



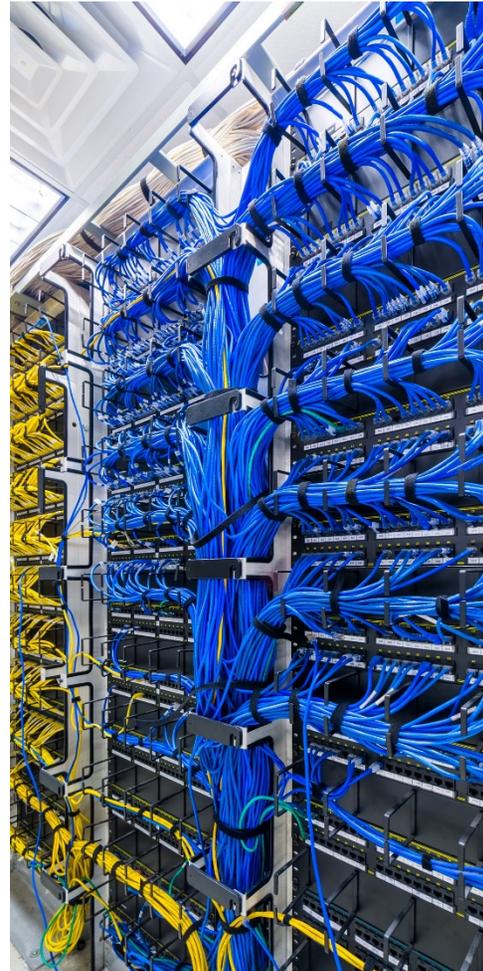
2020-2025 COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY



RESILIENCY



**ENTREPRENUERSHIP
& INNOVATION**



INFRASTRUCTURE



**WORKFORCE
DEVELOPMENT**

Table of Contents

I. INTRODUCTION	3
II. BACKGROUND SUMMARY	3
POPULATION GROWTH	3
JOBS AND EMPLOYMENT	6
EDUCATION	11
HOUSING	12
TRANSPORTATION AND COMMUTING	14
III. THE SWOT PROCESS	15
IV. CEDS THEMES AND OBJECTIVES	17
THEME 1: WORKFORCE DEVELOPMENT	17
THEME 2: ENTREPRENEURSHIP & INNOVATION	22
THEME 3: INFRASTRUCTURE	24
THEME 4: RESILIENCY	28

I. INTRODUCTION

The Capital Area Council of Governments serves a ten-county region that includes Austin, the Capital of Texas, surrounded by nine suburban and rural counties. The region boasts six universities including the University of Texas at Austin as well as junior and community colleges, an increasingly diversified employment sector, and a worldwide reputation for its barbeque, music scene, and supporting tourism industry that stretches across the region from Llano County, the deer capital of Texas, to the 50-year-old antique fair in Round Top. This region, despite the economic success of recent years, is seeing many challenges that must be addressed if our region is to remain economically competitive – over dependence on a few of the largest employment sectors, a lack of affordable housing resulting in increased commuting trips that threaten our air quality, stressed transportation infrastructure that could impact freight movement, a need for small business development in rural communities while dependable broadband is lacking, and significant disparities in educational attainment by race and ethnicity that limit the region’s ability to achieve its full economic potential.

This Comprehensive Economic Development Strategy (CEDS) was developed by the Capital Area Economic Development District board during 2020 with a keen understanding of these issues but also as our region, state and nation entered into a pandemic. Ironically, that may have more urgently put into focus the need to address what was perceived as a very strong regional economy with the vulnerability of an overdependence on employment sectors like tourism and technology.

II. BACKGROUND SUMMARY

POPULATION GROWTH

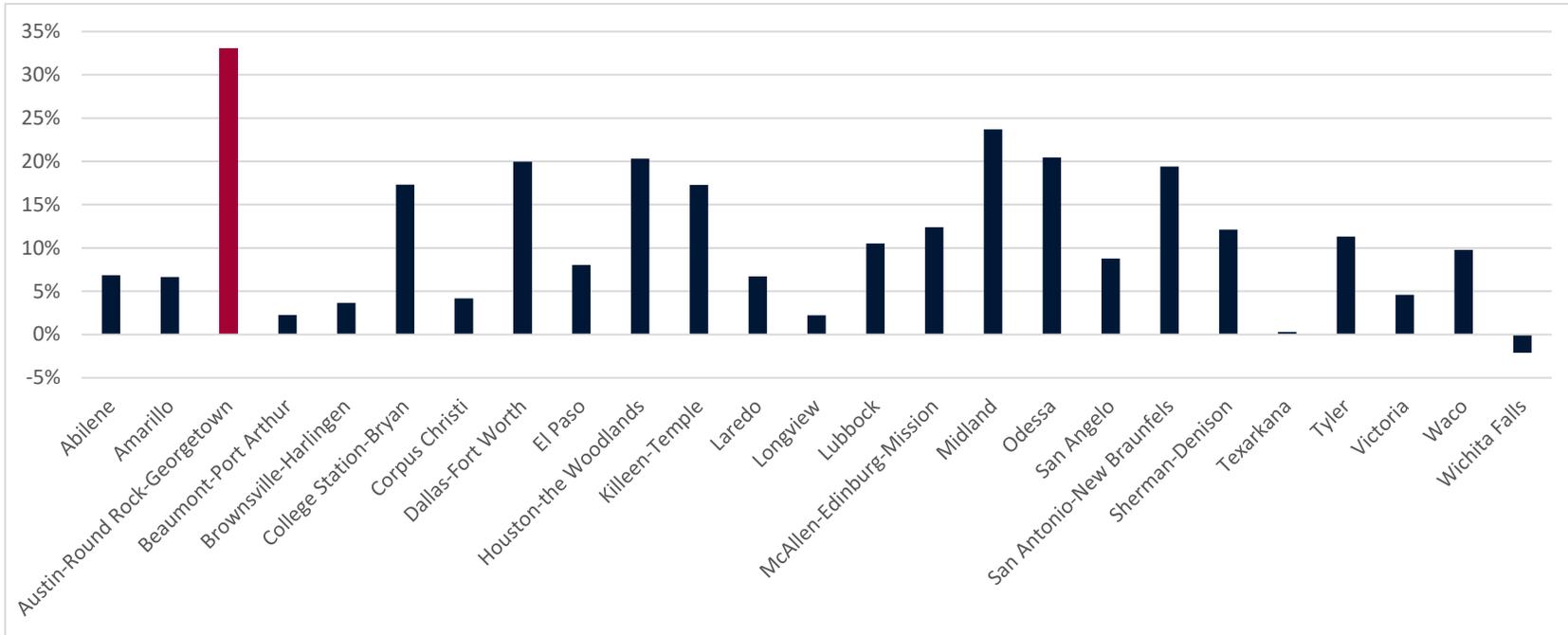
The Capital Area’s population has continued to rapidly grow, with the fastest growth occurring in suburban communities in Hays and Williamson Counties. These two counties were ranked #1 and #3 in growth rates from 2010 – 2020 among all counties in Texas, and the Austin-Round Rock-Georgetown Metropolitan Statistical Area (MSA) (Bastrop, Caldwell, Hays, Travis, and Williamson Counties) was the fastest-growing large metro area in the country. Despite strong overall growth, the 2020 Census did show that Fayette County and some of the smaller cities outside of the I-35 corridor actually experienced small population declines over this period, similar to other rural areas across the country. The region grew by almost double the statewide growth rate and more than four times the national growth rate for the same period. The following table shows growth for each county in the region.

