



Chapter 3

ECONOMIC DEVELOPMENT

Economic development is, of necessity, a partnership between public and private interests to promote extensive and prolonged private investment. Available land, customer base, workforce, financing options, retention and expansion of existing businesses, and supporting community incentives are factors necessary to take advantage of the expanding local economy. The City of Dickinson has historically had limited commercial development. However, in light of the projected population growth within its Primary Trade Area, the City is poised for explosive commercial/retail growth within the next five years. Dickinson's Primary Trade Area includes an estimated population in 2015 of 125,529¹.



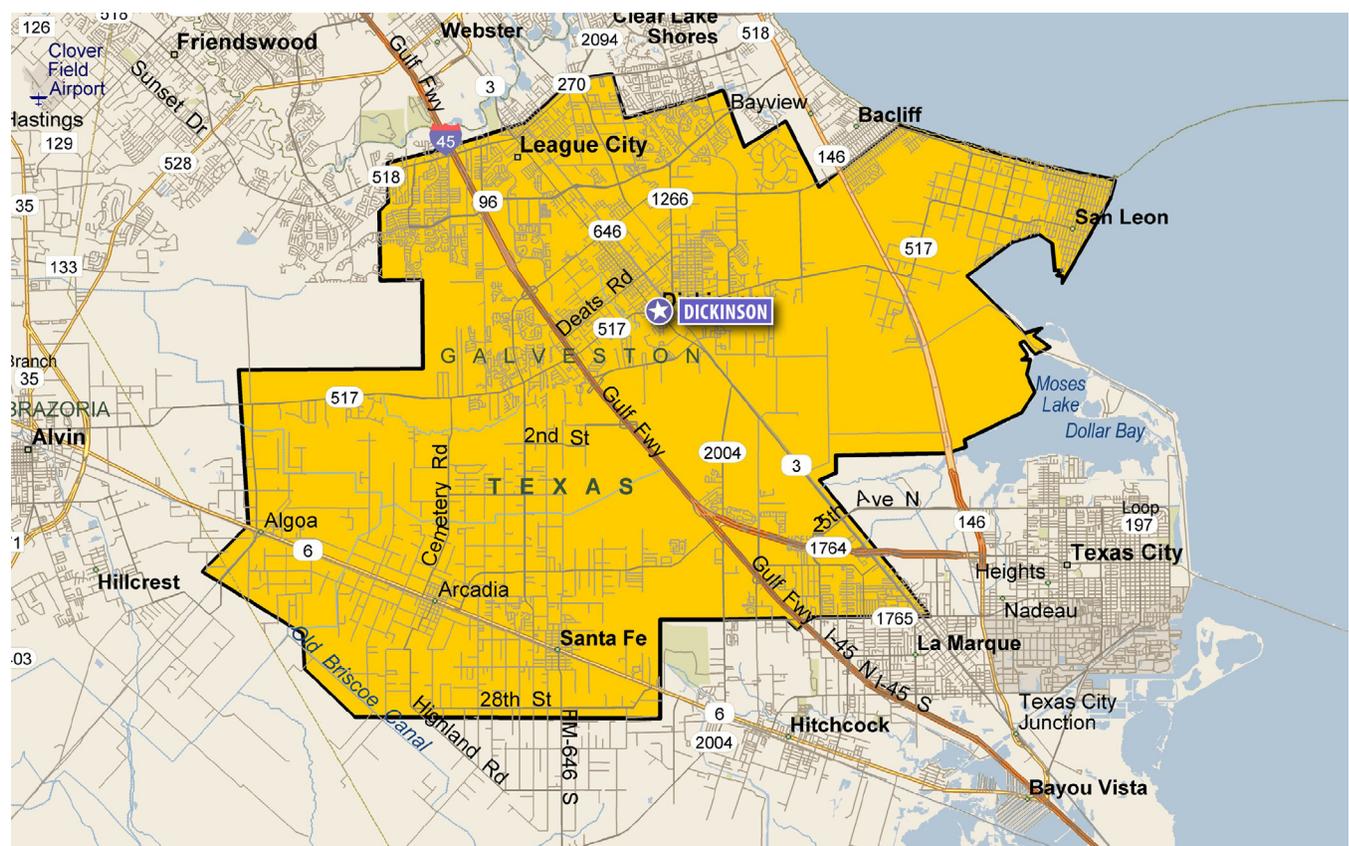
The growth in Dickinson's Primary Trade Area has been anticipated for several years, and, in order to prepare for such growth, the City has undertaken a number of long-term planning efforts, projects and established programs to encourage and facilitate growth. Some of Dickinson's efforts include:

- Creation of Dickinson Economic Development Corporation which allows a portion of the City's sales tax to be utilized for economic development and quality of life projects. The responsibility of the Dickinson Economic Development Corporation is to reinvest these funds in Dickinson to expand the City's tax base and create quality job opportunities for Dickinson residents.
- Development of Highway 3 Overlay District and Corresponding Highway 3 Overlay District Property Improvement Program funded through Dickinson Economic Development Corporation to encourage and incentive both new and existing businesses in building and/or upgrading to the new Overlay District standards
- Creation of a Planned Development Zoning District specifically to provide a mechanism through which mixed use developments may be created.
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- Development of a Comprehensive Drainage Study through which major drainage infrastructure improvements were identified and projects undertaken to implement the infrastructure improvements.
- Submission of and approval by Dickinson voters of a ¼ cent Street Maintenance Sales Tax in May of 2011, and reapproval in 2015, to create a dedicated funding source of street infrastructure repairs and reconstruction. Since approval of the Street Maintenance Sales Tax in 2011, Dickinson has undertaken \$3,613,908 in street reconstruction projects, and an additional \$6,383,091 in street reconstruction projects are scheduled over the next 5 years.
- Approval of Revised Tax Abatement Program to encourage green building for commercial developments.

- Approval of a Revised Economic Development Incentives Program that allows for making loans and grants of public money and providing personnel and services of the City to promote economic development and stimulate business and commercial activity in the City. Since 2012, the use of economic development incentives has resulted in over \$5.6 million for the City and over \$1.8 million for Dickinson Management District No. 1 in net sales tax revenues.

In 2008, City Council authorized the Dickinson Management District No. 1 to levy the remaining one half cent sales tax available to the City of Dickinson to allow commercial property owners to work together to supplement City services and improvements to promote economic growth. The DMD No.1 may fund a variety of improvements and services within its district including public safety, maintenance, and business recruitment, relief of traffic congestion, recreation, and cultural enhancement projects.

FIGURE 3.1 PRIMARY TRADE AREA





With the anticipated growth of a vibrant commercial/retail tax base, the City must consider goals, objectives and actions that will attract and sustain desirable businesses. Commercial establishments will, in turn, begin to provide additional tax revenues that will ultimately support the community's quality of life. Specifically, the City must partner with its commercial property owners to attract businesses that will provide jobs and/or goods and services for its citizens. These businesses should be of sufficient caliber as to attract shoppers and patrons from the surrounding residential areas who will contribute substantially to the tax base.

GUIDING PRINCIPLES

Principles serve as guides for decision-making and the development of goals and objectives. They should be a continual reference for City officials and City staff and should be used to assure that goals, objectives, and actions are addressed when reviewing new economic development opportunities. During the planning task force meetings, members explained that many residents leave the community daily for employment in the region. They spoke of the opportunity to encourage local job creation, which will stimulate the local economy. Other opportunities include the City's great proximity and easy access to Houston and Galveston, the number of vacant parcels, and Dickinson's unique, small town charm. Task force members also expressed the opportunity of the Highway 3 Overlay District², which encourages the development of a central downtown area, where commercial development can be focused. Guidance from the Planning Task Force and in cooperation with the Dickinson Economic Development Corporation, the following are guiding principles, which include:

- Creating new jobs.
- Retaining existing jobs and strengthening of existing businesses.
- Assuring new economic activity will have a good community or cultural "fit"; that economic growth will be of a scale and type that can draw on existing human resources and is compatible with community character and environmental quality.
- Decreasing the property tax burden for Dickinson residents.
- Diversifying Dickinson Tax Base by increasing Commercial Development and Sales Tax Generators.

- Maintaining fiscal stability for City government.
- Continuing development and improvement of community resources that will contribute to a favorable business environment.
- Maintaining a local economy characterized by resilience, creativity, innovativeness and initiative; an economy that promotes entrepreneurship and new business formation (i.e. “startup” businesses) that does not cause undue risk to the City.
- Undertaking efforts to engage businesses as active members of the community.
- Encouraging development within the Highway 3 Overlay District of specialty retail, restaurants, and office space to create a Main Street/City Center area.
- Maintaining and enhancing neighborhood commercial and business centers.
- Creating community qualities and a community image that are attractive to businesses as well as residents and visitors.
- Promoting commercial development appropriate in the areas of FM 646 and FM 517 and FM 517 east of FM 1266 to meet day-to-day retail and service needs of nearby residents.
- Encouraging infill development of vacant and underutilized land designated for development as a way of meeting housing and employment needs.
- Promoting mixed use by encouraging office and/or residential units on upper floors in commercial areas.
- Maintaining and enhancing a Business-Friendly Environment and Reputation.

