



## **Business Retention & Expansion Program**

### **Strategic Plan 2019 - 2020**

#### **OVERVIEW**

Business retention and expansion (BRE) is a core program of any economic development plan. These programs are designed to 1) retain or keep existing business in a community; 2) provide assistance for the business to expand.

Business retention is applicable to all business in the community, from local small businesses to large employers. There are two main goals of retention: to provide assistance with issues that could force a company to fail and subsequently close, and to prevent companies from relocating to new community. Business expansion refers to assisting businesses in their efforts to grow. Helping a business to expand may mean helping it find a larger property to accommodate future operations, helping it secure financing to purchase new equipment or helping it find or train new workers.

While the retention of large businesses is certainly critical given the number of jobs and amount of tax revenues that could be lost, small and medium-sized business should not be ignored. Today's small businesses are the innovators and job generators of tomorrow. In addition, growing businesses are more likely to stay in a community that has nurtured their growth and to which they are well connected. BRE programs play a critical role in encouraging local businesses to remain in the community and continue to grow.

#### **BR&E PROGRAM PREPARATION**

In order to create the most up to date and relevant BRE program, this past February MEDC staff participated in the International Economic Development (IEDC) BRE training course to acquire current practices and principles relevant for our program and McKinney businesses. Our mission is to offer our businesses the best resources and provide them the information and assistance to keep them competitive, strong and growing here in McKinney.

#### **Course description:**

*The interactive course presented the core components of a BRE program and why the concerns of local businesses need to be actively addressed. By building an understanding of business visitation techniques and survey methods, practitioners will be able to clearly gauge their community's business climate. We learn the "red flags" that may indicate a company is looking to move elsewhere, and learn how to structure an effective technical assistance program to respond to business concerns. The course helped participants understand how a BRE program relates to attraction, workforce development, small business finance, technology transfer and many other economic development activities.*

This timing for this training was optimal to allow us ample time to both learn best practices and have ample time to create a dynamic program. Below are key takeaways that will be used to upgrade and make relevant our program.

*Key Takeaways:*

- Using Community Partners to reduce redundancy and to be more efficient and effective with time and resources
- Establishing, maintaining and upgrading our BRE program
- Creating effective models for business visitations
- Customer-Relationship Management (CRM) techniques
- BRE program marketing techniques
- Identifying early warning indicators of businesses in need
- Cluster and industry-focused BRE programs
- Tracking and analyzing customer feedback and responses
- Quantitative and qualitative economic development metrics

**KEY PROGRAM OUTLINE**

- BRE's Impact on the community
- Why BRE is a core ED Program
- The Action Plan

**BRE IMPACT ON COMMUNITIES**

- I. MEDC's intimate involvement with local business is a vital role in the following scenarios
  - A. Retaining McKinney businesses in our city
  - B. Help keep their doors open – evaluating the “costs of doing business”
  - C. Create expansion opportunities to increase tax base and job creation
  - D. Create awareness of workforce training opportunities
  - E. Provide resources to aid in competitiveness in the marketplace
- II. The BRE Program will also enable the MEDC to maintain a “dashboard” on the local economy by obtaining the following data
  - A. Competitive strengths and weaknesses of the local businesses i.e. Transportation, education, workforce, quality of life, land availability, taxes, incentives
  - B. Strength of the local economy i.e. sales taxes, city budget, unemployment
  - C. Public Policy affecting business
  - D. Zoning, Code Enforcement, Taxes, Fees, Utility Costs, Development Costs, Police and Fire, city response vs insurance ratings
- III. Benefits of BRE program to local businesses
  - A. BRE aims to educate company representatives that are not experts in the fields of real estate site selection
  - B. BRE can help bridge the gap in the real estate entitlement processes, ordinance review and construction interface
  - C. BRE Programs Opportunities
    1. Marketing – reselling the advantages of “why McKinney”?

