process. Post the application and descriptions of programs and process.
- ❑ Track growth and development in downtown to show progress towards goals.
    - Continue to collect survey responses to establish the baseline conditions of the downtown market. The key metrics that should be tracked are:



— Housing units (total, rentable, occupied, average price per square foot)

— Office space (total square feet, useable square feet, occupied square feet, average price per square foot)

— Retail space (total square feet, useable square feet, occupied square feet, average price per square foot)

— Arts & cultural establishments (number of establishments, visitors)

- This survey should be conducted at least annually to track growth in each of these areas.
- With the information obtained in the survey, produce a report card summarizing the data and achievements towards revitalization efforts. Include any projects either fully or partially funded with public funds.
- Publicize reports to local and regional realtors, brokers, and developers. Post the report card on the Downtown Wichita Falls Development, Inc. Web site with links from the City of Wichita Falls' site and BCI's site.

❑ Design and launch an effective marketing campaign to promote downtown as the prime area of Wichita Falls to "live, work, and play."

- Establish the image downtown stakeholders wish to portray. Build consensus for the image and a primary message to convey this image.
- Design a marketing plan for internal audiences to promote this image. This plan should set out goals based on measurable timelines – six months, one year, two years, and five years. This marketing plan should identify target audiences, effective marketing tools appropriate for each audience, and strategies for communicating the primary message. It is imperative that actionable and attainable goals set the pace for future marketing inside the community. This will help the city build achievable plans where a Return on Investment (ROI) plays a key role.

- Continue to plan events to draw people downtown. Use annual events such as the St. Patrick's Day Festival, the Downtown Shrimp and Wine Festival, the Downtown City Lights Parade, and the Hotter 'n Hell Hundred to showcase downtown. Make sure that events are well-publicized and of high quality. A positive impression of downtown and downtown events must be conveyed in order to keep people coming back.

- The media and public relations strategy should be designed to celebrate the successes of downtown revitalization in order to build momentum for the initiative. Develop a community newsletter focused on downtown. This newsletter should reach out to the community at-large to communicate events, profile businesses, describe new projects, and discuss ideas for improving downtown. An e-newsletter could be distributed to mailing lists maintained by downtown businesses and organizations, BCI, MSU, and Sheppard. Through traditional and non-traditional media sources, profile the catalyst projects and other important projects to raise awareness and generate interest.

- Coordinate the downtown marketing campaign with a city-wide campaign to reduce overlap and leverage co-marketing opportunities.

2. Support the establishment of "anchors".

- ❑ Spread the anchors across the core of downtown such that pedestrian and vehicular traffic must pass other tenants when traveling between anchors. This location strategy will provide heightened visibility for other tenants located in the core.

- ❑ Ensure the new City Hall is constructed within or adjacent to the downtown core to serve as a primary employment anchor (*See Downtown Master Plan, Chapter 2, Objective 1*).

- ❑ Encourage the development of a flagship mixed-use project that includes niche retail, entertainment options, fine dining, and residential units. This project should be designed with the goal of promoting downtown as an after-hours destination. However, careful attention should be paid to attract tenants that complement, rather than compete with, existing downtown businesses. (*See Strategy 4)*

an·chor (n)

1. a reliable or principal support

2. a large business (as a department store) that attracts customers and other businesses to a shopping center or mall

- the Random House Unabridged Dictionary

The Holt

Downtown Housing Units	
La Salle Crossing	15
The Holt	41
Travis Crossing	11
Franklin Place Apartments	17
The Plantation	27
Aztec Apartments	12
Austin School Lofts	25
Midtown Manor	150
Total	**298**
Housing Units within Downtown Core	**67**

3. **Use residential development as a primary catalyst.** (*See Downtown Master Plan, Business Development, Objective 4*). Successful and sustainable urban areas are those that bring people to live, work, play, and learn in the urban center. There are many practical and intrinsic advantages of attracting a critical mass of people back to downtown. Urban planners and strategists have known for years that "rooftops" or resident populations become engines that drive a diversified economy including retail and neighborhood support. Urban dwellers tend to spend more and be more entrepreneurial, involved in community leadership, and committed to a sense of community. For these reasons, further residential development downtown, especially in the core, should be a priority.

- Revise the city plan and zoning strategies to allow for greater densities for downtown residential development.
- Consider imposing a minimum number of units per acre for residential developments in the area. For example, residential developments within this area should get open space credits if located near a park or well-landscaped areas.
- Use local government incentives to enable developments that produce residential density and conform to urban character standards.
- Encourage residential developments that incorporate good urban character. Some of the key elements of good urban character:
  - Buildings should face the street and form an urban edge with little or no setback from the urban walkway and right of way.
  - Buildings should have entryways facing the street frontages.
  - Encourage windows and transparency facing the street.
  - Buildings should address the street level and first 2 to 3 levels with architectural elements that create a human scale, such as canopies, entries, windows, transoms, articulated architecture, and avoid long solid walls.
  - Avoid surface parking on the street as areas develop with urban densities.
  - Urban walkways should range between 8 feet and 18 feet wide depending on the density of pedestrian traffic and other sidewalk uses anticipated.

Destination Retail

"Increasingly, entertainment and recreational trips (not just shopping trips) are generating retail sales. After a pleasant meal, people quite often look for opportunities to extend the experience by browsing in a bookstore, shopping for a special piece of clothing or luxury item (like flowers, jewelry, or artwork), or taking in a movie or show. In this context, the downtown pedestrian routes, which are deliberately designed and mixed to provide views to the next leisure retail shopping opportunity, become vital. This form of retailing (known as destination retail) is not particularly suited to shopping centers; people rarely choose to spend a special night out at the mall."

- The Urban Land Institute

- Encourage spaces for outdoor dining, occasional sidewalk sales, and vending at the appropriate locations.

4. **Develop a retail strategy emphasizing "destination" retail.**

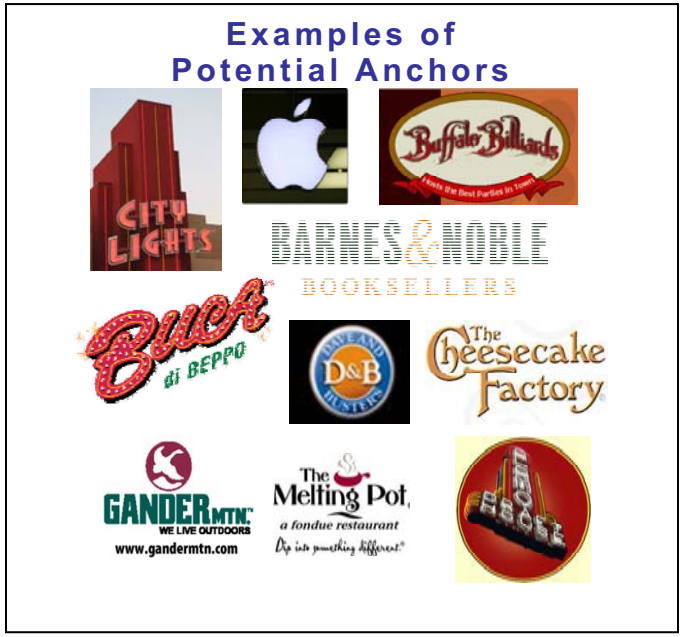
- ❑ Develop and implement a retail recruitment program. This program should be designed to attract and support desirable retailers in the downtown core area. Elements of this program should include:
  - — A regularly updated retail trade area and corresponding demographic information
  - — A current database of available properties accessible on-line
  - — Clearly defined incentives and/or business resources
  - — Descriptions of projects in the downtown trade area that will affect retail demand

- As part of the program design, meet with existing retailers to better understand their product offerings, customer profiles, store traffic, as well as their needs and challenges in their present locations.

- Catalog downtown retailers to establish what exists and identify what goods and services are needed to attract visitors and serve downtown employees and residents in downtown and the surrounding neighborhoods.

- Create an information packet, including an inventory of available sites, to provide to commercial brokers and individuals seeking to establish retail downtown.

- Examples of downtown retail recruitment strategies include Knoxville, TN; Lincoln, NB; and St. Charles, Il.
  - — Knoxville: http://web.knoxnews.com/pdf/1017downtown_knoxville_retail.pdf
  - — Lincoln: http://www.downtownlincoln.org/LincolnRetailFindings.pdf



— St. Charles: http://www.ci.st-charles.il.us/departments/cdd/downtown/1.html

- ❑ Promote destination retail among the mix of uses in the flagship anchor project. This project should be structured as a public/private partnership and should include a significant retail anchor. If possible, the project should entail the creative reuse of an existing building rather than new construction. (*See Strategy 2).*

  - The anchor should be a major, exciting draw that cannot necessarily be found in a shopping mall. It could be an entertainment venue, a "special-occasion" restaurant, or a niche retail store.

- ❑ Encourage the concentration of retail in a defined district to create a critical mass of retail activity. This district should become a core of continuous street-level retail offering a diverse mix of interesting shopping options for downtown residents, employees, and visitors alike.

- ❑ DWFD, in partnership with BCI and the SBDC, should provide on-going business workshops and seminars for existing retailers and restaurants to communicate a common interest in the retailers' continued growth and success downtown. Retail Opportunity Workshops should also be held for those entrepreneurial-minded persons interested in opening a retail business downtown.

5. **Target professional services, company headquarters, and entrepreneurship to alleviate the surplus of office space downtown and surplus of office workers in Wichita Falls.**

- ❑ Actively recruit professional services firms and company headquarters to downtown through a well-targeted campaign. *(See Business Development, Strategy 2).*

- ❑ Facilitate the creation of a one-stop Entrepreneurship Center to foster the growth of new businesses in Wichita Falls. *(See Business Development, Strategy 5).*

Priority Projects

- **"COME HOME TO WICHITA FALLS"-TYPE CAMPAIGN**
- **SAFB VETERANS SURVEY AND DATABASE**
- **NEXT GENERATION LEADERSHIP INITIATIVE**

Redefining Talent

The concept of ***talent*** means more than a skilled workforce. It means recruiting talented people as well as cultivating the talent pool represented by groups as diverse as students, retirees, and entrepreneurs. It also means ensuring that the employees and companies that have been responsible for a community's growth continue to see a reason to remain in the area.

National demographic trends, most notably the aging of the baby boomers, suggest that demand for workers may soon outstrip supply. As a result, competition for labor is expected to increase among companies as well as communities. Focusing on the development, attraction, and retention of talent should, therefore, be an important part of any economic development strategy.

Talent

Nurturing and attracting talent is perhaps the most fundamental issue for creating long-term, sustainable economic vitality in the 21st Century. Much of this is due to the changing needs of U.S. employers as the economy transitions from manufacturing to services. More importantly, shifting demographic patterns are changing the way employers evaluate areas they are considering for possible relocation or expansion *(See box left).* Workforce availability is now the predominant site selection criterion for most industries.

The resulting phenomenon has become known as "the war for talent." But a "talent" goal implies more than the typical workforce development and training issue. For regional centers like Wichita Falls, which must compete with the diverse amenities and higher wages offered by large cities and metropolitan areas, it means developing creative strategies for retaining and attracting people.

OPPORTUNITY

Fortunately for the Wichita Falls region, it possesses local assets making it competitive in attracting/retaining such talent. First and foremost, it is home to MSU – a nationally-respected four-year university that recruits a substantial portion of its student body and faculty from outside the region. The region's educational base is further enhanced by high quality local school districts and the presence of Vernon College.

Another key talent asset for the region is Sheppard Air Force Base (SAFB). Serving as the Air Force's largest technical training operation, each year thousands of airmen and officers arrive at SAFB to receive training in a variety of fields and disciplines. While many students at SAFB are assigned for transitory periods, others stationed at the base – such as trainers and student pilots – remain in the region for longer tours. Every year dozens of these personnel separate from service through SAFB and choose to live in the region. The presence of the base also attracts Air Force retirees who once served at SAFB and wish to return to the region.

STRATEGIES

1. **Reestablish ties to former residents.**

   The consulting team recommends the regional partners pursue talent attraction activities. Initially, the consulting team recommends targeting individuals and former residents with existing ties to Wichita Falls. We believe this is likely to garner increased success for several

reasons. First, the target audience already has a familiarity with the area, requiring less education about Wichita Falls. Second, individuals with strong ties to Wichita Falls, especially young professionals with families, may already desire to relocate if given a clear opportunity. Third, these individuals would presumably be easier to reach through existing social networks and, therefore, less expensive to target.

- ❑ Establish a marketing campaign urging former residents to "Come Home to Wichita Falls."

- ❑ Work with alumni organizations for MSU, Vernon College, and area high schools; career placement offices at the various schools; and key allies to assist in the development of a database of former students to whom marketing materials should be sent.

- ❑ Develop marketing materials and quarterly newsletter to inform former residents of opportunities and current events in Wichita Falls (e.g. job postings, business expansions, investment opportunities, planning initiatives etc.).

    - Consideration should be given to creating an electronic form of the newsletter for easier and less expensive transmittal.

    - Consideration should be given to distributing the newsletter to job placement counselors at area institutions of higher education as means for informing existing and former residents of local opportunities.

- ❑ Enlist the support of the *Wichita Falls Times Record News* in providing information about the newsletter or actually posting it directly to its website. In many cases, viewing of the "hometown newspaper" is the sole source for information about Wichita Falls for former residents.

- ❑ Establish a Sheppard AFB alumni network consisting of personnel and students formerly stationed at SAFB.

    - Create a database of personnel/students stationed at SAFB with the assistance of military and civilian support organizations. This database could be integrated into the database of former residents.

    - Area leaders should publicize the alumni network at official events and receptions on the base. For instance, the BCI should invite personnel to

Best Practice: *Return to Roots*

- Return to Roots is a campaign aimed at the estimated 15,000 alumni who have graduated from Southwest Virginia's high schools in the last 20 years and may have moved away from the region.

- Return to Roots is an information portal highlighting the exciting job opportunities that exist today in Virginia's Great Southwest region.

www.returntoroots.org

Veterans Possess Many Characteristics that Appeal to Employers

- Demonstrated leadership and managerial skills
- Training to industry standards
- The ability to adapt quickly to change
- Knowledge of advanced technologies
- Experience working effectively under extreme pressure
- Education and professional certification credentials
- Strong work ethic
- Experience working within and/or leading diverse teams
- Effective written and verbal communications skills
- Security clearances
- History of accepting and following orders from superiors

join the network during presentations to new and departing personnel and students.

- The network should be informed of opportunities and current events in the region via the quarterly newsletter targeted to former residents.

2. **Initiate and maintain a Sheppard Air Force Base (SAFB) veterans inventory.** Results and analysis of the pilot surveys can be found in *Appendix B.* Some examples are provided in the left margin on the following two pages.

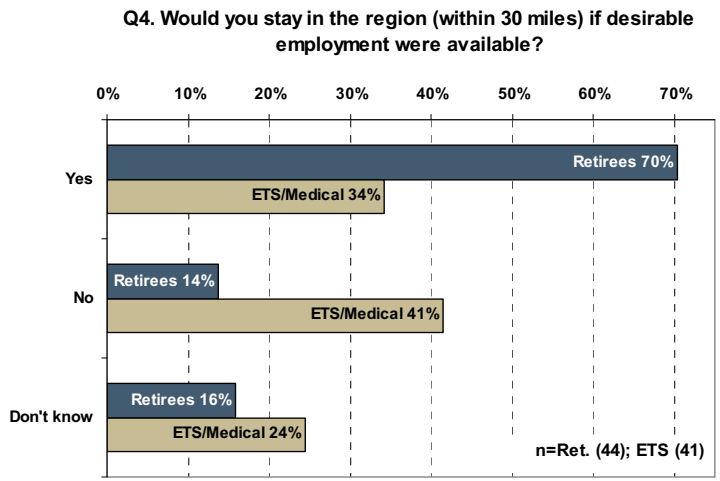
   - ❑ Obtain the commitment from area organizations to participate in the SAFB veterans inventory initiative. A Memorandum of Understanding (MOU) should be drafted and signed by the Wichita Falls BCI, the Sheppard Military Affairs Committee (SMAC), Workforce Solutions North Texas, and the Airmen & Family Readiness Flight at SAFB that defines the roles and responsibilities each organization should assume in the inventory initiative. Each organization has a specific role to play in order to ensure its success and effectiveness. Other organizations, such as a local veterans organization, can be included in the consortium. Recommended roles for each organization include:

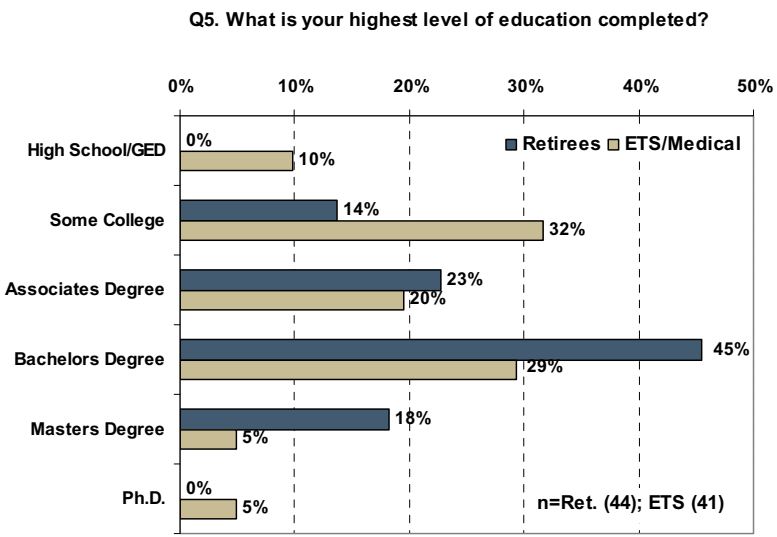
     - Depending upon available resources, BCI, Workforce Solutions North Texas, or SMAC staff should tabulate survey results, perform appropriate analysis of the survey results, design data charts/graphs as needed to effectively describe the data, and maintain the survey database.

     - The BCI should utilize the data and analysis in effective marketing campaigns and business recruitment activities. It should also provide regular suggestions regarding changes to the survey instrument and process for collecting the data.

     - The Airmen & Family Readiness Flight should provide the staff and technical support needed to administer the surveys. The organization should also regularly assess the effectiveness of the survey process and questionnaire based on feedback from respondents and their own experiences.

     - SMAC should contribute expertise to the analysis and interpretation of the survey results.





- Workforce Solutions North Texas should contribute its expertise to the analysis of the survey results, as well as needed administrative support for tabulating the results.

❑ Administer a questionnaire to SAFB personnel attending the Transition Assistance Program (TAP) classes. In order to avoid interfering with existing equipment or staffing agreements, for at least the first year, the survey should be administered via an anonymous one-page paper questionnaire. During this period, the value of the information gleaned from surveys and the benefit to the service members themselves can be demonstrated to all interested parties, including the Airmen & Family Readiness Flight and the U.S. Air Force. After one year has elapsed, a process using a computer-based electronic survey should be considered.

- Initially, the survey results can be manually tabulated into a subscription web-based survey program such as SurveyMonkey or a more advanced purchased program such as Remark Office OMR 6. The results of the pilot surveys were manually entered by the consulting team into SurveyMonkey, which offers a professional subscription for $19.95 a month for up to 1,000 survey responses, and 5¢ for each response above 1,000.

- However, the consulting team recommends the participating organizations purchase Remark Office 6 ($895) or a similar program. Utilization of such a program would allow for survey forms to be scanned into a database using a typical office scanner rather than having to manually enter the data. The Remark program offers scan form templates that can be modified and coded to meet the needs of the surveys. For instance, this would allow for MOS codes to be included in the survey. The results can then either be cross-tabulated and analyzed in the Remark program or exported to a spreadsheet or relational database program.

- The raw results should be provided to the BCI, SMAC, the Airmen & Family Readiness Flight, and Workforce Solutions North Texas for their own analysis and use.

- The BCI should utilize the data in its targeted marketing and business recruitment activities.

- The parties to the MOU should periodically review the progress of the SAFB inventory program and make necessary changes/modifications to either process or instrument when needed.

- At an appropriate time, a proposal should be made to the U.S. Air Force requesting that the inventory program be formally incorporated into SAFB transition assistance program and the survey be administered via computer within the Airmen & Family Readiness Flight offices. An automated survey would make the inventory system more efficient and user-friendly.

3. **Continue supporting educational excellence.** Area leaders should continue striving for educational excellence in the region's public schools to ensure long-term economic vitality. This is critical not only for preparing current and future generations of the area's children to thrive in the modern economy, but also for making the region an attractive destination for new talent, families, and employers.

   - ❑ Continue commitment to improve the facilities and performance of the school districts in the Wichita Falls region.

   - ❑ Continue to support magnet programs in junior high and high schools.

   - ❑ Develop more business/school partnerships, focused on providing resources for student performance (e.g., free laptops for top five percent of high school graduates) and participating in career fairs/days.

4. **Align economic development and education programs – K-12, vocational, 2-yr, & 4-yr.** Key partners to the region's economic efforts are educational institutions and workforce training providers. Employers must be assured access to trainable workers. At the same time, young adults, families with children, and even retirees are all drawn to locations offering access to continuing education opportunities.

   - ❑ Work with regional higher education institutions (e.g., Vernon College) and area school districts to align vocational education and professional certification programs with BCI industry cluster development efforts.

   - ❑ Establish internship/apprenticeship programs to aid in the transfer of vocational students to entry-level positions among existing industrial employers and/or targeted

Strive for educational excellence in K-12 education programs.

industries. This recommendation was identified and supported by the BCI's Workforce Development Task Force.

- ❑ Enhance and expand partnerships between area school districts and local higher education institutions, including programs such as developing institutes geared towards gaining vocational education and experience in specific target industries. Continue expanding local programs such as *Tech Prep* and *Dream It, Do It* that inform and promote the significance and attractiveness of modern technical careers.

5. **Develop new generations of leaders.** The most important ingredient of long-term community and economic growth is leadership. Perhaps no single proposal in this plan is more important to the lasting economic vitality of the region than a new initiative aimed at identifying, organizing, and preparing a new generation of regional leaders. A concern often expressed to the consulting team by many long-serving leaders is an apparent generational gap among the region's political, civic, and business leaders and volunteers. Most have been actively involved in the region's affairs for years or decades. They fear without a younger generation prepared and motivated to succeed them, these and other initiatives will fail over the long term.

   The challenge for the Wichita Falls region is finding new and innovative ways for engaging younger people in civic affairs. However, the solutions will not be identified and designed by the region's existing cadre of leaders, but by the younger professionals they hope to engage.

   - ❑ Create Next Generation Leadership Initiative.

     Like hundreds of communities, Wichita Falls is currently served by a Leadership Wichita Falls organization. While programs such as this provide a valuable service to both participants and the community, there is a need to elevate the issue of generational leadership to a higher plane. The issue of long-term civic engagement by younger generations should be addressed at the community level. Most importantly, in order to succeed, this initiative must be organized and led by young people themselves.

     - ◆ Form a Next Generation Task Force, similar in concept to the Workforce Task Force. The task force should be comprised of professionals and volunteers in their 20s and 30s from diverse racial and ethnic backgrounds. The purpose of the task force is twofold: (1) understand the primary barriers to this generation's civic engagement; and (2) design innovative methods of outreach and engagement.

Generations in America

- **Veterans**: Born 1922 to 1945 - 75 million
- **Boomers**: Born 1946 to 1964 – 80 million
- **Gen. X**: Born 1965 to 1980 – 46 million
- **Gen. Y**: Born after 1980 – 76 million

Developing New Generations of Leaders

This is a challenge faced by communities across the nation. Many traditional social and volunteer organizations (e.g., Lions, Rotary, and Altrusa Club) are no longer popular among the X, Y, and millennial generations. Younger people often choose more informal social networks linked by common interests. Technology now allows people to network and engage in civic issues via the Internet. Moreover, younger families coping with the time demands of two-income households and longer commutes tend to have less time for community leadership and volunteer activities.