RECOMMENDATIONS

To boost economic growth and increase the City’s property and sales tax base, it is important for the City to grow its commercial base. This can be done through a series of policies that encourage the establishment of new business within the City.



City Center

The City is currently developing the City Center district through the Highway 3 Overlay District. This district can spur economic growth, increase walkability and connectivity, and encourage the City's uniqueness and small town charm. The district will offer mixed-use development for both commercial and residential uses and aligns with the City's current Highway 3 Overlay District (more information can be found in Part II, Chapter 18, Article XI of the City's Code of Ordinances).

Business Park

The Business Park has been identified as an appropriate use for a portion of a large site along Hughes Road. The Business Park would be part of a much larger development, offering a place for small business to locate. The Business Park would be an appropriate location for insurance agencies, hair salons, law offices, dentist and other medical offices and other local establishments..

Commercial on the Bayou

The Commercial on the Bayou district would offer a variety of possibilities for use, but the overall goal is to create an area that attracts both local and regional users. The site would ideally be located at the intersection of IH 45 and Dickinson Bayou, offering prime access to drivers on IH 45.

GOALS, OBJECTIVES, AND ACTION ITEMS

The following goals, objectives, and action items were developed in coordination with the Dickinson Economic Development Corporation, to ensure alignment between the City and the DEDC.

Goal 3.1 Encourage appropriate commercial and retail development in the City to expand the commercial tax base, increase sales tax revenues, and create jobs in a manner that supports the community character and quality of life, promotes a vigorous, diversified and regionally competitive economy and provides maximum tax relief for homeowners while still responding to demands for quality services.

Objective 3.1.1 Guide location of commercial areas through land use planning.

Action 3.1.1.1 Locate commercial development in conformance with the approved Land Use Plan.

Action 3.1.1.2 Acquire key parcels of land for master commercial development, as appropriate.

Action 3.1.1.3 Encourage and facilitate development within the Highway 3 Overlay District to the greatest extent possible.

Objective 3.1.2 Attract desirable businesses to locate within appropriate commercial areas to complement the City's image and quality lifestyle and increase a sense of community.

Action 3.1.2.1 Identify targeted business categories on which to focus recruitment efforts.

Action 3.1.2.2 Partner with commercial property owners, commercial real estate brokers, and community business leaders to facilitate recruitment of targeted businesses through the use of effective recruiting and promotional techniques, appropriate incentive offerings, and responsiveness to business needs.

Action 3.1.2.3 Host special events designed to promote the public exposure of new businesses and the recognition of awards or special achievements for existing businesses.

Action 3.1.2.4 Develop the City Center that may serve as a new business incubator and retain a management company to provide year-round programming for any facility that may be developed.

Action 3.1.2.5 Create a campaign to proactively recruit, incentivize, and nurture the success of entrepreneurs in new business startups or opening a second location in Dickinson focusing on, but not limited to, the Highway 3 Overlay District and unique businesses not currently found in the Primary Trade Area.

Action 3.1.2.6 Actively promote Dickinson properties to hotel and/or motel developers.

Action 3.1.2.7 Develop economic incentive packages that will encourage the development of select service and/or full service hotels.

Objective 3.1.3 Support and promote existing businesses.



Action 3.1.3.1 Create a campaign to encourage residents to shop locally and to increase public awareness of the importance of sales tax revenue.

Action 3.1.3.2 Establish comprehensive business retention program for existing businesses.

Action 3.1.3.3 Establish strong working relationships with existing businesses to learn about their businesses, any concerns or needs, and how the City and Dickinson Economic Development Corporation may assist in supporting and expanding their businesses.

Objective 3.1.4 Develop and improve community resources that contribute to a favorable business environment and encourage high quality commercial development.

Action 3.1.4.1 Continue to offer economic incentives that are fiscally sound, commensurate with anticipated benefits, and competitive with other communities.

Action 3.1.4.2 Work to ensure responsive and efficient regulatory and development processes that balance customer service excellence with public accountability.

Action 3.1.4.3 Foster an organizational culture of the City that maximizes employee motivation and proficiency through recognition, training and team building programs.

Action 3.1.4.4 Proactively identify and prioritize as part of the City's Capital Improvement Program those infrastructure projects needed to establish a foundation for subsequent development and infrastructure expansion.