2. Information collected on why existing companies chose McKinney as their business destination can provide valuable information for business recruitment.
3. Provide companies assistance with land and building availabilities
4. Aid in Infrastructure planning and rehab needs – streets, utilities
5. Utilization of Tool Kit Resources for qualified projects
6. Education and access to Workforce training programs for job retention
7. Technical assistance and assessment – Planning & Zoning Assistance etc.
8. Export assistance thru third party agencies
9. Business liaison to the city for various govt. issues

### **WHY IS BRE A CORE ECONOMIC DEVELOPMENT PROGRAM**

- I. IEDC reports that 75 to 85 percent of new jobs are created by existing businesses. Growth of business in industry if more prevalent by existing companies than through recruitment of new companies.
- II. BRE assists existing businesses and the community with the following:
  - A. Industry Knowledge
  - B. Understand the companies and industries that make up the McKinney economy
  - C. Understand the markets each one participates in whether local, regional, national or global
  - D. Knowledge of the local economy
  - E. Assessing the growth needs and providing resources to aid the growth of McKinney's companies
- III. Professional Service
  - A. Provide professional assistance to McKinney's companies thru personal contact Present "business consultative" solutions to issues affecting the companies "way of doing business"
- IV. Results Oriented
  - A. Manage expectations of the companies with actual results that can be achieved.
- V. Focus on Long-Term
  - A. Encouragement of city policy to create an opportunistic environment for existing businesses to flourish and grow
- VI. Coordination of Resources
  - A. Become a service provider to local businesses by providing connections to third party governmental resource providers i.e. State of Texas, Collin County, City of McKinney, Collin College, Texas Workforce Commission etc.

### **BUSINESS RETENTION & EXPANSION PROGRAM ACTION PLAN**

- I. Community Partnerships – In order to maximize the impact of our business visits, and to avoid duplication of visits by multiple community partners, the MEDC has developed strategic partnerships with the following organizations to do "joint visitation" to businesses that are on our joint targeted lists.
  - A. The McKinney Chamber of Commerce
  - B. The Convention & Visitors Bureau
- II. Business Visitation - (See Appendix A)

- A. McKinney Business Inventory – A critical part of meeting our BRE visit target goal is having an accurate inventory of available McKinney Based businesses that meet the qualifications for a BRE visit. We will be conducting a business inventory analysis to identify the total number of enterprise companies located in the city of McKinney.
  - B. Firms selection will be given a priority in level of risk of relocation and/or closure and risk of economic impact to the community
  - C. All companies requesting assistance will be visited no matter risk level
  - D. BRE Visit Tracking – A visitation report will be generated for every BRE Visit (See Appendix C)
  - E. The target for BRE visits will be Top Management or decision making executive
- III. BRE Visit Frequency
  - A. Visit frequency will be determined on a “case by case” basis. Some companies will require more visits depending upon their immediate needs. The target of individual visits by the MEDC staff is 300 businesses annually.
  - B. The MEDC will endeavor to engage with the top 10 McKinney Businesses a minimum of three times per calendar year. Top employers will be ranked by largest employers and largest annual revenues.
- IV. Community Outreach - (See Appendix B)
  - A. Workshops and Roundtables
  - B. Community Forums and Events
  - C. Business and Educational Series
  - D. Development Updates
- V. Information Awareness
  - A. Communication and awareness platforms will be developed to provide regular program information, assistance opportunities and educational offerings available.
- VI. Identification of Early Warning Indicators
  - A. These items are defined as Indications that a firm may be “at risk”
  - B. Public announcements of layoffs, lost contracts, new manager, board movement, decrease in sales numbers, etc.
  - C. Decrease in shift work hours
  - D. Decrease in city utilities usage – water & sewer
  - E. Physical deterioration of plant
  - F. Cutbacks in landscape maintenance, etc.
  - G. Visual evidence of less cars in employee parking areas
  - H. Rumor mill – always some truth somewhere in a rumor
- VII. Business Relationship with high level management
  - A. MEDC will foster relationships with key business contacts to be a direct access resource and point of contact should assistance be required by the business.
  - B. Fostering these relationships will increase the likelihood of requesting MEDC involvement in decisions to relocate, expand or closure
- VIII. BRE Tool Chest
  - A. Marketing
    - 1. BRE marketing with consist of a specific awareness campaign targeted to the high level local management
    - 2. Targeted email campaign
    - 3. Social Media
    - 4. Promotion of BRE Events
  - B. Business Assistance Programs

1. Emerging Tech Program – Aimed at fostering innovation and entrepreneurship in McKinney.
  2. Small business Assistance Programs – Specific programs aimed at assisting the growth of emerging industries located in McKinney
  3. Financial Incentives – Incentive programs to aid in the growth and expansion of McKinney Businesses
- IX. Development Services Assistance
- A. The BRE program will help coordinate with City of McKinney development services liaison for assistance with the following:
    1. Zoning
    2. Engineering
    3. Platting
    4. Utilities
    5. Architect/Contractor/City Relations
    6. Project Management Follow Up

### **PROGRAM EVALUATION & METRICS**

The MEDC will measure the performance of the BRE program through tracking of metrics as they relate to our Annual Key Performance Indicators. The metrics are defined below.