— The task force should conduct a needs assessment identifying issues and barriers to civic engagement by young adults in the community. The needs assessment should include a regional survey and focus groups to identify the primary issues and barriers to civic engagement.

— A young adult social network mapping initiative should also be a goal of the survey and focus groups. The idea is to map relationships between people, groups, and places in order to identify common interests, relationships, and locations for interaction. Once the nodes are identified, targeted strategies for engaging young adults can be designed.

- ❑ Continue to support the enhancement and expansion of existing programs that help identify and prepare young professional adults for future positions of leadership in Wichita Falls.
  - ◆ Consider a scholarship program for Leadership Wichita Falls targeting potential leaders in their 20s and 30s.
- ❑ Support BCI's efforts in developing target networking opportunities for professionals living and working in Wichita Falls.

6. **Continue efforts of Workforce Development Task Force.** In an effort to strengthen and deepen the pool of skilled workers in the Wichita Falls region, BCI organized a 26-member Workforce Development Task Force in April 2007. Over the course of three months, the task force met six times to discuss various issues related to area workforce development. The group published its final 10 recommendations in June 2007.

- ❑ The Workforce Development Task Force should continue to meet regularly to monitor progress in implementing the initial 10 recommendations and to consider new ideas.
- ❑ The task force recognized that in order to implement the recommendations, BCI would need to hire a full-time workforce development professional. As a result, BCI has hired a Vice President of Workforce Development.

Projected Population Change by Age Cohort

Percent Change, 2007-2012

Age Cohort	Wichita Falls MSA	Texas
0-4	-2%	10%
5-9	-2%	7%
10-14	0%	10%
15-19	-4%	7%
20-24	-8%	6%
25-34	4%	9%
35-44	-13%	1%
45-54	0%	11%
55-64	22%	26%
65-74	-2%	16%
75-84	4%	7%
85+	16%	18%
Total	0%	10%

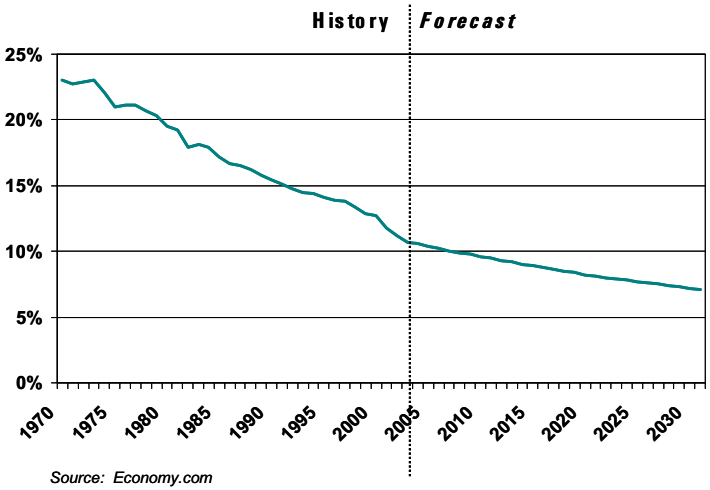
SOURCE: *ESRI*

Business Development

Priority Projects

- RECRUITMENT OF EMERGING SECTORS
- HEALTHCARE CLUSTER DEVELOPMENT
- ENTREPRENEURSHIP DEVELOPMENT

Manufacturing as a Percent of Total Jobs



Source: Economy.com

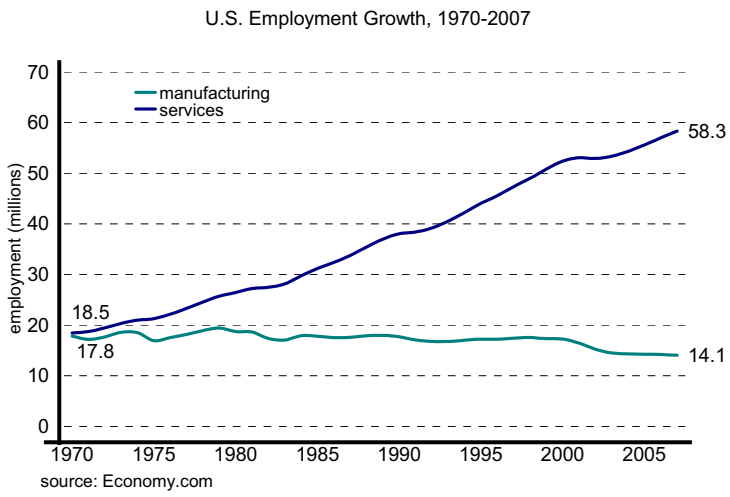
The U.S. manufacturing industry continues to transform the practice of economic development with profound effects. It is forcing us to rethink what is meant by a primary job, how we measure economic impact, and how we design incentives. This is, in large part, because manufacturing employment continues to decline. Most American communities have come to accept that it is no longer feasible to build a successful economic strategy based solely on manufacturing jobs. In Wichita Falls, this shift in strategy is further reinforced by the recent closures of the Delphi plant and the recently announced closure of the Saint Gobain-Vetrotex plant.

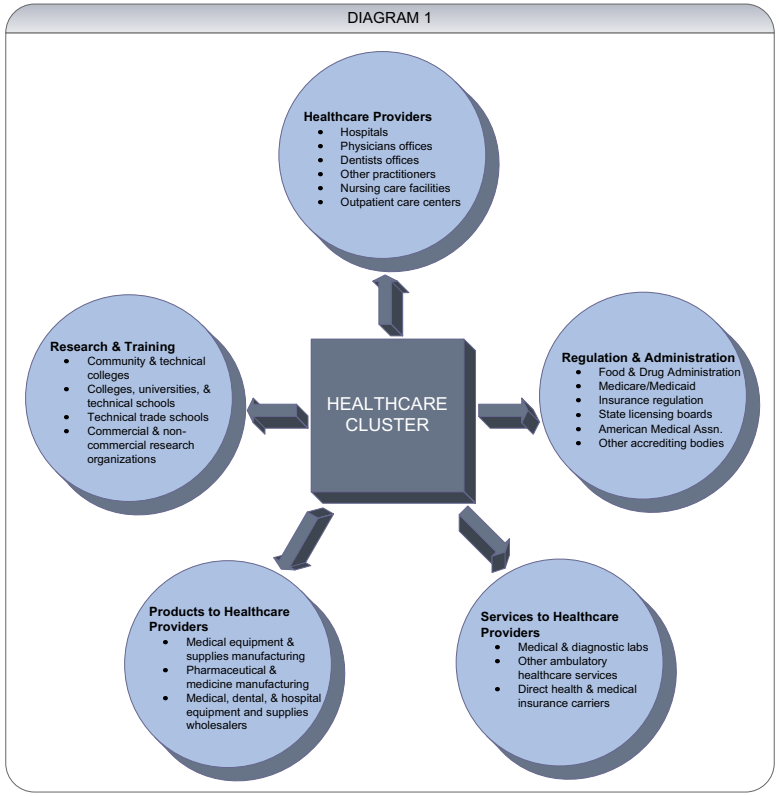
For this reason, our assessment of industry considers the full complement of economic activities — ranging from traditional industrial employers to healthcare to entrepreneurship — as well as the physical infrastructure (business parks, office space, transportation, etc.) and business climate to support those activities. Understanding the role of innovation, the opportunities for expansion of existing companies, the potential of entrepreneurship, and the importance of the service sector are important building blocks of an economic development plan.

OPPORTUNITY

This is not to say Wichita Falls does not have viable options for attracting industrial employers to the region. The region has a strong history of attracting and nurturing a healthy manufacturing base. It is home to a skilled and experienced workforce and it offers prospective employers available land, buildings, incentives, workforce training programs, and a business friendly environment.

However, despite these assets, the Wichita Falls region faces a sobering reality: it is engaged in a global competition with communities and regions that can offer cheaper wages, land, buildings, and taxes to attract a shrinking pool of traditional manufacturing jobs. To sustain long-term vitality, the region must focus its industrial recruitment efforts on emerging sectors emphasizing innovation. It must place a high priority on enhancing the region's high value service sector, including the healthcare and professional services. It must encourage and support the development of growth-oriented entrepreneurship.





STRATEGIES

1. **Expand Healthcare Cluster.** Access to healthcare, both primary care and emergency care, is viewed as both a quality of life issue for residents and an economic issue for communities. With the continued loss of manufacturing jobs, once the most critical driver in local economic development, communities are becoming increasing reliant on the healthcare industry as a source of employment and tax revenue. In addition, the presence of healthcare facilities is seen as key in location decisions for most industries. Finally, healthcare includes many occupations offering relatively high wages and abundant career-ladder opportunities.

   Growth in the U.S. healthcare sector is largely driven by two major factors: population growth and an aging population. As the baby boomer generation approaches retirement age, a larger share of all consumer spending in the nation is being spent on healthcare related expenses. At the same time the sector is growing rapidly nationwide, the sector is facing talent shortages in key occupations such as nursing, physicians (particularly in rural areas), and some types of therapists.

   Wichita Falls has a well-established healthcare sector facing similar national trends. In particular, the sector is facing a talent shortage in key occupations, which can impact the quality of care and the condition of the sector. In order to strengthen the existing sector, the consultants recommend implementing the following strategies:

   - ❑ Establish a healthcare industry cluster team. To develop this cluster, the consultants recommend the creation of a team composed of local healthcare leaders, government officials, educators, and technical experts to guide the implementation process. Once this implementation team is formed, its members will evaluate the following recommendations and set an implementation schedule:

     - Strengthen the area's healthcare wages, workforce, and educational programs. The long-term viability of a cluster strategy is dependent on competitive wages and access to an educated and trainable workforce. Programs linked to healthcare education should be supported throughout the region's public school systems, Midwestern State University, and Vernon College.

     - Conduct a regional needs assessment to determine healthcare services in greatest demand & identify specific niches for further development.

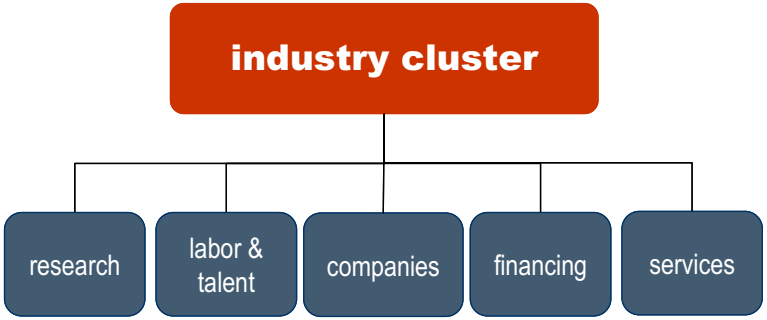
- Encourage local healthcare providers to collaborate and partner in healthcare education, workforce training, and talent attraction and recruitment efforts. Community-wide workforce development and training efforts have more credibility and leverage when all major healthcare interests are involved. It results in more workers entering healthcare fields and more staying in healthcare. It is an inefficient and counterproductive use of resources for local healthcare employers to compete with each other for a limited pool of workers.

- ❑ Grow healthcare workforce locally. It is always more efficient and cost-effective to grow your own talent rather than importing it from the outside. Links to organizations providing best practices in local healthcare workforce development include:

  - The Center for Health Workforce Development in Tennessee (www.healthworkforce.org/guide/toolkit_sec3_1.htm)
  - The Public Health Foundation (www.phf.org/Link/RR-Strategies.htm)
  - The Greater Dallas Chamber, DFW Regional Healthcare Cluster (http://www.dallaschamber.org/healthcare/)

2. Enhance Professional Services cluster.

- ❑ Position the Wichita Falls region as a location for Shared Service Centers through targeted marketing and recruitment efforts.
- ❑ Capitalize on the existing surplus of office space within the downtown through the recruitment, expansion, and startup of professional and business service firms, including energy, financial, legal, accounting, and IT services.
- ❑ Establish a one-stop Entrepreneurship Center (*See Strategy 5 below*).
- ❑ Establish an entrepreneurship program to facilitate new business startups in Wichita Falls (*See Strategy 5 below*).
- ❑ Leverage existing professional networks present in Wichita Falls.



3. Continue the development of industry clusters in the region.

ASSET	SECTOR	NICHE(S)
Sheppard Air Force Base Alcoa Howmet Pratt & Whitney ADVANCED MATERIALS	AEROSPACE & AVIATION	avionics aircraft engines & parts
PPG Sealed Air CRYOVAC Food Packaging Systems	ADVANCED MATERIALS	composites
MagicAire ADVANCED MATERIALS	BUILDING MATERIAL & SYSTEMS	integrated building systems
EXISTING ENERGY SECTOR TURBINE MANUFACTURING MESA POWER WIND PROJECT	ALTERNATIVE ENERGY	wind generation equipment
AFFORDABLE OFFICE SPACE DILLARD COLLEGE @ MSU	PROFESSIONAL SERVICES	shared service centers

- Continue efforts to recruit primary employers in existing target industries. The BCI has already identified industries within the manufacturing and service sectors as appropriate target industries for the Wichita Falls region. Current BCI targets include:
  - Aerospace and Defense
  - Turbine Component Manufacturing
  - Food Processing
  - In-Bound Call Centers
  - Alternative energy
- Expand target industries. The consulting team recommends BCI expand its target sectors list to include the sectors and industry niches displayed in the adjacent table. We believe these targets represent the best (both long- and short-term) opportunities for the BCI's economic development efforts. We believe these represent the best opportunities for business startup, retention, expansion, and attraction activities. These sectors are selected for their ability to serve a dual purpose: 1) to bolster and diversify the regional economy over the short-term by taking advantage of existing assets and 2) to provide a pathway to sustained economic vitality over the long-term. A description of these industry sectors and the rationale for pursuing them can be found in the Target Industry Analysis located in *Appendix A*.
  - Aerospace & Aviation
    - Aircraft engines & parts
    - Avionics
  - Building Materials and Systems
    - Integrated building systems

- Advanced Materials
  - Composites
- Alternative Energy
  - Wind generation equipment
- Professional Services
  - Shared service centers

4. Continue business retention and expansion activities.

- ❑ Maintain an inventory of existing business to 1) ensure an understanding of types of businesses in the community and 2) keep tabs on expansions and layoffs.
- ❑ Call on existing employers periodically to 1) achieve a better understanding of their ongoing challenges and to 2) uncover potential opportunities for local expansions.
- ❑ Act as a liaison between area workforce development providers and local businesses to ensure their awareness of area resources and communicate the needs of Wichita Falls employers to Workforce Solutions North Texas.
- ❑ Work with area taxing jurisdictions to coordinate formal incentives policies targeted toward local businesses as well as outside prospects.
- ❑ Make sure local businesses and industries remain aware of any technical and financial assistance programs.

5. Promote entrepreneurship in the region.

- ❑ Facilitate the creation of a one-stop Entrepreneurship Center to foster the development of new high-growth businesses in Wichita Falls. This center should be a joint venture between Midwestern State University's Lalani Center for Entrepreneurship and Free Enterprise, the Small Business Development Center, Vernon College, the Board of Commerce and Industry, and the City of Wichita Falls. This will ensure coordination and continuity of services to minimize duplication of services. The center should provide:

en·tre·pre·neur
(ŏn'trə-prə-nûr', -nŏŏr') n.

A person who organizes, operates, and assumes the risk for a business venture.

French, from entreprendre, *to undertake.*

SOURCE: American Heritage Dictionary.

Asset Category	Existing	Gaps
Capital	▪ Local banks ▪ Informal Angel Network	▪ Community-based Revolving Loan Fund ▪ Formal Angel Network ▪ Financial Literacy Training
Business Services	▪ Legal ▪ Accounting ▪ Marketing ▪ Human Resources ▪ Information Technology	▪ None found
Education & Information Programs	▪ Workshops ▪ One-on-one Counseling ▪ Networking Opportunities	▪ Entrepreneur Boot Camp ▪ Youth Entrepreneurship Education Program ▪ Mentor Network ▪ One-Stop Shop

- Access to information resources and databases to provide entrepreneurs with knowledge of resources available (financing, business services, educational opportunities) to them as well as competitive information.
- Personalized technical assistance for both existing and new businesses.
- Continuing education geared towards entrepreneurs on topics such as starting a business, basic and advanced financial management, accessing capital, marketing on a shoe-string, legal issues, and human resource management. In addition, formal entrepreneurship "boot camps" should also be offered.
- Graduate-level business administration courses to support professionals downtown.
- Succession planning and business transfer services to help aging and retiring business owners find successors for their businesses.
- Access to a mentor network and angel investor network.
- In addition, the center could provide affordable, high quality space with shared administrative services. If pursued, pricing for this incubator space should be structured to encourage "graduation" to market rate office space within a specified period of time. This space should also be reserved for high-growth entrepreneurs rather than business owners and the self-employed.

❑ Enhance services for entrepreneurs to augment the community's entrepreneurial assets. This will strengthen the entrepreneurial climate in Wichita Falls as well as the region. The figure to the left presents the gaps in assets identified in the entrepreneurship assessment conducted by the consulting team (*See Appendix C)*.

- Support for a formal angel investor network to aid entrepreneurs in raising seed capital by providing opportunities for entrepreneurs to present business plans and financing needs to an audience of local investors.

- Investigate the feasibility of creating a community-based revolving loan fund. A revolving loan fund, in which local financial institutions participate, would provide support for higher risk loans (start-ups & small) while spreading risk for the lenders.

- Sponsor financial literacy courses to educate entrepreneurs and business owners on the various types of financing mechanisms, the pros and cons of each, and best practices for using them.

- Offer entrepreneurship training courses such as FastTrac or NxLeveL that provide intensive training for potential entrepreneurs.

- Support the creation of a youth entrepreneurship education program in Wichita Falls ISD public schools.

- Develop a mentor network to match "green" entrepreneurs with experienced entrepreneurs.

- Create a clearinghouse of information on services available in the community. Include a description of services and contact information for:

  — Business services: accounting, legal, human resources, information technology, business transfer planning, production, marketing, market research.

  — Financing services: microlenders, local banks, national banks, factors, angel investor networks.

❑ Actively promote entrepreneurship in the community by lowering barriers of entry and raising awareness of successful entrepreneurs.

- Extend the incentives policy to support entrepreneurs as well. Consider structuring an incentives tool specifically targeted toward entrepreneurs.

Training Curricula

One popular entrepreneurial training program is **FastTrac**. Founded by the Kauffman Foundation of Kansas City, Missouri, FastTrac is a boot camp for entrepreneurs. According to the foundation's materials, 70 percent of companies that go through the program succeed beyond three years – the oft-touted threshold by which the majority of small businesses fail. The program can be brought to any town provided there is an organization willing to become certified to teach the program. http://www.fasttrac.org/

Another popular program is **NxLeveL**, a curriculum developed by the University of Colorado at Denver. NxLeveL includes 7 different curriculum tailored for different types of entrepreneurs. Since 1996, over 80,000 students have participated in NxLeveL trainings. A third-party evaluation of the program shows that over 90 percent of business start-ups that participated in the program were still in business after 3 years. The program is taught by certified trainers in over 600 communities in 48 states. http://www.nxlevel.org/

The Texoma / Red River Valley

Best Practice: Regionalism
Texoma Regional Consortium

In 2006, the Texoma Workforce Development Board and the Southern Oklahoma Workforce Investment Board came together to form the **Texoma Regional Consortium** (TRC). Recognizing that both sides of the Red River face many of the economic challenges, the goal of the TRC is to craft a regional economic strategy that will help the region transition to a more knowledge-based economy.

Through the strategic planning process, the TRC has established a common vision, framed the key workforce and economic development issues, and developed strategies to address these issues.

For more information:
http://www.workforcetexoma.com/news/news.cfm?newsID=24

- Explore the possibility of creating a private purchasing cooperative to reduce the cost of health insurance for small employers participating in the group. Texas law allows two or more employers to form a non-profit private cooperative for the purchase of small or large employer health benefit plans.

- Organize an annual business plan contest to identify promising entrepreneurial ventures in the community. Reward the contest winner a grant to help defray start-up costs.

❑ Celebrate and support entrepreneurship in region through a public relations campaign profiling area entrepreneurs ("success stories") – current and past – and informs residents of entrepreneurial activity and initiatives. This will help foster an entrepreneurial spirit and a community that values entrepreneurship.

6. **Foster regionalism.**

❑ Explore co-marketing opportunities with other communities in the Texoma/Red River Valley - target industries, talent attraction, tourism promotion.

❑ Identify and support regional industry clusters.

❑ Consider expanding local workforce development initiative to a regional level.

❑ Monitor transportation issues that will impact regional mobility. For example, traffic flows in Decatur have significant implications on the connectivity between the Wichita Falls region and the Metroplex.

7. **Continue to pursue new missions for SAFB.** While not fatal, the 2005 BRAC Commission will result in real personnel and economic losses for both the base and the region. The realignment of the basic enlisted medical training mission to Fort Sam Houston will be especially painful. Therefore, in order to compensate for these losses and to mitigate against any future BRAC related losses, the region should continue pursuing new missions for SAFB. The organization best positioned to lead the community efforts to pursue new missions is the Sheppard Military Affairs Committee (SMAC).

❑ Continue enlisting local and regional support for the Sheppard Military Affairs Committee.

- ❑ Broaden the financial support for the Sheppard Military Affairs Committee.
    - Expand base of financial support by seeking corporate sponsorships.
- ❑ Fully leverage membership in the Association of Defense Communities (ADC).
    - Have at least one community representative attend ADC winter and summer conferences in order to stay informed on current and future military installation-community issues. ADC conferences also present a unique opportunity for local officials to network with representatives of the Department of Defense, other defense impacted communities, as well as private sector specialists.

8. **Encourage growth in the tourism sector.**

- ❑ Develop "tourism products" to showcase Wichita Falls' unique assets and attract visitors to the city. These products could include:
    - the proposed museum district (*see Downtown Master Plan, Urban Design, Districts, & Open Space section*)
    - the Depot Square Historic District (*see Downtown Master Plan, Urban Design, Districts, & Open Space section)*
    - the Wichita River and its trail system (*see Local Update, Zoning Policies section*)
    - Lake Wichita (*see Local Update, Parks and Recreation Plan*)
    - Special events such as concerts, hockey games, festivals, and cycling rides
- ❑ Design a well-coordinated effort to promote tourism by convening the CVB, BCI, DWFD, and other stakeholders.
- ❑ Market Wichita Falls and its tourism products to patrons of the casinos situated north of the Red River.
- ❑ Continue to pursue state and regional conventions.

Image and Marketing

Priority Projects

- **COMPREHENSIVE MARKETING & IMAGE STUDY**
- **LOCAL POSITIVE ATTITUDE CAMPAIGN**

A regional challenge mentioned frequently to the consulting team during interviews and focus groups is the need to improve the community's image - both externally and internally. Many local professionals not originally from the area anecdotally admit they were reluctant to relocate to Wichita Falls because of the area's perception as a sleepy, remote city with few amenities and scorching summers. Yet, most of these same individuals also acknowledge how inaccurate and uninformed this image turned out to be. After spending time in Wichita Falls, they developed a very deep affinity for the community and the people.

Many feel the area also suffers from a poor image locally. They claim too often residents dwell on the challenges facing the area and don't accentuate its positives. This is in large part due to a lack of awareness regarding local events and activities.

OPPORTUNITY

The primary purpose of traditional economic development marketing is to generate interest from companies with expansion or relocation plans. BCI already does a quality job of marketing the region to industry decision-makers and site location consultants, especially those representing target industries. It is managed by an experienced and highly regarded team of economic development and marketing professionals.

However, given the current environment in which more and more workers are selecting place first and job second, Wichita Falls would benefit from a marketing campaign designed to attract new residents to the region, as well as to reinforce a positive image of Wichita Falls among existing residents.

STRATEGIES

1. **Commission a community-wide marketing and image plan.** The first step in designing a comprehensive marketing plan is to develop an understanding of how Wichita Falls is viewed from both within and outside the area and to build consensus for a primary theme/message to market Wichita Falls.

    - Regional partners, led by BCI, should call upon talents of a professional marketing consultant to assist with aspects of an overall image and marketing plan for the Wichita Falls region.

