



Caterpillar, Seguin

BETTER TOGETHER

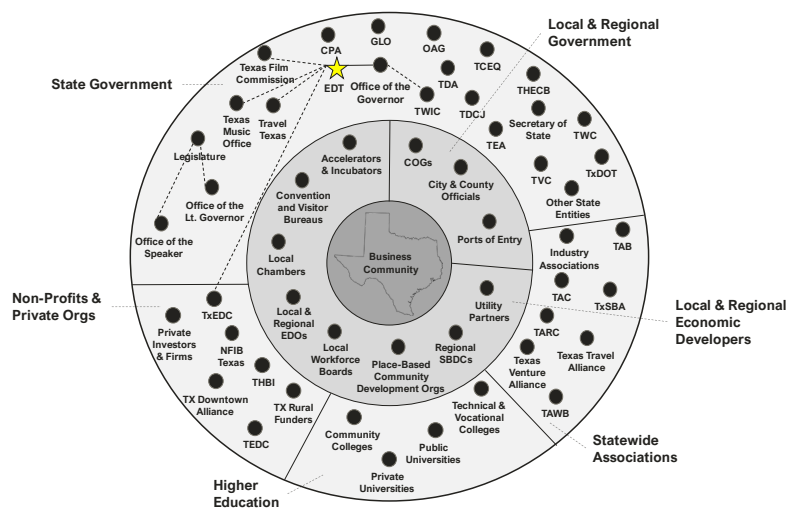
“Working together, we are building an even bolder, brighter Texas of tomorrow.”
– Governor Greg Abbott

The Texas dream is the result of generations of Texans before us and the businesses they built, the communities they created, and the legacy they left to us. We carry that dream forward today — when our businesses, communities, and governments work together, Texas is a force to be reckoned with. By working collaboratively, we amplify our efforts and create an environment where businesses and residents can thrive. *Better Together* provides an overview of the entities that contribute to economic prosperity in Texas and describes how they interact to grow our economy and enhance our quality of life. The section also defines the Texas Economic Development & Tourism Office's role in our four economic development pillars.

It takes a team.

The Texas economic development ecosystem is comprised of thousands of local, regional, and statewide entities that reflect the diverse populations of our state and collectively build upon our business-friendly environment and top-notch communities. To illustrate the impact and interconnectedness of the entities that support economic development in Texas, we mapped the ecosystem in Figure 15 below and outlined how these players interact to advance business and industry, innovation and entrepreneurship, workforce, and infrastructure in Texas in the subsequent pages.

Figure 15. Texas Economic Development Ecosystem



The ecosystem is divided into seven segments:

- **Business Community:** Texas' businesses and workers are at the heart of the economic development ecosystem, and the efforts of the other segments are intended to promote their success. This portion of ecosystem includes the hundreds of thousands of businesses in all industries and across all regions of our state.
- **Local and Regional Economic Developers:** Economic development efforts in Texas begin at the local level. Local and regional economic developers include chambers of commerce, convention and tourism boards, local workforce boards, utility partners, and local and regional economic development organizations. These entities are uniquely equipped to provide resources that best serve the needs of their local communities and help attract and grow businesses that reflect their communities' strengths and character.
- **Local and Regional Government:** Our local and regional government partners, including city officials, county officials, and councils of government, help shape policies to support the local business community and collaborate with other partners to promote business and industry growth in their regions.
- **Statewide Associations:** With an in-depth understanding of both industries and regional economies, statewide associations provide resources to help their members grow and succeed. These entities also conduct important advocacy work to promote business-friendly policies and bring awareness to issues that matter to their members. Examples of these statewide associations include the Texas Association of Business, Texas Association of Manufacturing, Texas Oil & Gas Association, Texas Association of Regional Councils, Texas Travel Alliance, Texas Economic Development Council, and other industry associations.
- **Higher Education:** Our institutions of higher education, including our community colleges, public and private universities, and career and technical schools, are a critical component of economic development efforts in Texas. These institutions prepare the next generations of our workforce to meet future industry demands and assist in upskilling and reskilling efforts of our current workforce to adapt to industry needs.
- **Non-Profit and Private Organizations:** Non-profit and private organizations provide private funding and resources to support economic development efforts across the state. Some entities have a narrower scope — Texas Rural Funders, for example, focuses their efforts on supporting rural areas of the state, while other organizations like the Texas Downtown Alliance focus on revitalizing our state's many downtown areas. Entities such as the Texas Economic Development Corporation and the Texas Economic Development Council provide statewide resources and help provide funding to support state economic development efforts.
- **State Government:** The state government segment includes the Office of the Governor, including EDT, the Texas Legislature, our state agencies, and other entities in the executive branch. The Texas Legislature is responsible for creating policy based on the needs and priorities of the state, and other branches of state government help implement these policies. EDT provides support for Texas businesses and works collaboratively with other ecosystem partners to promote Texas and attract new investments and prospective businesses to our state.

