

All Up In Your Business: College Station Eco-Devo 101

- Jay Socol: Welcome to All Up In Your Business. I'm Jay Socol.
- Natalie Ruiz: I'm Natalie Ruiz.
- Jay Socol: All right, great. We finally have a decent episode this time, Nat.
- Natalie Ruiz: Is this because the set or...
- Jay Socol: People can't see the set unless they're watching it on YouTube. They're listening. But we do, for those who are not watching this on YouTube, they're just listening, we do. We have a brand new set. It is interesting. It's colorful. You and I are standing at a little desk and we've got a city logo behind us. This is kind of the trial run.
- Natalie Ruiz: What could go wrong?
- Jay Socol: What could go wrong? Let's find out. So everybody loves new restaurant and retail announcements and we like to talk about those things. But there's far more to your world than that. And in fact, retail recruitment may not even be near the top of your to-do list. So I thought maybe we would do a little Economic Development 101.
- Natalie Ruiz: Okay.
- Jay Socol: If that's all right.
- Natalie Ruiz: Sure.
- Jay Socol: So we can explain what you guys do or what you don't do in our Economic Development Department and who's responsible for what. So maybe we start with, when you were brought on board to run the economic development function for the city, what were you charged to do and how did you guys even approach that?
- Natalie Ruiz: Well, at that time, we didn't have an Economic Development Department. We had eliminated it previously prior to that with budget cuts and the recession at the time, and so coming out of that, the city manager at that time, Kelly Templin, realized as well as the council that we needed to have a holistic approach to really having a sustainable economy over a long period of time. That we needed to take a look at not just tax revenue, but also building jobs into our community and making it more sustainable overall.
- And that was the initial charge, come in, let's take a look at what we're doing, let's put together an updated plan and there was a plan in place at the time that was heavily focused on biotechnologies at that time. But the recession had

occurred right after that, and so we really needed to be a little more nimble when it came to industry recruitment and really stabilizing the economy.

Jay Socol: So how did you even know what good looked like? Who or what did you model your operation after?

Natalie Ruiz: So I give Kelly a hard time about this. He worked in Auburn, Alabama for years and he kept talking about Auburn and he drug me up there pretty much kicking and screaming to figure out what it is that they were doing there. And it was very interesting. It was very telling at the time.

We went up there and they had multiple business parks. They had at least in one of the business parks, there were five different nations represented. They had much more private industry than we had here in College Station. And you get there and there's only a private airport. They don't even have something that you could take a commercial flight out of like we do here at Easterwood. The highway system wasn't any more developed than ours. They had Auburn University, but we have one of the best engineering schools in the country. Why is it that Auburn were able to land all these different companies from all these different nations, high paying jobs, state of the art technology, and we weren't here in College Station?

And so there were several things that we learned on that trip to Auburn was really looking at, there were a lot of similarities. It's a twin city — Auburn, Opelika, just like Bryan and College Station. They're very competitive, just like we are here. They had Auburn, the university presence there as well.

But one of the things that we found was 20 years ago they came up with an economic development strategy that they've worked over that period of time extremely well. And what they did was they looked at where their jobs were in their community, right? They were very heavy on the public side, the university, the school districts, the city, the county, those government jobs is what you saw prevalent through the community. But we needed to replicate that on the private sector. So they set this huge goal and said we're going to have just as many jobs in the private sector as we do in the public sector. And so that really rang true with me.

When Kelly and I were up there, we were trying to figure out, okay, what is it that we could do as a community, and it's really bringing in those private sector jobs to help stabilize and diversify your economy.

Jay Socol: So I've never been to Auburn, Alabama, but are there... I mean we are a relatively small city with a monster university. Does Auburn kind of have the same sort of configuration?

Natalie Ruiz: Yes, and they've grown over time, a little bit smaller in terms of population, but they were in a very similar situation that we were in. And one of the things that

we learned from their director of development who had been there since the inception of their economic development strategy was that you have to limit risk. You really have... Because you're competing with every other city, every other state out there for a business.