Considerations of the study could include:

- The image and perception of Wichita Falls among former residents and graduates of MSU.
- The image of Wichita Falls within the region.
- The most effective methods and tools for communicating the region's message to its target audiences.
- Determination of the merits of presenting a coordinated community marketing message of major stakeholders including, BCI, the City of Wichita Falls, the CVB, Downtown Wichita Falls Development, SAFB, and MSU.
- The development of a common website that could act as a portal and provide a unified marketing vehicle for the City of Wichita Falls, BCI, Downtown Wichita Falls Development and the CVB.
- If a common message is developed, it should be used consistently in all materials. Elements to support this theme include a logo, Web site, prospect folder, specific industry profiles, and a press packet for both internal and external uses.

❑ Use the information from this plan to inform talent attraction, target recruitment, and internal marketing efforts.

❑ Hold regular meetings with regional partners to coordinate efforts and to share co-marketing opportunities, best practices, and innovative marketing ideas.

2. **Designate an individual to manage the city-wide marketing campaign.** To run an effective marketing campaign, the City must have a person devoted to implementing the marketing plans and coordinating the efforts of the various entities that market Wichita Falls.

❑ Hire a marketing coordinator.

- This position should be under the umbrella of the City of Wichita Falls and should be responsible for implementing recommendations from the comprehensive marketing plan, designing internal and external marketing

Viral Marketing

Viral marketing builds on the time-honored word-of-mouth strategy. It does this by accessing the network potential of the Web. Viral marketing describes any strategy that encourages individuals to forward a marketing message to others, creating the potential for exponential growth in the message's exposure and influence. Essentially, the goal of viral marketing is to create a buzz; the "viral" analogy refers to the buzz spreading like an infection.

plans, implementing the plans, and tracking the results. In addition, this individual should coordinate the various campaigns – downtown revitalization, entrepreneurship promotion, economic development, talent attraction, tourism promotion, internal marketing, and positive image campaign – to ensure that a consistent message is expressed and that co-marketing opportunities are leveraged to the full extent.

3. **Initiate a local positive image campaign.** One of the most important targets of any marketing effort should be the people and businesses already in the community. They are the ones who have already made an investment in the area and they represent Wichita Falls on a daily basis. Making sure existing residents and local business leaders have a positive image of their community is critical to the success of any external campaign, as these are the people who can best tell the Wichita Falls story to the outside world.

   - ❑ Building on the findings of the image and marketing study, regional partners should develop and implement an *internal* marketing effort designed to promote a positive image of Wichita Falls among residents and build awareness regarding current economic and community development initiatives. This effort should promote a positive image not only to local residents, but those living throughout the wider Texoma/Red River Valley.

     Some cost effective initiatives that can be utilized to market the region internally include:

     - Developing a single community-wide "calendar of events" similar to the one hosted by the CVB on its website. This would allow various community organizations to manually update their events on the calendar and display it on their own websites.
     - The regional partners should work with the local media, including both print and broadcast media, to promote positive stories about the community. Something as simple as highlighting local business achievements or including human interest stories can help create a positive image of the community for local residents.
     - Develop a "speakers bureau" of professionals who are available to speak at community meetings and promote local initiatives.

4. **Continue to build awareness of the region among decision-makers in target industries and site selectors.** As in any successful marketing initiative, economic development campaigns must be focused on clearly defined targets. The primary audiences for the Wichita Falls region's business recruitment marketing efforts are: 1) regional business leaders that can influence business location decisions, 2) key allies, such as state and regional economic development organizations and institutions of higher education, 3) members of the media, 4) site location consultants, and 5) decision-makers at companies within the target industries. As mentioned earlier, BCI has done an excellent job leading Wichita Falls business recruitment marketing efforts.

   - ❑ Identify key industry associations for each target.
   - ❑ Create and maintain a database of regional and national companies for each target.
   - ❑ Develop local intelligence and expertise for each target.
   - ❑ Design marketing material and initial direct mail programs for each target.
   - ❑ Participate in industry trade events.
   - ❑ Maintain a database of site consultants.
   - ❑ Hold a "developer's day" in Wichita Falls for site consultants and regional industrial and commercial brokers.

5. **Maximize the impression of Wichita Falls to visitors.**

   - ❑ Re-evaluate the current Hotter-'n Hell Hundred route and look for alternative paths that accentuate the most attractive areas of the city. With over 10,000 riders every year, most of whom reside outside the region, the Hotter-'n Hell Hundred is the community's best opportunity to showcase its finest features to outside visitors. However, the current route takes riders through some of the most disadvantaged and unattractive parts of the city. While recognizing there are many factors that influence the race route, including traffic flow and safety, the consulting team recommends race organizers and community officials evaluate if a more visually appealing route can be devised.
   - ❑ The CVB should purchase a portable information kiosk (similar to those found in national chain hotel lobbies) that provides interactive tourist information, restaurant

and entertainment options, and transportation directions. The kiosk should function as a mobile information center and set-up at various community events (e.g., Hotter'n Hell, Texas-Oklahoma Golf Tournament, FallsFest, etc.).

6. **Continue city-wide beautification initiatives.** To instill citizen and business pride in the community, the City should continue its efforts to improve Wichita Falls' physical appearance. The image the area portrays to outsiders as well as existing residents plays an important role in how the community is perceived.

Focal points for these efforts should include major arterials and gateways. Their appearance is inextricably linked with perceptions of Wichita Falls itself. Gateways and transportation corridors form the primary visual medium through which the community's image is presented to both residents and out-of-towners alike. In addition, gateways and arterials offer some of the best opportunities for newer developments.

- ❑ Continue median beautification efforts. The City of Wichita Falls has initiated and managed an ambitious median beautification effort. Parks Maintenance Division has landscaped over 50 miles of medians and highway interchange areas. These efforts have included flowerbeds, trees, and ornamental structures. These efforts should be expanded to include gateway and corridor areas between the municipal airport and the downtown.

- ❑ Expand the profile and impact of the "Wichita Falls Clean Country Registry" program. This is the local affiliate of Keep America Beautiful, Inc., a national volunteer-based organization dedicated to engaging individuals to improve the environment in their community. At a minimum, the City of Wichita should elevate the profile of Wichita Falls Clean Country program on its website to provide information about activities and successes and to generate additional interest.

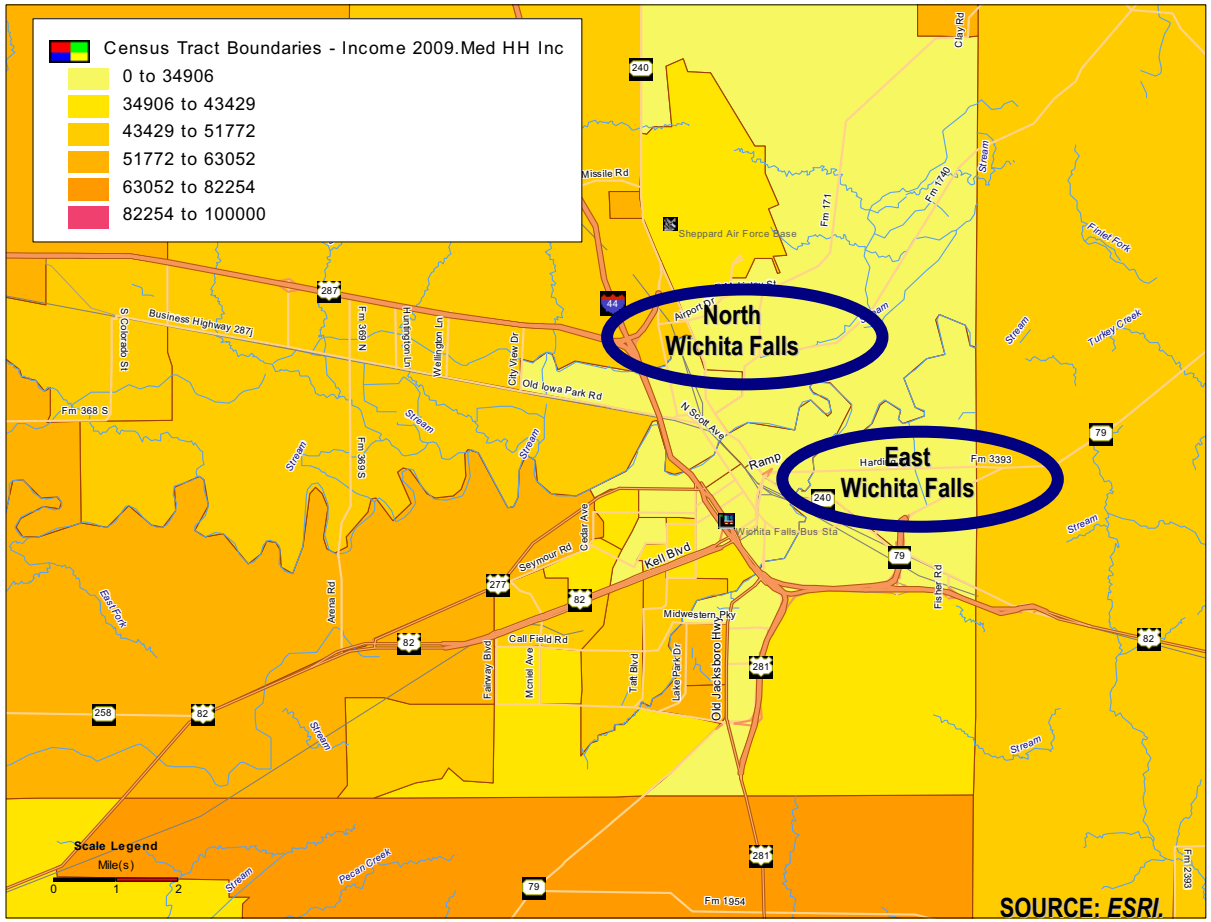
- ❑ Enhance connections with the Wichita River and trail system. The City of Wichita Falls should continue to support the River Development District (RDD), extend the trail system adjacent to the river, and develop stronger connectivity and access standards. In addition, signage for cyclists and pedestrians should be expanded, and connections to the convention center and downtown should be formalized. Finally, the theme established by the Wee-chi-tah sculptures should be carried along other areas of the river.

Priority Projects

- GATEWAY PROJECT
- DOWNTOWN REVITALIZATION

Special Areas

As part of this plan, the consulting team was asked to evaluate the economic opportunity for two "Special Areas" - the area of North Wichita Falls near Sheppard Air Force Base and East Wichita Falls. Both are areas of the city that have experienced the type of underinvestment typical of historically low income areas and have experienced depopulation as residents move to more desirable parts of the city.



NORTH WICHITA FALLS

North Wichita Falls is adjacent to the main gate of SAFB and has a very strong connection to the base. It has apartments catering to military and military-related tenants along with retail serving the base. However, the quality of the development in this area adjacent to the base is not of the caliber the City or base administration would like to see remain long-term. In addition, the base administration expressed some concern about the proximity of development to the Main Gate and the lack of a buffer between this development and the base.

OPPORTUNITY

For North Wichita Falls, reinforcing the ties between this area and SAFB represents the greatest opportunity. This can be achieved by improving the quality of development and offering much-needed services to the base. In this way, North Wichita Falls can become a gateway into SAFB portraying a more positive image of the City and strengthening the connections between the City and the base.

STRATEGIES

A "Gateway" project could enhance the area's image and provide much-needed services for the base.

1. **Support a "Gateway" project near the north gate of Sheppard Air Force Base**

   - This project should be a high quality mixed-use development enhancing the image of the area while providing much needed services to the base, including:

     - Primary-care focused medical offices to provide services to military employees and trainees.

     - Housing for military staff who choose to live in off-base (non-privatized) housing, for civilian staff who wish to live in close proximity to work, and for trainees' spouses who need short-term housing for the duration of the training program.

     - Higher-education offerings that would offer continuing education opportunities to military staff as well as the greater Wichita Falls community

     - Retail/Restaurant/Entertainment options to provide appropriate entertainment options or gathering places for airmen off-base but in close proximity. This would provide an alternative to the convenience store

Railroad tracks between downtown & East Wichita Falls

Typical blocks in East Wichita Falls

Source: *Microsoft Live Maps.*

across the street from the Main Gate that currently serves as a gathering place.

- ❑ Encourage the creation of a public/private partnership to assemble land as well as design and build the project.
  - This partnership could be structured to involve either Sheppard or the City as the public entity.
- ❑ Consider structuring an incentives package to induce the desired development. Such incentives could include:
  - A performance-based 380 agreement that would help stimulate retail development while increasing the City's tax revenues.
  - Infrastructure financing
  - Landscape design and/or maintenance

EAST WICHITA FALLS

East Wichita Falls is adjacent to downtown. With the transfer of the city center to the commercial area around Sikes Senter Mall, East Wichita Falls is now in the outer periphery of the city. It is also physically isolated from the rest of the city by a series of eight railroad tracks. Furthermore, it lies in the flood plain of the Wichita River and was deeply impacted by a flood in June and July 2007. The aerial photos in the adjacent figure provide snapshots of two challenges facing the area: the physical barrier of the railroad tracks and the lack of density in the neighborhood.

OPPORTUNITY

In East Wichita Falls, economic development opportunities for the area are currently limited due to the area's geographic isolation, low density, and lack of investment. Under the present conditions of the area, the City should focus its efforts on community development in order to build assets and create the conditions necessary for economic development initiatives in the future.

In addition, successful downtown revitalization will have highest benefit for East Wichita Falls by attracting investment, residents and visitors to downtown. This heightened activity in the downtown area will likely spillover to surrounding areas. Thus, the City should also prioritize downtown revitalization as a primary strategy to revitalize East Wichita Falls. As such, the City should

structure its initiatives in East Wichita Falls in a way not directly competing with downtown revitalization efforts, especially in terms of funding.

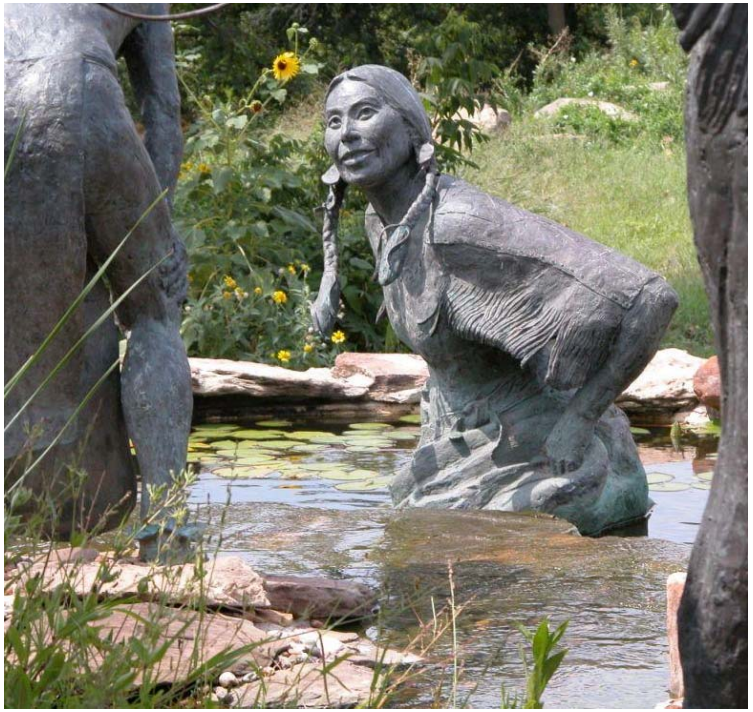
STRATEGIES

1. **Support revitalization of East Wichita Falls**

- ❑ Advocate for and actively support downtown revitalization.
- ❑ Strengthen the connection between downtown and East Wichita Falls.
  - Position East Wichita Falls as the destination for any larger retailers such as grocery stores and pharmacies needed to support residents in downtown and East Wichita Falls.
- ❑ Continue to secure available funding designated for community improvements in low to moderate income areas from state and federal sources.
- ❑ Continue infill housing program & land banking to promote redevelopment of blighted areas and increased density.
  - Use available land to encourage commercial development to the extent possible.
- ❑ Collaborate closely with the non-profit community in East Wichita Falls to ensure the area's needs are being met and duplication of services is minimized.

Washington Village

This adaptive re-use project will create the neighborhood's first mixed-use development.



IMPLEMENTATION GUIDE

Implementation Guide

The following guide outlines potential partners and allies as well as a recommended time horizon for implementation. In addition, for each opportunity, the consulting team estimated any new expenditures that might be associated with the strategies and actions. However, the majority of the strategies and actions can be implemented at current staffing levels and will require only a reprioritization of tasks.

STRATEGY / ACTION ITEMS			TIMELINE				
	Description	Regional Partner(s)	0-6 mos.	6-12 mos.	2-3 yrs.	3-5 yrs.	On-going
City – City of Wichita Falls; **BCI** – Board of Commerce and Industry; **DWFD** – Downtown Wichita Falls Development; **CVB** – Wichita Falls Convention and Visitors Bureau; **WS** – Workforce Solutions North Texas; **MSU** – Midwestern State University; **VC** – Vernon College; **ISDs** – Area School Districts; **HC** – Healthcare Industry Cluster Team; **SAFB** – Sheppard Air Force Base; **SMAC** – Sheppard Military Affairs Committee; **DEV** – Developers & Brokers; **SBDC** – Small Business Development Center; **NPO** – Non-Profit Organizations							
	OPPORTUNITY: DOWNTOWN **Budget Summary** Marketing — Included in comprehensive marketing effort Retail Recruitment Strategy (if contracted out) — $25,000 - $30,000 Business workshops & seminars — $1,000 - $10,000 Entrepreneurship Center — Depends on size/design of physical center & programs offered.						
1	**Formalize tools for promoting revitalization.**						
	Secure funding sources.	City		X			
	Establish a formal incentives policy.	City, BCI, DWFD		X			
	Track growth and development.	DWFD					X
	Design and launch an effective marketing campaign.	City, BCI, CVB, DWFD			X		
2	**Support the establishment of "anchors".**						
	Spread the anchors across the core of downtown.	City, BCI, DWFD					X

STRATEGY / ACTION ITEMS			TIMELINE				
	Description	Regional Partner(s)	0-6 mos.	6-12 mos.	2-3 yrs.	3-5 yrs.	On-going
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	Encourage the development of a flagship mixed-use project.	City				X	
3	**Use residential development as a primary catalyst.**						
	Revise the city plan and zoning strategies to allow for greater densities for downtown residential development.	City		X			
	Consider imposing a minimum number of units per acre for residential developments in the area.	City		X			
	Use local government incentives to enable developments that produce residential density and conform to urban character standards.	City					X
	Encourage residential developments that incorporate good urban character.	City					X
4	**Develop a retail strategy emphasizing "destination" retail.**						
	Develop and implement a retail recruitment program.	City, DWFD		X			
	Promote destination retail among the mix of uses in the flagship anchor project.	City, DWFD				X	
	Encourage the concentration of retail in a defined district.	City, DWFD					X
	Provide business workshops and seminars.	City, DWFD, BCI					X

STRATEGY / ACTION ITEMS			TIMELINE				
	Description	Regional Partner(s)	0-6 mos.	6-12 mos.	2-3 yrs.	3-5 yrs.	On-going
City – City of Wichita Falls; **BCI** – Board of Commerce and Industry; **DWFD** – Downtown Wichita Falls Development; **CVB** – Wichita Falls Convention and Visitors Bureau; **WS** – Workforce Solutions North Texas; **MSU** – Midwestern State University; **VC** – Vernon College; **ISDs** – Area School Districts; **HC** – Healthcare Industry Cluster Team; **SAFB** – Sheppard Air Force Base; **SMAC** – Sheppard Military Affairs Committee; **DEV** – Developers & Brokers; **SBDC** – Small Business Development Center; **NPO** – Non-Profit Organizations							
5	**Target professional services, company headquarters, and entrepreneurship**						
	Actively recruit professional services firms and company headquarters.	BCI, DWFD			X		
	Facilitate the creation of a one-stop Entrepreneurship Center.	SBDC, BCI, MSU, DWFD, City		X			

STRATEGY / ACTION ITEMS			TIMELINE				
	Description	Regional Partner(s)	0-6 mos.	6-12 mos.	2-3 yrs.	3-5 yrs.	On-going
City – City of Wichita Falls; **BCI** – Board of Commerce and Industry; **DWFD** – Downtown Wichita Falls Development; **CVB** – Wichita Falls Convention and Visitors Bureau; **WS** – Workforce Solutions North Texas; **MSU** – Midwestern State University; **VC** – Vernon College; **ISDs** – Area School Districts; **HC** – Healthcare Industry Cluster Team; **SAFB** – Sheppard Air Force Base; **SMAC** – Sheppard Military Affairs Committee; **DEV** – Developers & Brokers; **SBDC** – Small Business Development Center; **NPO** – Non-Profit Organizations							
	OPPORTUNITY: TALENT **Budget Summary** Marketing Veteran's Inventory			Included in comprehensive marketing effort $250 - $600, annually + staff time			
1	**Reestablish ties to former residents.**						
	Establish a marketing campaign urging former residents to "Come Home to Wichita Falls."	BCI, MSU, VC, ISDs, City			X		
	Establish a SAFB alumni network.	SMAC; SAFB; BCI		X			
2	**Initiate and maintain a Sheppard Air Force Base (SAFB) veterans inventory.**						
	Obtain the commitment from area organizations to participate in the initiative.	BCI; WR; SAFB; SMAC	X				
	Administer a survey to SAFB personnel attending the TAP classes.	BCI; SMAC; WS; SAFB;					X
3	**Continue supporting educational excellence.**						
	Continue commitment to improve the facilities and performance of area school districts.	All					X
	Continue to support magnet programs in junior and senior highs.	All					X
	Develop more business/school partnerships.	BCI; WS;			X		

STRATEGY / ACTION ITEMS			TIMELINE				
	Description	Regional Partner(s)	0-6 mos.	6-12 mos.	2-3 yrs.	3-5 yrs.	On-going
City – City of Wichita Falls; **BCI** – Board of Commerce and Industry; **DWFD** – Downtown Wichita Falls Development; **CVB** – Wichita Falls Convention and Visitors Bureau; **WS** – Workforce Solutions North Texas; **MSU** – Midwestern State University; **VC** – Vernon College; **ISDs** – Area School Districts; **HC** – Healthcare Industry Cluster Team; **SAFB** – Sheppard Air Force Base; **SMAC** – Sheppard Military Affairs Committee; **DEV** – Developers & Brokers; **SBDC** – Small Business Development Center; **NPO** – Non-Profit Organizations							
		ISDs; City					
4	**Align economic development and education programs – K-12, vocational, 2-yr, & 4-yr.**						
	Align area vocational education and professional certification programs with BCI industry cluster development efforts.	BCI; VC; ISDs				X	
	Establish internship/apprenticeship programs.	WS; ISDs			X		
	Enhance and expand partnerships between area school districts and local higher education institutions.	ISDs; MSU; VC			X		
5	**Develop new generations of leaders.**						
	Create Next Generation leadership Initiative.	All	X				
	Continue to support existing young professional development programs.	All					X
6	**Continue efforts of Workforce Development Task Force.**						
	Implement 10 recommendations and consider new ideas.	BCI; WS; MSU; VC; ISDs; City	X				X
	Hire a full-time workforce development professional. *(filled)*	BCI	✓				