Businesses and industries are the driving force of Texas' economic growth. The business and industry ecosystem in Texas creates a climate in which hardworking Texans can start, grow, and scale a business and helps to balance the interests of industries, residents, and communities. When Texas businesses and industries succeed, our communities thrive and our state succeeds.

Partners in Texas Business and Industry

Business Community

- Convention & Visitor Bureaus
- Local Chambers
- Local & Regional EDOs
- Local Workforce Boards
- Place-Based Community Development Orgs
- Regional SBDs
- Technical & Vocational Colleges
- Public Universities
- Private Universities
- Community Colleges
- TX Rural Funders
- TXEDC
- NFIB Texas
- THBI
- TX Downtown Alliance
- Private Investors & Firms
- Office of the Speaker
- Legislature
- Texas Music Office
- Texas Film Commission
- CPA
- GLO
- OAG
- TCEQ
- THECB
- TWC
- TxDOT
- TAB
- TAC
- TARC
- Texas Venture Alliance
- TAWB

Local & Regional Economic Developers:

- Convention & Visitor Bureaus
- Local Chambers
- Local & Regional Economic Development Organizations (EDOs)
- Regional Small Business Development Centers (SBDs)
- Utility Partners

Local & Regional Government:

- City & County Officials
- Councils of Government
- Ports of Entry

Higher Education:

- Community Colleges
- Private Universities
- Public Universities
- Technical & Vocational Colleges

Non-Profits & Private Organizations:

- National Federation of Independent Business Texas (NFIB)
- Texas Downtown Alliance
- Texas Economic Development Corporation (TxEDC)
- Texas Economic Development Council (TEDC)
- Texas Healthcare & Bioscience Institute

Statewide Associations:

- Texas Association of Business
- Texas Association of Manufacturers
- Texas Association of Regional Councils
- Texas Travel Alliance
- U.S. Small Business Association, Texas Chapter (TxSBA)
- Other Industry Associations

State Government:

- Office of the Attorney General (OAG)
- Office of the Governor
- Office of the Lieutenant Governor
- Office of the Speaker of the House
- Texas Commission on Environmental Quality (TCEQ)
- Texas Comptroller of Public Accounts (CPA)
- Texas Commission on the Arts
- Texas Department of Agriculture (TDA)
- Texas Department of Transportation (TxDOT)
- Texas General Land Office (GLO)
- Texas Legislature
- Texas Office of Economic Development & Tourism (EDT)
- Texas Secretary of State