Jay Socol: Right.

Natalie Ruiz: And the way that they set themselves apart was that they limited the amount of risk that a business would have to take when they come in. So for example, anytime in development there's risk, right? If you buy a piece of property that's not zoned correctly or there's not utilities to it or it hasn't been approved by the local community for business investment, and that's what they did. They went out and found business parks, zoned it, platted it, developed it so that you had a shovel-ready site when they came into town. It limited the amount of time, it limited the unknowns in terms of utilities and infrastructure, but it also helped limit their risk when they're coming into a community.

So we come back from that trip and we're looking at what we have available for those landing spots and how we could really position those to entice someone to come here. Well we found out pretty quickly we didn't have many shovel-ready sites available and that's really where we spent our time over the last few years, whether it's College Station Business Center and repositioning some of those properties or Midtown where we've gone in and extended infrastructure and get those lots ready to go. It's really difficult when you're visiting with a site selector or a future business owner and you're showing them a pasture without a road or without utilities and trust us, come to town-

Jay Socol: Imagine yourself here!

Natalie Ruiz: Yeah, exactly.

Jay Socol: Okay, so who are we? What is our landscape? Where are the gaps today versus where we were just a few years ago?

Natalie Ruiz: Well we still have gaps in terms of the public-private sector. We need more jobs in the private sector. What we have done is we've been able to get more shovel-ready property on the ground that we are now going out to site selectors and making them aware of those of those tracts.

Very similar to retail in that when you reach out to a site selector or reach out to a business in a particular industry, when you say College Station, some of them will say, "Oh yeah, Texas A&M University." If you're out of the state some people will say, "Now, where is that? Is that in Houston or the Metroplex?" They don't know that we're right in the middle.

So in meeting with site selectors, you educate them about first where you are and then why they should be here. And the number-one thing that we hear

from site selectors and business owners is where's my workforce coming from? And in my mind we've got so many students that are graduating here locally, Texas A&M, through the RELLIS campus, through Blinn, that we have an available workforce. We just need to add in those other things like shovel-ready sites and attracting those students to stay here once they graduate.

Jay Socol: Yes, so they don't all go away somewhere else.

Natalie Ruiz: Exactly.

Jay Socol: Okay. So do you have any examples of some successes that you've had with these site selectors, targeting them the way you have been?

Natalie Ruiz: We have a big push this fall. The site selector conferences are typically all over the United States and it just so happens there's two here in the state of Texas this fall. So we attended one last week in the Dallas area, have one coming up in Houston in the fall, and then Chicago in October.

We do have some success when it comes to the retail side of things. When it comes to the job recruitment, I want to be very careful, we haven't closed this deal just yet, but we're extremely close on the new FedEx facility, FedEx Ground that's purchasing seven acres out in the College Station Business Center. We worked with a site selector out of the Dallas area to find them the right location and to really pitch College Station as part of that. Now they already had a facility here, but it was much smaller and they were looking at tripling the size of that.

Jay Socol: Who are these site selectors? I don't really have an idea of what kind of people are site selectors or who they're even representing.

Natalie Ruiz: It varies tremendously, even from the industry side and the retail side, just depending on who those clients are. So from the industry side, you've got some huge companies that do this all over the United States or maybe even internationally. You definitely want to reach out to those firms. But also, College Station, I think our bread and butter is more on the small-to-medium size job creation. If you have someone come in that has a 1,000 jobs or 2,000 jobs, if there's something that bleeps in that particular industry and they have to shut it down, that has huge implications for the entire community as small as we are.

Jay Socol: Right.

Natalie Ruiz: So really trying to hone in on the small to medium-sized firms or those that represent businesses in that category. So at these different site selector events, we'll target those that are in the energy industry for example, or the financial or the agricultural industry that have clients in those bandwidths that we can say, "Hey, have you thought about College Station? Did you know that we have... " One of our biggest competitions is North Houston, and so what we've tried to

do is really position ourselves as do you really want to sit in traffic in Houston or could you be here in College Station and get to work in 10, 15 minutes?