STRATEGY / ACTION ITEMS			TIMELINE				
	Description	Regional Partner(s)	0-6 mos.	6-12 mos.	2-3 yrs.	3-5 yrs.	On-going
City – City of Wichita Falls; **BCI** – Board of Commerce and Industry; **DWFD** – Downtown Wichita Falls Development; **CVB** – Wichita Falls Convention and Visitors Bureau; **WS** – Workforce Solutions North Texas; **MSU** – Midwestern State University; **VC** – Vernon College; **ISDs** – Area School Districts; **HC** – Healthcare Industry Cluster Team; **SAFB** – Sheppard Air Force Base; **SMAC** – Sheppard Military Affairs Committee; **DEV** – Developers & Brokers; **SBDC** – Small Business Development Center; **NPO** – Non-Profit Organizations							
	OPPORTUNITY: BUSINESS DEVELOPMENT **Budget Summary** Regional Needs Assessment (if contracted out) — $60,000 - $75,000 Entrepreneurship Center — Depends on center design Entrepreneur PR Campaign — Included in comprehensive marketing effort Regional co-marketing opportunities — Included in comprehensive marketing effort Tourism promotion — Included in comprehensive marketing effort						
1	**Expand Healthcare cluster.**						
	Establish healthcare industry cluster team.	HC; BCI; WS; MSU; VC, ISDs	X				
	Strengthen the area's healthcare workforce and educational programs.	HC; MSU; ISDs					X
	Conduct a regional needs assessment.	HC			X		
	Encourage local healthcare providers to collaborate and partner in healthcare education, workforce training, and talent attraction and recruitment efforts.	HC; WS; MSU' VC; ISDs;			X		
	Grow healthcare workforce locally.	HC; WS; MSU' VC' ISDs					X

STRATEGY / ACTION ITEMS			TIMELINE				
	Description	Regional Partner(s)	0-6 mos.	6-12 mos.	2-3 yrs.	3-5 yrs.	On-going
City – City of Wichita Falls; **BCI** – Board of Commerce and Industry; **DWFD** – Downtown Wichita Falls Development; **CVB** – Wichita Falls Convention and Visitors Bureau; **WS** – Workforce Solutions North Texas; **MSU** – Midwestern State University; **VC** – Vernon College; **ISDs** – Area School Districts; **HC** – Healthcare Industry Cluster Team; **SAFB** – Sheppard Air Force Base; **SMAC** – Sheppard Military Affairs Committee; **DEV** – Developers & Brokers; **SBDC** – Small Business Development Center; **NPO** – Non-Profit Organizations							
2	**Enhance Professional Services cluster.**						
	Position the Wichita Falls region as a location for Shared Service Centers through targeted marketing and recruitment efforts.	BCI	X				X
	Capitalize on the existing surplus of office space within the downtown through the recruitment, expansion, and startup of professional and business service firms.	BCI; DEV; DWFD	X				X
3	**Continue the development of industry clusters in the region.**						
	Continue efforts to recruit primary employers in existing target industries.	BCI					X
	Expand target industries.	BCI	X				
4	**Continue business retention and expansion activities.**						
	Maintain an inventory of existing business.	BCI	X				X
	Call on existing employers on a periodic basis.	BCI	X				X
	Act as a liaison between area workforce development providers and local businesses.	BCI; WS	X				X
	Work with area taxing jurisdictions to coordinate formal incentives policies targeted toward local businesses as well as outside prospects.	BCI; City; WS	X				X
	Make sure that local businesses and industries remain aware of any technical and financial assistance programs that are available.	BCI; City; WS	X				X

STRATEGY / ACTION ITEMS			TIMELINE				
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5	**Promote entrepreneurship in the region.**						
	Facilitate the creation of a one-stop Entrepreneurship Center to foster the growth of new high-growth businesses in Wichita Falls.	SBDC, BCI, MSU, DWFD, City		X			
	Enhance services for entrepreneurs to augment the community's entrepreneurial assets.	SBDC, BCI, MSU, DWFD, City					X
	Actively promote entrepreneurship in the community by lowering barriers of entry and raising awareness of successful entrepreneurs.	City, BCI			X		
	Celebrate and support entrepreneurship in region through a public relations campaign.	All					X
6	**Foster regionalism.**						
	Explore co-marketing opportunities with other communities in the Texoma/Red River Valley.	BCI; CVB			X		
	Identify and support regional industry clusters.	BCI			X		
	Consider expanding local workforce development initiative to a regional level.	WS		X			
	Monitor transportation issues that will impact regional mobility.	WS		X			

STRATEGY / ACTION ITEMS			TIMELINE				
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7	**Continue to pursue new missions for SAFB.**						
	Continue enlisting local and regional support for the Sheppard Military Affairs Committee.	SMAC; BCI; City; SAFB	X				X
	Broaden the financial support for the Sheppard Military Affairs Committee.	SMAC; BCI	X				X
	Fully leverage membership in the Association of Defense Communities (ADC).	SMAC; City; BCI	X				
8	**Encourage growth in the tourism sector.**						
	Develop “tourism products” to showcase Wichita Falls’ unique assets and attract visitors to the city.	CVB, DWFD		X			
	Design a well-coordinated effort to promote tourism.	CVB, DFWD, BCI		X			
	Market Wichita Falls and its tourism products to patrons of casinos.	CVB					X
	Continue to pursue state and regional conventions.	CVB					X

STRATEGY / ACTION ITEMS			TIMELINE				
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	OPPORTUNITY: IMAGE AND MARKETING **Budget Summary** Professional Marketing Consultant $100,000 - $125,000 Comprehensive marketing budget TBD based on plan Marketing Coordinator $40,000 annually						
1	**Commission community-wide marketing and image plan.**						
	Call upon talents of a professional marketing consultant to assist with aspects of an overall image and marketing plan for the Wichita Falls region.	BCI; City; CVB		**X**			
2	**Designate an individual to manage the city-wide marketing campaign.**						
	Recruit and hire a marketing coordinator.	City		**X**			X
3	**Initiate a local positive image campaign.**						
	Develop and implement an internal marketing effort.	All			**X**		
4	**Build awareness of the region among decision-makers in target industries and site selectors.**						
	Identify key industry associations for each target.	BCI	**X**				

STRATEGY / ACTION ITEMS			TIMELINE				
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	Create and maintain a database of regional and national companies for each target.	BCI	X				X
	Develop local intelligence and expertise for each targeted industry.	BCI	X				X
	Design marketing material and initial direct mail programs for each target.	BCI		X			
	Participate in industry trade events.	BCI			X		
	Maintain a database of site consultants.	BCI	X				X
	Hold a "developer's day" in Wichita Falls for site consultants and regional industrial and commercial brokers.	BCI			X		
5	**Maximize the impression of Wichita Falls to visitors.**						
	Re-evaluate the current Hotter 'n Hell 100 route and look for alternative paths that accentuate the most attractive areas of the city.	Race org. City; CVB; DWFD	X				
	Purchase a portable information kiosk.	CVB			X		
6	**Continue city-wide beautification initiatives.**						
	Continue median beautification efforts.	City	X				X
	Expand the profile and impact of the "Wichita Falls Clean Country Registry" program.	City	X				X
	Enhance connections with the Wichita River and trail system.	City	X				X

STRATEGY / ACTION ITEMS			TIMELINE				
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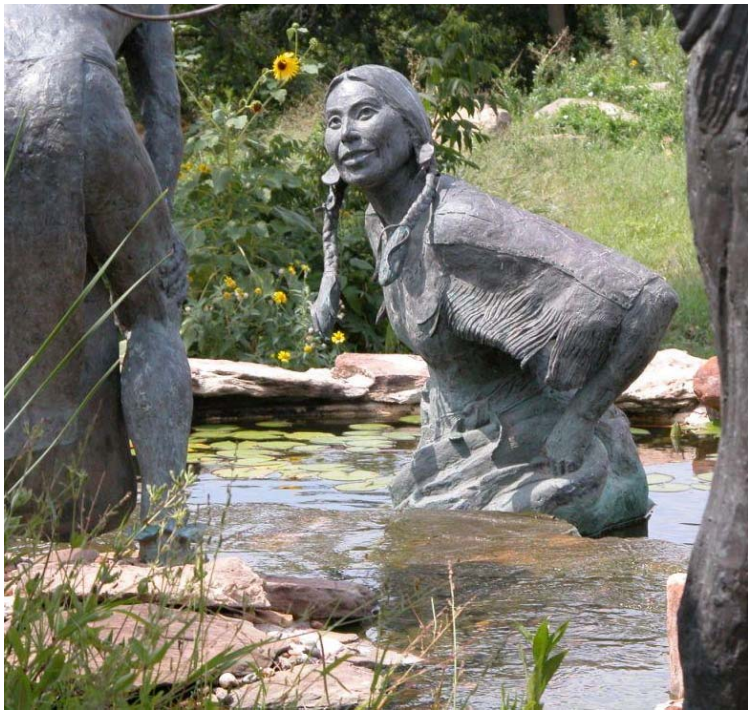
	OPPORTUNITY: SPECIAL AREAS **Budget Summary** No new expenditures.						
1	**Support a "Gateway" project near the north gate of Sheppard Air Force Base.**						
	Encourage the creation of a public/private partnership.	City, SAFB		X	X	X	
	Consider offering an incentives package.	City		X	X		
2	**Support revitalization of East Wichita Falls.**						
	Advocate for and actively support downtown revitalization.	City, NPO					X
	Position East Wichita Falls as the destination for any larger retailers.	City, NPO			X	X	
	Secure available funding for community improvements.	City, NPO					X
	Continue infill housing program & land banking.	City, NPO					X
	Collaborate closely with the non-profit community.	City, NPO					X



APPENDICES

Appendix A: Target Business & Industry Sectors

Appendix B: Sheppard Air Force Base Veterans Survey

Appendix C: Entrepreneurial Assessment

Appendix D: Community Needs Assessment

Appendix A: Target Business & Industry Sectors

As part of our planning process, the consulting team was charged with recommending industry recruitment targets for the Wichita Falls region. Unlike traditional approaches, which focus on a limited array of factors (e.g., workforce, available sites, and incentives), we identify target industries using a three-pronged approach: **quantitative**, **qualitative**, and **strategic**.

Our analysis is based on a more detailed, cluster-based approach that examines employment and occupational trends in the region. However, our target industry recommendations are not based solely on these factors. We supplement this quantitative analysis with the information gathered in interviews conducted with area leaders. Through these interviews, we are better able to understand potential opportunities and challenges that might not be identified from these secondary data sources. In addition, the consulting team brings to bear an appreciation of broader socioeconomic trends such as capital investment trends, emerging markets, and demographic shifts.

Finally, we strongly consider how targets might fit within the overall strategic framework of the plan and how they might affect Wichita Falls's ability to attract talent to the area.

Once potential targets are identified, we consider economic development trends in each sector. We avoid recommending targets that have been "fashionable" or that are over-saturated with interest from economic development organizations. For this reason, we have not recommended sectors such as bio-technology, automotive assembly, or semi-conductors.

Rather, building from existing Wichita Falls Board of Commerce and Industry (BCI) target sectors, we have identified industries with the potential to capitalize on area assets and to help the region differentiate itself from other communities competing for talent and jobs. We have also recommended some non-traditional economic sectors and development opportunities that are not typically targeted by economic development organizations, yet are becoming increasingly important to local and regional economic growth throughout the nation.

Wichita Falls is home to a considerable workforce possessing technical skills that are highly sought after by many advanced manufacturers. Some of the region's most advanced industrial employers include Alcoa Howmet (gas turbine engine components), Pratt & Whitney Components Repair (refurbishment of jet engines), and Tranter (plate and frame heat exchangers & transfer units).

LABOR

Specific characteristics, including regional talent/labor (i.e., availability, wage rates, and level of qualifications) and access to educational infrastructure (i.e., higher education and workforce development programs) play an important role in site selection.

ECONOMY

Economic considerations, including access to markets (local, regional, and global), suppliers and customers, public policies (e.g. incentives, taxation, regulations etc.), and availability of capital (investment, venture) strongly affect these site location decisions.

INFRASTRUCTURE

Factors, such as availability of land, buildings, raw materials, utilities, visibility, and access to transportation (such as the proximity to highways, rail, and airports) also have an important effect on a site's suitability.

Large Employers in the Wichita Falls Region

MANUFACTURING
PPG, Inc.
Alcoa Howmet
Pratt & Whitney
*Saint Gobain-Vetrotex**
Magic Aire
WashEx
Cryovac
Tranter
Covercraft

SERVICES
AT&T Wireless
Cendent
BlueCross/BlueShield
United Regional Healthcare
Wal-Mart

GOVERNMENT
Sheppard AFB
Midwestern State University
TDCJ Allred Unit
North Texas State Hospital
Vernon College

* Expected to close in third quarter 2008.

Understanding LQs

A location quotient (LQ) is calculated as a local occupation's share of total local employment divided by the same occupation's share of employment at the national level:

$$LQ = \frac{\text{Local jobs in occupation / Total local jobs}}{\text{U.S. jobs in occupation / Total U.S. jobs}}$$

If the local occupation and national occupation are perfectly proportional, the location quotient will be 1.00. If an occupation is heavily concentrated at the local level, then the location quotient will be higher than 1.00. Conversely, if the occupation is sparsely concentrated at the local level, the location quotient will be lower than 1.00.

While the recent closures in the manufacturing sector are not positive news for the regional economy as a whole, they do create short-term opportunities from a labor market perspective by augmenting the supply of available skilled workers. The closure of the Delphi Energy & Engine Management (exhaust oxygen sensors/ turbine fuel pumps) Wichita Falls plant in September 2007as part of a national corporate reorganization and the recently announced closure of the Saint Gobain Vetrotex (fiberglass reinforcements) plant will infuse additional available skilled labor into the region's workforce in the short-term. However, in the longer-term, if these workers are not able to find suitable employment in the region, they will likely relocate.

The consulting team recommends the following targets as the best (both long- and short-term) opportunities for the BCI's economic development efforts. We believe these represent the best opportunities for business startup, retention, expansion, and attraction activities. These sectors are selected for their ability to serve a dual purpose: 1) to bolster and diversify the regional economy over the short-term by taking advantage of existing assets and 2) to provide a pathway to sustained economic vitality over the long-term.

TARGET SELECTION MATRIX

TARGETS	LABOR	ECONOMY	INFRASTRUCTURE	SCORE
AEROSPACE & AVIATION	+	+	+	+++
ALTERNATIVE ENERGY	+	+	+	+++
ADVANCED MATERIALS	+	+	=	++
BUILDING MATERIALS & SYSTEMS	+	+	=	++
PROFESSIONAL SERVICES	+	+	=	++
HEALTHCARE	=	+	+	++

KEY: + local competitive advantage = no local competitive advantage

METHODOLOGY

Location quotients (LQs) are used to better understand the composition of the regional workforce and identify concentrations of industries and economic sectors. Location quotients measure relative concentrations of particular occupations, industries, and economic sectors. Most often, location quotients are used to show local industry concentrations through industry employment data. However, for this analysis, the consulting team focused on identifying certain occupational

concentrations that may provide Wichita Falls with a competitive advantage in attracting high value, emerging industry employers.

The consulting team selected four occupational groupings important for economic development: management, engineering & computers, healthcare, and transport/production. Within each of these groupings, we identified the occupations in the Wichita Falls MSA that had at least 50 jobs and an LQ of 1.0 or higher. Within the production/transportation group, 17 occupations met these criteria; 16 in the healthcare group; and three emerged in both the engineering/computer group and in the management group, respectively

Of the 39 occupations, four are often cited by employers nationwide as particularly difficult to find. Three of the four are production occupations, while the other is a management occupation. The figure below shows the four occupations in high demand nationally and their local location quotients.

In-Demand Occupations

OES CODE	DESCRIPTION	AREA LQ
51-4121	Welders, cutters, solderers, and brazers	3.24
51-2041	Structural metal fabricators and fitters	2.45
51-4011	Computer-controlled machine tool operators, metal and plastic	2.38
11-1021	General and operations managers	1.35

Combining the occupational analysis for the Wichita Falls region with existing local assets, the consulting team identified industry sectors that hold strong promise for Wichita Falls. Furthermore, they are advanced sectors that incorporate higher value added processes and components, which should therefore translate into higher capital investment and wages. Even shared service centers involve higher level professional services than do most in-bound call or bill processing centers.

Some of the recommended industries (e.g., Alternative Energy) are emerging sectors with significant potential for long-term growth. Sectors such as Aerospace and Advanced Materials, are more mature, yet are also associated with advanced research and technology.

Another factor influencing the selection of these particular sectors is potential overlap in experience and requirements between them. For example, existing local skill assets involving the production or processing of advanced materials may also make the region attractive to primary employers in the aerospace and building materials sectors. Likewise, workers with experience and skills working on

aircraft engine turbine blades may be able to translate some of that knowledge to the production of wind turbines.

Below we provide detailed profiles of five target niches (indicated with bold letters).

ASSET	SECTOR	NICHE(S)
Sheppard Air Force Base Alcoa Howmet Pratt & Whitney ADVANCED MATERIALS	AEROSPACE & AVIATION	avionics aircraft engines & parts
PPG Sealed Air CRYOVAC Food Packaging Systems	ADVANCED MATERIALS	composites
Magic Aire ADVANCED MATERIALS	BUILDING MATERIAL & SYSTEMS	integrated building systems
EXISTING ENERGY SECTOR TURBINE MANUFACTURING MESA POWER WIND PROJECT	ALTERNATIVE ENERGY	wind generation equipment
AFFORDABLE OFFICE SPACE DILLARD COLLEGE @ MSU	PROFESSIONAL SERVICES	shared service centers

AEROSPACE & AVIATION

niche / **aircraft engines, parts, & avionics**

Definition

Aviation-related activities include the manufacture of aircraft, engines, parts, and auxiliary equipment. The industry also includes establishments engaged in servicing, repairing, rebuilding, maintaining, and storing aircraft. Establishments are often either affiliated with an air carrier, an original equipment manufacturer or can be a third-party contractor.

TRENDS

The U.S. aerospace and airline industry is finally showing signs of recovering from the severe financial misery caused by 9/11. After experiencing losses amounting to nearly $40 billion between 2002 and 2007, major U.S. airlines are beginning to make a comeback. Passenger traffic, aircraft use, fares, and unit revenues have improved. And while fuel costs have surged, labor costs have fallen by 33 percent and unit costs have dropped by 13 percent since 2001.

The improving health of the global airline industry has resulted in a surge of new orders for commercial aircraft from Boeing and Airbus. Indeed, TEAMSAI, an aviation consulting company, projects the world-wide airline fleet will increase by 42 percent by over the next decade, going from 17,600 aircraft this year to 25,000 aircraft in 2017.

The business jet industry has, in recent years, experienced significant growth, fueled primarily by strong demand from customers outside of North America. One sub-market within the business jet industry that holds substantial promise is the new class of very light jets (VLJ). VLJs generally weigh around 10,000 lbs and range in price from less than $1 million to 44 million. Potential customers for VLJs include individual owner/operators, small companies, large companies, air charter services, and the nascent air taxi sector.

Aviation turbine engine production is a sector benefiting significantly from the rebound of global aviation. Indeed, Forecast International expects a total of 107,543 turbofan, turboshaft, and turboprop engines to be produced between 2007 and 2016, representing a total production value of $236.5 billion. Moreover, since most of the major U.S. airlines have yet to begin recapitalizing their fleets, about 1,000 aircraft – all needing new engines – will likely be ordered just to replace existing aircraft. Production of turbofan engines alone is expected to reach 70,546 units, with a combined value totaling $210 billion.

The avionics sector, for both military and commercial aircraft, should also experience robust growth. The need and demand for military self-protection systems is driving much of the military demand. However, the development of active electronically scanned array (AESA) radar technology and its potential electronic warfare capabilities should provide a new source of demand

for the military avionics sector over the next 10 years. The boom in global commercial and business aviation markets should also fuel commensurate growth in the commercial avionics sector.

SITE SELECTION CRITERIA

- Skilled and/or trainable labor
- Proximity to other aviation-related firms (e.g., parts and materials suppliers and defense contractors)
- Large industrial sites with access to airport (e.g., rail served sites and interstate access)
- Business costs, including labor and taxes
- Adequate utilities infrastructure (e.g., electricity, water/wastewater)

STRATEGIC CONSIDERATIONS & RATIONALE

- Existing workforce with potentially transferable skills
- SAFB is home to highly advanced aerospace maintenance training and faculty development programs, including aircraft systems maintenance, fighter and bomber avionics maintenance, and telecommunications. While most students in these programs are only deployed to SAFB on a temporary basis, some instructors separate from military service at Sheppard; many of whom are willing to remain in the region after their service ends.
- Another source of skilled talent in this sector is SAFB's largest private contractor, Lear Seigler Services, Inc., which provides aircraft maintenance services to the Base.
- Proximity to deep aerospace talent base in the DFW Metroplex.
- Proximity to DFW-area military jet and helicopter assembly operations.

Representative Companies

NAICS	Company	Location
334111	GE Fanuc Embedded Systems	Charlottesville, VA
334419	Emteq Aerospace	Muskego, WI
335999	Advanced Avionics	Ann Arbor, MI
336413	ACK Technologies	San Jose, CA
336413	Avtech	Seattle, WA
423690	Able Avionics	Van Nuys, CA
811310	Aero Instruments & Avionics	North Tonawanda, NY
811219	ASB Avionics	Mojave, CA

Trade Associations

- Aircraft Electronics Association (AEA)
  - 1300 business members, including avionics manufacturers
- Other trade associations that include aspects of avionics but have a much broader focus are:
  - General Aviation Manufacturers Association (GAMA)
  - Light Aircraft Manufacturers Association (LAMA)
  - National Business Aviation Association (NBAA)

TRADE EVENTS

- Aircraft Electronics Association (AEA) annual convention schedule:
  - 2008 Washington, DC April 23-26, 2008
  - 2009 Dallas, TX April 1-4, 2009
  - 2010 Orlando, FL April 7-10, 2010
  - 2011 Reno, NV March 30-April 2, 2011
- Aircraft Electronics Association (AEA) regional meetings worldwide
  - AEA Europe May 18-19, 2007 Cologne, Germany
  - AEA South Pacific August 23-24, 2007 Canberra, Australia
  - AEA Central September 13-14, 2007 St. Louis, MO
  - AEA Canada October 11-12 Toronto, Ontario
  - AEA West October 25-26 Irvine, CA
  - AEA East November 8-9 Orlando, FL

ADVANCED MATERIALS

niche / **composites**

Definition

Composites involve the combination of two or more materials with distinctly different properties. When combined, these materials are often referred to as engineered, and they are often designed for narrowly defined applications such as strength or resistance in specific environments.

TRENDS

While technological innovation is often associated with cutting edge industries such as microprocessing or biotechnology, the production of everyday materials such as textiles, metals, and plastics has also been revolutionized by technological advances. Everything from microfiber raincoats to engineered stone for kitchen counters to the heat-resistant tiles that line the nose of a space shuttle represent aspects of what we think of as "advanced materials." The building blocks for advanced materials include such diverse inputs as:

- engineered polymers
- resins
- specialty chemicals
- advanced fibers
- specialty adhesives
- structural ceramics
- powder metals
- high temperature alloys
- surface engineering

One promising niche within the broad world of advanced materials is composites, or the combination of two materials of differing properties to create something new and unique with a specific application. Cutting-edge composites are important and growing technological components of many industries including aviation, automotive, shipbuilding, and construction materials, to name a few.

