



NOTICE OF A MEETING
Brenham Community Development Corporation
Thursday, September 16, 2021 @ 7:30 a.m.
City Hall - 2nd Floor Conference Room
200 W. Vulcan St.
Brenham, Texas

1. Call Meeting to Order
2. Invocation and Pledges to the U.S. and Texas Flags

WORK SESSION

3. Discussion and Presentation on Downtown Brenham Retail Incubator, Yellow Truck Market

REGULAR SESSION

4. Discuss and Possibly Act Upon FY2020-21 Third Quarter Financial Report

EXECUTIVE SESSION

5. Texas Government Code Section 551.087 Economic Development Negotiations - Deliberation Regarding Incentives for Economic Development Purposes and the Possible Offer of a Financial or Other Incentive to Project Black Spot, a Business Seeking to Locate, Stay or Expand in the City of Brenham, Texas
6. Texas Government Code Section 551.087 Economic Development Negotiations - Deliberation Regarding Incentives for Economic Development Purposes and the Possible Offer of a Financial or Other Incentive to Project Black Stamp, a Business Seeking to Locate, Stay or Expand in the City of Brenham, Texas

RE-OPEN REGULAR SESSION

7. Discuss and Possibly Act Upon Incentives for Economic Development Purposes and the Possible Offer of a Financial or Other Incentive to Project Black Spot, a Business Seeking to Locate, Stay or Expand in the City of Brenham, Texas
8. Discuss and Possibly Act Upon Incentives for Economic Development Purposes and the Possible Offer of a Financial or Other Incentive to Project Black Stamp, a Business Seeking to Locate, Stay or Expand in the City of Brenham, Texas

9. **Board and Staff Updates**
- **Economic Development**
 - **Parks and Recreation**
 - **Administration**

Adjourn

CERTIFICATION

I certify that a copy of the agenda of items to be considered by the Brenham Community Development Corporation (BCDC) on Thursday, September 16, 2021 was posted to the City Hall bulletin board at 200 W. Vulcan, Brenham, Texas on Friday, September 10, 2021 at 4:45 p.m.

Jeana Bellinger, TRMC, CMC

*City Secretary/Director of Administrative Services
BCDC Secretary*

Disability Access Statement: This meeting is wheelchair accessible. The accessible entrance is located at the Vulcan Street entrance to the City Administration Building. Accessible parking spaces are located adjoining the entrance. Auxiliary aids and services are available upon request (interpreters for the deaf must be requested twenty-four (24) hours before the meeting) by calling (979) 337-7567 for assistance.

I certify that this notice and agenda of items to be considered by the Brenham Community Development Corporation (BCDC) was removed by me from the City Hall bulletin board on _____ at _____.

Signature



To: BCDC Boardmembers

From: Susan S. Cates, CEcD, PCED, BREC
Director of Economic Development

Subject: Downtown Incubator – YellowTruck Market

Date: September 10, 2021

Retail Incubators (Incubator) are a proven economic development tool, utilized to support small business growth through education, training, mentoring, and financial support. The goal is to provide entrepreneurs who know their product the opportunity to learn how best to bring that product to market while the Incubator mitigates some of the risk for the entrepreneur.

Downtown Brenham’s Incubator - YellowTruck Market (YTM) is designed to support six to seven incubator participants at a time. We are targeting entrepreneurs that are makers/creators of the products they sell, or entrepreneurs who have a product to sell that is unique and “fills a gap” in the existing downtown marketplace.

The retail space in the Incubator is the “laboratory” that provides the entrepreneur the opportunity to try new products or merchandising concepts, learn to manage the details of operating a retail business, and find out if retail is really a fit for them. The Incubator also provides a “classroom” where all participants are required to:

- Attend mandatory training at least one class per month. These classes include: Quickbooks, merchandising, business plan writing, inventory management, human resources management, business taxes, banking and finance, etc.
- Work a minimum of 12 hours per week in the retail space/lab
- Hit established benchmarks, for example at the one-year mark they must have a completed business plan
- Pay their monthly pro-rated rent

Brenham's downtown Incubator will:

- Grow businesses to fill the pipeline of unique retail offerings in our Downtown area. As Brenham grows, we want to make sure that there is a vibrant pool of new retail businesses to fill existing and expanding downtown retail locations. There are also some market gaps in our downtown area that we would like to encourage specific types of retailers to fill.
- Gather data to support expanded retail hours. As Brenham's tourism attraction is growing, visitors would like to shop outside 10-5 Monday-Saturday. The Incubator will be open Monday-Thursday 10-6, Friday-Saturday 10-8, and Sunday 11-3. We will gather and analyze sales data from the expanded hours to provide solid data to existing downtown retailers about the opportunity of expanded hours.
- Develop a framework that is transferable to other industries. We chose to pursue a retail incubator because we had a private sector partner that was willing to go down this path with us. Our hope is to expand this concept to manufacturing/technology and launch other entrepreneur incubators in our community. Growing a community's economic base by supporting local entrepreneurs is an effective economic development tool because these entrepreneurs are already committed to the community and support other local businesses, schools, and charitable organizations.

I have included a copy of the business plan for YellowTruck Market which will provide additional information on how this important economic development tool will work to benefit downtown Brenham.

EXECUTIVE SUMMARY

Downtown Brenham has a well-established specialty retail niche market. However, there are underserved market segments and opportunities for additional product diversity. In addition, the operational hours of the majority of retail establishments are not conducive to growth of tourism in Downtown Brenham. Tourism is a growing industry and Brenham is poised by both its location and abundance of historical and natural assets to realize an enormous economic impact in the tourism sector.

Tiffany McMordie-Morisak has been a long-time supporter of Downtown Brenham including employed three plus years by the City of Brenham as a Community Development Assistant and Main Street Manager. Tiffany and her husband Bryan recently had the opportunity to purchase a building in Downtown Brenham. As part of her feasibility research, she approached Jennifer Eckermann to inquire about how the building could be utilized to

positively impact Downtown and provide adequate return on investment. Jennifer connected Tiffany to Susan Cates who had discussed business incubators with Jennifer—specifically retail incubators in Downtown. Thus, the concept of YellowTruck Market Retail Incubator was launched.

MISSION:

“Facilitate and develop regional retail entrepreneurs and foster economic growth and sustainability in Downtown Brenham.”

VISION:

“Engage community partners to support regional entrepreneurs and the economic impact of Downtown Brenham by offering diverse merchandise and authentic experiences.”

Business incubators are a tried-and-true model for growing entrepreneurs in a community. Whether privately-funded or publicly-funded, the incubator concept has seen tremendous growth over the past 20 years, although the first business incubator was launched in 1959. The model that has most appeal is often a public-private partnership, and that is the type of incubator that is being proposed for Downtown Brenham.

YellowTruck Market is projected to support six to seven retail businesses in a 1,320 square foot retail space located at the corner of Main Street and Park Street. YellowTruck Market is specifically looking for makers, creators, and unique retail entrepreneurs that are ready to take their business to the next level that have an existing customer base either through pop-up markets or online. Morisak’s business, YellowTruck, LLC will provide the retail space, utilities, point-of-sale system, and retail fixtures. The YellowTruck Team comprised of members of the Brenham Main Street and Brenham | Washington County Economic Development organizations will provide training, financial support, and coordination services. A YellowTruck Market Advisory Board comprised of community business leaders will provide ongoing guidance and approve the selection of incubator participants.

YellowTruck Market will train and mentor the retail entrepreneurs with the goal of launching their business into a brick-and-mortar establishment at the end of the two-year program. In addition to growing our local entrepreneurs to fill retail spaces throughout our community, the data gathered from the extended hours of YellowTruck Market will be utilized to analyze the profitability of extended retail hours. The hypothesis is that visitors to our community require those extended hours and that they are supported by sales. With substantive data to support our hypothesis, we hope to show and encourage other retailers to also extend their hours of operation.

INTRODUCTION

20% of new businesses fail during the first two years, 45% during the first five years. Only 25% of businesses make it to year 15 (Bureau of Labor Statistics). Failure is largely due to lack of business management skills and understanding daily operational requirements. YellowTruck Market Incubator (YTM) will allow start-ups to determine if a retail business fits their model for expanding operations. YTM will encourage incubator participants to build a professional network within the community including other entrepreneurs, government entities, and providers of business services, allowing the participants to acquire the tools and resources they need to successfully launch and support a business.