Table II-1: Population Growth 2010-2020 (source: 2010 and 2020 U.S. Censuses)

County	2010 Population	2020 Population	Change 2010-2020	% Change 2010-2020
Bastrop	74,171	97,216	23,045	+31.07%
Blanco	10,497	11,374	877	+8.35%
Burnet	42,750	49,130	6,380	+14.92%
Caldwell	38,066	45,883	7,817	+20.54%
Fayette	24,554	24,435	-119	-0.48%
Hays	157,107	241,067	83,960	+53.44%
Lee	16,612	17,478	866	+5.21%
Llano	19,301	21,243	1,942	+10.06%
Travis	1,024,266	1,290,188	265,922	+25.96%
Williamson	422,679	609,017	186,338	+44.08%
TOTAL	1,830,003	2,407,031	577,028	+31.53%
MSA	1,716,289	2,283,371	567,082	+33.04%

The Austin-Round Rock-Georgetown MSA’s growth rate was substantially higher than any other metro area in the state: the 33% growth rate was more than nine percentage points higher than the next-fastest growing MSA in the state (Midland), and 13-14 percentage points higher than the Dallas-Fort Worth, Houston-the Woodlands, and San Antonio-New Braunfels MSAs.

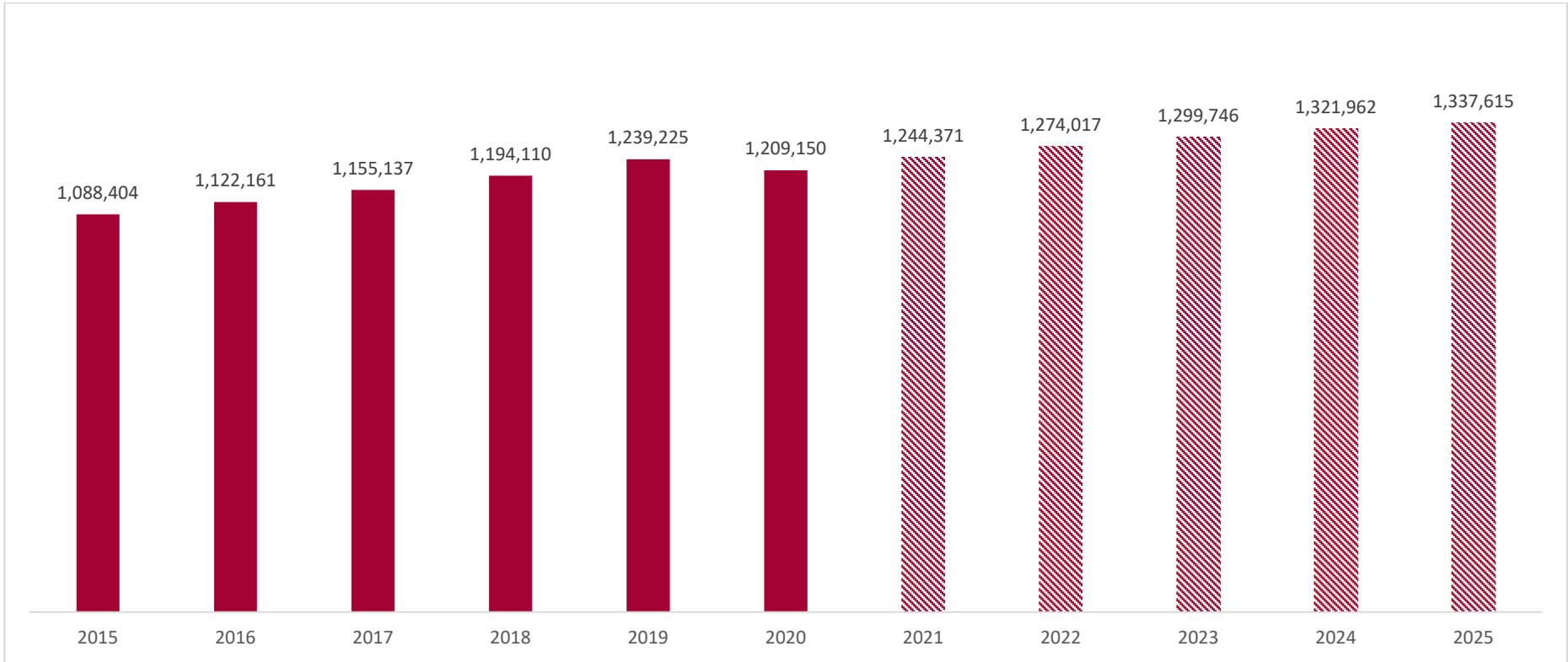
Figure II-1. Austin-Round Rock-Georgetown MSA Growth 2010-2020 Compared to other Texas MSAs (2010 and 2020 Decennial Censuses)