SITE SELECTION CRITERIA

- Skilled and/or trainable labor

Representative Companies

NAICS	Company	Location
325991	Advanced Composites (Ube Industries)	Nashville, TN
325991	Advanced Composites (Mitsui Chemicals)	Sidney, OH
325211	Cook Composites & Polymers	Kansas City, KS
332312	Alcan Composites USA (Alcan)	Benton, KY
336399	Raytech Composites	Crawfordsville, IN
325520	Newport Adhesives & Composites (Mitsubishi Rayon)	Irvine, CA
336413	Programmed Composites	Corona, CA
325211	Total Composites (Total, SA)	Philadelphia, PA

Trade Associations & Events

American Composites Manufacturers Association
1010 N Glebe Road
Arlington, VA 22201
tel: (703) 525-0743
www.mdacomposites.org/mda/

Composites Industry Investments Forum
New York, NY
Feb 21-22, 2008
http://www.compositesworld.com

- Proximity to firms that incorporate advanced materials into their products
- Large industrial sites with access to airport (e.g., rail served sites and interstate access)
- Business costs, including labor and taxes
- Adequate utilities infrastructure (e.g., electricity, water/wastewater)

STRATEGIC CONSIDERATIONS & RATIONALE

- Existing workforce with potentially transferable skills
- Proximity to potential customer base, especially in aerospace/aviation sector
- Potential complementary target to wind power generation equipment – the composites industry's fastest growing fiber-reinforced polymer application
- Composites are heavily utilized in the production of aircraft engines & parts and building materials.
- Long-term growth industry with both existing and potential broad applications

BUILDING SYSTEMS & MATERIALS

niche / **integrated building systems**

Niche Opportunities

- Materials research
- Energy efficiency systems
- Building security systems
- Weather-proofing systems
- Computer systems integration
- Modular or prefab buildings design and assembly

Trade Associations

Building Systems Councils of the National Association of Home Builders
1201 15th Street, NW
Washington, DC 20005
tel: 800-368-5242
www.nahb.org/page.aspx/category/sectionID=454

Continental Automated Buildings Association
1200 Montreal Road
Building M-20
Ottawa, ON
K1A 0R6
tel: 888-798-2222
www.caba.org

TRENDS

In the coming decade, the traditional piece-by-piece construction of new homes and commercial buildings will no longer be the norm. The construction industry is on the verge of a revolution fueled by the integration of new materials, information technology, design, and modular assembly. Builders and contractors are learning to use these tools to generate greater efficiencies and effectiveness in climate-controlling, weatherproofing, security systems, and time and cost required for construction. Increasingly, homes are being constructed through the use of integrated and intelligent building systems, a technique combining advanced machinery and prefabrication in order to construct buildings in less time and at less cost.

According to the Building Systems Councils (BSC) of the National Association of Home Builders, nearly 50,000 modular homes were constructed in the U.S. during 2004, representing a 50 percent production increase in just 10 years. The increased cost of housing, especially in fast-growing states, and more modern home designs has been largely attributed to recent increases in production and desirability. In this type of housing, the building blocks or individual modules are components constructed in a controlled factory environment and are nearly complete when shipped from the factory to the home site.

Information technology and modern design is also playing a strong role in this trend, according to the Continental Automated Buildings Association. On the upper end of the real estate market, an increasing number of “smart homes” are being offered to consumers. Smart homes include integrated systems that take advantage of technological advances such as the convergence of information technology, communications networking, and new materials to make homes more energy-efficient, secure, and weatherproof.

SITE SELECTION CRITERIA

- Proximity to population growth centers (i.e. demand for housing).
- Industrial sites with access to transportation (e.g., rail served sites and interstate access).

Building Systems Cluster

NAICS	DESCRIPTION
236117	Modular housing, residential, assembled on site
238990	All other specialty trade contractors
3212	Veneer, plywood, & engineered wood product mfg.
321991	Manufactured home (mobile home) manufacturing
324122	Asphalt shingle and coating materials manufacturing
332311	Prefabricated metal building and component mfg.
541310	Architectural services
541340	Drafting services
541380	Industrial, mechanical, & metallurgical testing lab or svcs.
541420	Industrial design services
541511	Custom computer programming services
541512	CAD systems integration design services
541710	Engineering research & development labs or services
561621	Security systems services

- Availability of industrial land.
- Availability of industrial and warehouse/distribution space.
- Availability of semi-skilled production labor, as well as white-collar professionals and design technicians.

STRATEGIC CONSIDERATIONS & RATIONALE

- Central location within the fast-growing Sunbelt and access to DFW, generating strong overall demand for housing and construction materials
- Introduction of information technologies and advanced materials in building design and construction is forcing a shift toward metropolitan regions with an availability of skilled talent.
- Increased climate change concerns are fueling renewed research and integration of “green building” techniques to make homes and commercial buildings more energy efficient.
- Presence of existing building materials and related businesses

Definition

Alternative energy tends to describe those enterprises and related activities for generating power (e.g., electricity, transportation fuels) from energy sources other than fossil fuels. This power is generated through the exploitation of renewable energy sources (i.e., sources are not destroyed when their energy is released). The use of renewable energy requires technologies that can efficiently transform the power of natural phenomena (e.g., wind, sunlight, water flow, geothermal heat, and biological processes) into usable energy. Alternative/renewable energy sources often cause less pollution in the production of power than traditional fossil fuels.

Wind Generation Equipment

Wind power is a form of renewable energy by which wind is converted to electricity by a turbine. The sector is comprised primarily of power project developers, equipment suppliers, services providers, parts manufacturers, and utilities.

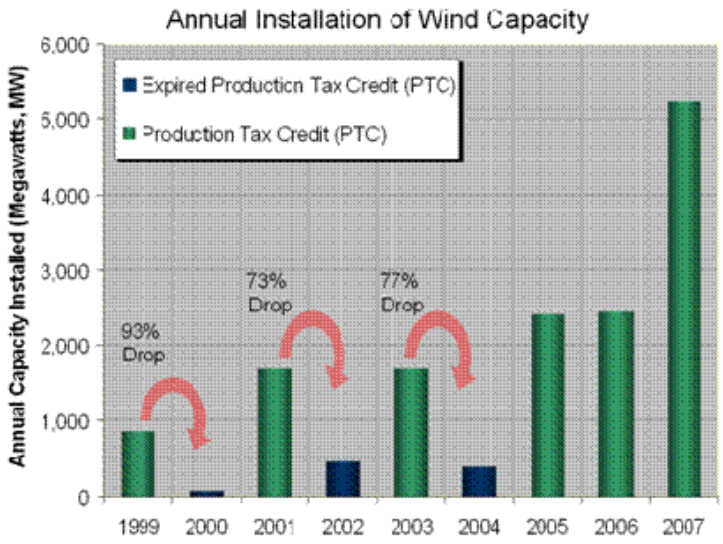
ALTERNATIVE ENERGY

niche / **wind generation equipment**

TRENDS

Wind power generation capacity increased 45 percent in 2007. As a result of this record-setting growth, the U.S. wind power fleet now numbers 16,818 MW and spans 34 states. American wind farms will generate an estimated 48 billion kilowatt-hours (kWh) of wind energy in 2008, just over 1 percent of U.S. electricity supply, powering the equivalent of over 4.5 million homes.

According to the American Wind Energy Association, this growth pattern should continue, depending on the timing and duration of the federal production tax credit.



Source: AWEA 2008 Market Report

Texas has become the nations leading wind power provider, with a 4,356 MW capacity as of December 2007. Currently, over 8,000 MW of new wind projects have been announced in Texas. However, a shortage has led to at least a two-year wait to fill turbine orders.

SITE SELECTION CRITERIA

- Proximity to market due to high transportation costs (especially wind power)
- Available workforce with advanced manufacturing skills (welders, machinists, solders, engine assembly & repair)
- Access to raw materials
- Access to transportation networks (highway & rail)
- Affordable electrical power
- Industrial / light industrial & warehouse space for product assembly
- Proximity to research & development facilities

RATIONALE

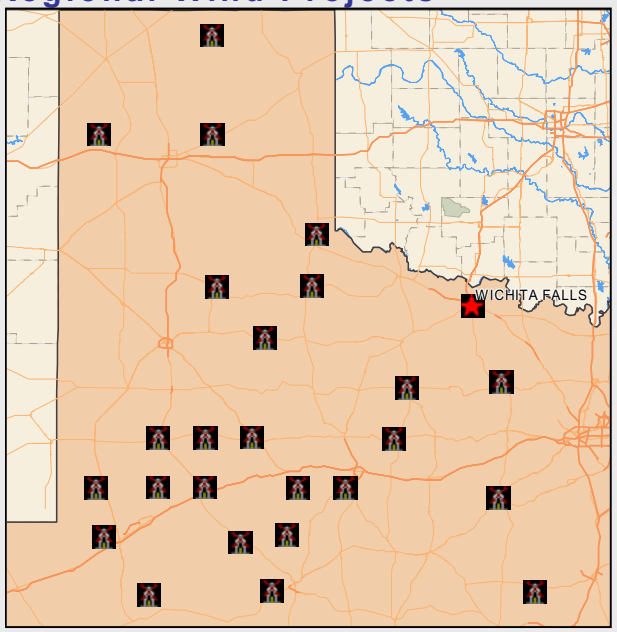
- Existing competitive advantages in turbine manufacturing, and advanced materials.
- Available skilled workforce
  - Welders, cutters, solderers, and brazers
  - Structural metal fabricators and fitters
  - Computer-controlled machine tool operators, metals, & plastics
  - General and operations managers
- Proximity to markets

Trade Associations & Events

American Wind Energy Association
1101 14TH Street NW, 12th Floor
Washington, DC 20005
tel: (202) 383-2500
http://www.awea.org/

Wind Power 2008 Conference in Exhibition
Houston, TX
June 1-4, 2008
http://www.windpowerexpo.org/

Regional Wind Projects



Source: Public Utilities Commission of Texas.

Installed in 2007

Company	MW	Turbines
GE Energy	2,342	1,561
Vestas	953	537
Siemens	863	375
Gamesa	484	242
Mitsubishi Power Systems	356	356
Suzlon	197	97
Clipper	48	19
Nordex	2.5	1

Source: AWEA 2008 Market Report.

- The map to the left shows the distribution of wind projects in the Northwest Texas region. While the highest concentration of projects is in the western portion of the state, over 1,000 MW of existing and planned wind projects lie within 100 miles of Wichita Falls. The 4,000 MW Mesa Power project will be located in the Panhandle, about 200 miles away.

- Availability of suitable industrial lands and buildings
- Good access to highways (Hwy 287 & I-44) and rail (BNSF and Union Pacific)

STRATEGIC CONSIDERATIONS & RATIONALE

- The glass reinforcement produced by Saint Gobain-Vetrotex are primary components of wind turbine poles and blades.
- Turbines contain numerous components similar to products already manufactured in Wichita Falls, e.g. cooling systems, turbines, mechanical brakes, and electronic controllers.
- Wind power generation equipment is the composites industry's fastest growing fiber-reinforced polymer application.
- Fast-growing industry with bright long-term growth potential

WIND POWER CLUSTER

NAICS	Description
221119	Power generation, wind electric
325211	Plastics Material and Resin Manufacturing
333611	Windmills, electric power, generation-type, manufacturing
335312	Motor and Generator Manufacturing
335314	Relay and Industrial Control Manufacturing
334513	Instruments and Related Products Manufacturing for Measuring, Displaying, and Controlling Industrial Process Variables
333415	Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment Manufacturing
333999	All Other Miscellaneous General Purpose Machinery Manufacturing

PROFESSIONAL SERVICES

niche / **shared service centers**

Definition

Shared Service Centers (SSCs) reduce costs by consolidating one or more back-office operations used by multiple divisions of the same company—such as finance, information technology, customer service and human resources—into a shared operation. By creating a stand-alone or semi-autonomous Shared Service Center, companies can eliminate redundant activities and improve efficiency, services and customer satisfaction.

TRENDS

Shared service centers have proven to be effective models to reduce costs and increase productivity for organizations managing large-scale operations. Organizations in both the private and public sector have embraced this model to improve their efficiency.

The move towards shared services began in the 1980s and has accelerated ever since. While the first generation of shared service centers were typically single-function centers, today's shared service centers are moving towards a multi-function model. The functions most commonly consolidated in shared service centers are finance and accounting, human resources, information technology, and procurement. Facilities, customer service, real estate, supply chain, order management, and legal are also functions that are sometimes included in a multi-function shared service center.

Shared service centers reduce costs primarily by reducing redundancies, streamlining and standardizing processes, and realizing economies of scale that may not be possible under a decentralized service model. The centers deliver their services by treating each department they serve as internal clients or customers.

SITE SELECTION CRITERIA

- Available workforce with professional services skills
- Reliable communications infrastructure
- Availability of high quality office space
- Comparatively low-cost overhead
- Low natural disaster risk

Trade Associations & Events

Shared Service and Outsourcing Network
tel: 800 882 8684
http://www.iqpc.com/cgi-bin/templates/single.html?topic=240

The 12th Annual Shared Services Week
March 30 - April 3, 2008
Omni Orlando Resort, Orlando, FL
www.iqpc.com/us/sharedservicesweek

RATIONALE

- Affordable office space greatly reduces overhead costs
- Reliable communications with access to fiber optic ring and multiple service providers
- Strong MBA program at MSU
- SAFB retirees and spouses represent potential workforce.
- Potential target for downtown office space, especially if concurrent development of support services and retail occurs in the downtown

STRATEGIC CONSIDERATIONS

- Be aware that the location requires that companies mitigate tornado risk (location in "Tornado Alley")
- First target companies that already have a presence in Wichita Falls (i.e. AT&T, Alcoa Howmet, and Saint Gobain-Vetrotex)
- Potential for customized training programs provided by MSU & Vernon College

Appendix B: Sheppard Air Force Base Veterans Survey

One of the region's greatest economic development assets is the pool of skilled, educated, disciplined, and motivated workers associated with SAFB. This workforce consists of Air Force retirees living in the region as well as current airmen separating from service through Sheppard. This pool of existing and potential labor is further enhanced by the spouses of active duty personnel and veterans, who themselves are often highly skilled and educated. Unfortunately, many military families do not remain in the Wichita Falls area after their service ends due to a lack of adequate employment opportunities that fully utilize their skills and abilities.

In order to better understand and document the unique characteristics of the region's military related workforce, area economic and workforce development organizations should regularly inventory the intentions, educational levels, skills, and desired employment of airmen separating from the military at SAFB. The primary objective of the SAFB inventory is to capture critical information about this population that can be used to recruit companies considering new locations for relocation or expansion, thus providing enhanced employment opportunities for residents in the SAFB region. The inventory will additionally capture insightful information regarding the skills and desired career fields of military spouses, further enhancing talent retention and business recruitment to the region. Finally, the survey will gather valuable feedback on issues related to quality of life (Place) in the region – information which is critical to successfully retaining the best and the brightest in the community.

Purpose and Methodology

As part of the Defense Diversification Plan, the consulting team conducted an initial analysis of the region's active duty military personnel separating from service through Sheppard Air Force Base (SAFB). The purpose of the inventory is to document the unique characteristics of this workforce and their potential impact on the regional civilian labor pool. To accomplish this task, we developed a one-page questionnaire that was provided to SAFB airmen attending Transition Assistance Program (TAP) workshops conducted by the Airmen & Family Readiness Flight (A&FRF) at Sheppard. The TAP workshops are designed to assist the transition of military personnel to careers.

Veterans Possess Many Characteristics that Appeal to Employers

- Demonstrated leadership and managerial skills
- Training to industry standards
- The ability to adapt quickly to change
- Knowledge of advanced technologies
- Experience working effectively under extreme pressure
- Education and professional certification credentials
- Strong work ethic
- Experience working within and/or leading diverse teams
- Effective written and verbal communications skills
- Security clearances
- History of accepting and following orders from superiors

SURVEY OF POST-MILITARY SERVICE INTENT

This brief survey is designed to assist economic development and workforce officials in the Wichita Falls region in creating expanded employment opportunities for military personnel separating from service through Sheppard Air Force Base (SAFB) and their spouses. Your voluntary assistance in answering the questions below is greatly appreciated.

1. How many years of service do you possess?
   5 or less ☐ 6 to 19 ☐ 20 or more ☐

2. What is your reason for leaving the military?
   Retirement ☐ ETS ☐ Medical ☐

3. Are you planning to stay in the region (within 30 miles of SAFB) after your service ends?
   Yes ☐ No ☐ Don't know ☐

4. Would you stay in the region (within 30 miles) if desirable employment were available?
   Yes ☐ No ☐ Don't know ☐

5. What is your highest level of education completed?
   High School/GED ☐ Associates Degree ☐ Masters Degree ☐
   Some College ☐ Bachelors Degree ☐ Ph.D. ☐

6. Please mark any area in which you hold a technical/professional certificate.	7. What type of post-military employment do YOU desire?	8. What type of employment does your SPOUSE desire?
Advanced Computer ☐	Administrative/Office ☐	Administrative/Office ☐
Aviation ☐	Aviation ☐	Aviation ☐
Communications/Electronics ☐	Communications/Electronics ☐	Communications/Electronics ☐
Engineering ☐	Computers/Software ☐	Computers/Software ☐
Education/Teaching ☐	Engineering ☐	Engineering ☐
Law Enforcement ☐	Education/Teaching ☐	Education/Teaching ☐
Logistics/Warehousing/Materials ☐	Equipment Maintenance/Repair ☐	Equipment Maintenance/Repair ☐
Mechanical ☐	Law Enforcement/Security ☐	Law Enforcement/Security ☐
Medical/Healthcare ☐	Management/Business ☐	Management/Business ☐
Transportation (CDL) ☐	Manufacturing ☐	Manufacturing ☐
Office/Administrative ☐	Medical/Healthcare ☐	Medical/Healthcare ☐
Other _____ ☐	Transportation/Warehousing ☐	Transportation/Warehousing ☐

9. Improvements in which other area would most positively affect your decision to remain in the region?
   Higher Education Offerings ☐ Housing ☐
   Child Care ☐ Healthcare ☐
   Retail/Shopping ☐ Entertainment/Recreation ☐
   Other ☐_____

TAP provides employment and training information and assistance to service members and spouses within 180 days of separation or retirement. The program consists of multi-day workshops, where attendees learn about such subjects as searching for jobs, current labor market conditions, resume and cover letter preparation, and interviewing techniques.

At SAFB, TAP classes are held monthly and facilitated by Airmen & Family Readiness Flight staff members. The TAP classes are ideal venues for administering the survey because there are a manageable number of potential respondents – typically about 30 – who have an interest in responding to the questions and who will be leaving the military within six months.

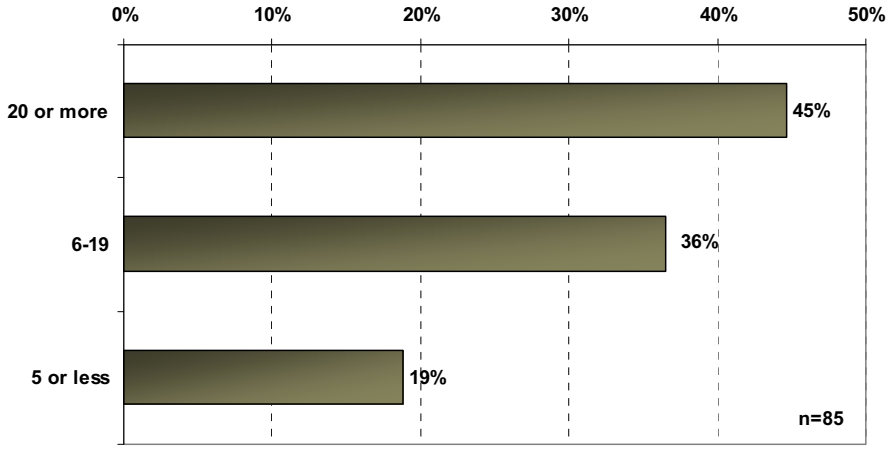
The questionnaires were completed during three TAP workshops conducted in October and November 2007, and January 2008. All service members attending TAP workshops are scheduled to leave the active duty service within six months. In total, 85 airmen and officers completed at least portions of the questionnaires.

The objective of the survey was to obtain basic information on length of service, educational attainment, intent to remain in the region permanently, professional and technical skills, desired career fields for the service member and spouse, and views on other quality of place issues that would affect their decision to remain in the region.

The survey questionnaire and the results of the completed surveys are included on the following pages.

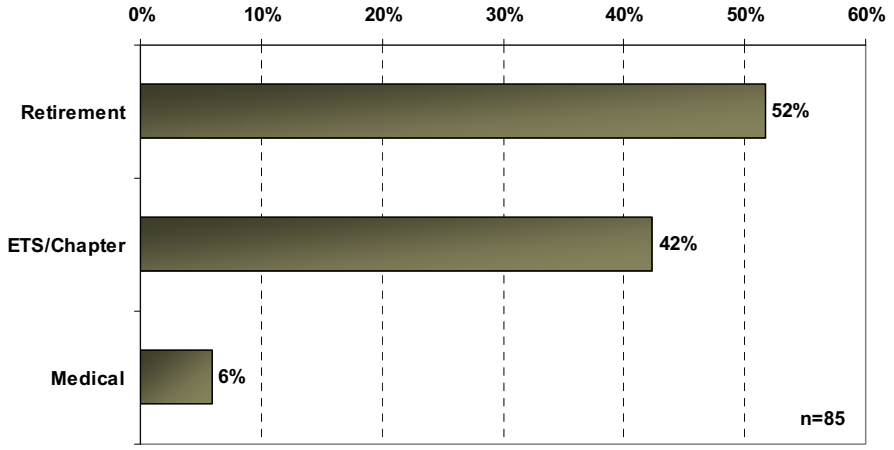
Survey Results

Q1. How many years of service do you possess?



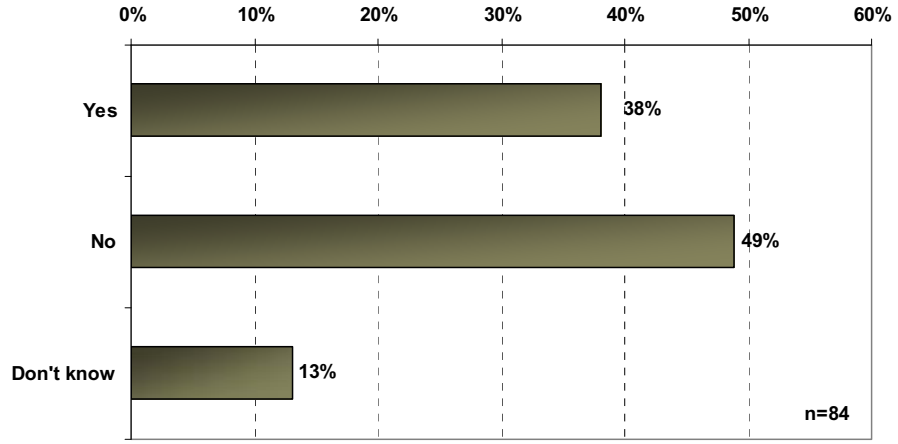
Of the 85 airmen and officers responding to the question regarding current years of service, 45 percent served 20 or more years, while 36 percent served 6 to 19 years. Only 15 percent have served five years or less. Given the training mission of SAFB and higher level of expertise of the personnel typically stationed there, the higher proportion of more experienced retirees is not surprising.

Q2. What is your reason for leaving the miltary?



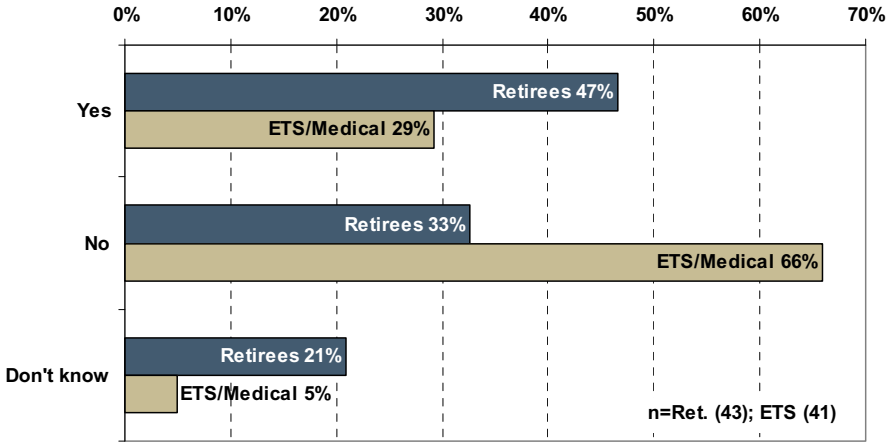
Slightly more than 50 percent of respondents cite retirement as their reason for leaving the military, while 42 percent are leaving due to Expiration of Term of Service (ETS). Six percent are departing service due to medical reasons.

Q3. Are you planning to stay in the region (within 30 miles of Sheppard AFB) after your service ends?



