



October 2011

Dear Citizens:

During my recent survey, several of you expressed a desire to recruit new businesses and jobs to Corsicana and many want to know more about that overall process. I will explain a bit about how it works by answering some of the specific questions you asked.

1. Why does Waxahachie have a Target Super Store and other national brand stores?

One of the main things retailers look for when selecting communities for their business is how many customers they can reasonably count on within the primary retail trade area. They determine that with a formula that takes into consideration both the number of prospective customers (“population”) and level of income (“median household income”) found in the retail trade area. In this case, Waxahachie has not only a significantly higher population in their retail trade area, but, because of its proximity to the Dallas area, those who live there have a substantially higher median income as well. That is why it is much easier, right now, for Waxahachie to draw larger national brand restaurants and stores. We are working hard to change that.

POPULATION				
City Name	2011 Estimate	2010 Census	2000 Census	1990 Census
Corsicana	23,770	23,770	24,485	22,911
Waxahachie	30,160	29,621	21,426	18,168

(Source: North Central Texas Council of Governments. US Census Data 1990, 2000, 2010; 2011 (Estimates))

MEDIAN HOUSEHOLD INCOME		
City Name	2009 Estimate	2000 Census
Corsicana	\$33,931	\$27,203
Waxahachie	\$45,501	\$43,213
Texas	\$48,259	\$39,842

(Source: City-data.com. Selected Texas Cities and the State of Texas: 2000 US Census Data, 2009 Estimates)

2. How much time does it take to recruit a retail store or a restaurant?

Typically, it takes approximately eight to 16 months to successfully recruit a retail store or a restaurant. This period of time begins with the date of initial contact and extends through the date the prospect makes its final site selection decision.

3. Has Corsicana attracted any new retail stores or restaurants within the past five to six years?

Since 2005, the following new retail stores and restaurants have located in Corsicana: Aaron’s Rental, CVS Pharmacy, Edge Medical, Game Stop, Sally Beauty Supply, General Nutrition Center (GNC), Hampton Inn and Suites, La Pradera Mexican Restaurant, Holiday Inn Express, La Quinta Motel, Office Depot, Atwood’s Home and Ranch Supply, Collin Street Bakery Retail Store, Denny’s, Sprint, Verizon Wireless, Cinergy Cinema, Rainbow Plaza, the Subway restaurant on Ridgeway Drive and Applebee’s Restaurant currently under construction.



NEW RETAIL STORES AND RESTAURANTS		
Year	Business Name	Type of Business
2005	Aaron's Rental	Lease to own furniture, electronics, TVs, computers, etc.
2005	CVS Pharmacy	Prescription drugs, health information and medical care
2005	Edge Medical	Medical and health care
2005	Game Stop	Computer and console video games
2005	Sally Beauty Supply	Professional beauty supplies
2006	General Nutrition Center (GNC)	Vitamins, supplements, diet and energy, health and beauty
2007	The Hampton Inn & Suites	Hotel/Motel
2007	La Pradera Restaurant	Mexican food restaurant
2008	Holiday Inn Express	Hotel/Motel
2008	La Quinta Motel	Hotel/Motel
2008	Office Depot Retail Store	Office Supplies
2009	Atwood's Home and Ranch Supply	Ranch and Home Supply
2009	Collin Street Bakery Retail Outlet	Snack Foods
2009	Denny's Restaurant	Restaurant
2009	Sprint	Cell phones and wireless
2009	Verizon Wireless	Cell phones, wireless, and cell phone plans
2010	Cinergy Cinema	Cinema, Eatery & Family Entertainment
2010	Rainbow Plaza	Fast Food and Convenience Store
2010	Subway (Ridgeway Drive - off south US 287)	Fast Food
2011	Applebee's Restaurant	Restaurant

4. Has Corsicana attracted any *new* industries within the past five to six years?

Since 2005, the following industries have located in Corsicana creating 405 *new* jobs with benefits: Kohl's Call Center, Northrop Grumman Information Technology, Industrial Pipe and Fittings, Able Technologies, HKI Terminal and Effective Environmental.

NEW INDUSTRIES TO CORSICANA			
Year	Company Name	Nature of Business	Number of Jobs
2005	Kohl's Call Center	Call Center	225
2006	Northrop Grumman Information Technology (NGIT)	Information Technology	50
2007	Industrial Pipe Fittings	Industrial Pipe	50
2008	Able Technologies	Information Technology	10
2009	HKI Terminal	Oil & Gas Supply	50
2010	Effective Environmental	Environmental	20

Since industries generally have a life-cycle of approximately 40 years, there are multiple factors to consider as recruitment moves forward. Those include infrastructure, channels of distribution, transportation networks, workforce education, skilled workforce availability, and affordable housing. Whereas retail and restaurant site selection decisions take approximately eight to 16 months, industrial site selection decisions take anywhere from 16 months to three years which can be up to three times longer than for restaurants and stores.

5. Have any Corsicana-based companies created manufacturing jobs with benefits for our residents?



In addition to the *new* industries that have located in Corsicana during the past few years, since 2006 the following Corsicana-based companies have successfully expanded their existing operations in Corsicana: Oil City Iron Works, Lance Manufacturing, Guardian Industries, Pactiv Corp., Russell Stover Candies, Corsicana Bedding and Southern Marketing Associates.

CORSICANA-BASED INDUSTRIES - EXPANSIONS			
Year	Company Name	Nature of Business	Number of Jobs
2006	Oil City Iron Works	Castings	50
2007	Lance Manufacturing	Snack Foods	50
2009	Guardian Industries Corporation	Glass	209*
2010	Pactiv Corporation	Packaging Products	20
2010	Russell Stover Candies	Candy	55
2010	Corsicana Bedding, Inc.	Bedding & Furniture Components	20
2011	Southern Marketing Associates	Farm & Ranch Equipment	20*

* Number of Full Time Equivalent Jobs Retained

Truly the root of the decisions to invest in a community is based on that companies' ability to make money. The decision is based on the investment required, the demographics and population of the area. Services needed in the area are always considered. This process usually takes a year to 18 months to complete. Another important factor in recruitment of business is the need for confidentiality. Businesses want the time and privacy to make assessments of the area and determine whether or not they can pay back the investment. They also may want to be the first in the market. It is very important the City does not violate the need for confidentiality.

As you all know, the last five years have been very tough economic times. As a businessman, I cannot think of harder job during that time than that of an economic development director. The facts will show that Corsicana has made a slow, steady improvement in our economy. I am excited about prospects on our horizon as I see the city staff working daily to bring new opportunities to Corsicana. I continue to be proud to be your Mayor.

Sincerely,

Chuck McClanahan