JOBS AND EMPLOYMENT

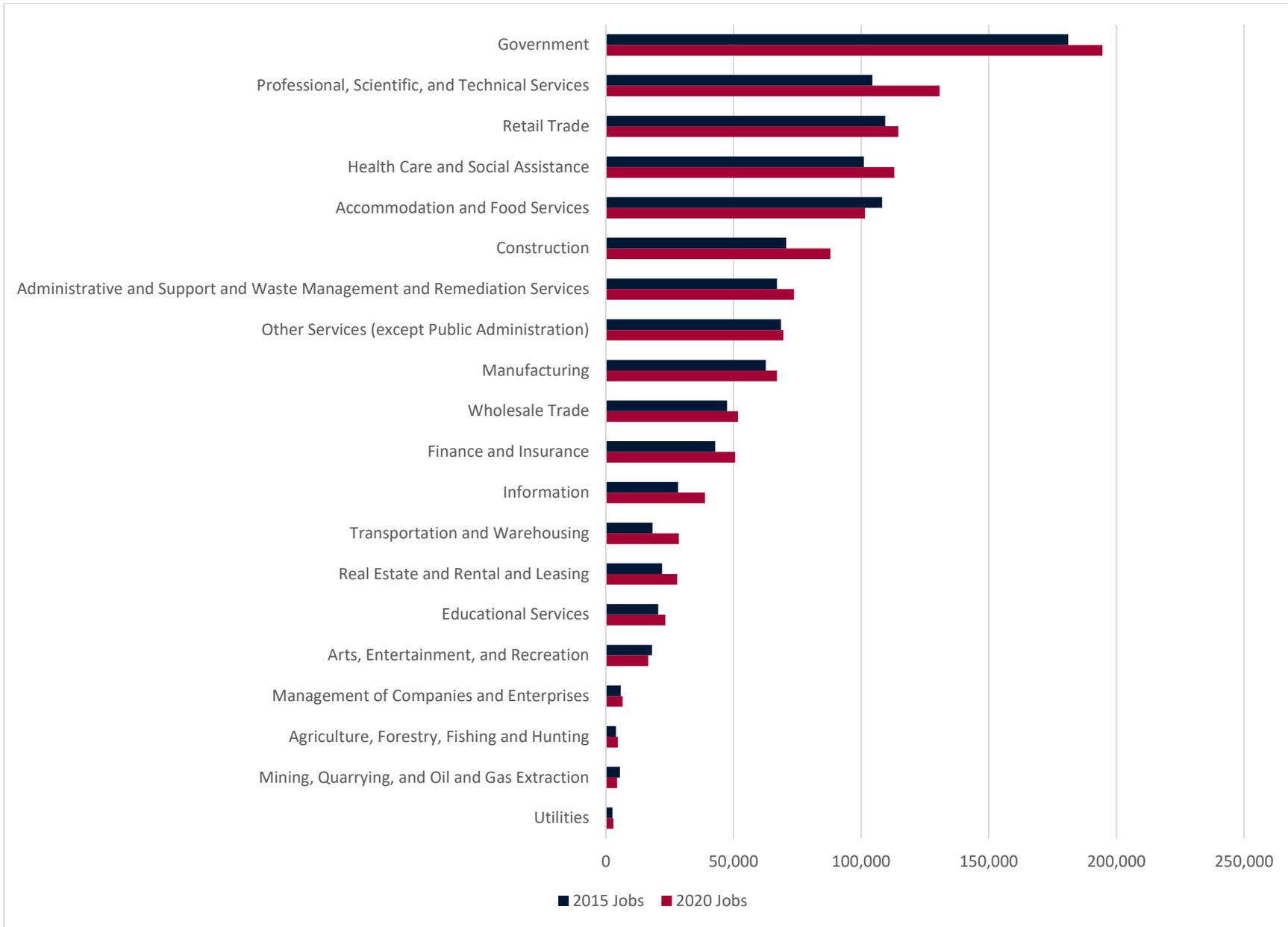
As of 2020, there were a total of 1,209,150 jobs within the region, an 11% increase from 2015, despite the economic downturn in 2020 as a result of the COVID-19 pandemic. The region’s strong job growth is projected to resume in 2021, although the pace of growth is projected to decrease slightly year over year through 2025.

Figure II-2. Total Jobs 2015-2020 and Forecast to 2025 (source: EMSI 2021 Q3 Data Set)



As the state capital, government remains the largest sector of the region’s economy and has grown approximately in proportion to statewide growth over the past five years. The second-largest sector is professional, scientific, and technical services, followed by retail trade.

Figure II-3. Jobs by Industry 2015 and 2020 (source: EMSI 2021 Q3 Data Set)



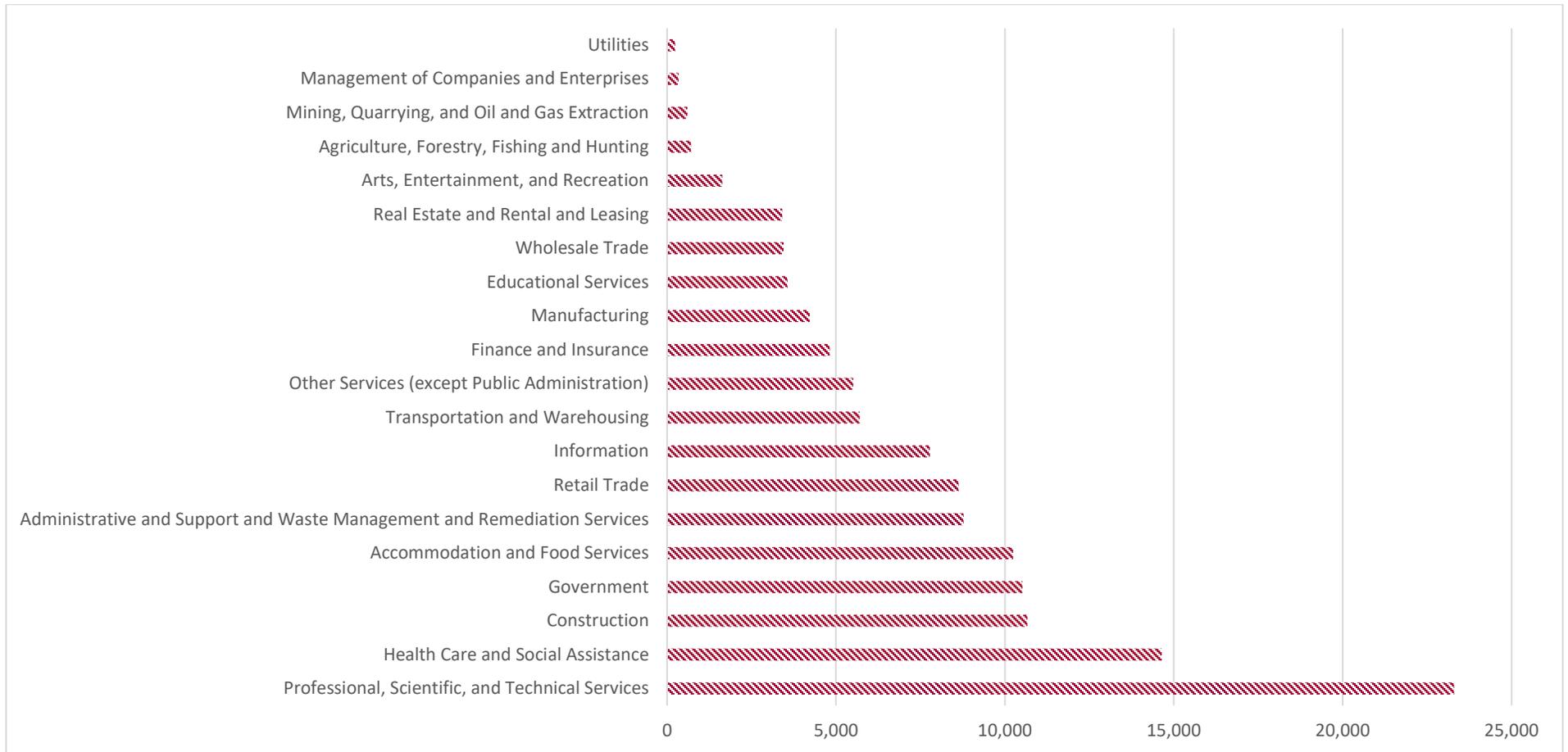
The fastest job growth occurred in the transportation and warehousing sector (+57%); the information sector (+37%); the professional, scientific, and technical services sector (+25%); and the construction sector (+24%). The growth in the transportation and warehousing sector is especially notable given the low

concentration of employment in this sector relative to many other areas of the country (the region’s location quotient for this sector is just 0.58).

