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AEDC recaps 5 years of success

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ATHENS, TX: Nearly 30 years ago, Athens voters elected to collect a half-cent sales tax to fund economic growth in Athens, Texas. These funds can be used to assist companies with infrastructure, relocation, training and other needs.

Just over the last five years, Athens Economic Development Corporation's (AEDC) efforts have resulted in 10 project wins generating an economic impact of over \$834 million to the local economy. Those ten project wins created 533 new jobs and retained 876 jobs in Athens.

Several of these projects were new companies that relocated or expanded their operations to Athens. Others were existing companies AEDC worked with to grow their business, keeping jobs and investments in the Athens community.

Clayton Homes' operations began in Athens in October 2016, after purchasing an existing facility on Highway 31 West. The \$8.25 million, first-of-its-kind facility is one of the largest of Clayton's 40 home building facilities in the United States. "Athens has proven to be an ideal location and AEDC has been a valuable partner in our growth," said Clayton Athens General Manager, Michael Williams. Today, Clayton employs 186 people with plans to hire 240 full-time employees over a five-year period.

The new \$12 million state-of-the-art healthcare and rehabilitation facility, Advanced Rehabilitation & Healthcare of Athens, is located across from UT Health Athens and is scheduled to open this year. The 120-bed facility will consolidate Green Oaks Rehab & Nursing facility, retaining 86 jobs with plans to add 20 new full-time positions. The Athens operation occupies 10 of the 30-acre tract that will be easily accessible for vendors, healthcare providers, visitors and families.

Athens welcomed HVAC Manufacturing to the community in 2016, after the company relocated its operations from California. Since relocating to Athens nearly three years ago, HVAC is now on their fourth expansion, investing nearly \$4 million. "HVAC's expansion would never have come to fruition without the move to Athens," said John Karamanos of HVAC Manufacturing. Just last year, HVAC was the proud recipient of the 2017 Siemens Supplier of the Year award, which has opened up opportunities with other divisions of Siemens. HVAC currently has more than 70 employees and expects their workforce to continue to expand and grow.

Last year, Biomerics acquired FutureMatrix Interventional allowing the company to expand its business in Athens. The acquisition not only retained more than 400 jobs in Athens, but they quickly added new jobs and are currently the largest industrial employer in Athens. Biomerics employs over 1,000 people in seven facilities across the United States, including Costa Rica. The company plans to invest \$6.4 million in the Athens facilities and will hire an additional 180 full-time employees over a five-year period.

AEDC received the Business Retention & Expansion International (BREI) 2018 Impact Award for its progress on the Freeport tax exemption project. AEDC successfully leveraged community buy-in from Athens' three highest taxing entities to grant the exemption, which relieved 95 percent of the tax rate on qualifying inventory for companies located in Athens and Henderson County. Many other communities that Athens competes with offer Freeport tax exemptions, including triple Freeport. Previously, this put Athens at a disadvantage for recruiting new companies to expand or relocate to the Athens area and with business retention and expansion.

AEDC added another tool to its toolkit through the expansion of the Athens' Foreign Trade Zone (FTZ) under the Alternative Site Framework (ASF) to include the city of Athens. The FTZ with ASF gives companies the opportunity to defer and possibly reduce duty paid on goods traded across national borders.

After many years of operating as a Type A Corporation, in 2005 AEDC was changed to a Type B Corporation to allow for economic and community development projects. AEDC awards grant funds for industrial projects, as well as community and retail projects that benefit the community, support economic development and showcase the city of Athens.

AEDC has awarded more than \$130,000 in matching grant funds to eligible businesses located along Athens' main thoroughfares, since the Business Assistance Grant program's inception in 2014. These eligible businesses have invested more than \$910,000 in capital improvements. The program is designed to encourage exterior improvements to distressed properties located along high traffic roadways leading into Athens, while enhancing the economic vitality of the city.

A couple of years later, AEDC launched the Community Development Grant program. This program is designed to provide grants for eligible projects which promote sports, cultural, entertainment and community projects that attract tourism and contribute to quality of life, business development and growth of Athens sales tax revenue.

Some of the projects that have received grant funding through the Community Development Grant program include significant upgrades to existing facilities. Through this program, the Athens Teenage Baseball Association has been able to upgrade the baseball fields at Coleman Park to a tournament facility. "Since the field renovation project began three years ago, participation in baseball in Athens is up 25 percent," said Chris Tinsley, Board Member and Community Advocate for the Athens Teenage Baseball Association. "AEDC's assistance at Coleman Park has been truly felt in the community through this project," Tinsley said.

The program has also provided assistance to the Henderson County Regional Fair Park Complex to replace aging equine stalls, giving them an advantage over other competitive venues outside our area. "Our major events are equine related and are our most profitable," said Bob Miars, chairman of the Fair Park board. "With the help of AEDC, the stall replacement project is 60 percent complete."

"AEDC has been successful in generating new revenue to the Athens community by attracting new companies, in addition to our business retention and expansion program," said Lisa Denton, AEDC executive director. "Our efforts over the last five years have resulted in an impressive 79 percent return on investment."

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