

NBEDC approves incentives to expand Titan Industrial Park

By Keri Heath
The Herald-Zeitung

The New Braunfels Economic Development Corporation approved incentives to expand and further develop Titan Industrial Park, the 96-acre industrial building area off Farm-to-Market 1101 during a special meeting Aug. 1 at the Greater New Braunfels Chamber of Commerce's Honors Hall.

Incentives include \$600,000 for infrastructure improvements. The cash grant can help Titan Development expand the roadway 450 feet, assist construction of additional utilities and pay impact fees, permit charges and other regulatory fees. "They're at \$87 million in terms of taxable property value, (and) you add \$67 million," city of New Braunfels Economic Development Manager Victor Garza said of the proposed improvements.

As part the expansion Titan Development plans on spending \$1.2 million to attract additional manufacturing companies. Titan will develop a 16.3-acre site behind CGT and four additional lots of six to eight acres at the back of the property.

The performance-based grant requires Titan to demonstrate completion of the buildings.

The park already holds coated fabrics and films producer Canadian General Tower at the lot directly off FM 1101.

The NBEDC also approved a per job grant totally \$50,000 to Hong Kong-based contract components manufacturer Season Group USA LLC.

A site at Titan Industrial Park is planned for the Season Group's use, as noted in agenda documents from the NBEDC Aug. 1 meeting. Currently, facilities in San Antonio and Mexico are the company's only two in North America.

"They have outgrown their facility in San Antonio," Garza said. "It's going to be a new build here in New Braunfels. What they're trying to do is bring in their sales team and make this the North American headquarters."

The \$2,500 per job grant comes with the expectation of 200 full-time employees at the New Braunfels facility in 2027. The Season Group expects 90 full-time employees in the first year of operation.

The company plans to generate more than \$1 million in property taxes for the city over the first 10 years.

These incentives must still be approved by the New Braunfels City Council before final acceptance.

The NBEDC also discussed incentives to Stream Realty on Wednesday night. The commercial real estate services organization and the city of New Braunfels have engaged in discussions for two years regarding an almost 400,000 square foot facility at 3365 Interstate 35.

In February of 2016, the NBEDC approved \$500,000 in incentives to Stream Realty, operating as US Real Estate Limited Partnership, with March city council approval. Although a contract was prepared, Stream did not sign.

The original drafted agreement required Stream Realty to guarantee 10 jobs annually for five years. However, the company decided against this, not wanting to

pledge the performance of their site's tenants, indicated chamber Vice President of Economic Development Chester Jenke.

"They said that a lot of their feedback from end user was based off of we're not going to have probably more than 25 employees in a 150,000 square foot facility in a logistics type operations," Jenke said.

NBEDC members directed city and chamber staff to redraft an incentive proposal.

"Our intent all along was to help that tenant get into there and we still want to do that," NBEDC Treasurer Jim Poage said.

At the meeting, Jenke indicated the NBEDC approved incentives will come before the city council at Aug. 13's regularly scheduled meeting.