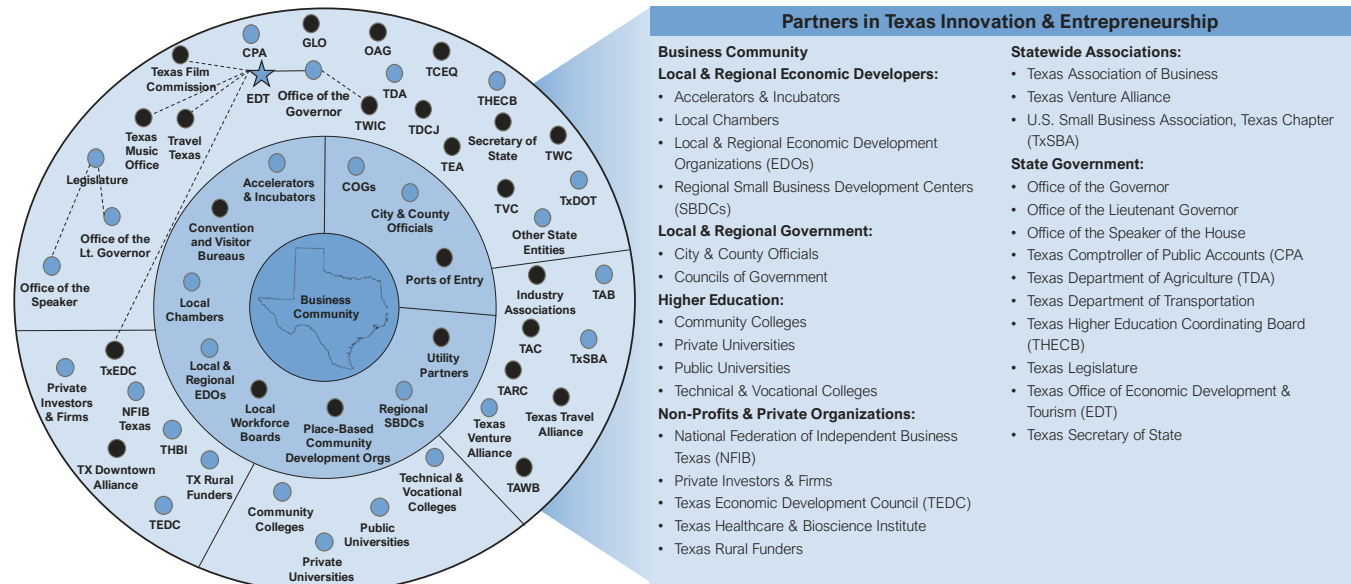
The **State Government** establishes a predictable regulatory framework in which businesses operate, provides business resources and assistance, and creates incentives to attract new businesses and industries to the state.

The **Texas Economic Development & Tourism Office** in the Office of the Governor is a hub of information and resources for the business and industry ecosystem. The office serves as a resource for businesses of all sizes navigating Texas' unique business permitting process and works to support small businesses by providing information and resources for starting or growing a business. EDT also maintains and awards a number of the state's economic incentive funds. EDT works to promote Texas and attract job-creating businesses and industries to our state from all over the world. The section titled *Blueprint for a Stronger Texas of Tomorrow* describes how EDT will continue to support Texas businesses, strategically positioning the state for growth in emerging industries.

Innovation and Entrepreneurship Ecosystem

Innovation and entrepreneurship are essential ingredients for Texas' future success, and the supporting ecosystem works together to achieve this. By cultivating a welcoming environment for entrepreneurs, inventors, and innovative thinkers, we can ensure Texas remains a hub for new technology, a birthplace of innovative solutions, and a leader in the global economy.

Figure 17. Texas Innovation and Entrepreneurship Ecosystem



The innovation and entrepreneurship ecosystem, illustrated in Figure 17 above, supports our Texas entrepreneurs and innovators and keeps our state ahead of the curve. Our **Business Community** is the playing field for Texans to innovate — whether that be turning a novel idea into a new business or cultivating ways to take entire industries to the next level. Our **Local and Regional Government and Economic Developers** support local innovators and entrepreneurs by connecting them to available resources and providing exposure to their larger audiences. **Statewide Associations, Non-Profits, and Private Organizations** advocate to meet the needs of Texas businesses and industries with an emphasis on innovating for the future. Our **Higher Education** institutions are an important component of the ecosystem as they conduct groundbreaking research and prepare the next generation of Texas innovators and entrepreneurs. **State Government** is responsible for creating and implementing a flexible and predictable regulatory framework that

