



2019-2020 ANNUAL REPORT

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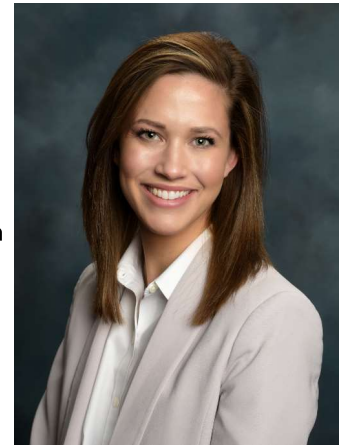
A look at what happened inside Borger, Inc. this year

LETTER FROM THE EXECUTIVE DIRECTOR



I think it's safe to say that 2020 is a year we won't soon forget. From a global pandemic to a contentious presidential election, nothing about this year has been "normal". And while business never really stopped at Borger, Inc., it did look quite different than we imagined.

We kicked off our fiscal year with a ResIntel Housing Study by Community Development Strategies. When we received the draft study in February, we had immediate interest from a single-family home builder. Just a few weeks later, Texas would join other states in a partial lockdown. While it became increasingly obvious that new developments would be unlikely during what has turned out to be the most widespread pandemic in modern history, we remained determined to not let this valuable investment "sit on a shelf". So, we continue to court multi-family and single-family housing developers and hope to announce a new market-rate housing development in the near future.



Not everything was put on hold this year, though. After many years of modest local retail growth and national retail contraction, Borger saw several national-name restaurants take interest in Borger in 2020, including the opening of Little Caesars and the groundbreaking of Chicken Express and Wendy's. And despite economic uncertainty caused by COVID-19, a deteriorating local hotel was purchased by investors and has been completely renovated and re-opened as a Hampton Inn. This confidence in our market by outside investors puts Borger in a strong position to continue retail recruitment efforts as we seek to back-fill spaces left vacant by hard-hit and even bankrupt retailers like Bealls.

Although new business activity is exciting, the real standouts in 2020 were our existing local businesses. For the past few years, Borger, Inc. has placed an emphasis on business retention and small business growth, and this year we had a front-row seat to watch just how critical these locally owned operations are. Our local businesses provided us with warm meals to-go, materials for home improvements, school supplies, and even hand sanitizer, face masks, and toilet paper. And even though several businesses were hit hard by shutdown orders, they fought to stay open and serve the community with grit and ingenuity that is especially characteristic to the Texas Panhandle. From helping small businesses pay their utilities to teaming up with mom & pops to promote Borger as the best place in the world to own a business, nearly every one of the 74 agreements we signed this year involved a small local business.

While the programs and investments made by Borger, Inc. looked different this year, one thing remains the same - Borger was built on heavy industry and brought together by small business. We are grateful for our stable industrial foundation, and we are equally appreciative of those who have spent their lives building a business in our beloved town. We believe that the investments we've made in local business this year will continue to pay dividends not only while we recovery economically, but for decades to come.

All the best,

Katie Lingor, Executive Director

VISION STATEMENT

Our vision is to create a vibrant community through a diversified economic base. We will serve as the conduit for economic growth and development of our community.

MISSION STATEMENT

Our mission is to be the economic growth engine for Borger, Texas. We will accomplish this through the retention and expansion of local businesses, the recruitment of outside businesses, and the encouragement of community growth by enhancing residents' quality of life.