In 2020 during Coronavirus quarantine, many people explored their creative and innovative abilities. Whether to fill time or provide income, many found an old hobby to be a potential career. In addition, the closing of many small businesses pushed the public to provide more local support. Etsy, the website for handmade goods, is a great example of reflecting that increase in makers and sales. In the year 2020, sellers and buyers increased tremendously. In fact, the CEO of Etsy, Josh Silverman, said that his team “roughly achieved our 2023 aspirations in 2020.” These makers are the primary target as participants in the YTM incubator, and the shift in support for buying local provides the synergy for the success of the retail space.

1.1. MODEL INCUBATOR

Shop Made In DC is the model that spurred this concept for Brenham. <https://www.shopmadeindc.com/>

1.2. RETAIL INCUBATOR DEFINITION

Many small businesses fail within the first 18 months of starting because they do not have the proper skills or knowledge to operate a business. A business incubator trains entrepreneurs on these skills providing the knowledge and tools needed for success and mentors to support entrepreneurs on their journey. The main purpose of a retail incubator is to provide retail entrepreneurs the proper training, resources, and tools to build their confidence and grow their business during the early and most foundational stages of their business.

Strong retail development has a tremendous impact on economic growth to the surrounding community. This retail incubator is intended to enhance Brenham’s entrepreneurial climate, diversify local economies, and help accelerate growth in regional businesses through the educational sessions that will be offered to incubator participants, but also open to all businesses.

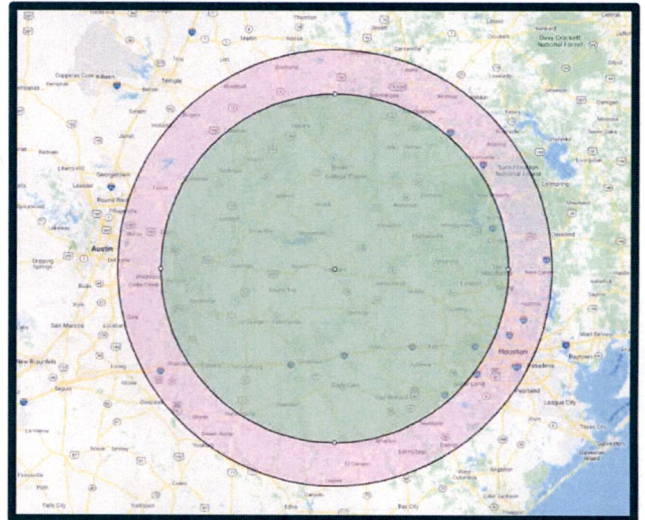
The proposed incubator, YellowTruck Market (YTM), will serve as an opportunity to explore an incubator concept that may later apply to other industries. The incubator will be in Downtown Brenham, a thriving tourist destination centrally located between Houston and Austin. YTM’s success will be measured by the success of the businesses participating in this incubator and will partner with public and private entities to garner the support and guidance entrepreneurs need to succeed, not just during their time at YTM, but after launch.

1.3. STRATEGIC PLANNING ISSUES

This section is devoted to a review of risks and issues that may challenge the success of the incubator. Will there be a plan in place for management assistance (Owner and sponsors) services within the program? Will there be a contract for those assisting with funds and sponsorships?

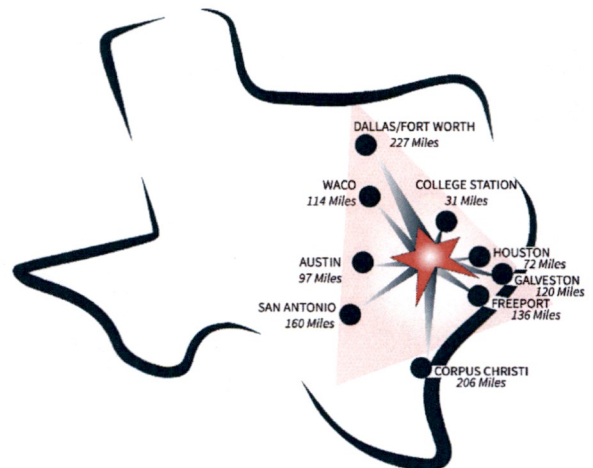
1.3.1. Participants

- What if we do not receive sufficient applicants to fill the space?** We initially plan to market the opportunity to a 60-mile radius around Brenham as shown in the green circle on the insert map. If that does not garner sufficient applicants, we will expand our search to a 75-mile radius, shown in pink. If that does not fill our applicant pool, we will reevaluate our incubator terms to determine what changes need to be made to create more interest.
- What if multiple participants leave the program early?** We will accept application(s) continually and keep applications on file for 24-months so that we maintain a pool of applicants to fill openings.
- How is conflict between participants managed? Who manages?** Primary management of the incubator participant relationships will be co-managed by the Main Street Coordinator and the Owner of Yellow Truck, LLC with input from the advisory committee if escalation of issues warrants intervention.



1.3.2. Location

- Is this the best location for a retail incubator?** Brenham is a nexus point in the Texas Triangle, consisting of the largest cities in Texas and a 75% concentration of the state's population. Brenham is strategically located between Austin and Houston, making it the **ideal place for growth and continuous opportunity**. With its convenient location to these metro areas, Brenham has become an attractive place for both startup and growing businesses. With a central location, YTM can attract entrepreneurs and business Owners throughout this region. Brenham is a tourism destination because of Blue Bell Creameries, bluebonnets, Historic Downtown Brenham, and regional draws like Washington-on-the-Brazos. People are attracted to Downtown Brenham's charm and authenticity.



Brenham also provides a supportive business infrastructure. Established local banks, Small Business Development Center at Blinn College, Economic Development partners, and businesses willing to mentor budding entrepreneurs all create an environment conducive to business growth.

- ***Is there parking availability?*** In addition to on-street diagonal head-in parking in front of YellowTruck, LLC, and parallel parking along Park Street, there is a city-owned parking lot immediately behind the property at Vulcan and Park providing this location perhaps the best parking accessibility in Downtown Brenham.
- ***Is there sufficient potential customer traffic?*** Brenham is a central location that offers many activities in the area and draws tourism. Within a 20-mile radius of Downtown Brenham, there is an estimated population of 60,000, Blinn College-Brenham Campus has an enrollment of approximately 2,800 students, and a traffic count on US 290 Highway with more than 26,000 vehicles daily. Brenham is 70 miles west of Houston, 90 miles east of Austin and 40 miles south of College Station making Brenham an easy daytrip for shopping and exploring in the area.

1.3.3. Funding

- ***What are the funding requirements for the life of the incubator and how will the funding needs be met?*** An initial infusion of capital from Brenham Community Development Corporation of \$15,000 for Fiscal Year 2022 provides the public sector support to match the capital invested by Yellow Truck, LLC. This \$15,000 will provide rent subsidies for the incubator participants, materials and equipment, and educational programming.
- ***Will this program seek to be self-sustaining from the funding support?*** At this time, we are not planning this incubator to be self-sustaining. However, we may reevaluate this option after the first two-year period. To make the incubator self-sustaining, we would shift to a consignment model. This is not currently an option for the Owner of Yellow Truck, LLC, but as the Yellow Truck business matures, it may be a consideration. A consignment model is the way Shop Made in DC works and is viable as a future plan.

1.3.4. Property Owner

- ***What is the commitment of the Property Owner to the incubator?*** In a 2-year agreement, the YellowTruck LLC Owner commits to providing a Downtown location of retail space at reduced costs, educational meeting space, utilities, and other services to mentor participants through the steps of growing their businesses. The end goal is to help businesses in our area to grow, multiply and thrive.
- ***What is the plan for the incubator if the Property Owner ceases to support the incubator?*** After the initial 2-years, the YellowTruck LLC Owner may terminate this program at any time and each participant will be notified in writing. The YTM team will have 60 days to assist participants and determine their next strategy.

1.3.5. Sponsorship

- **What is the commitment of Sponsors to the incubator?** Sponsors will assist in providing equipment, services, and mentorship for the incubator participants. Permission and use of their logo and sponsorship will be allowed on materials and website for the Market. Sponsors will present to participants on business related topics to contribute towards educational components.
- **What will the sponsors receive?** Sponsors will receive prominent recognition within the YTM retail space for providing their services to the incubator. They will receive spotlight on the Market website and materials used. Networking opportunities will be presented to connect participants to sponsors who may be future partners or customers.
- **What is the plan for “filling the gap” left by exit of a Sponsor?** Gather and build a relationship with a list of prospects that could fill spaces of existing sponsors if they were to exit. A form will be available online for those interested in sponsoring and used to fill in the gaps.