Several sectors did experience job decreases over this period: mining, quarrying, and oil and gas extraction (-20%); arts, entertainment, and recreation (-8%); and accommodation and food services (-6%). The reduction in employment in the mining, quarrying, and oil and gas sector reflects the permanent closure of the Three Oaks lignite coal mine in 2017 in Bastrop and Lee Counties and significant reductions in employment in oil and gas extraction (NAICS code 2111) and support activities for mining (NAICS code 2131). Employment in the non-metallic mineral mining and quarrying sub-sector has actually grown. The reductions in employment in the arts, entertainment, and recreation sector and the accommodation and food services sector reflects the sharp downturns in these sectors that occurred in 2020 as a result of the COVID-19 pandemic.

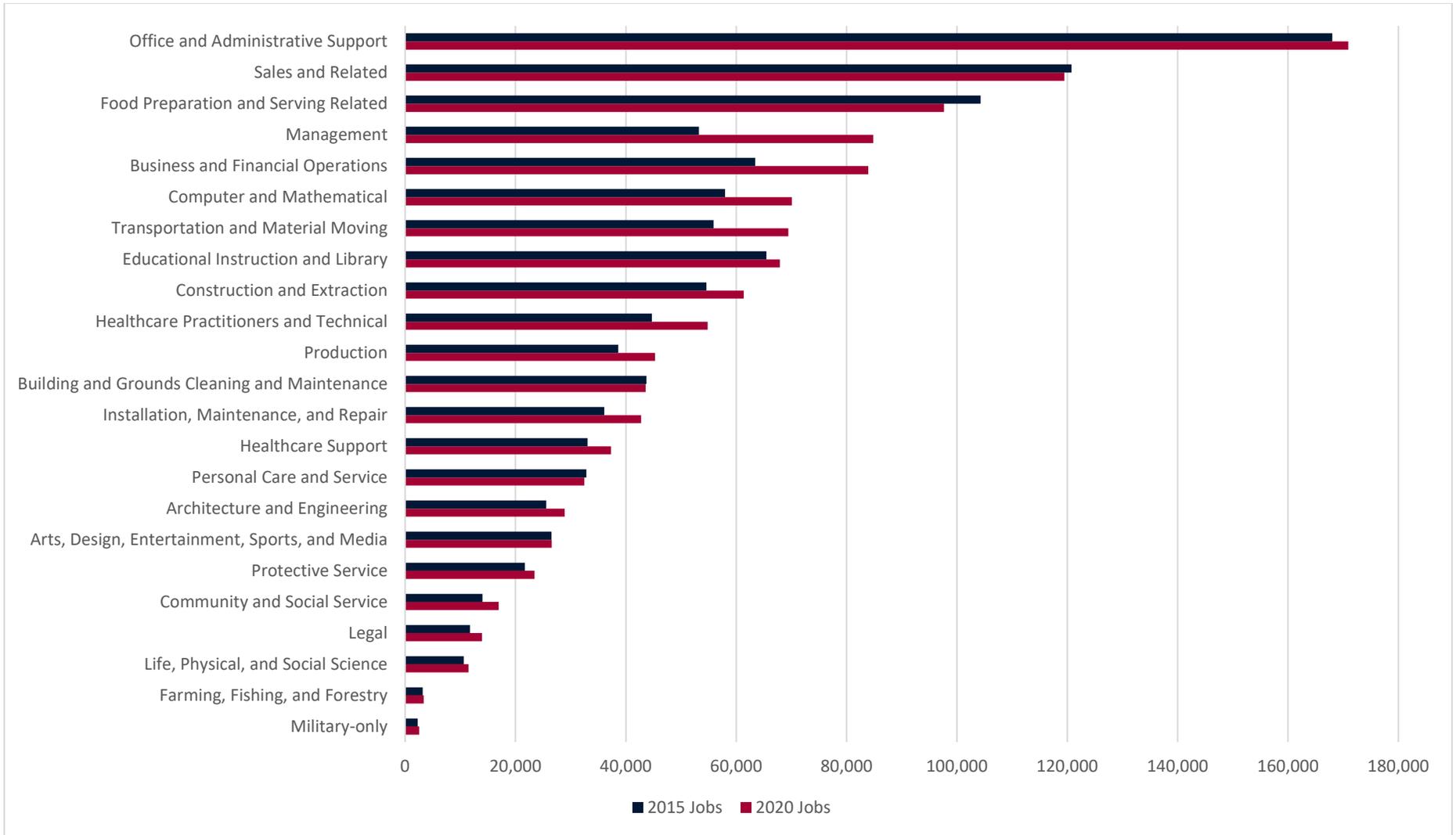
Jobs are projected to increase by another 11% (128,465 new jobs) over the next 5 years, with growth rates ranging from a low of 5% (Government) to a high of 20% (Transportation and Warehousing; Information), not counting “unclassified industries” (total jobs projected for 2025 to be 345, down from 575 in 2020). A large share of this growth is again expected to occur in the professional, scientific, and technical services.

Figure II-4. Projected Jobs Added 2020-2025 (source: EMSI 2021 Q3 Data Set)



Much of the job growth has also been in high-wage occupations. The figure below shows the number of jobs by occupation for 2015 and 2020.