Action 3.1.4.5 Engage in ongoing strategic transportation and mobility planning to help ensure adequate capacity and efficiency for the City's thoroughfare system.

Action 3.1.4.6 Evaluate City's ability to absorb County parks located within Dickinson in accordance with the approved Community Facilities and Services Chapter of the Comprehensive Plan.

Action 3.1.4.7 Contingent upon the determination by the City Council of the City's ability to absorb County parks located with

in Dickinson, develop and maintain a comprehensive park system to provide diverse leisure opportunities for all of Dickinson.

Action 3.1.4.8 Actively promote the success and expansion of all public festivals and seasonal events.

Action 3.1.4.9 Continue to maintain and enhance strategic partnerships with other regional economic development organizations including Bay Area Houston Economic Partnership (BAHEP) and Galveston County Economic Alliance (GCEA).

Action 3.1.4.10 Encourage and support skill development, internship, mentoring and job fair programs offered by educational institutions for students to ensure adequate workforce development opportunities.

Objective 3.1.5 Reduce the tax burden of residential property owners.

Action 3.1.5.1 Facilitate the growth of the commercial property tax base from 22% to at least 30 percent of the City's total property tax base by the end of 2020.

Action 3.1.5.2 Facilitate the construction of at least 10,000 square feet of commercial, retail and office space within the Highway 3 Overlay District by the end of 2020.

Objective 3.1.6 Create an aggressive marketing program to encourage the attraction of targeted commercial and retail developments.

Action 3.1.6.1 Focus marketing efforts primarily on the retail uses identified in the City's Retail Trade Area Analysis and Leakage Analysis.

Action 3.1.6.2 Communicate the City's strategic advantages and development opportunities to commercial real estate brokers/developers, site location consultants, corporate real estate executives, regional marketing allies, elected representatives, local business leaders and commercial landowners.

Action 3.1.6.3 Invest in enhanced technical assets and capabilities such as specialized software and/or subscription services and maintain a dedicated economic development website.

Action 3.1.6.4 Continuously research, collect and analyze all de-



mographic, tax rate, and competitive comparison data needed to demonstrate the City's strategic advantages.

Action 3.1.6.5 Maintain a current collection of printed and electronic marketing materials, distribution lists, and promotional items for the City and Dickinson Economic Development Corporation.

Action 3.1.6.6 Mount a public relations campaign designed to maximize media exposure for significant economic development accomplishments and opportunities.

Action 3.1.6.7 Establish a continuous advertising presence in those trade publications, websites, conferences and other information sources that are most frequently used by our targeted audiences.

Action 3.1.6.8 Pursue a variety of direct marketing efforts including email and postal solicitations, social media, routine cold calls, public speaking events, and participation in ICSC and other commercial broker events.

Action 3.1.6.9 Maintain an active membership in select economic development, commercial real estate, and target industry associations and attend meetings and networking functions on a regular basis.

Goal 3.2 Promote and increase tourism

Objective 3.2.1 Market and promote activities that attract outside visitors to Dickinson in support of retail, service and hotel businesses.

Action 3.2.1.1 Coordinate City of Dickinson tourism brochure to market key events, activities and destinations throughout the year.

Action 3.2.1.2 Actively promote the success and expansion of all public festivals and seasonal events.

Action 3.2.1.3 Develop new tourism initiatives including geocaching, arts, culture and heritage tourism, agricultural and culinary tourism, and nature based and ecotourism.

Action 3.2.1.4 Identify, encourage development of, and promote under tapped niche visitor markets and experiences.

Action 3.2.1.5 Market the Dickinson Historic Railroad Center for tourism initiatives and special events.

Action 3.2.1.6 Review current sign placement throughout City and evaluate relocation and/or improvement needed.

Action 3.2.1.7 Develop Master Sign Plan that includes Wayfinding Signs consistent with branding.

Action 3.2.1.8 Actively promote Dickinson properties to hotel/motel developers.

Action 3.2.1.9 Develop economic incentive packages that will encourage the development of select service and/or full service hotels.

Action 3.2.1.10 Support the enhancement and marketing of the Dickinson Bayou Boat Ramp area for fishing, boating, kayaking, canoeing and other venue appropriate events.

Action 3.2.1.11 Support the development and enhancement of community facilities and projects that improve the quality of life within the City of Dickinson, including connectivity, streetscapes, and building a sense of place.



ENDNOTES

¹ The Retail Coach. (2014) Retail Trade Area Gap/Opportunity Analysis.

² The City of Dickinson. (2014) Code of Ordinances, Chapter 18, Part II, Article XI.