PROJECT PERFORMANCE SUMMARY
AS OF SEPTEMBER 30, 2020

ACTIVE PROJECTS

Incentive Recipient	Project	Incentive Amount Paid to Date	Total Agreement Amount	New FTE Jobs Required	Retained Jobs Required	Current # of FTE Employees	Capital Investment	Notes
Agrium-Cominco (Nutrien)	Urea plant expansion	\$400,000 (\$100,000 paid in FY 2019-2020)	\$1,000,000	0	0	120	\$1,000,000,000 expansion between 2014-2017	\$120 Million de-bottlenecking project anticipated to start June 2021
Borger Pharmacy	Establish new local pharmacy	\$25,000	\$25,000	6 Over 3 years	0	4		Has earned \$16,666.67 in loan forgiveness as of 9/30/19. Will earn forgiveness of remaining \$8,333.33 if 2 additional FTEs are hired. In forbearance due to COVID.
DISCO	Business expansion	\$150,000	\$150,000	3 Over 5 years	32	26	\$206,000	Loan of \$150,000 for robotic equipment. Can earn up to \$75,000 in forgiveness for new jobs created. In forbearance due to COVID.
Frank Phillips College	BoomTown Scholarship	\$50,000	\$100,000					Guaranties up to an Associate Degree or career certificate for all eligible BHS graduates; \$50,000 committed per year for 2 years
Frank Phillips College	High Demand Jobs Training Grant	\$55,945	\$55,945				\$112,000	New equipment for CTE programs; received matching grant from TWC
Hannon Property Holdings	CBIP 111 W. 9 th Street/Auld Brewing	\$11,666.67	\$17,500	1	0	0	\$40,000	Vacant property redevelopment. Partial funding paid March 30, 2020. Must remain occupied for a minimum of 2 years.



Incentive Recipient	Project	Incentive Amount Paid to Date	Total Agreement Amount	New FTE Jobs Required	Retained Jobs Required	Current # of FTE Employees	Capital Investment	Notes
Robert Archer dba Morton Lumber Co. (Ace Hardware)	Relocation and expansion of lumber business	\$350,000	\$350,000	5	38	45	\$2,000,000 renovation and relocation	Has earned \$140,000 (2/5 th) forgiveness as of February 2020. Obligations: Maintain 43 FTEs for 5-year performance period (ends in 2023)
RNN Hotels (Wildcatter's Bowling & Entertainment)	Renovation and re-opening of entertainment center	\$139,500	\$270,000	10	N/A	10	\$500,000 renovation, over and above cost of building	Obligations: Maintain a minimum 10 (ten) full-time equivalent jobs for 5 years (ends in 2023) In forbearance due to COVID-19
TANJACO LLC (Texas Rose Steakhouse)	Renovation of commercial space and opening of full-service restaurant	\$154,167 (\$80,476 paid in FY 2019-2020)	\$43,200 Lease Subsidy \$210,000 Job Creation (Max)	10	N/A	TBD	\$175,000 renovation of 1020 Megert	Obligations: Maintain a minimum 10 FTEs, open 7 days per week as a steak house In forbearance due to COVID-19

APPROVED PROJECTS NOT YET FUNDED

Incentive Recipient	Project	Incentive Amount Paid to Date	Total Agreement Amount	New FTE Jobs Required	Retained Jobs Required	Current # of FTE Employees	Capital Investment	Notes
Customs by Steve	CBIP – 618 S. Main Street	\$0	\$50,000	2	8		\$120,000 over and above building purchase	Anticipated December 2020 completion
Baseren LLC dba Hampton Inn Borger	Hotel renovation	\$0	\$215,000	10	0		\$500,000 over and above building purchase	Anticipated opening November 2020



Small Business Incentive Program Projects

- A&C Flooring Care (525 N. Main Street) - Façade Improvements (\$35,266 invested; \$18,633 reimbursed)
- Albert-Mettry Investments, LLC dba BluBoots (425 W 10th Street) - Sidewalk infrastructure (\$26,000 invested; \$13,100 reimbursed)
- Chocolate Tulip (517 N Main Street) - Equipment repairs (\$2,500 invested; \$1,250 reimbursed)
- Hipshots Iced Tea & Watering Hole (422 N Main Street) - Relocation to Downtown/expansion; interior renovations (\$49,000 invested; \$20,000 reimbursed)
- Jim's Diamond Shop (519 N Main Street) Interior and exterior renovations (\$16,976 invested; \$9,488 reimbursed)
- Refinishing Systems (117 E 7th Street) - Expansion (\$400,000 invested; \$20,000 reimbursed)
- Twelve Roots, LLC (709 Deahl Street) - New business; interior and exterior renovations (\$60,000 invested; \$20,000 reimbursed)