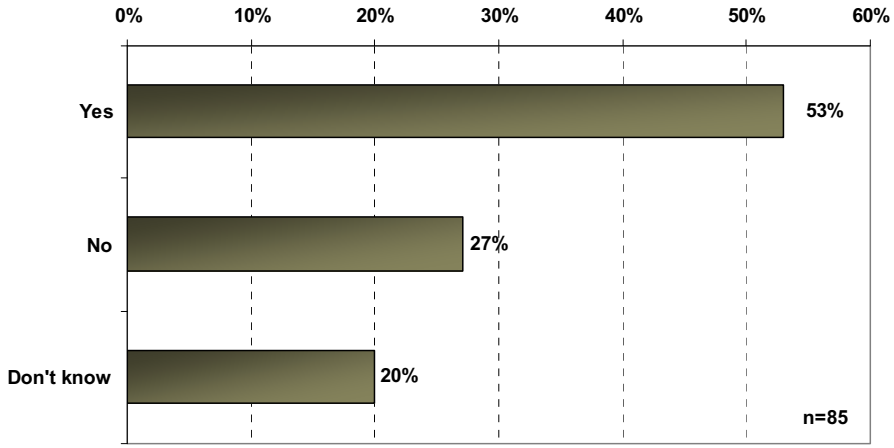
Under current circumstances, 38 percent of respondents plan to remain in the region at the conclusion of their military service. Almost 50 percent are planning to leave, while the remaining 13 percent are unsure.

Q3. Are you planning to stay in the region (within 30 miles of Sheppard AFB) after your service ends?



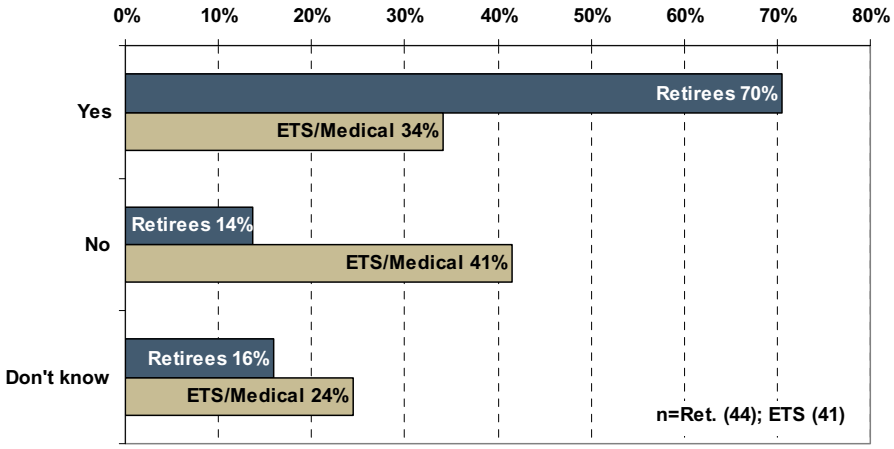
Among retirees, who are older and likely to have lived in the region for longer, almost one-half indicate they plan to remain and one-third intend to leave. One-fifth of non-retirees do not know. Conversely, two-thirds of ETS/medical respondents state they plan to leave the region, while about one-third plan to remain locally. Only 5 percent of ETS/Medical respondents are unsure of their post-military plans.

Q4. Would you stay in the region (within 30 miles) if desirable employment were available?



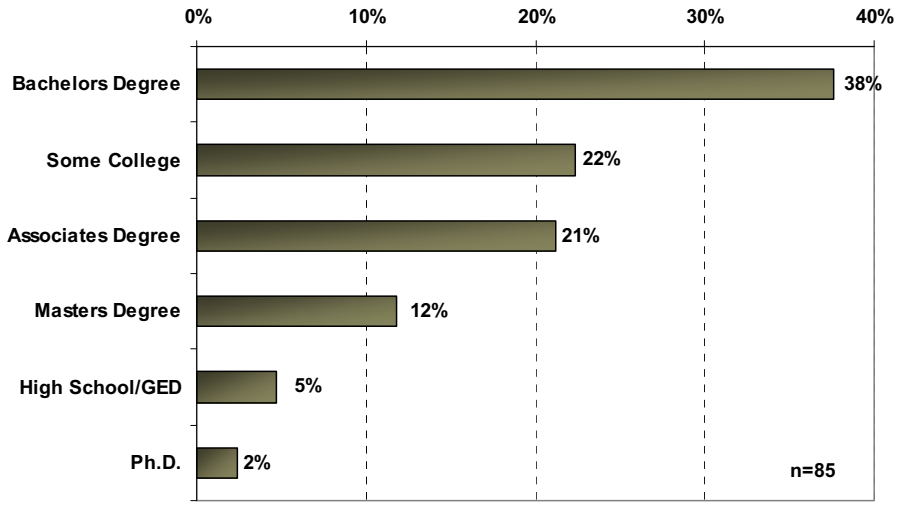
The survey suggests more airmen and officers would remain in the region if they could find a good job. When asked if they would stay if desirable employment were available, the percentage of total respondents answering "yes" rose 15 percentage points to 52 percent. The percentage who previously answered "no" to Q3 fell by 22 percentage points.

Q4. Would you stay in the region (within 30 miles) if desirable employment were available?



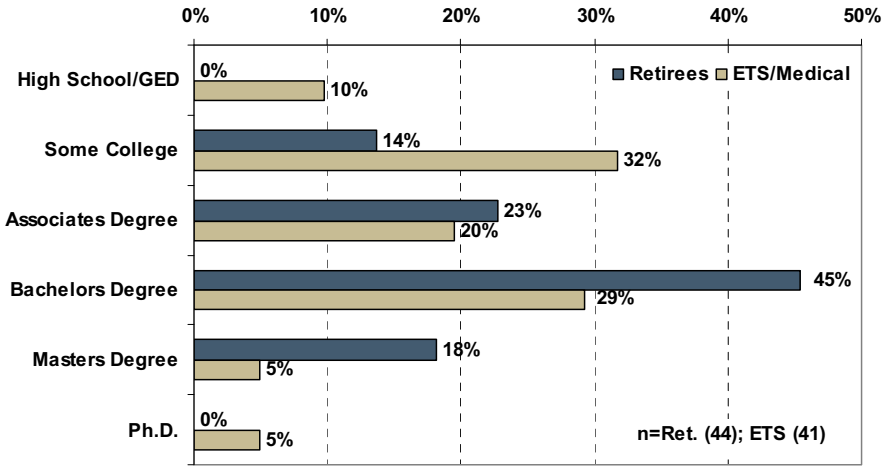
Among the retirement-eligible respondents, 70 percent indicated they would stay for a good job. About one-third of non-retirees responded in the affirmative. Retirees are likely to have lived in the Wichita Falls region for a longer period than non-retirees and are therefore more familiar and comfortable with its quality of life.

Q5. What is your highest level of education completed?



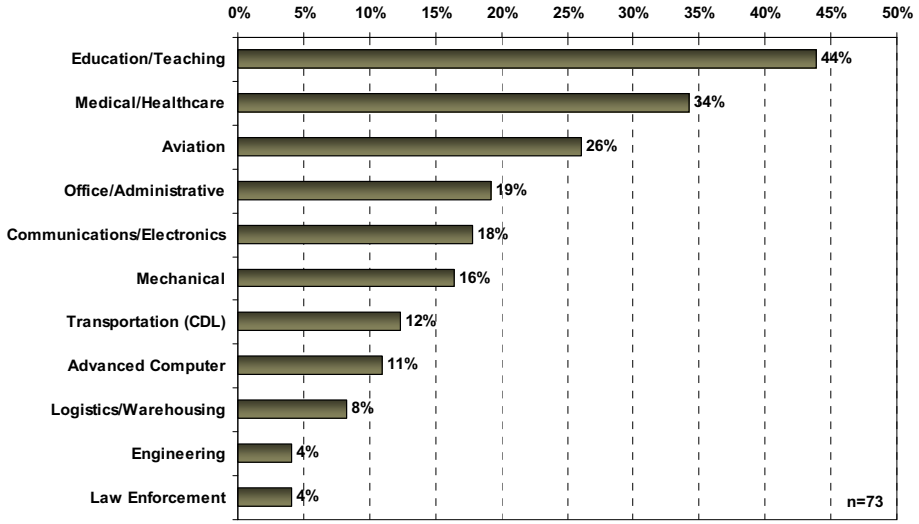
The airmen and officers participating in the survey possess an exceptionally high level of educational attainment. Almost three-quarters of the respondents have earned a post-secondary degree. An additional 22 percent report some college experience, while only five percent have no college experience. Slightly over half report achieving a bachelors degree or higher. In comparison, as of the 2000 Census, 19 percent of the Wichita Falls MSA population age 25 or older had attained a bachelors degree or higher.

Q5. What is your highest level of education completed?



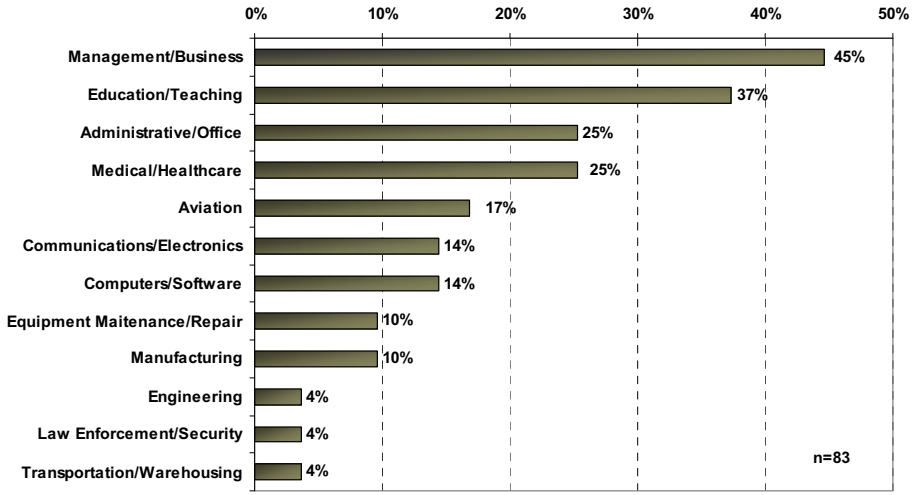
The survey data show that 86 percent of retirees have earned a post-secondary degree. Among ETS/medical respondents, 54 percent report having a post-secondary degree, with another 32 percent possessing some college experience.

Q6. Please mark any area in which you hold a technical/professional certificate.



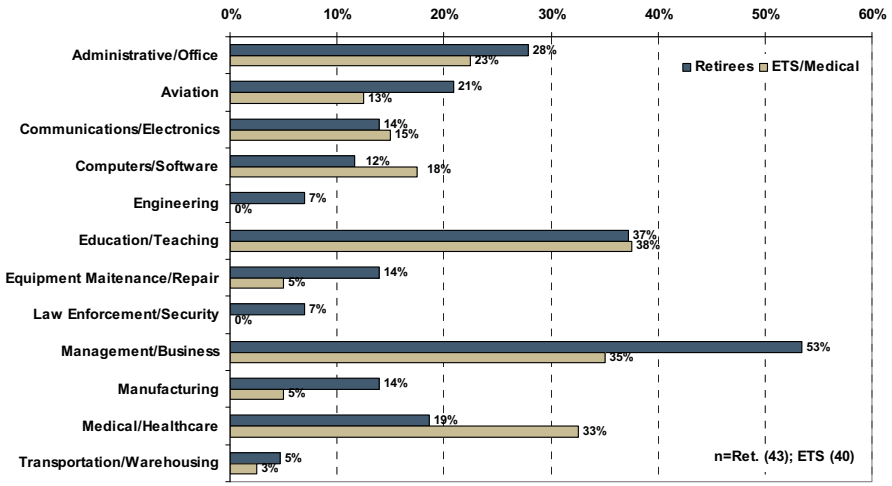
Of those respondents possessing a technical or professional certification, the most frequently reported specializations were education & teaching, medical & healthcare, aviation, office & administrative, communications & electronics, and mechanical. Given the primary training missions of the 80th and 82nd Wings at SAFB, especially in the aircraft maintenance and medical fields, these results are expected.

Q7. What type of post-military employment do YOU desire?



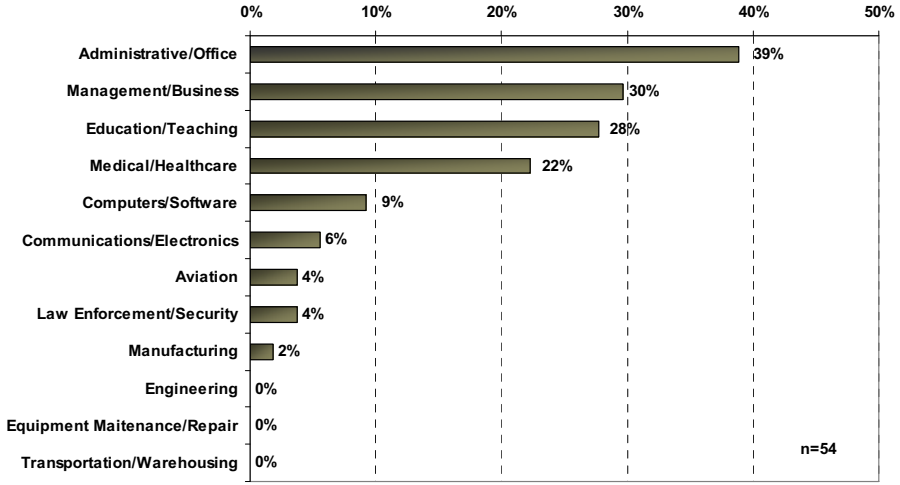
Post-military careers in management & business and education & teaching were the most favored preferred by respondents. The administrative & office and medical & healthcare fields tied for the third most desired post-military careers. These results indicate SAFB is continually strengthening the pool of workers available to the region's Professional Services sector, as well as area school districts and higher education institutions. The preference for healthcare careers is likely to diminish once the medical training units at SAFB are relocated to Fort Sam Houston.

Q7. What type of post-military employment do YOU desire?

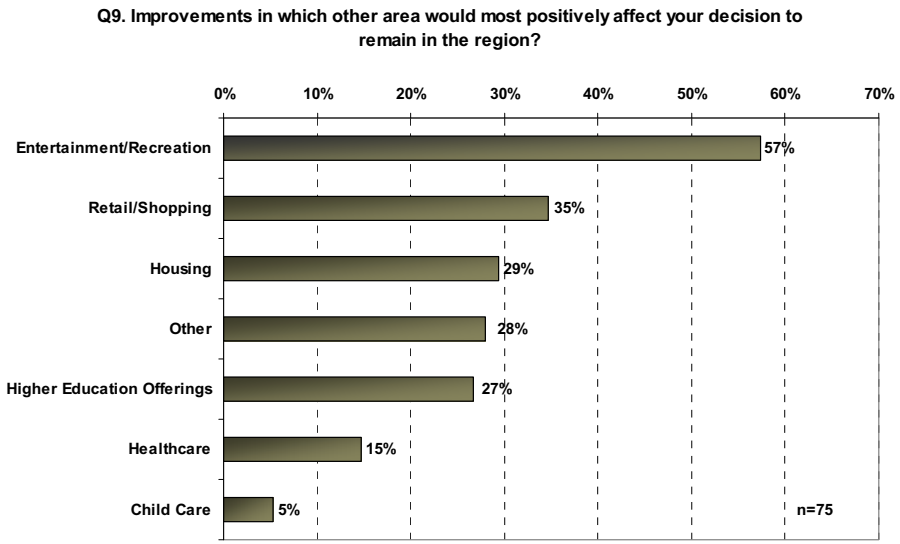


Non-retirees reported education & teaching as their most desired profession (38 percent), while retirees chose the management & business field most often (53 percent).

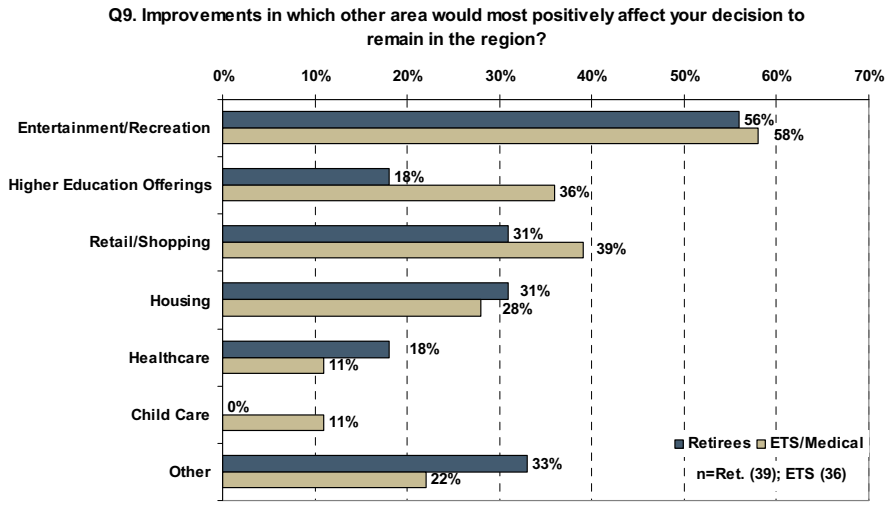
Q8. What type of employment does your SPOUSE desire?



When asked about their spouses' employment desires, the respondents most often cited the administrative & office, management & business, education & teaching, and medical & healthcare fields.



Improvements to entertainment and recreation in the community were cited most often by airmen and officers as the quality of life factor that would most affect their decision to remain in the region. Expanding and enhancing retail opportunities in the region was cited as the second-highest quality of life need. Improving child care options was cited least often.



When filtered by reason for leaving the military, a desire for more entertainment and recreation is still cited most frequently by both retirees and non-retirees. Of note, higher education offerings ranked third among non-retirees.

Appendix C: Entrepreneurial Assessment

en·tre·pre·neur
(ŏn'trə-prə-nûr', -nŏŏr') n.

A person who organizes, operates, and assumes the risk for a business venture.

French, from `entreprendre`, *to undertake.*

SOURCE: *American Heritage Dictionary.*

Across the nation, economic developers have embraced entrepreneur development as a means of promoting economic diversification and stimulating economic growth. The reason for this interest in entrepreneurs is two-fold: (1) an economic transition in the US has created more market opportunities for entrepreneurs and (2) the recognition entrepreneurs can be more deeply rooted in their communities, which increases both their economic and social impacts.

Purpose and Methodology

As part of the Defense Diversification Plan for the City of Wichita Falls, the consulting team was asked to assess the ability of Wichita Falls to support entrepreneurs. To do this, the consulting team conducted interviews with the services providers and a focus group with local small business owners and entrepreneurs. With this information, the consulting team mapped Wichita Falls' entrepreneurial assets and identified gaps. Strategies were then developed to address these gaps and strengthen the entrepreneurial climate in the community. The strategies are presented in 20/20 VISION, Business Development, Strategy 5.

The entrepreneurial assets of a community can be divided into four principal categories (*see figure below)*: (1) Capital; (2) Business Services; (3) Education & Information Programs; and (4) Talent.

For the purpose of this assessment, the consulting team focused on the first three categories because entrepreneurial assets that fall into the "Talent" category can be developed through well-targeted education and information programs. However, to provide a framework for the assessment, it is important to distinguish between the different types of entrepreneurial talent. Some individuals are more disposed to taking on the risk associated with starting a new business venture than others. Among those who are willing to assume the risk, those who have the motivation to grow their business and the capacity to do so are the true entrepreneurs who will have the highest impact on the community. The types of talent have different needs and require different levels of intervention (education and support) to convert them to true entprepreneurs. The types of entrepreneurial talent are diplayed in the following

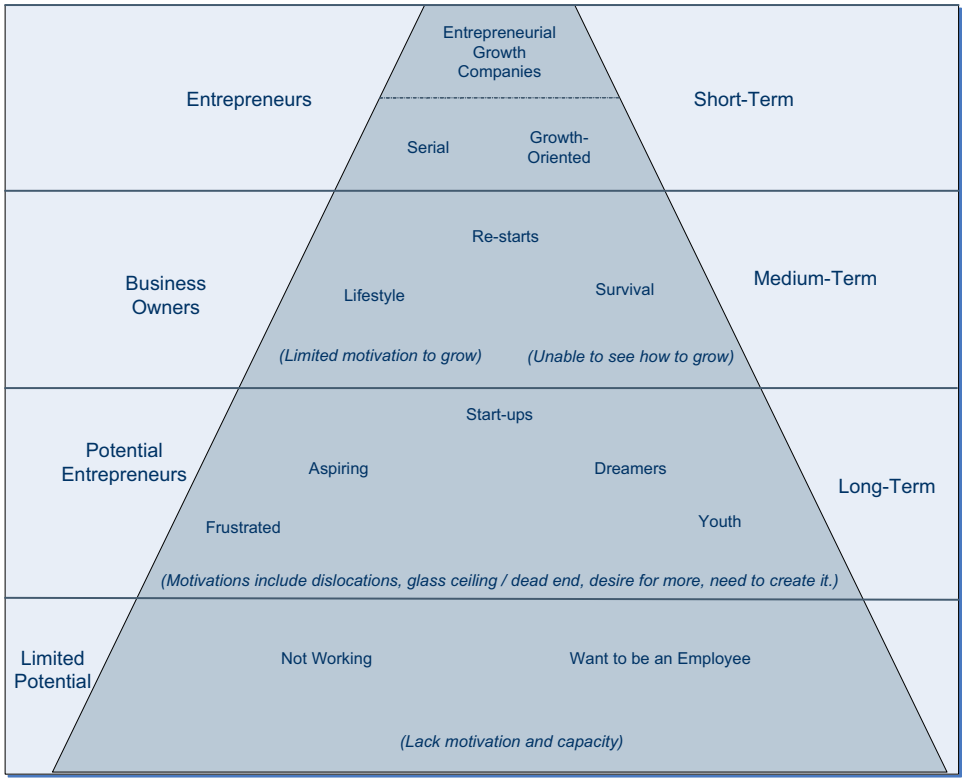
Entrepreneurial Asset Checklist

CAPITAL	BUSINESS SERVICES	EDUCATION & INFORMATION PROGRAMS
❑ Literacy	❑ Accounting	❑ Mentor / peer groups
❑ Microlending	❑ Legal	❑ Sell-Awareness Assistance
❑ Revolving Loan Funds	❑ Human Resources	❑ Assessment
❑ Commercial Lenders	❑ Information Technology	❑ Training
❑ State/Federal Program Linkages	❑ Financing	❑ Marketing
❑ Angel Investors	❑ Business Transfer Planning	❑ Business Plan Development
❑ Seed Capital	❑ Production	❑ Feasibility Studies
❑ Venture Capital	❑ Marketing	❑ Technical Assistance
	❑ Market Identification & Development	❑ Specialized Assistance

SOURCE: *RUPRI Center for Rural Entrepreneurship.*

figure. The level each type holds on the pyramid represents the relative size of the talent pool.

Mapping Entrepreneurial Talent



SOURCE: *RUPRI Center for Rural Entrepreneurship.*

Potential entrepreneurs are those individuals who could become entrepreneurs but need education and support to improve their capacity to become entrepreneurs. Youth, aspiring entprepreneurs, and some start-ups fall into this category. This group requires a relatively high level of intervention and outcomes from programs targeting these groups will be over a longer time horizon.

Business owners are primarily motivated to open and operate a business to achieve economic self-sufficiency independent of an employer. Many business owners lack the motivation or the capacity (or both) to grow. They are primarily focused on creating a stable livelihood for themselves and their families. While some business owners could become more growth-oriented with the support and education of an entrepreneurship program, many are content with their businesses as they are or are too busy "surviving" to see growth opportunities. The level of intervention required by this group is lower than the potential entrepreneurs. In addition, programs that target these groups will begin to achieve outcomes over the medium-term.

Entrepreneurs are risk-takers who recognize market opportunities and design business ventures to capitalize upon these opportunities. They are focused on growth and have the motivation and capacity to achieve it. Entrepreneurship programs designed to target this group have the lowest level of intervention, the shortest time horizon for realizing results, the highest potential impact, and the lowest cost.