1.3.6. Competition

- **Are there other programs similar to YTM Incubator in the region?** There are several business incubators in the surrounding cities such as Houston and Austin. However, our research indicates that there are currently no retail incubators in this region.
- **Are there other retail stores similar to YTM in the community?** There are retail businesses located Downtown Brenham but none that focus on incubating the small business owner.
- **How will YTM be perceived by other retail businesses in Downtown Brenham?** YTM’s goal is to provide products and services that will complement existing Downtown Brenham retail shops. YTM may provide similar styles or product lines but is specifically trying to attract artisans, makers, and unique retail entrepreneurs. Desired products and services will be selected during the application and interview process when selecting participants.

1.5. BENEFITS OF YTM

1.5.1. Downtown Business Data

Brenham is a growing travel and tourism destination, but most retail businesses in Downtown Brenham are only open from Tuesday to Saturday until 5pm. Tourists will be more inclined to stay throughout the weekend or longer, if more shopping and activities are open and available. Limited hours of operation hinders Downtown Brenham from continuous growth by constraining travelers and their length of stay.

The goal is to provide other Downtown businesses real data to highlight the opportunity more operational hours presents. By YTM extending hours and days, data will be collected to encourage other businesses to extend their hours of operation.

1.5.2. Community Education

According to the SBDC, the following are the primary reasons why small businesses fail:

1. Limited Capital – new businesses may not have enough capital to launch or make it to profitability
2. Poor Marketing – not investing in marketing/advertising, usually first to be cut in the budget
3. Failure to Plan – not preparing a business plan, or budget which could lead to unexpected expenditures down the line
4. Sales – not inquiring all costs for a product, materials, labor, shipping, etc. or over charging on products
5. Bookkeeping – have not invested enough time or effort into keeping adequate records to ensure inventory, costs, and finances
6. Location – bad location, not easily accessible, poor signage, or visibility of signage

YTM will invest in local/regional makers to support their success not only in the incubator setting, but after. Educational courses will cater directly to entrepreneurs and business Owners to guide them through their journey to having a brick-and-mortar retail establishment, strong online presence, and/or a wholesale opportunity. The educational opportunities are not limited to YTM participants but will be open to the public for anyone to attend.

1.5.3. Pipeline of Unique Local Retail

Our main goal is that the incubated businesses remain in Brenham after graduation. By accepting applications regionally, we can help fill retail gaps the downtown area is missing. While we cannot avoid all 'competition' with other downtown retailers, our focus will be on unique products that are not currently in the market.

1.6. MARKET ANALYSIS

YTM is searching for: 1) types of businesses not currently in downtown, 2) 'makers' or producers of a unique product that already have a defined online, pop-up, or consignment presence, and/or 3) are a minority-owned business. During the application review and interview process – extra points will be given to those applicants that meet one of the gaps mentioned and the application will be ranked higher.

COMPETITIVE GAPS
<ul style="list-style-type: none">● Stores appealing to:<ul style="list-style-type: none">▪ Men▪ Children● Under-represented businesses in Brenham Downtown:<ul style="list-style-type: none">▪ Minority-owned▪ Veteran-owned● Makers<ul style="list-style-type: none">▪ Handmade products<ul style="list-style-type: none">• Leather goods• Knives• Wooden crafts▪ Foods/Home Goods<ul style="list-style-type: none">• Jams/jellies/salsas• Food mixes/kits

YELLOW TRUCK MARKET OVERVIEW

2.1. YTM GOALS

The proposed launch date for the application period is July 5th and will last 6 weeks. The retail incubator is set to open October 1, 2021 and attaining 100% occupancy rate during the course is desired. The retail incubator has several proposed goals:

1. Attaining sustainable businesses in Brenham. Help with Brenham job creation while providing services and resources to aid in productive and sustainable businesses through facilitating training in business practices.
2. Fill competitive retail gaps in Downtown Brenham. Identifying the retail needs and gaps that are currently not present in Downtown Brenham such as: minority owned businesses, stores appealing to men, children, and food-oriented products (jams, jellies, bread/soup mixes, beeswax items etc).
3. Growth opportunities for small regional entrepreneurs. Promoting growth within the community and providing upcoming businesses with the tools to launch with possibly direction in filling those vacancies in the historic district.
4. Engaging and networking regional business Owners. Connecting emerging business Owners with other local Owners, possible suppliers and potential partnerships.
5. Provide local resources and establish relationships with municipalities. Establishing a relationship with local institutions and municipalities to utilize the tools and resources to assist with growing and expanding their operations.
6. Educating entrepreneurs to a successful launch. Educational components will be provided to aid in Owners success in to growing into their own space (brick-and-mortar, online store, and/or wholesale).

7. Research and Development to share data with the community. Utilizing the incubator as a catalyst for expanding retail availability in Downtown and presenting collected data and information to local businesses about the benefits running longer/later store hours, to support the growing tourism industry.
8. Main Street Transformation Strategy. Blending the incubator with this strategy to create the authentic, curated, and experiential destination for those coming and living in Brenham.

2.2. OBJECTIVES

COVID quarantine protocols turned many people's hobbies into businesses. Many of these businesses sell products online or at farmers markets, but do not have the resources or confidence to launch a brick-and-mortar business. Therefore, YTM's objective is to provide a bridge for entrepreneurs to work toward building a successful brick-and-mortar business.

Our objective will be accomplished by providing a 2-year retail incubator program, YTM, with ongoing support of graduates.

2.3. MISSION

Facilitate and develop regional retail entrepreneurs and foster economic growth and sustainability in Downtown Brenham.

"The Economic Development and Main Street/Downtown Brenham team, wants to show that small local businesses can launch and thrive in Brenham, Texas."

2.4. VISION

Engage community partners to support regional entrepreneurs and the economic impact of Downtown Brenham by offering diverse merchandise and authentic experiences.

2.4.1. Guiding principles

Emphasize QUALITY as Brenham grows

Be ADAPTABLE by focusing on developing and sustaining a diverse economy

Be AUTHENTIC by continuing to focus on differentiating elements like Downtown Brenham

COLLABORATE by pursuing and maintaining partnerships

MANAGEMENT ROLES

The purpose of the management roles is to define who fills specific roles, and their responsibilities. The proposed management and services for currently enrolled YTM participants will be provided by the following YTM associates or expected to be provided by the participant themselves.

Such as, management expectations should include, the YTM Advisory Board, YT LLC Owner, YTM Team, YTM participants, and YTM sponsors.

Duties shown below.

3.1. YTM ADVISORY BOARD

An advisory board for YTM is comprised of multiple city and industry partners to reflect well rounded representation from the community. The board members are asked to serve for a 3-year term.

The Advisory Board is proposed to comprise of the following:

- . Tiffany Morisak – YellowTruck, LLC Owner
- . Matthew Wehring – Director of Blinn College SBDC
- . Jon Hill – Board Member of Main Street Board and Economic Vitality Committee
- . Wende Ragonis Anderson – President of Washington County Chamber of Commerce
- . Gary Crocker – Board Member of Brenham Community Development Corporation (BCDC)
- . Susan Cates – Director of Economic Development
- . Jennifer Eckermann – Director of Tourism & Marketing
- . Kathrine Briscoe – Main Street Coordinator
- . Erica Alexander Warren – Economic Development Specialist

3.1.1. Advisory Board Duties

The advisory board can expect to meet frequently at the startup of YTM. Thereafter, meetings will be held 1x a month or as needed at a pre-determined location and will be announced one week prior to the scheduled time. In-person meetings should be scheduled for decision making and voting that impacts the incubator.

Lines of communication for organizing notes or scheduling meetings should be through phone or email and directed to the Main Street Coordinator.

The advisory board will act as a supervisory committee for YTM and will be held responsible but not limited to the following:

- **Approving Documents**
 - Business Plan Draft
 - Applications
 - Guidelines
 - Participant Contract
- **Committee Reviews**
 - Reviews of submitted applications
 - Selection of potential participants
 - Selection to replace exited or graduated participants
- **Educational Attendance**
 - Each member should be involved with the educational components
 - Attend 2 or more sessions per year as a representative of the board

4.2. YELLOWTRUCK LLC OWNER

4.2.1. Property Owner

YellowTruck, LLC, a tribute to Tiffany Morisak's late father, is an entity that strives to give back to the local community through thoughtful business ventures, unique business opportunities, and collaborative



community partnerships. The yellow truck behind the logo, Morisak's late father's classic 1972 Chevy C-10, is a reminder of the family's core values of giving more than you take and being a good steward of what you have been entrusted with as YellowTruck grows and evolves.

