



RCE North Texas Annual Summit - Nov 9-10, 2022





Goal 9: Build resilient infrastructure, promote sustainable industrialization and foster innovation

**Kent Sharp, President
Sherman Economic Development Corp.**



Also,

Goal 8: Promote inclusive and sustainable economic growth, employment and decent work for all

Goal 12: Ensure sustainable consumption and production patterns

SDG 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

SHERMAN, TEXAS

FY 2022 Retention & Expansion of Existing Industries

Total CAPEX: \$30,115,000,000

Total New Jobs: 3,400

- Texas Instruments: \$30B CAPEX, 3,200 jobs
- II-VI (Coherent): \$53M CAPEX, 119 new jobs. 5% incentive = \$2,701,500
- Tyson: \$32M CAPEX, 1,700 retained jobs. 3%* = \$960,000
- Sunny Delight: \$30M CAPEX, 74 new jobs. 3%* incentive = \$901,800

**Following the TI/GlobalWafers/II-VI announcements and after examination of future SEDCO cash flow, the SEDCO Board reduced the CAPEX grant from 5% to 3% for projects with a CAPEX of \$1M+.*



II-VI


Tyson


**Sunny
Delight**
Beverages Co.

SHERMAN, TEXAS

FY 2022 New Industry Attraction to Sherman

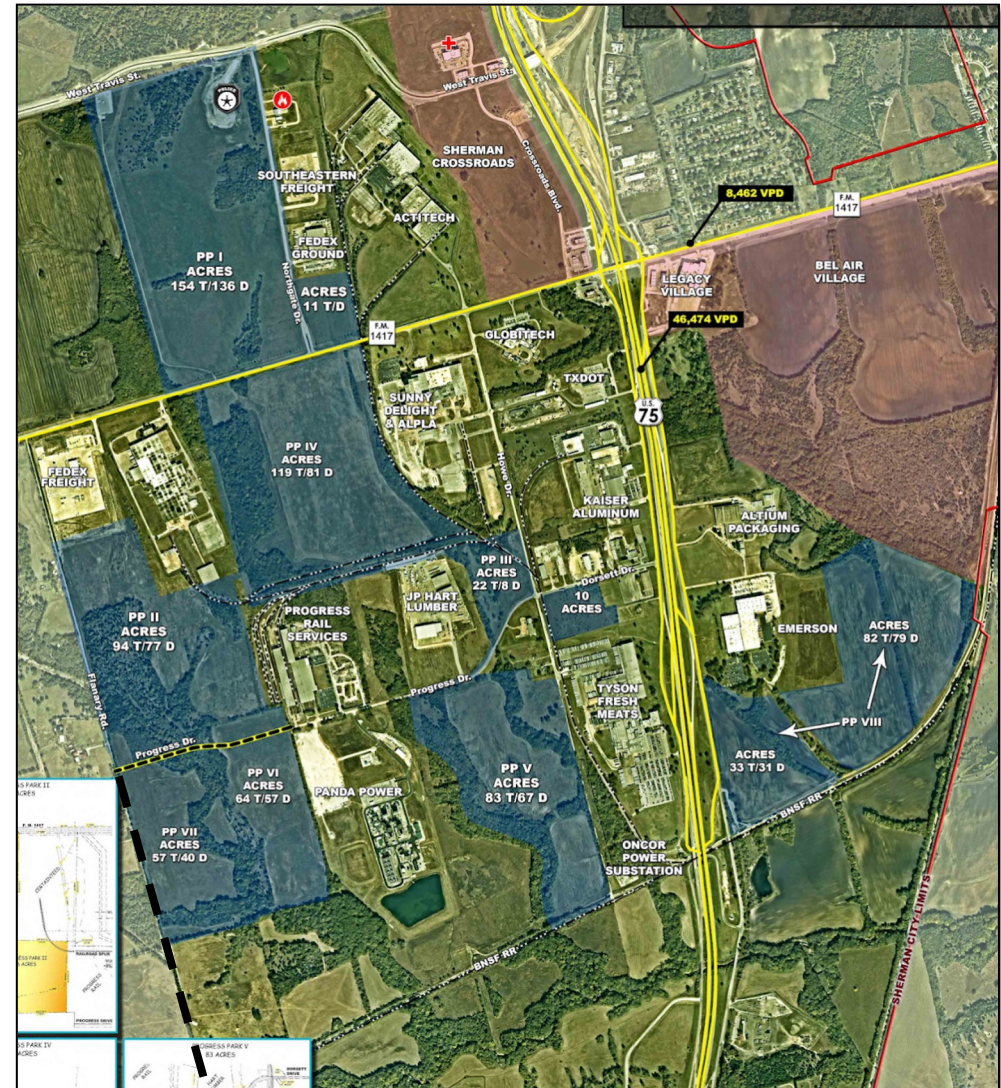


- **GlobalWafers USA:** \$5B CAPEX, 1,500 new jobs, \$20M incentive over 10 years, 144 acres in Progress Park I at \$1/acre
- Letters of Intent for **Projects Wrap and EZ** on Progress Park VI



SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

- What does that goal even mean to local policy makers?
- How does it relate to what I am doing?
 - Municipal Government
 - Economic Development
 - K-12 Education
- Am I even interested / Do I share the same goal?
 - City Council ?
 - Economic Development Corporation ?
 - County Commissioners Court ?
 - Independent School District ?
 - Community College District ?



SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

- Assume I (City Council, EDC) share this goal:
 - How do I implement the goal ?
 - What are the benefits to my organization ?
 - What are the benefits to my community ?

Altruistic goals are great, but we have to appeal to the self-interested maximizers found in most political bodies: What's in it for me / my constituents?

BIG Q: Does encouraging / incentivizing SDG 9 put my community at a significant competitive disadvantage to my competition / other communities? Will we lose the project?

Building Awareness is Key!

- Local elected and appointed bodies need to understand the importance of these goals
 - Meetings and presentations with city managers, city councils, country judges and commissioners courts
 - Peer pressure: Is everyone doing this except me?
- Company Driven Determinations: Sometimes the sustainable development goal is driven by the company being recruited
 - Fort Worth was chosen for Facebook's mega data center because ONCOR Energy was the only electric provider who could provide 100% renewable power
 - Both Texas Instruments and GlobalWafers sustainable development goals contributed to reduced water rates from Sherman in exchange for heavy water reclamation investment by the companies

We recognize that environmental, social and governance (ESG) and sustainability topics are important to many of our stakeholders and are part of our long-standing commitment to corporate citizenship.

- Texas Instruments

Local Incentives and SDG 9:

- Local Incentives:
 - Ad valorem tax abatement
 - Chpt 312 (cities and counties, years 1-10)
 - *Chpt 313 (school districts, years 1-10)
 - Chpt 380 (cities, years 11-30)
 - Chpt 381 (counties, years 11-30)
 - Reduced water rates from the city
 - Encourage water reclamation efforts
 - Cash grants and Land grants
 - Local economic development corporation
- *** Chpt 313 expires 12/31/2022**

II-VI

COHERENT

Amending local development policy

- Education on “How To” accomplish the objectives
 - City managers and economic development CEO’s love “recipes” that are easy to follow: can I copy and paste a previous effort
- Narrowing the targeted industry list down to manufacturers/primary employers who place a high value on resilient infrastructure, sustainable industrialization and innovation
- Rethinking your local incentives to reward growing and expanding companies who share the same goal as SDG 9 and the other Sustainable Development Goals