COVID-19 Small Business Recovery Program Recipients and Amount of Assistance Approved for Job Retention

- A&C Flooring Care - \$6,711
- Antelope Creek Leather - \$6,800
- At The Ranch - \$6,200
- Auld Brewing Company - \$8,000
- Body & Sol - \$8,600.00
- Borger Ambassador Inn - \$4,300
- Borger Physical Therapy - \$16,700
- China Dynasty - \$10,000
- Coffee Ranch - \$4,300
- Gasket & Packing, Inc. - \$25,000
- Jim's Diamond - \$10,000
- Wildcatter's - \$20,700



Budget vs. Actual Revenue and Expenditures
2019 - 2020 Fiscal Year



	2019-2020 Amended Budget	Actual Oct. 1, 2019 - Sept. 30, 2020
Operating revenues		
Sales taxes	\$ 1,100,000	\$ 1,164,168
Rental income	12,150	12,150
Refunded grants	-	-
Interest from economic development loans	8,368	9,609
Miscellaneous	32	87
Total operating revenues	1,120,550	1,186,014
Operating expenses		
Salaries and employee benefits	196,781	195,886
Business retention	16,992	16,992
Contract services	39,000	39,000
Depreciation	-	14,260
Dues and subscriptions	4,150	4,193
Insurance	6,200	7,733
Meetings and events	4,000	2,656
Occupancy	6,014	5,881
Other expense	11,237	7,269
Postage and printing	1,500	1,239
Professional fees	57,300	53,908
Projects, grants and loan incentives	1,004,366	545,951
Prospect development and advertising	97,000	94,804
Property taxes	8,055	7,725
Repairs and maintenance	21,559	22,351
Supplies	5,000	6,121
Telephone	3,850	3,684
Trade shows and training	5,000	3,574
Travel	6,400	4,917
Bad debt expense	-	-
Total operating expenses	1,494,403	1,038,142
Operating income	(373,853)	147,872
Nonoperating revenues (expenses)		
Investment Income	19,523	23,502
Gain (loss) on sale of property	-	(155,739)
Contributed capital	-	-
Recovery of Bad Debt	-	12,877
Total nonoperating revenues (expenses)	19,523	(119,359)
Change in net position	\$ -	28,512

Capital Costs

	Project Budget	Actual Oct. 1, 2019 - Sept. 30, 2020
6th & Main		
Purchase	\$ 50,000	\$ 50,685
Roof replacement	63,000	61,510
Engineering & Design	15,895	13,350
Renovation	371,105	50,935
	\$ 500,000	\$ 176,480



BUILT IN BORGER, STRONGER THAN TOUGH TIMES

Marketing Partner Program

In the midst of a global pandemic, many locally-owned businesses were thriving in Borger. While Borger residents spent less time traveling and more time at home, local sales tax collections subsequently increased during most of the Spring and Summer. If there is such a thing as a silver lining in a worldwide health crisis, it just might be the way the community rallied around small businesses. Rural towns especially benefitted from "unity in the community", and Borger, Inc. decided to seize the opportunity to shout from the mountaintop that Borger, Texas is the best, most supportive place in the world to own a small business! By partnering with local businesses, Borger, Inc. shared a hopeful message of strength, resilience, and success.