The businesses under the YellowTruck umbrella have been carefully planned out and each detail has been thought through carefully to provide customers and the community the best experience possible. The goal of YellowTruck is to supply opportunities for individuals and businesses to thrive and succeed and to celebrate life milestones all under one roof.

After learning about Main Street and spending time in different Main Street communities for conferences and training, Tiffany had the idea that retail incubator space was something that could realize success in Downtown Brenham. With the experience and knowledge of different retail models throughout the state, Tiffany feels equipped to partner with key community partners to provide the space and infrastructure for Downtown Brenham's very own retail incubator space.

4.2.1. Owner Responsibilities

- Managing facility
 - Rent payments
 - Building maintenance
 - Property liability insurance
- Public relations personnel
 - YT LLC website & social media
- Incubator space, design, maintenance & costs
 - Retail space layout
- Goals and visions of the incubator

4.2.2. Equipment/Services

- Website
- Social Media
- Equipment

YELLOW TRUCK MARKET

- POS System
- Security System
- Space for YTM participants
- Advertising
- Utilities
- Educational Meeting Space

4.3. YTM TEAM

The team consist of the following:

- Director of Economic Development
- Director of Tourism & Marketing
- Main Street Coordinator
- Economic Development Specialist

4.3.1. YTM Team Responsibilities

The team will provide the following assistance for the YT LLC Owner with the plans and structure of YTM management and operations:

- YTM Business Plan
- Organizing and coordinating the Advisory Board
- Application Template & Instructions – Appendix A
- Program Guidelines – Appendix B
- Participant Contract – Appendix C
- Retail Store Policy & Procedures – Appendix D
 - Schedules
 - Open/close store
 - Who to call – manager on duty
- Create an email proxy to receive applications and sponsor forms
- Acquiring sponsorships to help reduce business Owner costs

4.3.2. YTM Team Equipment/Services

- \$15,000 investment to assist for 1-year with reducing rent of current incubator participants only
 - Will be increased over a series of 6-month increments - *more details in the Funding Plan pages 20-22*
 - Funding for year 2 will be requested at time of BCDC budget
- Acquiring sponsorships to help reduce participants costs

YELLOW TRUCK MARKET

- Educational sessions organized
 - Speaker fees
 - Refreshments
 - Programming
 - Materials
- Assistance in marketing and advertising
- Ensuring scheduling needs are met
 - May purchase an app that will assist in scheduling participants
- Business insurance for mentoring and advising
- May participate with Owner expenses of POS system and security cameras

4.4. YTM PARTICIPANTS

Each participant will be held accountable for their own role within the incubator at YTM.

- Merchandising presentation
- Inventory
- Staffing a minimum of 12 hours each week
- Participate in monthly education sessions
- Maintain their own business website and social media
- Promotional Items
 - Product Signage
 - Info sheets about their products
 - Advertising
- Finances
 - Monthly rent
 - Additional advertising
 - Merchandise/supplies
 - Additional staffing – if needed

4.5. YTM SPONSORS

Sponsors will receive on-site signage, displayed on the website, and will be involved with training sessions pertaining to their sponsorship. Potential sponsors include the following:

- Internet – Next Link
- Business Plan – SBDC
- Business Consultant – Planify Agency
- Merchandising Consultant – Lisa Wix
- Free Checking – Citizens Bank, Bank of Brenham, or Brenham National

YELLOW TRUCK MARKET

- Signage – Brand It Graphic
- Business Services – Kwik Kopy
- Security Cameras – Hermann Alarms
- Membership – Chamber of Commerce
- Market Website – Faubion Design

OPERATING PLANS

The operating plans are to help ensure the YTM program goals are met and to operate efficiently and effectively.

5.1 APPLICATION PROCESS

5.1.1 Application

Applications will be posted on the Yellow Truck Market webpage on the Yellow Truck, LLC website. Information about how to submit, deadlines for submission, and a copy of the Incubator Participant Agreement will be included on the webpage. The Main Street Coordinator will be listed as the point of contact regarding questions about the application process.

5.1.2 Application Deadlines

The deadline for the first cohort of incubator participants will be August 9, 2021. However, applications are always accepted and will be maintained on file for 24-months to fill openings in the incubator as needed.

5.1.3 Application Evaluation

The incubator Advisory Board is charged with evaluating and selecting incubator participants from the applications received. The Main Street Coordinator and Economic Development Specialist will coordinate to set up interviews and will inform applicants of their selection status within 72-hours of the Advisory Board's decision.

5.1.4. Application points system

A points system will used as a part of the committee review process when selecting applicants for the retail incubator spaces. The committee should assess the following:

- Industry Type – do operations fit within the competitive gap and to attract locals, tourists, etc.
- Market Segmentation – do they target the desired audience in the gap that will continue to grow and attract over time or are they only a “trend” that may fade quickly
- Minority/Veteran Owned – do businesses fit the retail needs and gaps currently not present such as minority or veteran owned businesses
- Competition – will they compete with existing operations in town
- Cohesive Retail Experience – will the applicants items pair well with each

other when blended throughout the 'Market'

- Ready-to-Eat Food – The Owner of Yellow Truck, LLC desires that the frontmost position of the incubator space be dedicated to a ready-to-eat food producer (baked goods, specialty single-serve snacks, beverages, etc.)

5.2. OPERATING HOURS AND STAFFING

5.2.2. Hours of Operation

11AM - 3PM Sunday

10AM - 6PM Monday - Thursday

10AM - 8PM Friday - Saturday

5.2.1. Staffing

All incubator participants agreed to participate in staffing of the retail space. Each participant will be fully trained in the operation of the store including the point-of-sale system and cash management.

5.3.3. Scheduling

A total of **56 operating hours** will need to be staffed weekly. All participants will be responsible for staffing **12 hours each week**. YTM will be open 7-days a week – see *scheduling chart on page 15*. Holiday hours are to be determined.

- Participants will be in charge of finding their own replacement for any shifts they must miss due to illness or emergency.
 - Participants will be allowed to hire someone to cover their shifts
 - Employees of the incubator participant must be fully trained by the participating business owners prior to working the participant's incubator hours
 - Employees of the incubator participant must be approved by either the Owner of Yellow Truck, LLC or the Main Street Coordinator prior to working the participant's incubator hours
 - Wages for employees of a participant business are the sole responsibility of the incubator participant
 - The Main Street Coordinator will ensure shifts are scheduled
 - Will evaluate scheduling apps to utilize and be efficient with time
 - Any open shifts left, the Main Street Coordinator, will ask participants to get them covered

YELLOW TRUCK MARKET

Scheduling Chart																					
	Sunday			Monday			Tuesday			Wednesday			Thursday			Friday			Saturday		
	11-3			10-6			10-6			10-6			10-6			10-8			10-8		
# Of Staff Needed	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
10:00				█	█		█	█		█	█		█	█		█	█		█	█	
11:00	█	█		█	█		█	█		█	█		█	█		█	█		█	█	█
12:00	█	█		█	█		█	█		█	█		█	█		█	█		█	█	█
1:00	█	█		█	█		█	█		█	█		█	█		█	█		█	█	█
2:00	█	█		█	█		█	█		█	█		█	█		█	█		█	█	█
3:00				█	█		█	█		█	█		█	█		█	█	█	█	█	█
4:00				█	█		█	█		█	█		█	█		█	█		█	█	█
5:00				█	█		█	█		█	█		█	█		█	█		█	█	█
6:00																	█			█	█
7:00																	█			█	█
8:00																					
	4	4	0	8	0	0	8	0	0	8	4	0	8	4	0	8	5	0	8	5	8
	4 / 8			8			8			8 / 12			8 / 12			14			22		

Total weekly "man" hours: 72 (with 6 participants); 84 (with 7 participants, shown with blue hashes)

Each Incubated business responsibility: 12 hours

5.3. MARKETING STRATEGY

To promote YellowTruck Market a well-coordinated marketing and branding campaign will be utilized to elevate the mission and goals for the participants.

5.3.1. Branding

Branding for the YTM was established by Owner. The YT brand is to be used on YTM website, advertising, and social media platforms. Incubator participants are authorized to use the YellowTruck logo to encourage cross-marketing between each participant, YellowTruck, LLC and YTM thus solidifying the brand.

5.3.2. Advertising YTM Opportunity

The YTM Incubator will be launched with a press release to announce the upcoming YTM opportunity, highlighting what it is, and the application period.

Announcements will cover a 60-mile radius to target regional entrepreneurs.