#### **KPI Metrics:**

1. Visits: Our goal is to complete 300 qualified BRE visits per year. This will be an aggregate number of visits performed organization wide through the BRE Director and the project team staff.
2. Events: In conjunction with our community partners and through MEDC specific events, we will hold a number of BRE events annually. These will be in the form of the workshops, roundtables, community forums and other events that we create to support the needs of the McKinney business community.
3. Business Assistance: Through our outreach, we will be tracking the businesses that we provide assistance to at any level. Not all businesses that we engage will become a “project” in the traditional sense of the word meaning that they are an expanding business; but there will be numerous assistance channels that we can help businesses with a variety of needs.
4. Annual competitiveness report: The MEDC will annually evaluate our BRE program to make sure that we are implementing the latest practices and programs to assist the business community. This will ensure that we never fall behind in assistance opportunities.

## **Appendix A – Scheduled BRE Partnership Visits**

The MEDC BRE program has partnered with The Chamber and The Convention & Visitors Bureau to arrange and schedule various company and site visits.

### **July 2019:**

1. UPS
2. Lone Star Reel
3. Watson & Chalin
4. VAZATA
5. Popular Ink

### **August 2019:**

1. Tong Yang Group
2. Traxxas
3. Medical Center McKinney
4. Wistron Green Tech
5. Adaptive
6. Metro Linen

### **September 2019:**

1. SRS Distribution
2. PACCAR
3. Raytheon
4. Collin College
5. Nature Nate's
6. Moss Construction

## **Appendix B – BRE Events Calendar**

### **SCHEDULE OF BRE EVENTS**

The MEDC BRE Program is partnered with the McKinney Chamber of Commerce to host the following Workshops and Roundtable events in 2019.

The following group meetings are scheduled and proposed be held quarterly:

- Manufacturer’s Round Table – July 22. Meeting will be held at Emerson. Potential future host sites:
  - Encore
  - Simpson Strong-Tie
- HR Round Table – July 23. Meeting will be held at Surgery Center at Craig Ranch. Potential future host sites:
  - Baylor
  - Medical City McKinney
- Development Update – Sept 5. Meeting will be held at Independent Financial. Topics under consideration and possible host sites:
  - Craig Ranch/HUB 121 - Independent Financial
  - Downtown McKinney - ???
  - 380 Corridor - Cinemark
  - Technology Business Expansion Panel - Playful
  - McKinney National Airport - The Airport
- Business Education/Tech Series – Dates and Topics are being planned and will be held at Tech Culture. This series might be held every two months vs. quarterly. Topics under consideration:
  - Disaster Recovery
  - Cyber Security
  - Cryptocurrency
  - Block Chain

**Appendix C – BRE Visit Report**

**Name:** Click here to enter name.

**Date:** Click here to enter a date.

☐ **Business Assistance**

☐ **BRE Visit**

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| <b>WHO DID YOU MEET WITH?</b><br>Click here to enter text.    | <b>WHO DID YOU MEET WITH?</b><br>Click here to enter text.    |
| <b>WHEN DID YOU MEET?</b><br>Click here to enter text.        | <b>WHEN DID YOU MEET?</b><br>Click here to enter text.        |
| <b>WHERE DID YOU MEET?</b><br>Click here to enter text.       | <b>WHERE DID YOU MEET?</b><br>Click here to enter text.       |
| <b>WHAT DID YOU MEET ABOUT?</b><br>Click here to enter text.  | <b>WHAT DID YOU MEET ABOUT?</b><br>Click here to enter text.  |
| <b>WHY WAS THE MEETING HELD?</b><br>Click here to enter text. | <b>WHY WAS THE MEETING HELD?</b><br>Click here to enter text. |