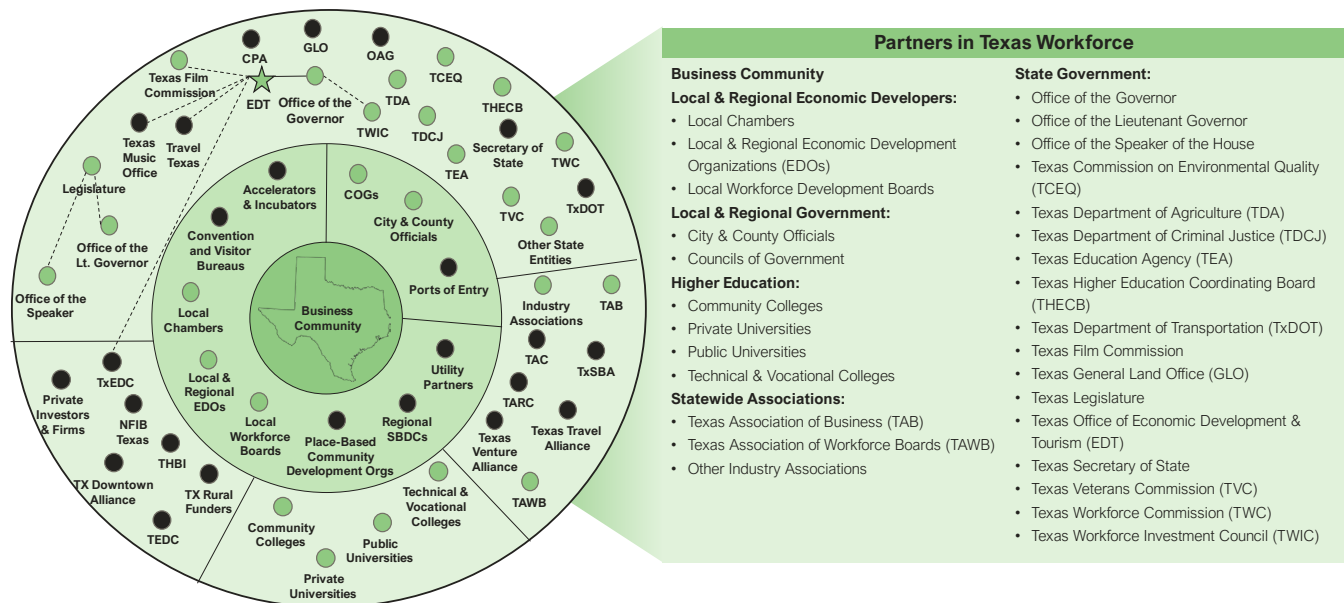
supports a welcoming business environment and encourages innovation.

The **Texas Economic Development & Tourism Office** supports the innovation and entrepreneurship ecosystem by assisting entrepreneurs in the early stages of business growth and development. The office publishes a number of resources, including the Governor's Small Business Resource Portal, to help link new and existing business owners with relevant contacts, funding sources, and other resources. The office also developed a **Texas Innovation & Entrepreneurship Catalog** to provide a snapshot of the many different entities supporting the innovation and entrepreneurship landscape in Texas. The *Blueprint for a Stronger Texas of Tomorrow* section describes how EDT will continue working together with partners to further support cultivation of an environment that is ripe for innovation and entrepreneurship in Texas.

Workforce Ecosystem

Our state is home to a young, skilled, diverse, and growing workforce, with Texas leading the nation in job creation. Texas' workforce powers our economy, and the supporting ecosystem is as diverse as our state. The culmination of efforts from partners across Texas will help support our current workforce and prepare our future workforce to take on evolving industry demands and meet the needs of our diverse communities.