- Announcements will take place through multiple channels:
 - Printed copies to be distributed
 - Newspaper/Flyers
 - Online/Websites/Social Media
 - Yellow Truck
 - Eco Dev/Mainstreet
 - Chamber of Commerce
 - Radio/TV

Following the initial launch of YTM, ongoing media coverage will encourage additional applicants and positive media support of the incubator through:

- YellowTruck LLC platforms
 - Main Street Coordinator will have social media access for YellowTruck Market social media
- Brenham | Washington County Economic Development platforms
- Brenham Downtown platforms
- Incubator participant's individual platforms

5.3.3. YTM Website

YTM site will be a page within the YellowTruck, LLC website and should contain:

- Landing page
 - Highlight YTM participants, logo, & brief description of their services/products
 - Link to their business & social media pages
- Other linked pages should include:
 - About YTM section should highlight:
 - What is an incubator & why Brenham
 - How we are promoting YTM
 - How we are recruiting regional businesses
 - How we are assisting the YTM and its participants
 - How to submit an application with a link to the online application
 - Calendar of events/educational courses
 - Participant Class Highlight (class of 2023)
 - Business Success Stories
 - Participant portal – access to their progress
 - Incubator sponsors
 - How to become a sponsor with a form

YELLOW TRUCK MARKET

YTM website maintenance will involve:

- Adding new events
- Educational courses
- Uploading recorded sessions
- Announcements
- Participant portal

Main Street Coordinator and Economic Development Specialist will have access to an email proxy for YTM to handle the following:

- YTM related questions
- Receiving online applications
- Sponsor Forms

5.3.4. Social Media

YTM will have social media outlets such as Facebook and Instagram. YellowTruck, LLC's Owner will have Ownership of the YTM platforms, and access will be granted to the Main Street Coordinator to assist with posts.

5.3.5. Location Advertising/Displays

Exterior Advertising

- Prominent use of the YellowTruck, LLC Logo on the building front
- Front window display. Figure XX – is an example of what the store front windows could showcase (picture provided by TX Historical Commission)
- Door entrance to direct customers to the YTM
- Pedestrian blade signs that will hang down to provide visibility from the sidewalk



YELLOW TRUCK MARKET

Interior Advertising of YTM spaces

- YTM Participant Blade Signs to be provided by the Owner – will hang in the participants general area
 - Possible sponsorship for the vinyl of business name on interior blade signs. *Figure XX – is an example of what a sign could look like (drawing from TX Historical Commission)*
 - Vinyl styles, and color will be pre-determined by Owner to keep the look consistent and legible
- YTM Sponsors will receive prominent recognition within the YTM retail space



EDUCATIONAL OPPORTUNITIES

The retail incubator will utilize required educational opportunities as a key component to enhance the participants knowledge and measure their performance until graduation. Educational opportunities will be open to any local business that wants to participate – for free.

6.1. PRESENTERS

Educational courses will be provided by the following partners:

- SBDC
- Incubator sponsors
- Local business Owners
- Business service providers
- Successful incubator graduates
- Qualified business consultants/trainers

6.2. SESSION DETAILS

6.2.1. Type – In person

Courses are to be held in-person. We will record the sessions, for use as an emergency session make up or as a ‘refresher’ course for participants.

Recorded sessions are:

- Not to replace the in-person experience
- Will be posted to YouTube or Vimeo with an invitation link provided on request

6.2.2. Time

Sessions will take place during the week (Mon – Thur) after business hours not to interfere with the YTM hours of operations to allow all participants to attend.

Sessions will be under 2 hours in duration allowing time for discussion and networking among participants.

6.2.3. Frequency

Once YTM participants are selected and accept the opportunity, they are required to attend the following courses in person and prior to beginning their venture in the retail space.

- Incubator Orientation
- Merchandising
- POS Training

This training is mandatory for all YTM Participants and does not count towards the monthly educational requirements.

In addition to, participants are required to attend the monthly educational courses.

Participants must attend 10 out of 12 in a 12-month period each year of the program to earn graduation.

When sessions are missed, YTM participants are expected to watch the recordings and complete a post test. *See more information in the attendance section about make-ups.*

6.2.4. Location

Training will be upstairs in the YT Party Loft, unless otherwise noted for a particular session.

6.2.5. Course calendar

There will be a course calendar/calendar of events posted online on the Yellow Trucks site for the YTM. This calendar will include upcoming courses, dates to be held, along with other important details for those wishing to attend.

Email reminders will be sent to the participants, with details for upcoming sessions as they are posted.

6.3. COURSE TOPICS

Below are examples of future course topics.

- Sales & Product Presentation
- Inventory Management
- QuickBooks Basic, Intermediate, Advanced
- Marketing Strategy
- Website & Design
- Social Media 101
- Basic Graphic Design (Canva)
- Business Plan
- Financial Planning
- Business and Sales Tax
- Logistics (Packaging/Shipping)
- Feasibility/Contingency Planning
- People Management
- Supplier Sourcing & Relations
- Exit Strategy
- Merchandise Photography for Online Sales

FUNDING PLAN

7.1. FUNDING NEEDS

Funding needs include but are not limited to:

- Rent subsidy
- Educational programming
- Operations (POS system, security, insurance, TBD other)
- Marketing

7.2. FUNDING SOURCES

7.2.1. Owner

The Owner requires a minimum of \$2,400 monthly from the YTM and retail space

- All bills paid will include space, utilities, and renter's insurance for building
- Owner will provide a POS system
- Owner will provide YellowTruck branded packaging for sold merchandise

7.2.2. Economic Development/Main Street Investment

A \$15,000 investment will go towards only active participants for the first 12 months

- These funds were acquired from BCDC in the annual budget
- Additional funding will be requested for year 2
- Proposed uses of the investment
 - Subsidized rent for active YTM participants
 - Marketing/Advertising
 - Educational Programming
 - Speaker fees
 - Materials
 - Refreshments
 - Incidentals
 - Business Insurance
 - Scheduling App
 - Security Cameras
 - POS System
- Other expenses and future marketing events for the incubator may arise and will be discussed how to share these extra costs among the incubator team and the owner. The YTM team and the YT LLC owner must come into an agreement on extra expenses.

7.2.3. Projected up-front costs for participants

Fixed Expenses

- Monthly rent (includes the following)
 - Retail space (includes common area and maintenance)
 - Utilities
 - Use of YTM POS system (required)
- Additional staffing – if applicable
- Website

Variable Expenses

- Additional advertising
- Merchandise
- Additional merchandising units/lighting
- Supplies
- Promotional pieces

YELLOW TRUCK MARKET

PROPOSED RENT STIPEND					
Below is an example for 1 participant					
MONTHLY RENT COSTS	PARTICIPANT RENT	STIPEND	PAID TO YT LLC	EXTRA RENT	OVERAGE
1	\$200	\$200	\$400	\$0	\$0
2	\$200	\$200	\$400	\$0	\$0
3	\$200	\$200	\$400	\$0	\$0
4	\$200	\$200	\$400	\$0	\$0
5	\$200	\$200	\$400	\$0	\$0
6	\$200	\$200	\$400	\$0	\$0
7	\$300	\$100	\$400	\$0	\$0
8	\$300	\$100	\$400	\$0	\$0
9	\$300	\$100	\$400	\$0	\$0
10	\$300	\$100	\$400	\$0	\$0
11	\$300	\$100	\$400	\$0	\$0
12	\$300	\$100	\$400	\$0	\$0
13	\$450	\$0	\$400	\$50	-\$50
14	\$450	\$0	\$400	\$50	-\$50
15	\$450	\$0	\$400	\$50	-\$50
16	\$450	\$0	\$400	\$50	-\$50
17	\$450	\$0	\$400	\$50	-\$50
18	\$450	\$0	\$400	\$50	-\$50
19	\$600	\$0	\$400	\$200	-\$200
20	\$600	\$0	\$400	\$200	-\$200
21	\$600	\$0	\$400	\$200	-\$200
22	\$600	\$0	\$400	\$200	-\$200
23	\$600	\$0	\$400	\$200	-\$200
24	\$600	\$0	\$400	\$200	-\$200
TOTALS	1 PARTICIPANT	\$1,800			-\$1,500
	6 PARTICIPANTS	\$10,800			-\$9,000
	7 PARTICIPANTS	\$12,600			-\$10,500

PERFORMANCE MEASURES

The objective of establishing benchmarks for the retail incubator is to demonstrate the effectiveness of the program in the Brenham-Washington County area. We will establish desired outcomes for participants and goals to establish program success.