Marketing Partner Program participants include:

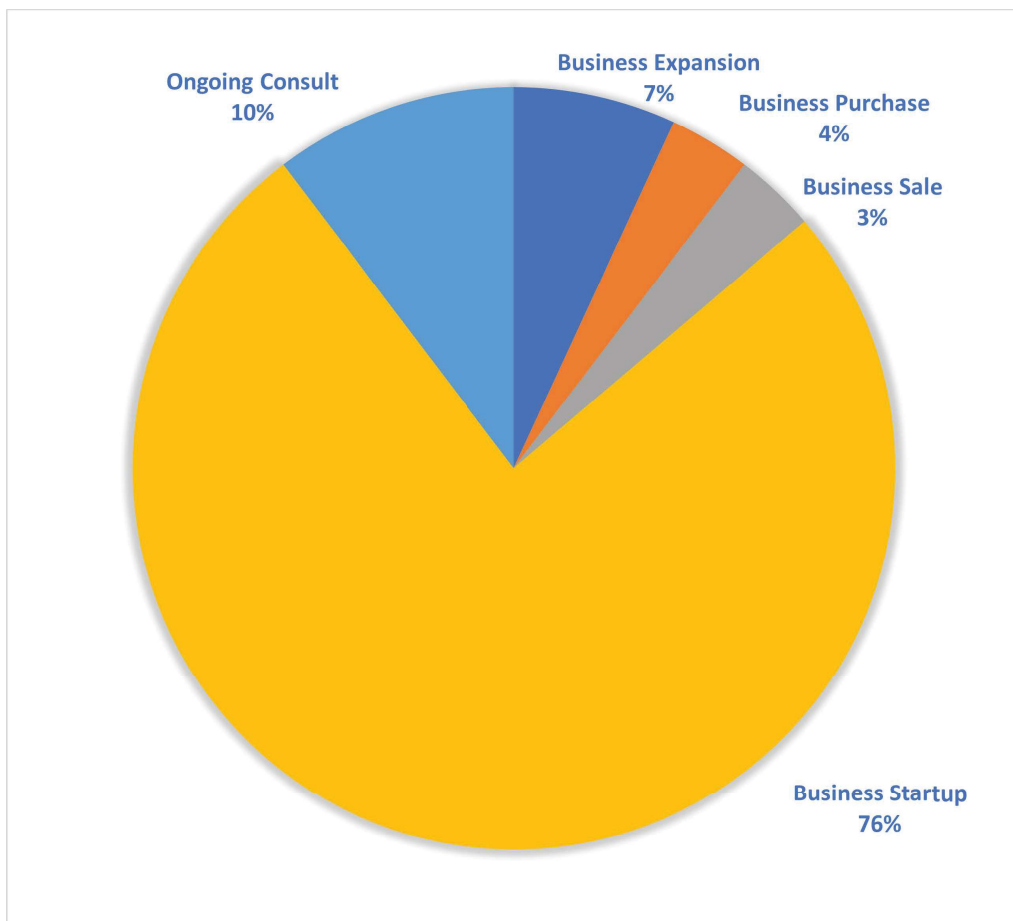
2 Fit 2 Quit	Madison Peppermint Boutique
A-1 Paint & Body	Message Makers
Amanda Harris, Attorney at Law	Moosehead Powder Coating
B & L Body Shop	Neumann & Bailey, LLC
Bargain Boutique	OJ's Discount
Black Dragon Martial Arts	Old Sutphen's BBQ
Bloomin Mesquite Boutique	Onion's Cafe
BluBoots	Pac & Mail
Borger Family Chiropractic	Panhandle Maintenance, LLC
Borger Pharmacy Group	Pieces
Burgin Funeral Home	Popular True Value
Chocolate Tulip	Refinishing Systems
Customs by Steve, LLC	Regal Crown Realty
Daryl Robertson, DDS	Rex Young Agency - Allstate
Diamond D RV, Inc.	Insurance
Fleming Furniture and Appliances	Rosa's Taqueria
Gerald's Office Products	S&M Automotive
Glassix Auto Sport Design	Special Effect Runway Salon
H & H Printing	Still Water Studio by Sheryl Franks
Hipshots	The Bolt Store, LLC dba The Nut House
Holy Smoke BBQ	Vintage Pearl Boutique
Jesse's Pizza Co.	Vogue Ventures, Inc.
JK Ladies & Mens Wear	Water Store
Laundry Solutions, LLC	Woody's Glass
M.C. Plumley & Associates	
Madison Avenue Executive Services	

BUSINESS FACILITATION WITH LEADINGEDG

Borger, Inc. retains LeadingEDG to assist local small businesses. Spencer McElhannon with LeadingEDG spends one day per week on-site at Borger, Inc. to meet with existing and prospective business owners to evaluate their business plans, cash needs, growth plans, and their overall goals. Spencer also provides consultation to the Borger, Inc. Executive Director in the areas of regional trends, industry specific marketing, and community development.