Figure 18. Texas Workforce Ecosystem



The ecosystem supporting Texas' workforce — illustrated in Figure 18 above — is a key ingredient in our state's economic success. This workforce ecosystem encompasses all segments of the broader economic development ecosystem. The Texas **Business Community** employs our people, providing fulfilling job opportunities and the income that helps Texas families to prosper. **Local and Regional Government and Economic Developers** work collaboratively with our local workforce boards and educational institutions to help Texans find and maintain employment and ensure local businesses have the workforce they need to thrive. **Statewide Associations, Non-Profits, and Private Organizations** advocate for the workforce needs of Texas businesses and industries and provide resources to help local communities attract and retain a healthy, dynamic workforce. Our **Higher Education** institutions are instrumental in coordinating with business and

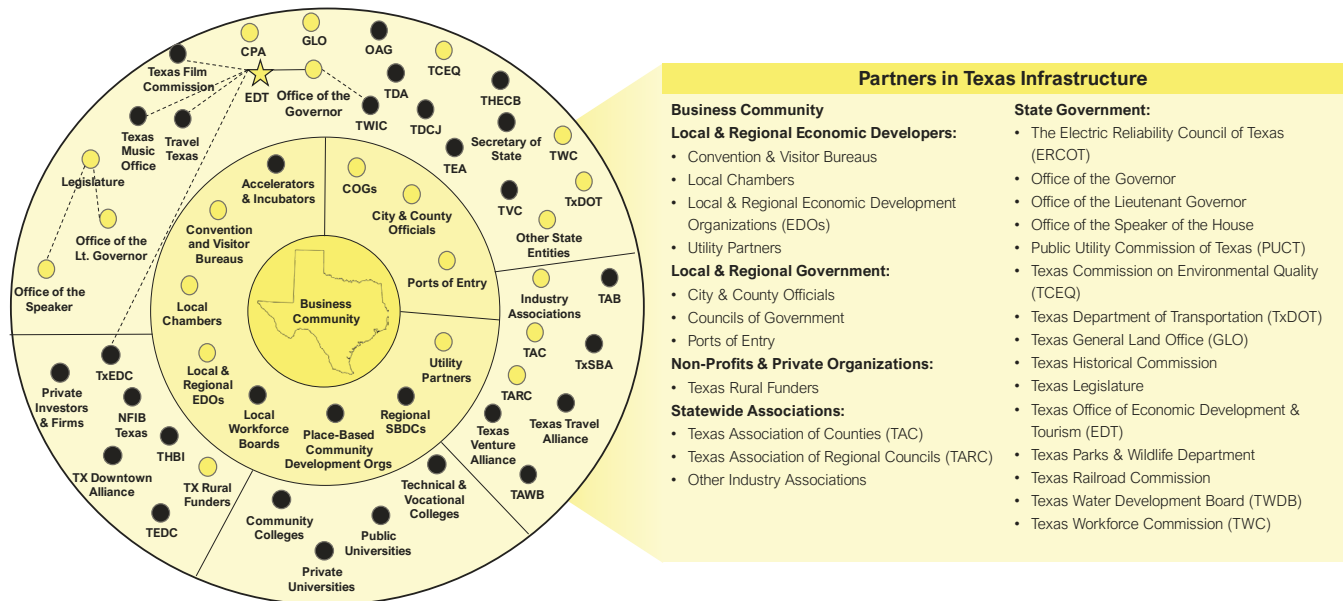
industry partners to help ensure our workforce is prepared to meet industry demands of today and tomorrow. Several current workforce development efforts at the **State Government** level are led by the Tri-Agency Workforce Initiative, a collaborative effort that includes the Texas Education Agency, Texas Higher Education Coordinating Board, and Texas Workforce Commission. Within the **Texas Economic Development & Tourism Office**, the **Texas Workforce Investment Council (TWIC)** serves as the state workforce development board (by federal law) that promotes the development of a highly skilled workforce and aligns the workforce development efforts of its state agency partners under a single workforce system strategic plan.

The *Blueprint for a Stronger Texas of Tomorrow* section describes how EDT, through its partnership with TWIC, will support workforce partners to ensure our workforce is equipped to lead us into the future.

Infrastructure Ecosystem

Infrastructure is a crucial component of economic development, laying the foundation of our communities and setting our industries up for success. Coordination across the infrastructure ecosystem is essential to ensure that Texas' residents, communities, regions, businesses, and industries have the reliable critical infrastructure they depend on.