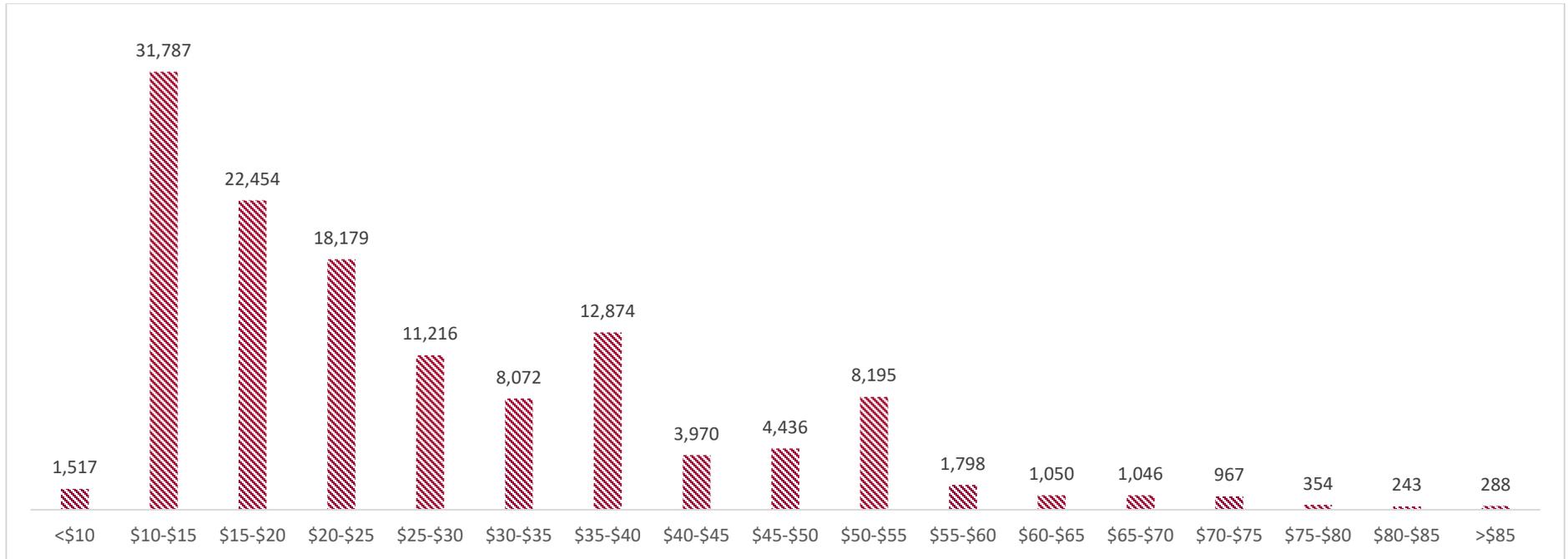
Figure II-5. Jobs by Occupation 2015 and 2020 (source: EMSI 2021 Q3 Data Set)



The occupations with the most growth in the past five years included management (+59%), business and financial operations (+32%), and computer and mathematical occupations (+21%). Combined, these three occupations accounted for more than half of the total job growth across the region over the past five years, and were also high-wage occupations, with median hourly wages ranging from \$34 - \$47 per hour.

Stronger growth is forecast for higher-wage professions than for lower-wage professions, but workers in occupations with median wages of less than \$20 an hour are still projected to make up almost 50% of all workers in the region in 2025, and a large share of growth in employment will continue to be in the \$10-\$20 an hour range.

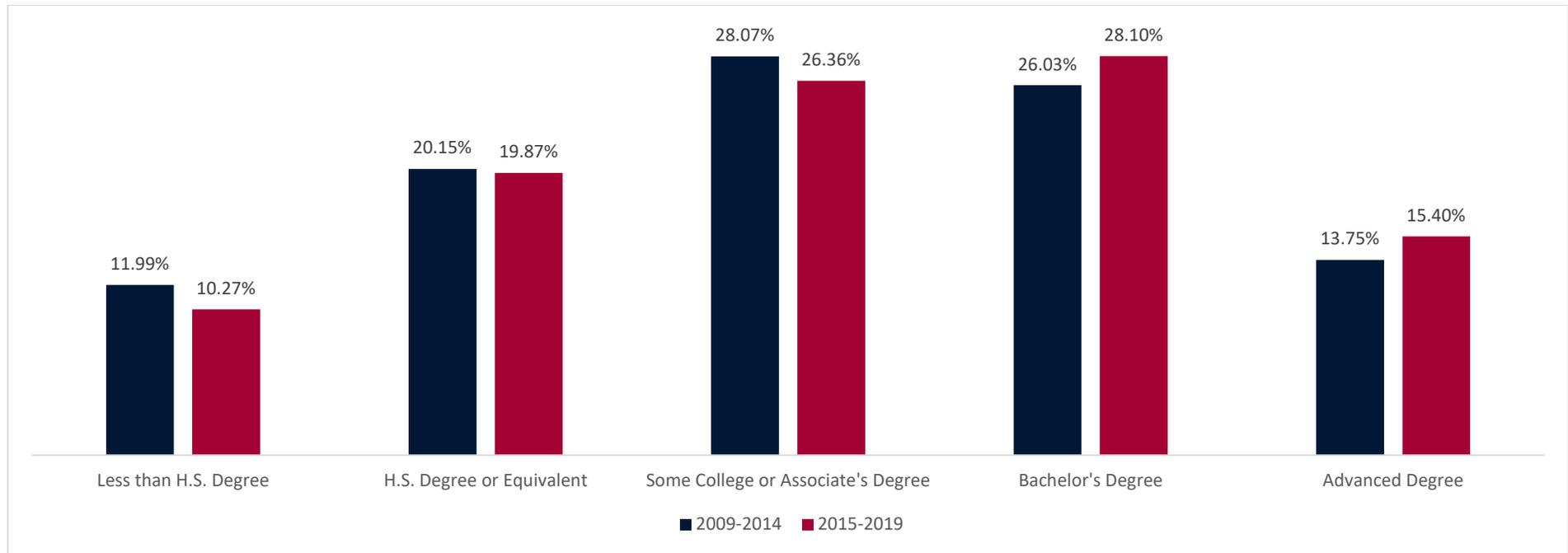
Figure II-6. Projected New Jobs Added 2020-2025 by Median Hourly Wage of Occupation (source: EMSI 2021 Q3 Data Set)



EDUCATION

The 2015-2019 American Community Survey (ACS) showed a significantly higher share of the region’s population 25 years and older holds at least a bachelor’s degree (44%) than the state (30%) and the U.S. (32%). This share grew from the 2009-2014 ACS, when 40% of the region’s population 25 years and older held at least a bachelor’s degree. The following figure shows a summary of the region’s educational attainment levels for these two timeframes.