Jay Socol: Sure. So what about the things, the quality of life aspects? Do those matter as much to site selectors? Like, here is the outstanding quality of our school district. Here is a city with a low crime rate. Here are lots of green spaces and parks and amenities and entertainment options from the university. I mean, do those things factor in or not so much with these folks?

Natalie Ruiz: They factor in tremendously when it comes to jobs, because workforce being the number-one priority, they want to know if they're going to have a hard time recruiting people to this area. Some of their top folks when they're opening up a new facility, they're going to want to recruit them to live in this area. And so their employees are going to ask, where are my kids going to go to school? Where am I going to shop on a regular basis? Do they have a park system? Are there things for us to do outside of work? So those things play a huge factor depending on the type of business and the type of employees that they would have.

Jay Socol: Does it help us that we have so many taco places and chicken finger places? Does this work to our advantage?

Natalie Ruiz: Hey, it couldn't hurt, right?

Jay Socol: Well, that's true.

Natalie Ruiz: Tacos and chicken, can't go wrong.

Jay Socol: You're right about that. Okay, so anything more about industry or site selectors or the work you're doing in those spaces?

Natalie Ruiz: You know, just from the standpoint that in my mind, that's our biggest focus right now. Now that we have properties ready to go, getting out and recruiting businesses to this area.

Jay Socol: Okay, so let's shift to restaurants and retail, which everybody gets excited about, I get excited about. What is the city's role and what is not the city's role? Because you and I hear a lot about why did you bring this? Or why don't you bring that? Fair or unfair?

Natalie Ruiz: No, it's very fair. I think a lot of folks, at least in my conversations with folks in the community or even, you know, friends and family, they're like, "Hey, why don't you guys build a Waffle House?" Or, "Why is it that you guys keep building more multifamily?" Or, "Why are you building this?" Well, I think some folks realize it, but some don't that the city doesn't build those. What we do as a community, you have zoning in place that's in accordance with your comprehensive plan that says this is where our land uses will be located for

commercial and residential and parks. And from that you go out and you work with those property owners to bring someone into town.

So Waffle House, we've reached out to them multiple times, but you've got to... Once there's an interest in the community, the first thing they're going to want to know is okay, who are my clients going to be? Who's going to be at my restaurant? What kind of money do they make? Do they have disposable income to eat more often or shop, and then where am I going to be located? Where should I be located to capitalize on that clientele?

Jay Socol: But sometimes you do step in. Sometimes you help to facilitate a certain business or a location to be marketed. What is your role on those occasions?

Natalie Ruiz: We do. We do, now we've been very fortunate in that we have a strong retail economy here and a lot of that has to do with our students and Texas A&M, but when a building goes dark, the Gander Mountain example, I think we've used that a couple of times.

Jay Socol: Right.

Natalie Ruiz: With that, when we knew that they were going to move out of that building and it was going to go up for sale, we started reaching out to folks right away, that... have you thought of College Station? We have a great location here for you. Typically, we'll go through our... We'll go through our demographic information and those retailers that are expanding in Texas and that are growing and that fit that profile for a building of that size, and we did, but we didn't get the results that we wanted. So we continued working and ended up with a larger... I just lost the name. Not Home Goods. At Home.

Jay Socol: At Home.

Natalie Ruiz: We ended up with At Home. They ended up adding onto the building and modifying their parking lot, but we were able to work with them on that. So just being a little more aggressive and putting those opportunities in front of retailers, site selectors, and then working with our retail consultant on those and trying to sell those as opposed to sitting back and waiting for someone to find us.

Jay Socol: Is there a certain property like that that you're actively trying to get some interest in? Anything you can talk about?

Natalie Ruiz: We have several of them. So Sears at Post Oak Mall, you know that's something that a lot of folks don't realize that Sears actually owns that dirt. They own the building, they own the parking area. It's not a lease.

Jay Socol: Is that the same case for JC Penney and Macy's and so forth?