Figure 19. Texas Infrastructure Ecosystem



Illustrated in Figure 19 above, the infrastructure ecosystem works collaboratively to ensure our state has the infrastructure needed to thrive. Our **Business Community** relies on the supporting ecosystem to provide the infrastructure required to conduct business in Texas. **Local and Regional Government and Economic Developers** oversee local infrastructure, provide the strategies and resources at the local and regional level, advocate for infrastructure development resources, and communicate the needs of their communities. Texas' **Statewide Associations, Non-Profits, and Private Organizations** advocate for the needs of Texas businesses and industries, provide economic development training, and promote available infrastructure resources. Our **Higher Education** institutions also play a critical role in ensuring training is available to help meet the

infrastructure workforce pipeline needs. The **State Government** is responsible for establishing the regulatory framework and ensuring our state's infrastructure is meeting the current and future demands of our growing population and expanding industries across Texas.

The **Texas Economic Development & Tourism Office** serves as a bridge between current and prospective businesses and industries and their anticipated infrastructure needs. The *Blueprint for a Stronger Texas of Tomorrow* section describes how we will support our ecosystem partners in identifying industry infrastructure needs to ensure Texas has the necessary infrastructure in place to meet industry needs, support our growing population, and realize our full economic potential.

Communities are the heart of Texas — and our strategic plan.

In the previous section, we identified the many different players involved in the Texas economic development ecosystem. We also recognize that each region of Texas has unique needs and priorities, and there are other existing strategies and initiatives created by communities, regions, and economic development organizations that are tailored to the unique populations they represent.

To ensure our plan reflected Texas' decentralized approach to economic development, we reviewed and analyzed over 40 local, county, and regional economic development plans at the outset of our plan development process and identified common themes and priorities. We also reviewed other statewide plans to ensure consistency across strategies. The reviewed plans cover all 254 of Texas' counties, as demonstrated in Figure 20. A full list of plans reviewed is included in Appendix C.

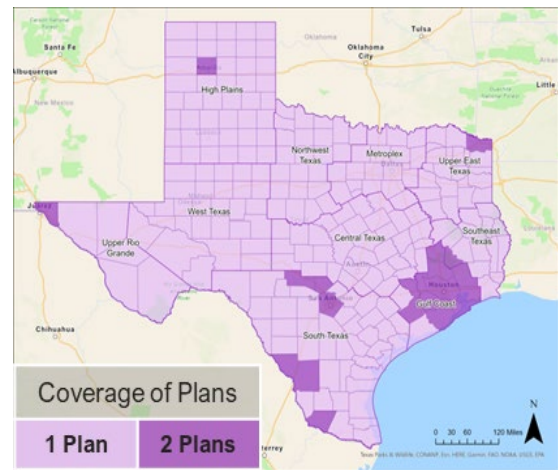
Through our analysis, we identified four key themes across the local, county, and regional economic development plans. The themes are ordered by frequency of appearance in those plans.

1. **Business Attraction, Retention, and Growth:**

The most common theme identified in local and regional plans was Business Attraction, Retention, and Growth. All Texas regions are prioritizing business recovery and economic diversification to help reduce exposure to any future economic downturns.

2. **Workforce Development:** Regions across Texas are prioritizing development and growth of their talent pipeline. However, there is some regional nuance in workforce goals. Regions with slowing population growth are investing in talent retention, while regions experiencing rapid growth are seeking to meet growing or changing industry demands.

Figure 20. Economic Development Plans Reviewed



3. **Public Infrastructure:** Increasing demand on infrastructure is prompting regions across the state to prioritize infrastructure investments to attract new businesses, boost trade, and improve quality of life for their communities.

4. **Innovation and Entrepreneurship:** Cultivating an environment where people feel empowered to innovate and create new businesses can spur productivity, increase efficiency, generate new jobs, and grow the economy.

To capture the priorities of economic development organizations across the state, these key themes informed the development of our strategic plan's core pillars: Business and Industry, Innovation and Entrepreneurship, Workforce, and Infrastructure. Additional information on the pillars is included in the *Blueprint for a Stronger Texas of Tomorrow* section.