Since incubators require investments of time and money, it is important to track progress, the outcomes, and the business impact of the retail incubator in the community. The benchmarks will show the data needed when presenting to existing businesses the results of extending hours of operation.

YELLOW TRUCK MARKET

Benchmarks provide insight for future investments from participants and forecast next steps for their business.

8.1. OCCUPANCY MEASURES

YTM is to maintain full occupancy of 6 participants – 100% full

- The incubator should never have (2) spaces vacant at any given time
- Graduate (4) companies every 2 years

8.2. PERFORMANCE TRACKER

This tool will be used in tracking overall success and determine desirable characteristics the retail incubator brings to Brenham. This information will assist in providing data to other existing businesses and provide a starting point for continuing the next incubator class at YTM.

- The following table reflects data to be collected by the Economic Development Specialist, at 6 month increments over 2 years

PERFORMANCE MEASURES TRACKER					
<i>Participant Data</i>					
MEASUREMENT	6 MONTHS	12 MONTHS	18 MONTHS	24 MONTHS	TOTALS
Number of Employees (Include Owner/ Participant)					
Capital Investments					
Salaries Paid					
Revenues Earned – Sunday Hours					
Revenues Earned – after 5 p.m.					
Brick-and-mortar transition					
Online presence (New or Improved)					
Remained in Brenham- Washington County after graduation					

- The Similar data will be gathered for graduates of the incubator on an annual basis

8.3. PARTICIPANT BENCHMARKS

The below charts shows determined benchmarks in 6 month increments that the YTM participants should have completed prior to Graduation.

PARTICIPANT BENCHMARKS				
BENCHMARKS	6 MO.	12 MO.	18 MO.	24 MO.
Rent Increase	\$100	\$150	\$150	
Educational Requirements (5 attended every 6 months)	5	5	5	5
Finance Management System	X			
Business Plan		X		
Graduation/Launch Plan			X	

8.4. INCUBATOR EXIT

8.4.1 Exit Strategy for Active Participants

Selected YTM participants agree to a 2-year program. If a participant requests an ‘Early Exit’ from YTM, they are required to submit a written 30-day notice, and to maintain their incubator duties, schedules, and space allotment for the remainder of the 30 days.

Participants may exit the program in the following ways:

- **Graduating exit** – would include those that go through the entire length of the 2-year program – meeting all specified requirements
- **Early-launch exit** – for those that become successful in the incubator prior to graduation and are ready to launch early on in the program
- **Early exit** – for those that realize they will not be able to successfully maintain the business they had in mind and after consulting with the YTM Teams may request to exit the program

8.4.2. Exit Strategies for YellowTruck, LLC Owner and YTM Team

An initial 2-year agreement for the retail space of the incubator program will be executed between owner of YellowTruck, LLC and the YTM Team. Thereafter, the agreement may be extended by agreement of both parties every 12 months. If either party decides not to extend the agreement, 90-day notice must be provided to the other party.

Additional provisions to terminate either the incubator agreement or the retail incubator:

- If participation falls below five active participants for longer than 60 days, and there are no applications to fill the vacancies, the Owner may give a 90-day notice to the YTM Team to dissolve the incubator agreement. If this is the case, the YTM team may either locate an alternative space to house the incubator or modify the participant agreement to

YELLOW TRUCK MARKET




provide continued support to the remaining participants for the balance of their 2-year participation agreement.

- If funding is no longer approved by BCDC in their annual budget, the YTM Team will make every effort to secure alternate funding revenues. However, if the funding cannot be sourced, the YTM Team will provide the Owner a 90-day notice for the retail incubator space and continue to meet the agreed upon financial obligation for the 90-day notice period. 60-day notice will be provided to incubator participants and YTM team will modify the participant agreement to provide ongoing support and resources that do not include the financial commitment.
- If for any reason the incubator concept is not deemed successful, the YTM Team will assist the Owner in determining options to fill that retail space with another business opportunity.
- If the owner of YellowTruck LLC decides not to extend the incubator agreement (according to the terms of the agreement) yet the YTM Team agrees that the incubator is a successful program, the YTM Team will attempt to locate alternative space to house the incubator. Once a new space is acquired the Team will rebrand the incubator as the owner of YellowTruck LLC owns all rights to the YellowTruck brand. However, if alternative space is not available, the incubator will be dissolved with modifications to the participant agreement to provide ongoing support and resources to participants.

8.5. POST GRADUATION

YTM participants who complete 2 years in the program to graduate from the incubator will receive continued support.

- Graduates mentor future incubator participants
- Continued access to participate in educational offerings at the incubator
- The team will provide a graduation gift – *break down in Funding Plan page 22*
 - Portion of the rent paid returned to the graduate
- Website Highlight
 - Class of 2023
 - Business success stories
- Pop-up Merchandise Opportunities
 - Set up a one-week display in the incubator
 - Twice per year



Yellow Truck Market Retail Incubator




1



What is an Incubator?

An incubator's goal is to help create and grow young businesses by providing support and financial and technical services. Business incubators are often sponsored by private companies or municipal entities and public institutions. There are approximately 900 business incubators nationwide, according to the National Business Incubation Association.

2



Why a Retail Incubator?

- Opportunity with private sector partner
- Fill Retail Gaps in Downtown Brenham
- Gather Data on Extended Hours

3



Two-Year Program

- Graduated scaled lease rates subsidized by BWEDO
- Educational requirement—attend minimum of 10 sessions per year
- Retail lab work requirement—minimum of 12 hours/week
- Hit benchmarks for financial accountability, business plan, and launch plan

4



Target Participant

- Established product(s)
- Meet the terms of the participant agreement
- Maintain internet presence for their individual business
- Extra points for those businesses that:
 - Fill unique gaps in existing downtown retail
 - Minority-owned businesses

5



YTM Advisory Board

- YellowTruck, LLC
- BWEDO
- Brenham Main Street
- SBDC
- Washington County Chamber
- BCDC

6



Education Sessions

- Business finance including Quickbooks training
- Merchandising
- Inventory Control
- Human Resources
- Business Plan writing
- Marketing including social media
- Taxes
- Contingency planning

7



Community Network

We are recruiting sponsors for various services. That allows local sponsors to feature their products to budding entrepreneurs. Participants to build a “buy local” mindset and a network for sourcing products and services.

8






Public Sector Investment

Seven participants:

- Month 1-6: \$200 per participant
- Month 6-12: \$100 per participant

Lease Stipend: \$12,600
Remaining \$2,400 for education
Total \$15,000

9



Final Thoughts

- YTM Advisory Board adopted the "Retail Incubator Business Plan"
- 17 current applicants
- Applications for the 1st cohort accepted through August 30th

10

Brenham
Washington County
Economic Development

VT
MARKET

MAIN STREET
BRENHAM

Yellow Truck
Market
Retail
Incubator

11



MEMORANDUM

To: BCDC Board and City Manager
From: Carolyn D. Miller, Assistant City Manager-Chief Financial Officer
Subject: BCDC Third Quarter FY20-21 Financial Statements
Date: September 10, 2021

Attached are the third quarter FY20-21 financial statements for BCDC. Notable trends or transactions are discussed below.

Sales Tax Revenue

For FY21, because of the uncertainty with Covid, we did not budget an increase in sales tax revenue. Instead, sales tax revenue was forecasted to remain stable and very close to both FY19 & FY20 levels. With nine months of collections received, FY21 sales tax revenue is trending above budget. FY21 sales tax revenue is \$140,156 ahead of budget and \$137,064 above prior year. In looking at monthly totals, we collect on average \$160,000 in sales tax with Recreation receiving around \$102,000 and Economic Development receiving around \$58,000. On the attached sales tax revenue chart, the spike seen in March 2021 is due to double-digit increases across most sectors (see reports from ZACTAX).

Financial Statements – Fund 250

The ***Economic Development*** operations report shows an operating surplus of \$165,818 as of the end of the third quarter. For FY21, the County will be contributing \$75,000 to the City for economic development activities, \$50,000 of which has been received and is reflected in the third quarter financial statements. For FY22 and going forward, the annual contribution from the County will be \$100,000. At the completion of the detention pond projects, a final calculation was made to calculate the property owners' pro-rata contributions towards pond construction. As a result, 2 additional contributions were received in the third quarter: \$11,986 from Kountry Boys Sausage and \$9,332 from Bluebonnet Electric. All operating expenditures are within budget levels and comparable to prior year.