Natalie Ruiz: It is. All of the big boxes that are there, Dillard's, they all own their own dirt and then their parking lot is part of that. So CBL that runs the mall primarily just owns the center and then some of the smaller spaces as part of that. So when you're looking at a sale, the first thought is well, why doesn't the mall buy that? And they could, if they could make the numbers work depending on what they're asking for it, what kind of tenants are looking.

So what we've done is worked with retailers that have been looking in our community for a while, they're looking for the right place. Folks that are also expanding in Texas. And so we've put that Sears building in front of quite a few retailers. There's not one that would take down all of it, because it's just so big.

Jay Socol: Right.

Natalie Ruiz: So we've looked at carving it up. Is there a way that we could get maybe two or three retailers interested that could go in and then have a developer buy it or CBL buy it and carve it up? It's just not an easy... there's not a silver bullet. We haven't found that just yet.

Jay Socol: But is CBL out there making some of those contacts as well? And is Sears out there making some of those pitches as well? I mean what kind of coordination? Who's doing what? Because that just seems very complicated.

Natalie Ruiz: Well it does, and we work with CBL very closely. Paul Loy is the local manager of the mall. We worked with the regional folks out of Dallas and then the home office in Tennessee. We work with them on a regular basis. Now Sears, with all the financial issues that they've had, it seems like every person that we've talked to on that property is now gone, is no longer with the company. And so trying to work with the local folks, then also work with some of your national tenants, it's very complicated.

Jay Socol: Yeah. Any other spot that you're actively working? It seems like you're maybe trying to shop around the old Ninfa's location. Was that an example?

Natalie Ruiz: We have, we have. As soon as Ninfa's announced that they were closing, we reached out to them and their broker, Clint Oldham, over at Oldham Goodwin and said, "Hey, get us the specifics on that building and what it is that you guys are looking for and we'll start putting it in front of folks." And so we did. There's been several users that are not in this market quite yet that are expanding in the Houston area that have shown interest in College Station. And so we've shopped that around. I'm hoping that that doesn't stay vacant for very long.

Jay Socol: All right. Anything else from an economic development one-on-one standpoint based on questions you get or calls or emails or just confusion that typically happen?

Natalie Ruiz: You know, I think it's just more of just understanding that it's a free market and we're trying to do what we can to influence it, but at the end of the day, there's someone else that's investing their money. Like I get questions all the time, why don't we have a Nordstrom's here? Why don't we have a mall like the Woodlands Mall? Well, the Woodlands Mall is on I-45 so there's... from a retailer standpoint, they're going to look at the number of trips that are happening on 45 and that's where they're going to want to locate. We can't replicate that on Highway 6.

Jay Socol: Right.

Natalie Ruiz: We just don't have it. So it hasn't precluded us from going after those big retailers or those big users, we just have a hard time getting their attention and showing that they could do some of the same numbers here.

Jay Socol: Okay. So did we do all right? Did we cover everything?

Natalie Ruiz: I don't know. I feel like I talked way too much, but I always do.

Jay Socol: It's true. You do. Okay, so with that, that is all for this edition and we thank everybody who decided to listen or to watch or for the others who actually read the transcript and they don't listen or watch.

Natalie Ruiz: Yes.

Jay Socol: We actually have a bunch of those, which is really interesting to me. Thank you again for doing that. If you have any questions or comments for us, go ahead and email me. Don't bother Natalie; email me. I'll take those. JSocol, that's J-S-O-C-O-L at [cstx.gov](mailto:jsocol@cstx.gov). Remember, you can subscribe, rate and review us. We are on Apple podcasts, Google Play, Spotify, Stitcher, Podbean, and YouTube, all places that scare Natalie to death.

Natalie Ruiz: Thank you.

Jay Socol: So, All Up In Your Business is brought to you by the city of College Station and our department of economic development. Learn more about locating your business or your company, especially if you're Dunkin Donuts, in College Station by visiting grow.cstx.gov.

Natalie Ruiz: Thank you.