Asset Mapping

Wichita Falls has a relatively comprehensive infrastructure to support businesses owners. However, its support network for entrepreneurs should be expanded to foster more high growth business ventures.

The region is fortunate to have three organizations that form the nexus of education and information programs and disseminate information regarding access to other entrepreneurial assets. These organizations each have a different focus and collaborate regularly to provide a continuum of services to potential entrepreneurs, small business owners, and entrepreneurs. The organizations are:

- The **Small Business Development Center (SBDC),** a partnership between the US Small Business Administration (SBA) and Midwestern State University, focuses on providing one-on-one counseling and workshops for business owners and potential entrepreneurs. It is a sub-center of the North West Texas SBDC Region Network.

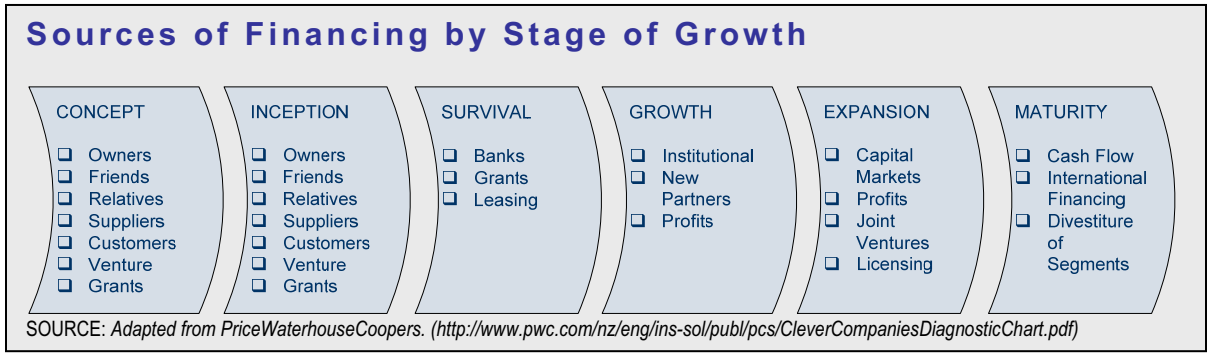
- The **Board of Commerce and Industry (BCI)** Chamber Services focuses on providing marketing and networking opportunities for existing businesses. These opportunities are open to all BCI members.

- The **Lalani Center for Entrepreneurship and Free Enterprise**, which is part of the Dillard School of Business at Midwestern State University, will be primarily focused on the study, promotion, and cultivation of entrepreneurial and innovative activities in the Wichita Falls region. This center was created in 2006 and is in the process of developing its programs and hiring staff.

In the following sections, the consulting team presents its assessment of Wichita Falls' assets by category type and highlights any gaps that exist.

CAPITAL

Entrepreneurs need access to capital that is appropriate for the stage of growth that their business is in. Start-ups have different financing needs than established businesses. These financing needs are met through a variety of mechanisms from friends and family investment pools to debt issuances in international financial markets. The various financing sources are presented on the chart below by each stage of business growth.



SOURCE: *Adapted from PriceWaterhouseCoopers. (http://www.pwc.com/nz/eng/ins-sol/publ/pcs/CleverCompaniesDiagnosticChart.pdf)*

Venture Capital / Seed Funding

Entrepreneurial companies typically depend on venture capital to fund their needs through the concept and inception stages of growth. Venture capital is primarily available through "angel" investors and venture capital funds. The term "angel" refers to high-net worth individuals, or "accredited investors," who typically invest in and support start-up companies in their early stages of growth.

In Wichita Falls, an informal angel investor network exists that provides early-stage funding for promising entrepreneurs. Formalizing this network could enhance this type of capital's accessibility and grow the base of "angels" as more investors become aware of investment opportunities in the regional economy.

Among their many benefits, formal angel investor networks provide opportunities for investors to pool their resources to support a wider range of financing needs in their region. A helpful guide for creating a network can be found here: http://www.kauffman.org/pdf/angel_guidebook.pdf.

Three Things to Know about Capital

1. **Venture capitalists rarely invest outside of a two to four hour drive of the investor's office.** These investors need access to the entrepreneurs and management of the companies they are working with. Good investors are actively involved in helping the company succeed by adding management talent, making introductions to potential partners and continuing to find other potential investors to lower the risk of failure.

2. **Venture capital does not just happen in urban areas.** There are groups that only invest in rural areas such as Meritus Ventures out of Kentucky and Tennessee and Sustainable Job Fund Ventures based in Durham, North Carolina and New York.

3. **Banks typically do not lend money to entrepreneurs in early stages especially companies working with intellectual property.** An overwhelming majority of people think the only source of capital for entrepreneurs is a bank. In fact, most banks do not lend money to entrepreneurs who lack a certain net worth or entrepreneurs who usually lack any collateral that can be used as a guarantee of the loan.

Banking Services

For later stage businesses in need of bank loans and lines of credit, Wichita Falls is home to many banks, including most large national commercial banks and a number of local banks. The local banks include American National Bank, First Bank, First National Bank of Wichita Falls, State National Bank of Texas, and Wichita National Bank at Stone Lake. Generally, a strong presence of local banks positively contributes to the entrepreneurial climate of a community because the de-centralized, less automated underwriting process of local banks (in comparison to that of national banks) allows more flexible lending practices that can be tailored to the needs of local entrepreneurs.

In spite of the presence of numerous banks in the area, *the SBDC noted that it refers up to 70% of its clients to out-of-town financial institutions for funding.* Many start-ups are referred to ACCION Texas, a non-profit microlender headquartered in San Antonio, Texas. Non-bank SBA loans are generally referred to a company in Florida. We recognize the inherent risk in loans to start-ups and know that most commercial banks do not lend to start-ups as a general policy. However, the referral of SBDC clients outside of the area indicates the local financial community is not as supportive of entrepreneurs as it could be.

To address this issue, many communities create revolving loan funds to support entrepreneurs that do not have access to capital through traditional resources. Often these funds are capitalized with contributions and low-interest loans from traditional financial institutions operating in the community as well other sources including city governments and grants from the SBA. Typically, a committee composed of local business bankers reviews and makes decisions on loans applications. Such programs can help local entrepreneurs access credit and establish a credit history while spreading risk among multiple institutions. Financial institutions benefit from their participation because they receive Community Reinvestment Act (CRA) credits and because such programs help to increase the pool of "bankable" potential clients that may eventually need the services of the local financial institutions.

Literacy

The SBDC sponsors workshops to educate their clients on obtaining a bank loan. In addition, they provide limited loan packaging assistance through partnerships with ACCION Texas and SBA lenders. However, education programs on other types of financing are not currently offered on a regular basis.

Training Curricula

One popular entrepreneurial training program is **FastTrac**. Founded by the Kauffman Foundation of Kansas City, Missouri, FastTrac is a boot camp for entrepreneurs. According to the foundation's materials, 70 percent of companies that go through the program succeed beyond three years – the oft-touted threshold by which the majority of small businesses fail. The program can be brought to any town provided there is an organization willing to become certified to teach the program. http://www.fasttrac.org/

Another popular program is **NxLeveL**, a curriculum developed by the University of Colorado at Denver. NxLeveL includes 7 different curriculum tailored for different types of entrepreneurs. Since 1996, over 80,000 students have participated in NxLeveL trainings. A third-party evaluation of the program shows that over 90 percent of business start-ups that participated in the program were still in business after 3 years. The program is taught by certified trainers in over 600 communities in 48 states. http://www.nxlevel.org/

BUSINESS SERVICES

A complete range of services typically needed by business owners exists in Wichita Falls. If a service is not offered by a company physically located in Wichita Falls, it is at least accessible on-line or in the Dallas-Ft Worth area.

The BCI's annual business expo, called World of Opportunity, helps to educate entrepreneurs and business owners of the services available locally. The 2007 event showcased over 100 businesses and was a valuable resource for bringing together business owners and service providers.

INFORMATION AND EDUCATION PROGRAMS

Training & Technical Assistance

The SBDC, BCI, the Dillard School of Business at MSU, and Vernon College provide training for entrepreneurs and business owners. Workshops and classes range from how to start a small business to graduate level business administration classes.

The SBDC and BCI often work together closely, co-sponsoring and cross-marketing workshops to each others clients and membership. Focus group participants spoke highly of the workshop but did note a need for more training on marketing "on a shoe-string" and customer service.

In addition, focus group participants noted many entrepreneurs and business owners do not have business succession plans, which has recently resulted in the closure of some long-standing local businesses. The SBDC and BCI should consider offering a workshop to educate participants on the importance of succession planning.

The higher education classes offered through local institutions cover the range of finance, accounting, marketing, and management typically offered by business schools. The Dillard School of Business offers students the opportunity to concentrate on accounting, economics, finance, general business, management, marketing, and MIS. The MBA program also offers specialization in MIS and health services.

There are currently no intensive entrepreneur training programs offered in Wichita Falls. A number of excellent curricula exist that educate potential entrepreneurs and start-ups on the basics of entrepreneurship. Two popular curricula are FastTrac and NxLeveL.

EXAMPLE: Mentoring

North Carolina's Blue Ridge Entrepreneurial Council (BREC) connects local entrepreneurs with mentors during a monthly breakfast meeting. Called the ***Mentor BRECfast,*** the meetings feature a single mentor addressing topics such as marketing, sales, cash flow and other topics of interest to aspiring entrepreneurs. Mentor BRECfast meetings frequently lead to direct mentoring relationships between the presenter and one or more attendees. (http://www.brecnc.com/)

A growing number of for-profit services are available to help connect entrepreneurs with potential mentors. One example is Minneapolis-based **Menttium**, which provides mentoring services to "high-performing female talent." Programs include a year-long program designed to match protégés across the country with mentors based on a rigorous screening process.

The SBDC provides one-on-one counseling and technical assistance for their clients. They have a staff of seven, including 3 business development specialists and 1 business research analyst that provide specialized services for potential entrepreneurs and business owners. Through their association with the North West Texas SBDC, clients can access the services of the Northwest Texas Business Industry Data Center, which provides research services to improve clients' understanding of their markets and trends.

Youth Entrepreneurship Training

Although Wichita Falls ISD offers vocational training in construction, auto collision, machining technology, cosmetology, electronics, and welding, it does not have any kind of entrepreneurship training or program. The National Foundation for Teaching Entrepreneurship (http://www.nfte.com/) and other organizations (http://www.extension.org/pages/Seeding_a_Successful_Future:_Youth_Entrepreneurship) have created programs and designed curricula targeted for stimulating youth entrepreneurship. In addition, many local Cooperative Extension offices play a role in developing youth entrepreneurship programs in schools.

Networking & Mentoring

BCI provides numerous networking opportunities for its members. These opportunities include weekly leads groups, a monthly "Business After-Hours", and a monthly "Wake-Up Wichita Falls." In addition, the BCI sponsors periodic events that provide networking opportunities such as the World of Opportunity business expo, the Better Business Bureau Torch Awards Luncheon, an annual golf tournament, and an annual membership meeting.

Successful entrepreneurs often cite their mentors as "the secret to their success." Communities across the nation have found that facilitating a mentor network for entrepreneurs can be an effective and relatively low-cost way to enhance the entrepreneurial climate. Currently, Wichita Falls does not have a formal mentor network that matches up entrepreneurs with successful mentors.

Access to Information

In many communities, service providers find reaching business owners and entrepreneurs very difficult. Likewise, entrepreneurs and business owners find it difficult to locate needed services. One solution embraced in some communities is the creation of a one-stop center. In Tuscaloosa, Alabama, the Chamber houses the One-Stop Center (http://www.youronestopcenter.com/index.php) providing business owners with access to multiple services providers and knowledge of how to navigate the licensing and permitting process to set up their businesses as well as the forms to do

so. These one-stop centers can serve as a central clearinghouse of information to support entrepreneurship in the community and region and can facilitate the process of setting up a new business.

Conclusion

Wichita Falls has a relatively comprehensive range of assets to support potential entrepreneurs and business owners. However, to enhance the community's support of high-growth entrepreneurs, these assets should be augmented. The Defense Diversification Plan: Final Report (pages 28-31) presents strategies to address the gaps summarized below.

Asset Category	Existing	Gaps
Capital	▪ Local banks ▪ Informal Angel Network	▪ Community-based Revolving Loan Fund ▪ Formal Angel Network ▪ Financial Literacy Training
Business Services	▪ Legal ▪ Accounting ▪ Marketing ▪ Human Resources ▪ Information Technology	▪ None found
Education & Information Programs	▪ Workshops ▪ One-on-one Counseling ▪ Networking Opportunities	▪ Entrepreneur Boot Camp ▪ Youth Entrepreneurship Education Program ▪ Mentor Network ▪ One-Stop Shop

Appendix D: Community Needs Assessment

The major assessment findings are discussed in this section. The assessment is organized into three topic areas: Talent, Industry & Innovation, and Place. These topic areas represent the new economic development model that emphasizes economic vitality as much as economic growth.

The full economic and demographic assessment can be found in the separate data presentation.

TALENT

To provide a context for understanding demographic trends in Wichita Falls, the consulting team chose five peer communities (MSAs): Dothan, Alabama; Lawton, Oklahoma; San Angelo, Texas; Tyler, Texas; and Valdosta, Georgia.

- Dothan, Lawton, San Angelo, and Valdosta were chosen because each is located near a strong military training facility/mission. The installations are focused on a single military branch. In addition, four out of five of the installations experienced a net employment loss over the past 10 years.

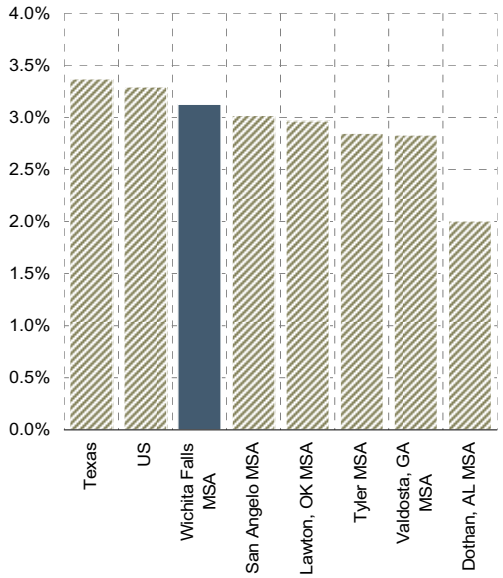
- Tyler was chosen because of its similar distance from D/FW as Wichita Falls and its role as a regional commercial and higher education center.

The table below summarizes the attributes of the peer communities.

MSA	Miltary Presence	Non-Coastal Location	Similar Population Size	Beyond Commuting Distance from a Major MSA	Base	MSA Population	DoD Jobs	DoD Jobs / Total Labor Force
Wichita Falls, Texas	✓	✓	✓	✓	**Sheppard AFB**	**145,528**	**8,464**	**10.2%**
Dothan, Alabama	✓	✓	✓	✓	Fort Rucker	138,234	6,370	9.0%
Lawton, Oklahoma	✓	✓	✓	✓	Fort Sill	109,181	16,683	27.9%
San Angelo, Texas	✓	✓	✓	✓	Goodfellow AFB	105,752	3,289	5.8%
Tyler, Texas	—	✓	✓	✓	—	194,635	—	—
Valdosta, Georgia	✓	✓	✓	✓	Moody AFB	126,305	4,038	5.7%

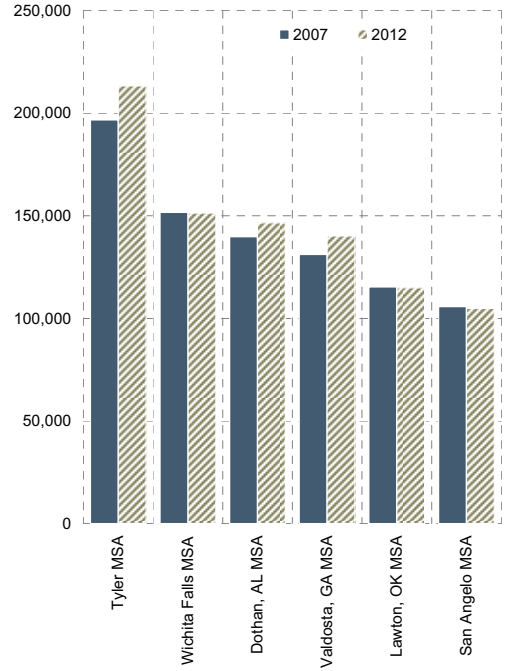
SOURCE: *U.S. Census Bureau; U.S. Department of Defense; Globalsecurity.org; TIP Strategies*

Median Household Income Growth (CAGR*), 2007-2012



SOURCE: *ESRI*
**compound annual growth rate*

Population of Wichita Falls & Peers



SOURCE: *ESRI*

In comparison to its peers, Wichita Falls has:

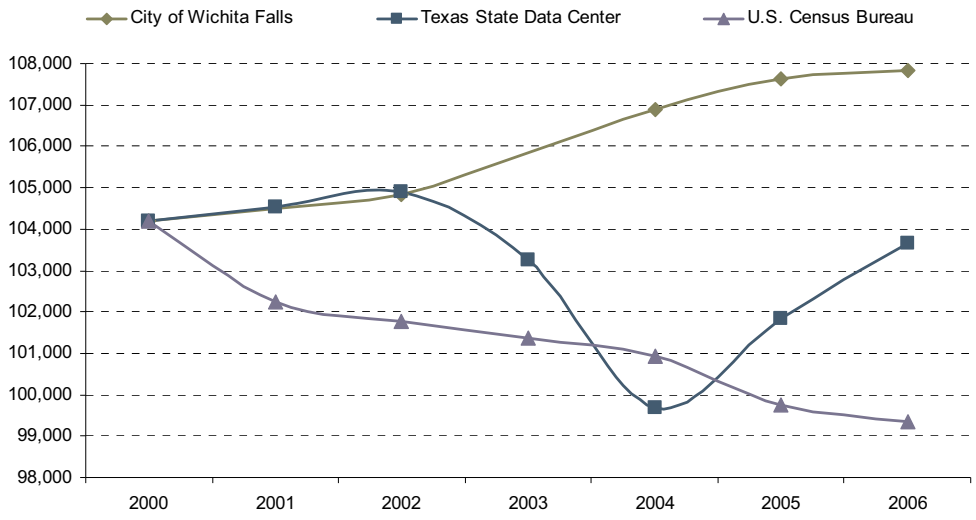
- A projected household income growth that is the highest of peer group (2007–12). *(right)*
- A higher median household income ($42,139) than San Angelo ($40,949), Valdosta ($38,583) and Dothan ($37,159).
- A higher share of adults who have completed high school (31%) than Texas (25%) and the U.S. (29%). Yet, Wichita Falls lags the state and nation in terms of share of adults who have completed college.
- Fewer low income households than peers (26% of households with income <$25K).
- A more affordable housing stock than the peer communities, Texas, and the U.S.

There are, however, some areas of concern revealed by the demographic assessment.

- Population growth in Wichita Falls is expected to remain flat over the next five years. In contrast, Tyler, Dothan and Valdosta are all expected to grow. This population data is from the US Census and ESRI. However, population estimates for Wichita Falls vary. As part of the assessment, the consulting team was asked to evaluate various methodologies for estimating city-level population. A detailed description of the methodologies is contained in *Population Assessment* document.
- The graphic illustrates the 2000-2006 population estimates calculated by the four sources: the City of Wichita Falls, the consulting team's revised estimates based on the City's methodologies, the Texas State Data Center (TSDC), and the U.S. Census Bureau. The City estimate is actually an average of three other methodologies that are based on occupied housing units, water connections, and school enrollment. The City of Wichita Falls, the most optimistic of the three sources, estimates an average population growth rate of 3.5 percent from 2000 to 2006. The TSDC estimates the Wichita Falls's population fell by 0.5 percent. The Census Bureau estimates a 4.4 percent decline in population over the first six years of the decade. In contrast, the state of Texas grew 12.7 percent over the same period.

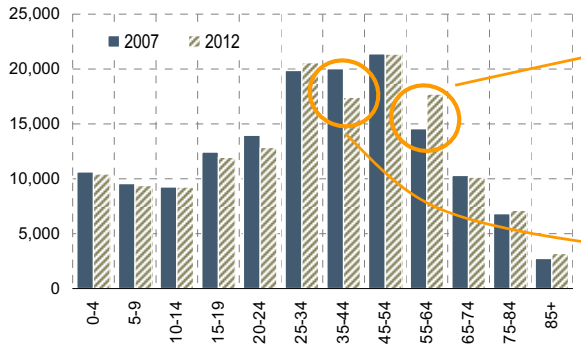
Regardless of which methodology and source is the most accurate, all three reveal either negative or relatively flat growth during the period.

Summary of Population Estimation Methods
City of Wichita Falls, 2000-2006



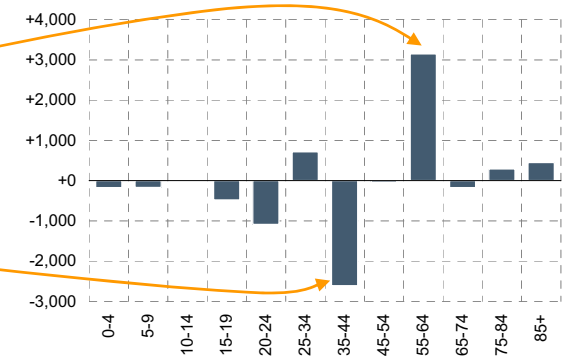
As shown below, the aging of Wichita Falls' population is evident. Age-cohort growth across the US is often skewed by aging Baby Boomers (a large group) and Gen-Xers entering middle-age (a much smaller group). In the Wichita Falls MSA, however, the differential in growth is even more notable than usual. It is important for planners and economic developers to view these demographic shifts in terms of (1) the impact on workforce availability and experience (2) the composition of housing needs (3) the demand for healthcare and long-term care services and (4) the impact on school enrollment.

Wichita Falls's Population by Age Cohort



SOURCE: *ESRI*

Wichita Falls's Net Population Chg. by Age Cohort, 2007-2012



SOURCE: *ESRI*

- Increasingly, employers (both U.S. and foreign-owned) are relocating or expanding to areas that offer an available and skilled workforce (i.e., talent). In many regions and industry sectors, this phenomenon has become known as "the war for talent." For regional centers such as Wichita Falls, the ability to attract and retain talent is of critical importance. The above statistics demonstrate quantitatively that talent attraction and retention is a primary challenge for the Wichita Falls region. Participants in the consulting team's employer focus groups provided qualitative confirmation of Wichita Falls's talent challenge.

  - Representatives from the manufacturing and healthcare sectors as well as local human resource professionals noted that finding good employees to fill job openings was their number one challenge.

    — Manufacturers agreed recruiting engineers and other professionals to Wichita Falls is difficult largely because of the image recruits hold of the city and

community. The lack of entertainment options and spousal work opportunities (perceived or real) exacerbates this challenge.

— The healthcare sector is challenged by a shortage in multiple professions including physicians, RNs, and therapists (occupational, speech, & physical). Their difficulty in recruiting and retaining these professionals revolves around Wichita Falls's less competitive wages in this sector. The Medicare Wage Index is 0.8, which signifies that the average local healthcare wages pay 80 percent of the average national healthcare wages.

— Filling low-skilled and unskilled positions is also difficult. The manufacturers commented they often needed as many as 30 applicants to fill one line position. All employers cited that applicants often fail to pass initial drug tests and background screening. More than once attendees commented that "everyone who wants to work is already working."

- This local *war for talent* makes it difficult for Wichita Falls employers to maintain current operational levels and could curtail future expansion plans.