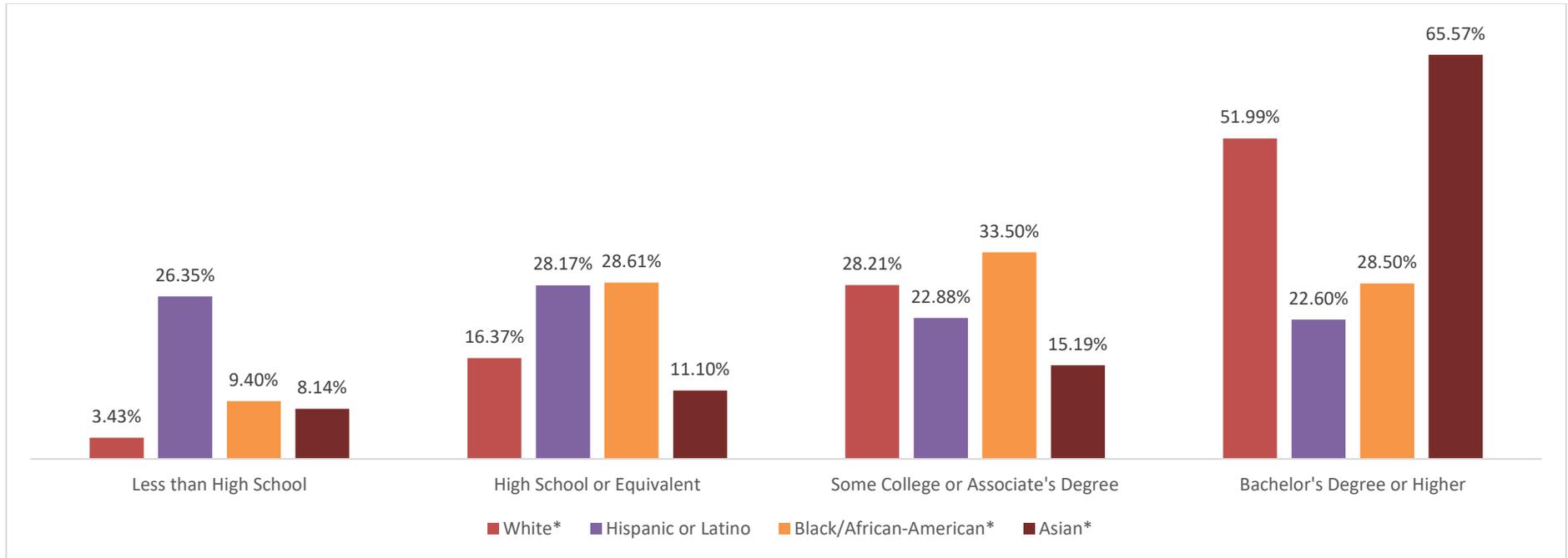
Figure II-7. Educational Attainment of Population 25+, 2015-2019 compared to 2009-2014



Within the region, there is a high degree of variation of educational attainment county-to-county. For Bachelor’s degrees, rates are as low as 15% (Lee County) and as high as 50% (Travis County). At the other end of the spectrum, the percentage of adults 25+ without a high school degree or equivalent ranges from 10% (Blanco County) to 22% (Caldwell County).

As the following figure shows, there are also significant disparities in educational attainment by race and ethnicity: Hispanic/Latino adults are more than 7 times as likely to have less than a High School education as non-Hispanic White adults, while non-Hispanic/Latino Black/African American and non-Hispanic Asian adults are both more than twice as likely to lack a High School degree. At the higher end of the spectrum, Hispanic/Latino and Black/African Americans are about half as likely as Non-Hispanic White and Asian adults to hold a bachelor’s degree or higher. While these gaps have narrowed over the past five years, these disparities remain a challenge to ensuring equitable economic opportunity within the region.

Figure II-8. Educational Attainment by Race and Ethnicity 2015-2019 (source: American Community Survey)



HOUSING

Housing affordability is a major issue for the region, especially the Austin-Round Rock-Georgetown Metropolitan Statistical Area (MSA) and Travis County in particular. In 2015, the median cost of house in the MSA was \$260,000, which was 33% higher than the median price statewide (\$195,000). The median cost within the MSA increased by 32% between 2015 and 2020 to \$343,500, which is just slightly slower than the growth of the median price statewide (33%). In Travis County, the median cost of a house in 2015 was more than 50% higher than the state average - \$299,000 – but has increased even faster than the state average, to \$405,000 in 2020, a 35% increase, leading to the cost of Travis County houses being 65% higher than the state average. Housing prices in Hays and Williamson Counties grew as well, but slower than both the state and MSA – 23% and 27%, respectively.¹

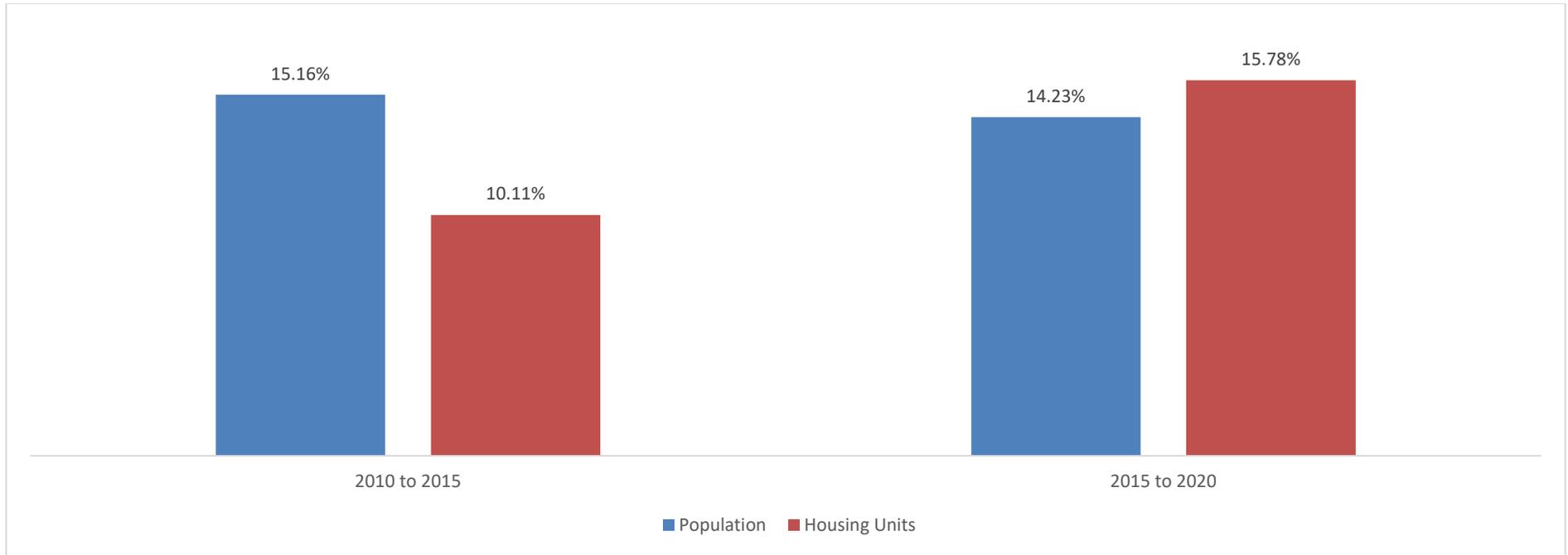
¹ <https://www.recenter.tamu.edu/data/housing-activity/>