On the ***Recreation*** side, 10 of the 19 approved parks and recreation projects for FY21 have been completed as of the third quarter: replacement of the Aquatic Center roof, resurfacing of Hasskarl tennis courts, sidewalk repairs at Fireman's Park, Aquatic Center chemical system, refurbishment of the big yellow pool slide and the banana split pool slide, playground at Jerry Wilson Park, resurfacing of 3 baseball fields at Linda Anderson Park and the Blinn softball field at Hohlt Park, and the Movies in the Park contribution. All other projects are on schedule to be completed in the fourth quarter except for the Downtown Christmas Parade contribution and the covered basketball courts at Jackson

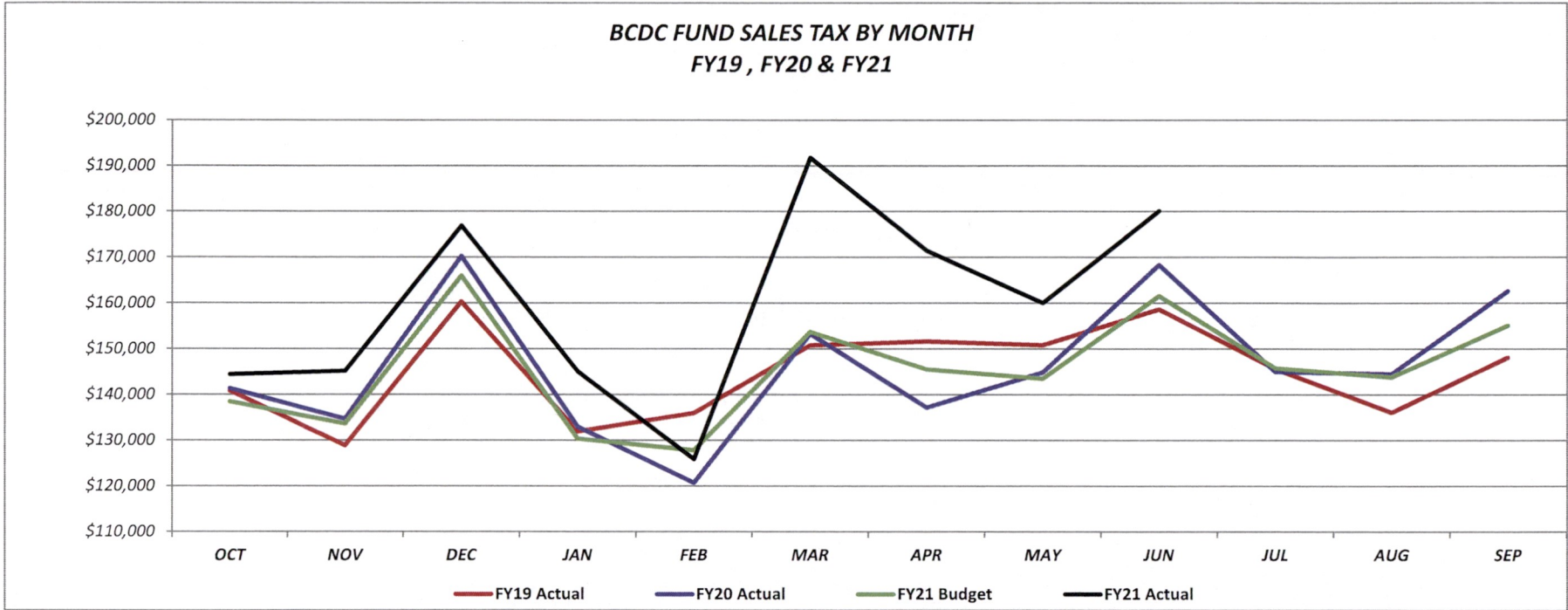
Street Park. Due to the cancellation of the Downtown Christmas Parade in December 2020, BCDC's \$5,000 contribution will not be needed this year. Also, engineering and architectural services for the basketball court cover will be completed in FY21, but the construction phase has been deferred to a future year due to higher than anticipated material costs. The Recreation side ended the quarter with an operating surplus of \$581,073.

BCDC Capital Projects – Fund 252

During the third quarter of FY21, \$67,793 was incurred for engineering services for Brenham Family Park. A fund balance of \$994,489 remains in the fund; \$51,000 is allocated for the Hwy 290 feeder traffic signal work and the remaining \$943,489 is allocated for Brenham Family Park project expenditures. Because BCDC has not actually received the funds for the \$750,000 Texas Parks and Wildlife Grant, it is not yet reflected on this financial statement.

After reviewing this information, should you have any questions prior to Thursday's meeting, do not hesitate to contact me directly at 979-337-7566.

**BCDC FUND SALES TAX BY MONTH
FY19 , FY20 & FY21**



	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
FY19 Actual	140,788	128,831	160,261	131,891	135,937	150,742	151,620	150,813	158,603	145,565	136,059	148,048	1,739,159
FY20 Actual	141,327	134,619	170,230	132,969	120,684	153,252	137,115	144,835	168,332	144,976	144,485	162,577	1,755,402
FY21 Budget	138,408	133,595	165,952	130,323	127,782	153,677	145,508	143,457	161,571	145,711	143,751	155,041	1,744,776
FY21 Actual	144,394	145,123	176,848	144,993	125,828	191,731	171,397	160,032	180,081				1,440,428

Budget vs. Actual Based on Allocated Budget

Difference	5,986	11,528	10,897	14,670	(1,953)	38,054	25,889	16,575	18,510				140,156
Cummulative	5,986	17,514	28,410	43,080	41,127	79,181	105,070	121,645	140,156				

**Sales Tax by Industry
March, 2021**

Industry	Amount	Variance	% Change	YTD	YTD (% Change)	FYTD	FYTD (% Change)	12m Avg	12m Avg (% Change)
Retail	\$457,810.19	\$81,703.03	21.72%	\$1,054,382.47	17.19%	\$2,121,496.45	12.25%	\$349,256.65	11.13%
General Services	\$76,912.25	\$15,856.03	25.97%	\$185,832.66	10.05%	\$378,735.04	0.93%	\$62,196.04	-4.74%
Food	\$69,012.87	\$23,414.07	51.35%	\$168,019.17	8.62%	\$333,537.03	-1.11%	\$53,512.31	-8.29%
Wholesale	\$56,731.53	\$17,121.03	43.22%	\$123,733.87	20.78%	\$269,135.79	19.62%	\$42,287.54	-1.02%
Professional Services	\$52,570.01	\$650.09	1.25%	\$166,090.86	-13.54%	\$307,155.52	-17.94%	\$55,560.29	-17.11%
Manufacturing	\$27,913.28	\$3,878.67	16.14%	\$78,362.10	14.36%	\$149,467.42	1.26%	\$23,503.25	-10.32%
Miscellaneous	\$23,381.92	\$13,425.36	134.84%	\$55,762.80	90.98%	\$115,113.65	99.46%	\$16,845.21	45.03%
Accommodation	\$11.45	-\$89.43	-88.65%	\$33.45	-93.31%	\$67.07	-96.88%	\$15.06	-92.18%
Agricultural	-\$1,548.10	-\$1,754.19	-851.18%	\$2,637.91	-27.59%	\$6,069.10	10.72%	\$1,071.32	15.41%

**Sales Tax by Industry
March, 2020**

Industry	Amount	Variance	% Change	YTD	YTD (% Change)	FYTD	FYTD (% Change)	12m Avg	12m Avg (% Change)
Retail	\$376,107.16	\$64,601.54	20.74%	\$899,704.32	3.28%	\$1,889,897.73	3.58%	\$314,268.11	3.87%
General Services	\$61,056.22	-\$8,106.61	-11.72%	\$168,859.83	-11.88%	\$375,261.39	3.31%	\$65,289.06	5.47%
Professional Services	\$51,919.92	-\$5,144.88	-9.02%	\$192,090.84	-2.02%	\$374,287.59	-7.54%	\$67,028.68	5.14%
Food	\$45,598.80	-\$16,427.01	-26.48%	\$154,689.61	-9.90%	\$337,274.05	-0.87%	\$58,350.68	1.73%
Wholesale	\$39,610.50	-\$29,599.64	-42.77%	\$102,443.72	-32.03%	\$224,997.81	-14.86%	\$42,722.96	0.74%
Manufacturing	\$24,034.61	\$2,934.52	13.91%	\$68,522.08	5.21%	\$147,614.78	-4.65%	\$26,206.65	-0.85%
Miscellaneous	\$9,956.56	-\$6,373.86	-39.03%	\$29,198.58	-17.50%	\$57,711.45	-9.90%	\$11,615.08	13.92%
Agricultural	\$206.09	-\$3,279.47	-94.09%	\$3,643.15	-31.66%	\$5,481.55	-43.06%	\$928.29	113.66%
Accommodation	\$100.88	\$92.30	1075.76%	\$500.31	986.45%	\$2,147.80	1549.62%	\$192.57	213.22%