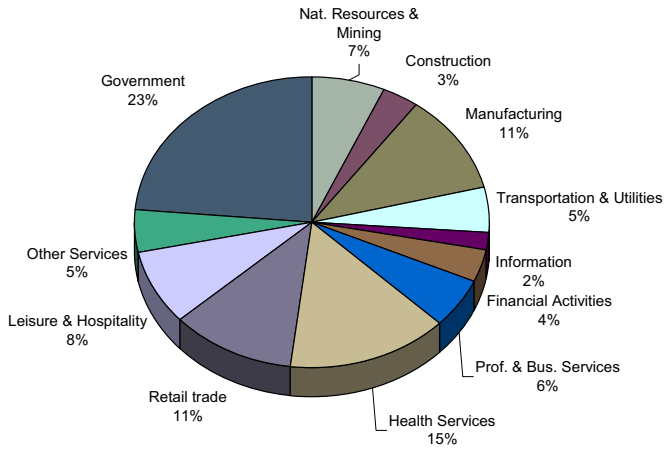
➢ In addition to the talent challenge local employers face, a number of stakeholders cited a shortage of younger civic leaders. Although the community has a strong heritage of civic leadership and engagement, many claim a new generation of leaders has not emerged. This deficiency (perceived or real) may worsen in the future if the area's population continues to age.

INDUSTRY & INNOVATION

For the economic assessment, the consulting team examined employment and industry data to identify Wichita Falls's competitive advantages, industry clusters, and workforce needs.

- The Wichita Falls metro economy is relatively diversified. The public sector accounts for over 20 percent of the area's jobs and includes Sheppard AFB, Wichita Falls ISD, North Texas State Hospital, the City of Wichita Falls, the Texas Department of Criminal Justice, and Midwestern State University. Among its major private sector employers are United Regional Healthcare, Howmet, AT&T, Work Services Corp, and Saint Gobain-Vetrotex.

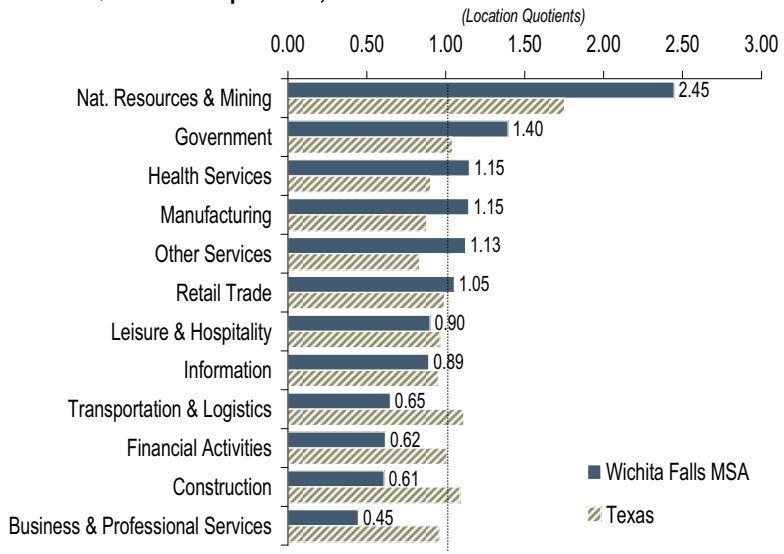
Wichita Falls MSA Employment by Industry, 2007



SOURCE: Economy.com

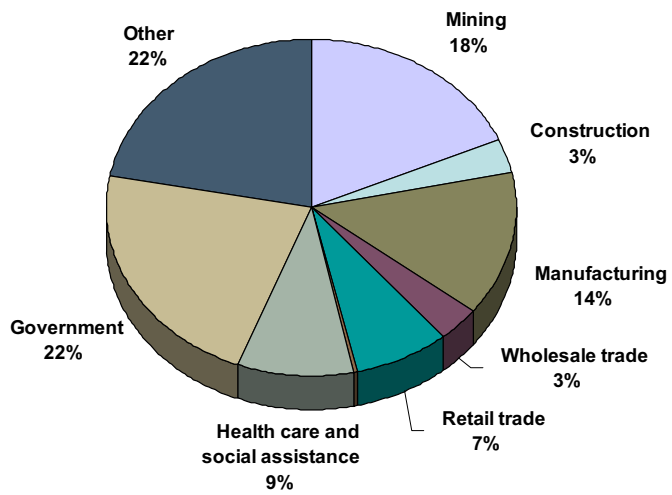
- The metro economy has higher than average concentrations of employment in the natural resources and mining, government, health services, and manufacturing sectors.
- In addition, Wichita Falls has high concentrations of workers with occupations valuable to energy, manufacturing, and healthcare sectors.

Location Quotient Comparisons, 2007



Sources: Economy.com (data); TIP Strategies (calculations)

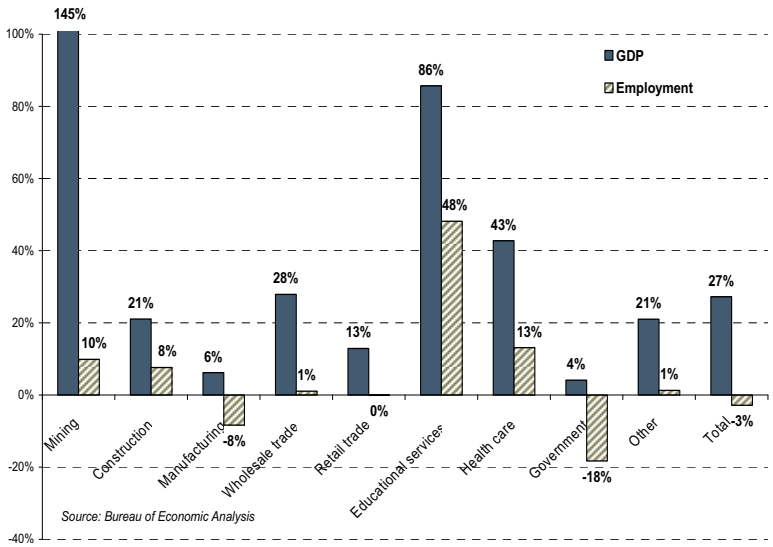
Wichita Falls MSA GDP by Industry, 2005



Source: Bureau of Economic Analysis

- The government and energy sectors remain the two most significant economic engines within the Wichita Falls metro economy. Together, government and mining, which includes oil and gas production, accounted for 40 percent of the area's gross domestic product in 2005.
- Manufacturing contributed 14 percent of the region's total economic output, while health care services added 9 percent.

Percentage Growth in GDP & Employment, 2001-2005
Wichita Falls MSA



Source: Bureau of Economic Analysis

- From 2001-2005, total GDP for the MSA increased by 27 percent, while total employment declined by 3 percent.
- Manufacturing GDP grew by 6 percent, at the same time manufacturing employment fell by 8 percent.
- Mining GDP, which includes oil & gas production, surged by 145 percent. Much of the rise in regional energy production is due to the presence of the Barnett Shale, discovered in Wise County in 1981. Some estimate the Barnett Shale is the largest onshore natural gas field in the United States

Median Salaries for Primary Occupational Groups

Wichita Falls MSA

Occupational group	Local Median Salary	% of U.S. Median
Management	$61,010	75%
Life, physical, & social sciences	$51,450	97%
Computer & mathematical	$46,810	71%
Architecture & engineering	$45,190	72%
Business & financial	$43,710	81%
Education & training	$38,490	94%
Healthcare - technical	$37,950	73%
Installation, maintenance, & repair	$35,700	97%
Legal	$30,560	45%
Protective services	$29,330	91%
Production	$26,850	98%
Construction & extraction	$26,100	74%
All Occupations	**$24,790**	**82%**
Office & administrative	$22,770	81%
Design, entertainment, & media	$22,660	59%
Community & social services	$22,640	63%
Transportation & material-moving	$22,590	89%
Sales	$19,270	83%
Ag & forestry*	$18,320	102%
Healthcare - support	$18,240	80%
Cleaning & property maintenance	$17,950	88%
Personal care & services	$14,880	78%
Food preparation & serving	$13,890	85%

SOURCE: *U.S. Bureau of Labor Statistics, 2006 data released May 17, 2007*

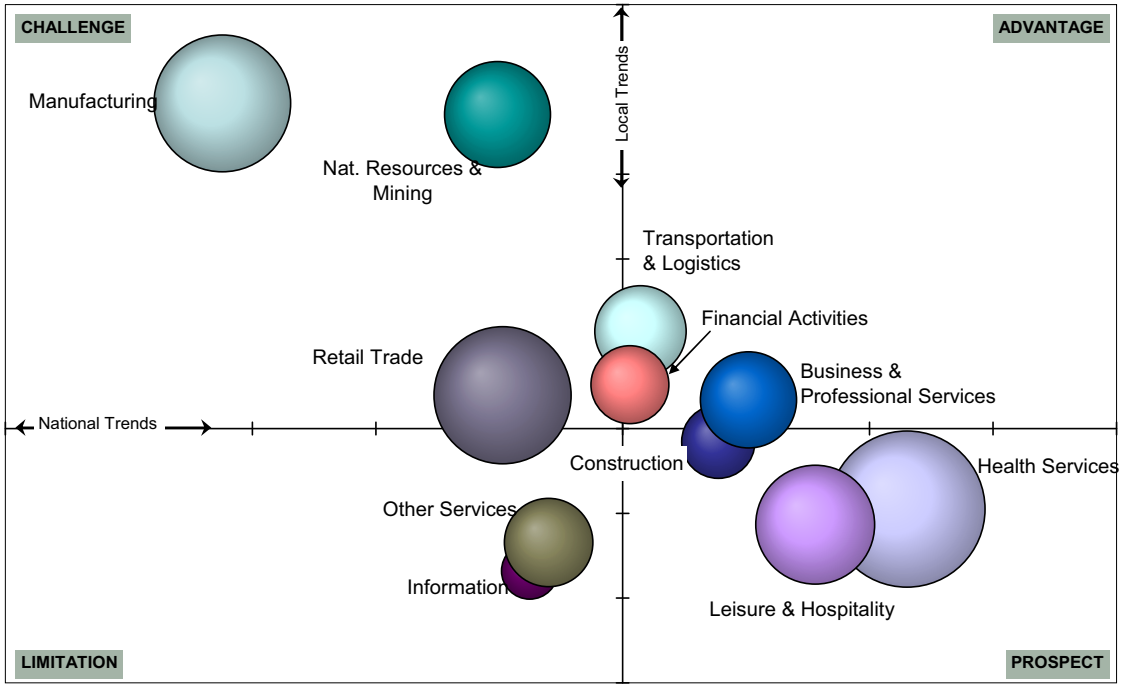
*nonfarm

- Non-competitive wages are a significant barrier to both talent attraction and retention.
- The median salaries for all primary occupational groups fall below the U.S. Median. A number of stakeholders have recounted talent migrating from Wichita Falls due to better economic opportunities and higher wages elsewhere.
- Wichita Falls' wages fall below the state average in higher paid occupations such as business & finance, legal, architecture, engineering, computer, and management.

Shift-Share Analysis allocates changes in employment among three "shares": national, industry, and regional share. It provides a means for identifying industries that are growing nationally and for which a region may have competitive advantage.

A shift-share analysis of the Wichita Falls MSA's employment sectors identifies the health services, leisure & hospitality, and business and professional services sectors as areas performing well nationally and underperforming locally. These sectors represent potential prospects for the region to expand. While the natural resources & mining sector is facing challenging conditions at the national level, Wichita Falls, because of its strong energy sector, enjoys a competitive advantage in this sector.

Wichita Falls MSA Shift-Share, 2003-2007



Sources: Economy.com (data); TIP Strategies (calulations)

- The health services sector, in particular, holds strong potential for Wichita Falls. As mentioned earlier, the area's aging population will lead to an increased demand for health services.

  - Officials at Sheppard AFB indicated that non-hospital health services in Wichita Falls may already be in short supply. Base officials are growing increasingly reliant on local civilian providers to care for military employees and dependents. There is some concern as to whether local health care providers can meet the current and future health care needs of military families.

- The potential for the leisure and hospitality sector in the region is more limited. The area's major tourism draw is the annual *Hotter 'n Hell* cycling event, which draws over 10,000 riders to the city. However, commercial activity connected to this event is primarily restricted to one weekend a year.

  - This sector, however, has experienced significant recent growth with the opening of at least five new lodging facilities. This growth in the hospitality sector is, for the most part, replacing outdated facilities. However, some of this growth may possibly be associated with the opening of the American Indian tribal casinos just across the state line in Oklahoma.

- The business and professional services sector is another area in which Wichita Falls holds a competitive advantage. This is also the sector that holds the most promise for revitalizing downtown because growth in this sector will inevitably stimulate demand for office space. In addition, it is an area in which wages lag the state average – most likely due to an oversupply of workers. Thus, growth in this sector could help raise wages in this sector and strengthen downtown.

- While not an industry sector, entrepreneurship holds much potential for bolstering and diversifying the Wichita Falls economy. In the interviews and focus group conducted to assess the local entrepreneurial climate, Wichita Falls is, in general, supportive of its entrepreneurs. The Small Business Development Center (SBDC) caters its services to start-up businesses, offering technical assistance and one-on-one counseling. BCI's Chamber Services focuses on existing businesses, offering networking opportunities and providing marketing opportunities. MSU's new Lalani Center for Entrepreneurship and Free Enterprise at the Dillard School of Business will be geared towards student entrepreneurs and eventually high-growth entrepreneurs, with a business incubator and accelerator as well as an advanced curriculum.

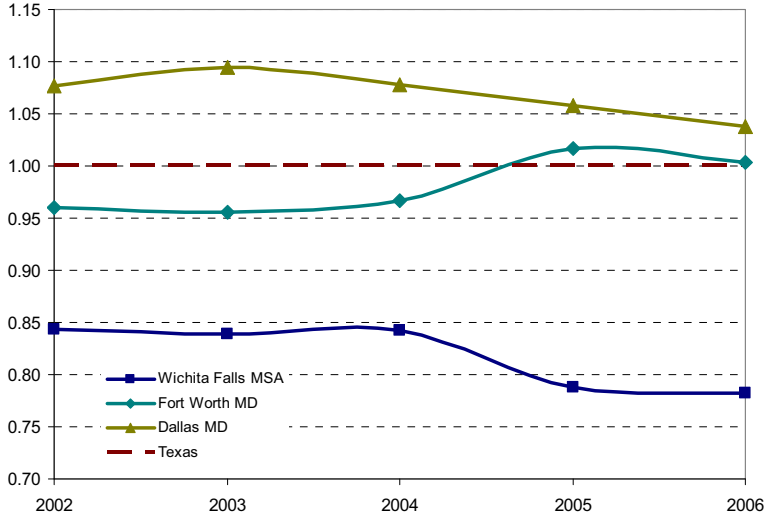
  - Like most communities, access to capital is the number one issue facing entrepreneurs. Wichita Falls is fortunate to have a number of locally-owned financial institutions.

However, business must look outside of Wichita Falls for start-up financing, microloans as well as seed funding. A revolving loan fund in which local financial institutions participate would provide support for higher risk loans (start-ups & small) while spreading risk for the lenders. For seed funding, angel investors exist in the community and the capital is present, but there is no formal network by which to access this capital. A formal angel network should be created.

- The entrepreneurs that participated in the focus group cited the importance of mentors in building a successful business. Although the SBDC mentioned that plans to start a formal mentor network have been discussed, the plans have not been finalized.

➢ **Retail sales** and outlets in Wichita Falls have been increasing over the past five years. However, significant retail leakage from Wichita Falls still occurs. To measure this retail leakage, the consulting team conducted a pull-factor analysis. A pull factor measures the degree of retail leakage in a community. A pull factor above 1.00 indicates that a community serves as a retail center for adjacent communities, while a pull factor less than 1.00 indicates that a community is losing retail sales to adjacent communities. To understand retail spending in Wichita Falls, we included the Fort Worth-Arlington and Dallas-Irving-Plano Metropolitan Divisions.

Income Adjusted Pull Factor, 2002-2006

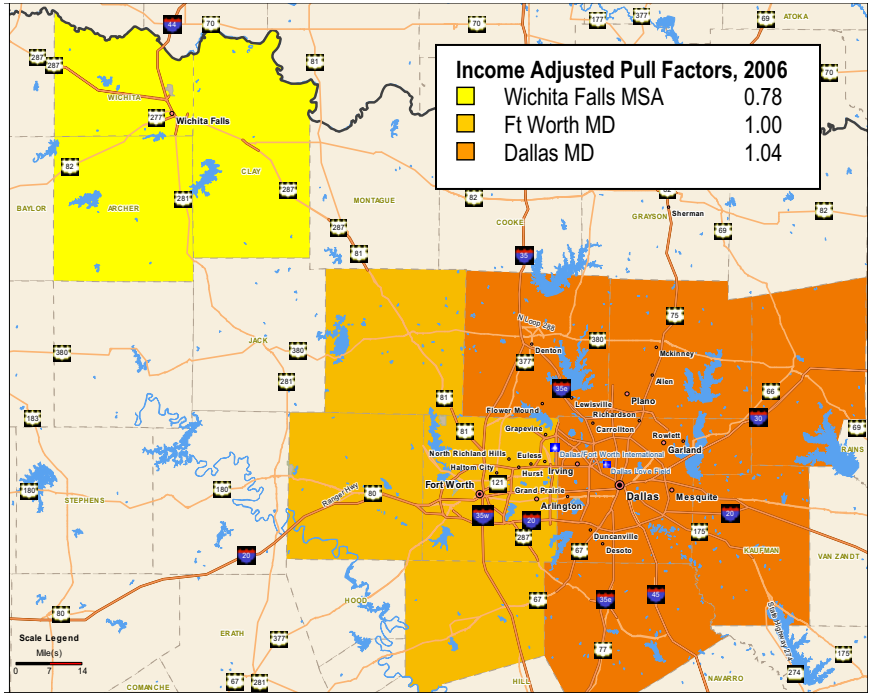


SOURCE: TIP Strategies.

- The Income Adjusted Pull Factor graph shows that, since 2002, the Wichita Falls MSA has generated a pull factor of less than 1.00. This implies that residents of Wichita Falls are spending a portion of their incomes outside of the Wichita Falls MSA. Moreover, the pull factor in Wichita Falls declined from 0.84 in 2002 to 0.78 in 2006. This is the result of per capita retail sales in Wichita Falls not increasing proportionally to the average per capita retail sales for Texas. This decline indicates that the retail leakage out of Wichita Falls is worsening in spite of the increase in retail outlets and sales over the same period.

- In 2007, Wichita Falls' retail sector experienced significant growth with the opening of a number of big box retailers including Bed, Bath & Beyond, Academy, and an additional Wal-Mart. This growth will likely alleviate this retail leakage.

- The Dallas Metropolitan District (MD), however, continues to capture more retail sales on a per capita basis than both Wichita Falls and the Fort Worth MD. Fort Worth has been gaining a greater share of retail sales per capita in the past two years, but still does not capture as much as Dallas.



Redefining PLACE

Much has been written about the importance of quality of life to the site selection process. Communities throughout the nation have positioned themselves by touting their advantages in this regard—good schools, safe streets, pleasant weather. We agree these factors are important. We take issue only with the narrowness of the focus. **Quality of life** assumes that everyone thrives in the same environment and is attracted to the same amenities. It assumes that current residents' view of what makes a community would be shared by all.

By contrast, **quality of place** considers what is attractive to a range of residents, both old and new. The idea of quality of place accommodates growth and recognizes the benefits of change. It recognizes that one person's "good place to raise a family" might translate into another's "there's nothing to do in this town." Quality of place is about providing options, not just for current residents, but for those who will be residents in the future.

PLACE

The consulting team's assessment of the quality of place in Wichita Falls was based largely on observations and impressions of both the consultants and the various stakeholder groups that participated in the interviews and focus groups.

- The strength of the area's school systems and the friendly nature of the community are the attributes of the city that stakeholders most often praised. Not surprisingly, MSU and SAFB are viewed as critical assets in the community.

- Most people do not currently consider downtown Wichita Falls as a desirable destination. Some perceive it to be unsafe. Most don't feel like there is anything to do in downtown aside from a few long-standing local restaurants.

  - Most residents, however, appreciate the economic and cultural potential of downtown and would like to see it develop into a more vibrant destination like Sundance Square (Fort Worth) or West End (Dallas).

- Wichita Falls does not currently offer many entertainment options for the students at MSU and trainees at SAFB. The pool of 5,000 to 11,000 students and trainees present in Wichita Falls at any given time would provide a strong base of customers for establishments geared toward offering a range of entertainment options to the young adult demographic.

  - Enhancing the experience that the students and trainees have in Wichita Falls can be an effective tool for recruiting talent. Fond memories of their stay in Wichita Falls could bring them back to the community at some point.

    - One stakeholder commented that trainees often joke that their favorite part of their stay in Wichita Falls is "leaving."

- Many stakeholders also cited the need for more amenities and recreation opportunities that cater to young professionals and young families.

- People outside of Wichita Falls tend to hold a negative or ambivalent image of the community. Internally, many people seem to have an "inferiority complex" about their city. Many stakeholders noted that both internal and external marketing and public relations efforts should be initiated to improve these views.

SWOT Analysis

A SWOT Analysis (Strengths, Weaknesses, Opportunities, and Threats) helps create a framework for understanding the area's issues and formulating appropriate vision, goals, and strategies. This assessment was based on interviews, site visits, data analysis, and our experience. The following table captures the major findings from this analysis:

SWOT Analysis

	Strengths	Weaknesses	Opportunities	Threats
Talent	➢ MSU – engineering – business – healthcare ➢ SAFB – 82nd Training Wing (technical & medical) – Euro NATO Joint Jet Pilot Training Program (ENJJPT) pilots and families – Retirees living in the community ➢ BCI Workforce Taskforce ➢ K-12 education ➢ Vernon College ➢ Manufacturing skills (e.g., welding)	➢ Flat population growth – Prospective employers might assume low workforce availability ➢ Reported difficulty in recruiting skilled professionals – physicians – nurses – engineers ➢ Competing with D/FW to retain existing professionals ➢ Need for "new generation" of civic leaders	➢ MSU – Formal role in ED – City & BCI helping to increase enrollment ➢ SAFB – Improving student experience and impression of WF – ENJJPT alumni program – Veterans inventory ➢ Regional workforce development strategy ➢ Aligning target industries and training programs (K-12, Vernon) ➢ External public relations campaign ➢ Next Generation Task Force	➢ Continued flat /negative population growth ➢ Inability to retain/recruit younger talent ➢ Aging population ➢ Loss of additional training missions at SAFB ➢ Exurban expansion of Metroplex – Emerging competitors such as Decatur – Could be long term opportunity

	Strengths	Weaknesses	Opportunities	Threats
Industry & Innovation	➢ Existing manufacturing base ➢ 4A & 4B tax revenues ➢ Available industrial sites – WF Business Park – Delphi Property ➢ MSU Lalani Center (entrepreneurship) ➢ Air quality	➢ Loss of manufacturing employment – Delphi ➢ Non-competitive wages (regionally & nationally)	➢ Recruiting companies priced out of D/FW and larger metro areas ➢ Tie ED initiatives with MSU programs ➢ Attract new missions to SAFB ➢ Entrepreneurship ➢ Angel & mentor networks ➢ One-stop shop center & incubator ➢ Texoma region co-marketing opportunities	➢ Additional loss of manufacturers
Place	➢ Downtown building stock ➢ Higher education presence ➢ Hotter'n Hell ➢ Recent surge of new restaurants ➢ Availability of quality and affordable housing stock	➢ Internal & external perception ➢ Under-utilized downtown	➢ Downtown revitalization – Catalyst project(s) – Linking to SAFB & MSU – Streetscapes & beautification – Reauthorizing TIF – Other incentives	➢ Continuing shift of city center farther away from downtown.

About Us

This study was prepared under contract with the City of Wichita Falls, Texas, with financial support from the Office of Economic Adjustment, Department of Defense. The content reflects the views of the City of Wichita Falls and does not necessarily reflect the views of the Office of Economic Adjustment.

TIP is a privately held, Austin-based business and economic development consulting firm committed to providing quality solutions for both public and private-sector clients.

Established in 1995, the firm's areas of practice include economic development consulting, strategic planning, site selection, economic impact analysis, regional economic development, target industry analysis, cluster analysis, technology audit, transit-oriented development, workforce analysis, feasibility studies, market analysis, and redevelopment analysis and planning.

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