In the 2019-2020 fiscal year, LeadingEDG facilitated consultations with 29 separate businesses and/or aspiring entrepreneurs. This is a 45% increase in the number of local businesses that received services during the previous fiscal year.

The following represents the most common purpose or objective of the consultations provided by LeadingEDG:



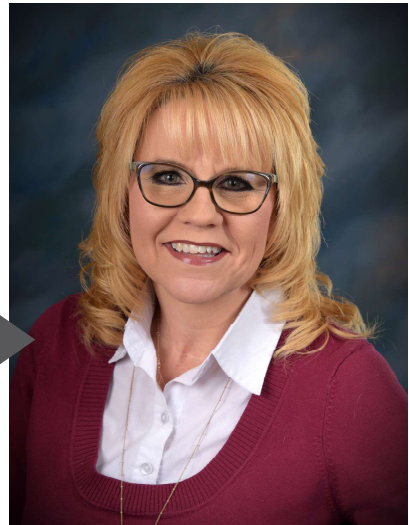
BEHIND THE SCENES

WHAT HAPPENED INSIDE BORGER, INC. THIS YEAR?

SO WE MEET AGAIN

Thanks in part to the weekly meetings that were called to review COVID-19 Small Business Recovery Program applications, the Borger, Inc. Board of Directors held a total of 21 public meetings this year. When Budget and Construction committee meetings are taken into account... this year's Board might have set an economic development corporation record!

Hats off to our volunteer Board Members who graciously give their time and talents to make Borger better.



WELCOME MICHELLE GRAY!

With the retiring of Borger, Inc.'s Office Manager Sue Headlee, we set out on a search for another jack-of-all trades to help keep the organization's many programs and initiatives on track. Michelle Gray joined Borger, Inc. on March 16th and quickly made herself indispensable. If you've read a Borger, Inc. Facebook post in the past year, it was most likely written by Michelle. Nearly every business that participated in the Marketing Partner Program had signs and posters personally delivered to them by Michelle. She also ruthlessly (☺) forced every business owner to smile happily in front of his or her business for pictures that told the world that Borger was "Stronger than Tough Times". We are so glad Michelle has joined Borger, Inc.!

GOING VIRTUAL

Executive Director Katie Lingor and Economic Development Assistant Michelle Gray completed Virtual Site Visit training with Global Location Strategies, culminating in a simulated site visit on September 3, 2020 that included participants such as Xcel Energy, OmniTRAX, Texas Gas Service, OJD Engineering, and the City of Borger Water Department.

GLOBAL LOCATION STRATEGIES
Finding only the world's best sites



VIRTUAL SITE VISIT
TRAINING SERVICE

BACK TO SCHOOL

Borger, Inc. applied for and received a grant to complete Retail Academy, a comprehensive retail recruitment training program by Retail Strategies. Three total participants were allowed to complete the training, so Katie Lingor and Michelle Gray invited the Borger Chamber of Commerce's new President, Fritz Cates, to join in the valuable training.



retail academy



BOARD OF DIRECTORS & STAFF

2019 - 2020

Board of Directors

Ms. Michelle Griffin, President

Mr. Jesse Shuffield, Vice President

Ms. Lisa A. Jones, Secretary-Treasurer

Mr. Scott Mills, Board Member

Mr. Norm Sargent, Board Member through June 30, 2020

Mr. Nicholas Vinson, Board Member beginning July 1, 2020

Professional Staff

Ms. Katie Lingor, Executive Director

Ms. Michelle Gray, Economic Development Assistant