

Austin Business Journal - May 19, 2008

<http://austin.bizjournals.com/austin/stories/2008/05/19/story5.html>



Friday, May 16, 2008

San Marcos rallies to fill holes in economy

Austin Business Journal - by [Kate Harrington](#) ABJ Staff

San Marcos has a new economic development director and a new outlook for its economic future.

Amy Madison, who was an economic development director and owner of a consulting firm in Schertz before her move to San Marcos, started on April 7. She joins new City Manager Rick Menchaca, who began work May 1, and a newly reorganized economic development department.

San Marcos' former economic development director, Kim Moore, left in November to take a job in Dallas.

While the city lies in the sweet spot of the Central Texas corridor, equidistant between the growing communities of Austin and San Antonio, its economic growth has lagged in recent years, experts say.

But that's a situation that may turn around with new leadership in the city, economic development department and chamber of commerce, says Carlton Schwab, president of the Texas Economic Development Council.

"I see potential for some real stability, collaboration and an opportunity to move forward in a way they haven't in a long time," Schwab says of San Marcos' new leadership.

Noting that the city hasn't been able to capture much economic growth beyond the inevitable retail along the I-35 corridor, he says San Marcos has formidable competition from Austin, San Antonio and even New Braunfels. Texas State University also affects the city's growth by shaping land use in the city and creating populations that drive retail activity, Schwab says. Those factors, combined with past political volatility, affected the stability of the economic development program and have meant San Marcos has been under-prepared in recent years to reel in the growth along the corridor, Schwab says.

Phyllis Snodgrass, president of the San Marcos Chamber of Commerce and herself fairly new to the city with about a year under her belt, says the chamber took over the contract for the economic development department from the city last October, a move that she hopes will bolster the city's long-term plans for growth.

Madison says she's already working to attract growth in emerging technologies, and in the automotive and manufacturing markets in particular, as well as office and professional development. Development around the airport could also jump-start the city's industrial base, she says, something the city is working on with planned improvements and utilities on land around the airport.

Another immediate goal will be harnessing the graduates coming out of Texas State, she says. Many of graduates of the university, which educates 28,000 students, now migrate to Austin or other cities. In order to retain them, the city needs to have the jobs in place, Madison says.

"We have so many graduates and we lose them out of this community to jobs in Austin and San Antonio," Madison says. "We have to work on retention -- and even recruitment of the ones who got away."

kharrington@bizjournals.com/ (512) 494-2523

All contents of this site © American City Business Journals Inc. All rights reserved.