BRENHAM COMMUNITY DEVELOPMENT CORPORATION
ECONOMIC DEVELOPMENT
YEAR TO DATE PRO FORMA PERFORMANCE
FOR THE QUARTERS ENDING JUNE 30, 2020 AND 2021

	YTD Actual 6/30/2020	YTD Actual 6/30/2021	Percent Incr (Decr)
<u>Revenues</u> <i>35% of Combined</i>			
Sales Tax	463,518	518,253	11.81%
Washington County Eco. Dev. Contribution	-	50,000	
Lease of Land	3,417	3,417	0.00%
Detention Pond Contributions-SWIP IV	131,697 D	21,318 E	
Interest	2,669	403	-84.89%
	601,300	593,391	-1.32%
<u>Expenditures</u>			
Economic Development Operations	130,834	152,302	16.41%
Lawn Maintenance	5,950	7,600	27.73%
Services - Street Lights Electrical	5,128	5,237	2.13%
Legal Fees	5,098	1,030	-79.81%
Notes Payable to City - Principal & Interest	169,821 F	168,359 F	-0.86%
Total Expenditures	316,831	334,526	5.59%
Revenues Over (Under) Expenditures from Operations	284,469	258,865	
<u>Other Financing Sources (Uses)</u>			
Internal Transfer from Rec.- Construction of Detention Ponds	420,465 A	-	
Repayments to Recreation for FY20 Internal Transfer	(42,047) B	(42,047) C	
Detention Pond Construction-BBC	(354,004)	-	
Detention Pond Construction-SWIP III	(167,232)	-	
Traffic Signal Costs @ Hwy 290 Feeder	-	(51,000) G	
Total Other Financing Sources (Uses)	(142,818)	(93,047)	
Total Surplus (Deficit)	141,651	165,818	
Beginning Fund Balance	114,368	148,126	
Estimated Ending Fund Balance	256,019	313,944	

A - Internal Transfer (Loan) from Recreation side for the construction of detention ponds.

B - Year 1 of 10 - Repayment of Internal Transfer (Loan) from Recreation for construction of detention ponds.

C - Year 2 of 10 - Repayment of Internal Transfer (Loan) from Recreation for construction of detention ponds.

D - Detention Pond contributions from Bluebonnet Electric (\$73,459.49), Nextlink (\$21,270) and PPE (\$36,967.50)

E - Detention Pond contribution true-ups from Kountry Boys (\$11,986.05) and Bluebonnet Electric (\$9,332.15)

F - Notes Payable to the City consist of :

2010 Note Payable - \$1M for SWIP III (Weige tract) 122 acre land purchase; matures 9/1/2029; remaining principal balance \$554,370

2017 Note Payable - \$500,000 for SWIP IV (Gurrech tract) 44.9 acre land purchase; matures 8/15/2026; remaining principal balance \$325,000

G - At the 2/25/21 meeting, BCDC committed \$51,000 to pay for costs of traffic signals and mast arms at Chappell Hill St. & Hwy 290 feeder.

BRENHAM COMMUNITY DEVELOPMENT CORPORATION
RECREATION
YEAR TO DATE PRO FORMA PERFORMANCE
FOR THE QUARTERS ENDING JUNE 30, 2020 AND 2021

	YTD Actual 6/30/2020	YTD Actual 6/30/2021	Percent Incr (DeCr)
<u>Revenues</u> 65% of Combined			
Sales Tax	839,847	922,175	9.80%
Interest	4,956	749	-84.89%
	<u>844,803</u>	<u>922,924</u>	9.25%
<u>Expenditures</u>			
Aquatic Center HVAC Replacements	46,168	-	
Aquatic Center Resurface Leisure Pool Deck	73,885	-	
Aquatic Center Replace Pumps	14,380	-	
Aquatic Center Replace Lounge Chairs	60,805	-	
Aquatic Center Bogo Mats	9,980	-	
Aquatic Center Replace Roof	-	70,380	
Aquatic Center Accu Tab & Acid Rite System	-	18,400	
Aquatic Center Refurbish Big Yellow Slide	-	33,141	
Aquatic Center Refurbish Banana Split Slide	-	6,450	
Downtown Christmas Stroll Attraction	5,000	-	
Movies in the Park	4,000	4,000	
Henderson Park Improvements	405,000	-	
Henderson Park Splashpad	300,000	-	
Pickleball Court Improvements	21,215	-	
Jerry Wilson Park Playground Equipment	-	72,455	
Linda Anderson Park - Resurace Baseball Fields (3)	-	25,563	
Resurface Hasskarl Tennis Courts (2)	-	10,350	
Fireman's Park - Sidewalk Repairs	-	11,665	
Resurface Blinn Softball Field	-	25,464	
Turf Mound - Schulte Field	10,664	-	
Hohlt Park Bleachers	47,598	-	
Hohlt Park Scoreboards	24,300	-	
Brenham Family Park Engineering-Addtl Amount	-	94,500	
Brenham Family Park Archaeological Study	-	11,530	
Total Expenditures	<u>1,030,899</u>	<u>383,898</u>	
Revenues Over (Under) Expenditures from Operations	(186,096)	539,026	
<u>Other Financing Sources (Uses)</u>			
Internal Transfer from Rec.- Construction of Detention Ponds	(420,465) A	-	
Repayments to Recreation for FY20 Internal Transfer	42,047 B	42,047 C	
Total Other Financing Sources (Uses)	<u>(378,418)</u>	<u>42,047</u>	
Total Surplus (Deficit)	<u>(564,514)</u>	<u>581,073</u>	
Beginning Fund Balance	746,178	465,491	
Estimated Ending Fund Balance	<u>181,664</u>	<u>1,046,564</u>	

A - Internal Transfer (Loan) to Economic Development side for the construction of detention ponds.

B - Year 1 of 10 - Repayment of Internal Transfer (Loan) from Recreation for construction of detention ponds.

C - Year 2 of 10 - Repayment of Internal Transfer (Loan) from Recreation for construction of detention ponds.

BREHAM COMMUNITY DEVELOPMENT CORPORATION
CAPITAL PROJECTS FUND
AS OF JUNE 30, 2021

<u>Funds Available</u>	Budget	Actual to Date
Brenham Family Park		
FY14 Transfer from BCDC - Brenham Family Park Infrastructure Costs	657,000	657,000
FY14 Transfer from BCDC - Brenham Family Park Title Policy Costs	6,877	6,877
FY15 Contribution from Developer - Road Construction	735,044	735,044
FY17 Transfer from BCDC - Brenham Family Park Master Plan	46,442	46,442
FY19 Transfer from BCDC - Brenham Family Park Grant Match	500,000	500,000
FY21 Transfer from BCDC - Archaeological Study & Add'l Engineering	106,030	106,030
Interest Income	21,457	21,457
Sub Total - Brenham Family Park	2,072,850	2,072,850
Other		
FY21 Transfer from BCDC - Traffic Signal Costs @ 290 Feeder	51,000	51,000
Total Funds Available	2,123,850	2,123,850
<u>Use of Funds</u>		
Brenham Family Park		
Land - Title Policy (FY14)	6,877	6,877
Road construction to cul de sac - 25% City / 75% Kruse (FY15)	967,743	967,743
City Reimb of J&C road construction invoices paid by Developer (FY15)	17,601	17,601
Gessner Engineering - soil testing - 25% City / 75% Kruse (FY15)	12,315	12,315
Jones & Carter - Park Master Plan (FY17/FY18)	46,442	46,442
Archaeological Survey	11,530	10,589
Jones & Carter - Phase 1(a) Eng. PO# 21-13008 - grant match portion	158,000	67,793
Jones & Carter - Phase 1(a) Engineering PO# 21-13008	94,500	-
Creek crossing/Dam (Pond Contribution)	225,000	-
Road extension to new park	72,000	-
Water line materials - new park	88,842	-
Sewer line materials - new park	30,000	-
Construction expenses related to TPW Grant Match for Phase I(a)	342,000	-
Sub Total	2,072,850	1,129,361
Other		
Traffic Signal Costs @ 290 Feeder	51,000	-
Total Uses	2,123,850	1,129,361
Fund Balance	-	994,489