Figure II-9. Median Housing Prices in 2015 and 2020



A major factor in the increase in housing prices is very tight inventories (measured in the average # of months it takes for a house to sell): in 2015, the average number of months it took for a house within the MSA to sell was 1.9 months, but this shrunk to just 0.6 months in 2020. The sharp increase in median prices for houses from 2015 to 2020 despite the fact that growth in housing units from 2015-2020 outpaced population growth, unlike the prior five years when population growth noticeably outpaced population growth across the region. The CAPCOG region’s Gross Regional Product (GRP), meanwhile, only grew by 11%, meaning the region’s housing costs are growing at about 3 times the rate of the economy as a whole, and a much larger share of the region’s economic output needs to be used for housing than it was in 2015. The high housing prices in Travis County relative to the region as a whole has also led to large numbers of existing Travis County residents migrating to surrounding counties, especially Hays and Williamson Counties.

Figure II-10. Comparison of Population Growth to Growth in Housing Units 2010-2015 to 2015-2020



TRANSPORTATION AND COMMUTING

As the CAPCOG region’s population has grown since 2015, the region’s transportation needs have also grown. While vehicle activity in 2020 was lower than it was in 2015 as a result of the COVID-19 pandemic, VMT had grown faster from 2015-2019 than population or roadway capacity, and truck traffic continued to grow in 2020 despite the pandemic.²

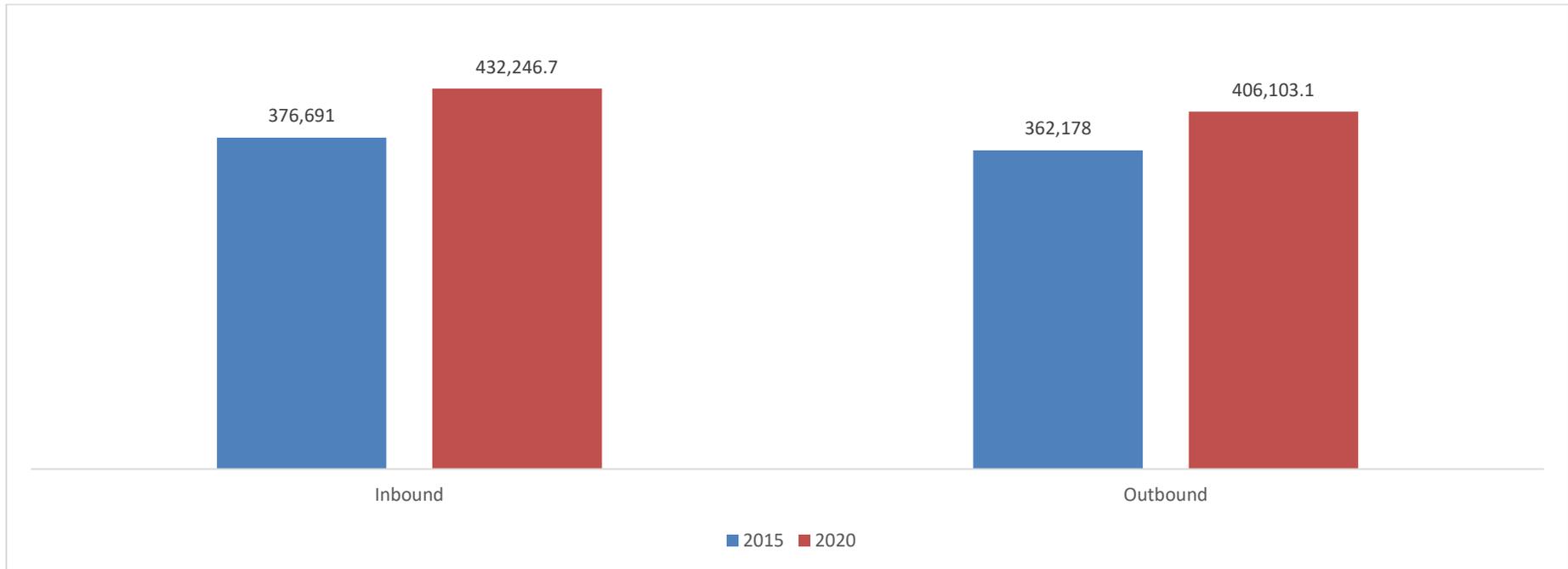
Table II-2. 2015-2020 Daily Vehicle Miles Traveled (VMT)

Item	2015	2016	2017	2018	2019	2020	2015-2020 % Change
Daily VMT	55,987,358	57,980,008	57,406,660	61,101,299	63,510,617	51,933,014	-7.24%
Daily Truck VMT	4,610,188	4,702,484	4,572,255	4,768,135	4,873,941	4,890,959	6.09%
Lane-Miles	36,184.422	36,184.422	36,195.362	36,286.505	36,560.480	36,654.769	1.30%
Population	2,120,444	2,182,516	2,237,477	2,289,898	2,352,770	2,422,127	14.23%
Daily VMT Per Capita	26.4	26.6	25.7	26.7	27.0	21.4	-50.90%
Daily VMT per Lane Mile	1,547	1,602	1,586	1,684	1,737	1,417	-11.97%

² <https://ftp.txdot.gov/pub/txdot-info/tpp/roadway-inventory/data-table.xlsx>

As the region has grown faster in suburban counties than Travis County, cross-county commuting has also increased at approximately the same rate as population growth. Overall, the region netted 26,144 commuters from counties outside of the region, up 80% from about up from 14,512 in 2015.

Figure II-11. Cross-County Commuters Inbound to or Outbound from CAPCOG Counties, 2015 and 2020



III. THE SWOT PROCESS

The Capital Area Economic Development District, the EDD hosted by CAPCOG'S ten-county region, has a diversified board representing economic development corporations and chambers of commerce, higher education, workforce development, private businesses and local governments. The CAEDD board met in January 2020 to begin planning the development of the 2020-2025 CEDS; a majority of the board had volunteered to serve on the CEDS Committee which made it the largest CEDS Committee since becoming an EDD. The committee's second meeting in February for a SWOT workshop was its final meeting in person. A month later the onset of the corona virus pandemic changed the dynamic of how work traditionally done in meetings would be done virtually through on-line platforms. The pandemic also shaped the 2020-2025 CEDS as resiliency became a factor in the themes and objectives of the plan.

The first three themes outlined in this CEDS are Workforce Development, Entrepreneurship and Innovation, and Infrastructure and represent the overriding discussion at the SWOT workshop. These carry over much of the challenges and opportunities from the 2015-2020 CEDS; pre-pandemic data was used by the CEDS Committee during this process. The final theme of Resiliency was developed later in the year when the regional trends revealed more about the strengths and weaknesses that should be addressed and that theme was added.

The organizational framework of the SWOT process provides a realistic overview of what the regional data shows and how the CEDS Committee translated that into the Themes and Objectives in the 2020-2025 CEDS. These did not change substantially but rather, were adjusted to reflect more specific issues than previously identified, resulting in objectives more targeted toward opportunities for implementation.

The Region's Strengths:

Austin's reputation, popularity, and the variety of events are strengths for the city and extend to surrounding communities, all of which have strong foundations for expanded tourism and business development. Government represents one of the largest employment sectors which suggests stability and the technology sector continues to grow.

This region has a young, educated workforce along with the universities and higher education institutions available for a variety of degrees as well as opportunities for upskilling and retraining. The universities and younger workers continue to feed the workforce.

The Weaknesses and Challenges:

Workforce and infrastructure present challenges for the region. Middle skill jobs are lacking, a skills gap exists, and training capacity for target industry jobs is insufficient. Education gaps continue to exist for the minority population. The region is also heavily dependent on tech industry jobs and the skills continue to evolve in this employment sector. Overall, the region's challenge is the economic segregation between infrastructure, education, and technology.

The region's infrastructure challenges are ongoing and cross into several areas of concern. Mobility poses a significant challenge related to congested roadways and a lack of transit is exacerbated by growth and sprawl, a lack of affordable housing in the region's core, and threats of air quality levels caused by traffic that could trigger EPA's Non-Attainment designation. Resources are inadequate for social services, particularly childcare, elderly, and the homeless populations.

Other infrastructure issues identified as weaknesses are broadband access, long-term dependable water supply in several counties, and the role of the region's airports collectively related to freight movement.

Threats Track Weaknesses:

Lack of training capacity for target employment was also perceived as a threat given the demand for trained workers coupled with low unemployment rates below 4 percent. Workforce development services are not reaching many of the minority and underserved populations and with the increasing demand for job training, the lack of infrastructure to support that demand including mobile training "infrastructure" is a threat to ongoing business and industry growth.

This growth is also threatened by gaps in infrastructure which is exacerbated by increasing north-south highway congestion and a lack of connectivity between roads and rail to support freight. Regional airports' capacity may not be optimized to support needs Austin Bergstrom International Airport is unable to meet. There are also not enough international flights.

The lack of broadband threatens the opportunities for small business and microenterprise growth throughout the region including areas contiguous to Austin and particularly outside the corridor counties where affordability is attractive to start-ups.

Opportunities Are Realistic:

Maximizing tourism region-wide could be achieved with increased coordination between surrounding counties and Austin events and activities.

Workforce development continues to offer many opportunities as the region grows. The region needs to work on expanding workforce training delivery systems and workforce support along with paths to employment – direct to college, high school to job market, and the reskill and upskill work.

Expanded and reliable broadband services in rural counties can make rural counties an attractive and affordable location for start-up businesses and microenterprises and will support the growth of small business in those areas.

Housing, jobs and transportation are tied together in the region; an opportunity to balance out the distribution of jobs as part of this equation could include development of more place-based jobs i.e., tied to industry sectors using local talent and competitive advantages.

The location of employment and workforce housing may be better coordinated if the region is better informed about the current patterns contributing to much of the traffic congestion from commuting between home and work; a concerted effort to address this could result in communities that are planning housing to support new business locations.

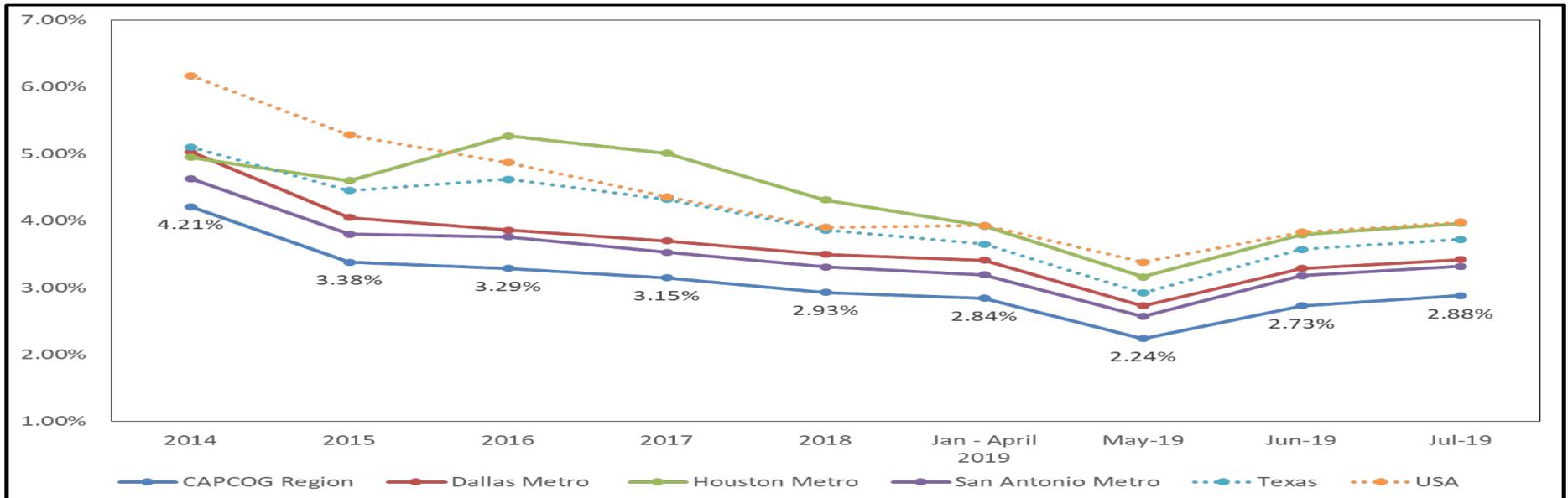
The need for more multi-modal facilities to support business development including more manufacturing is achievable as some communities are well positioned to support expanded freight infrastructure.

IV. CEDS THEMES AND OBJECTIVES

THEME 1: WORKFORCE DEVELOPMENT

The CAPCOG region continues to be a hub for business location, development and expansion due to its favorable quality of life, skilled workforce, access to education, and diverse economy. For the past five years, the CAPCOG regional unemployment rate has stayed well below the national average hovering below 3 percent.

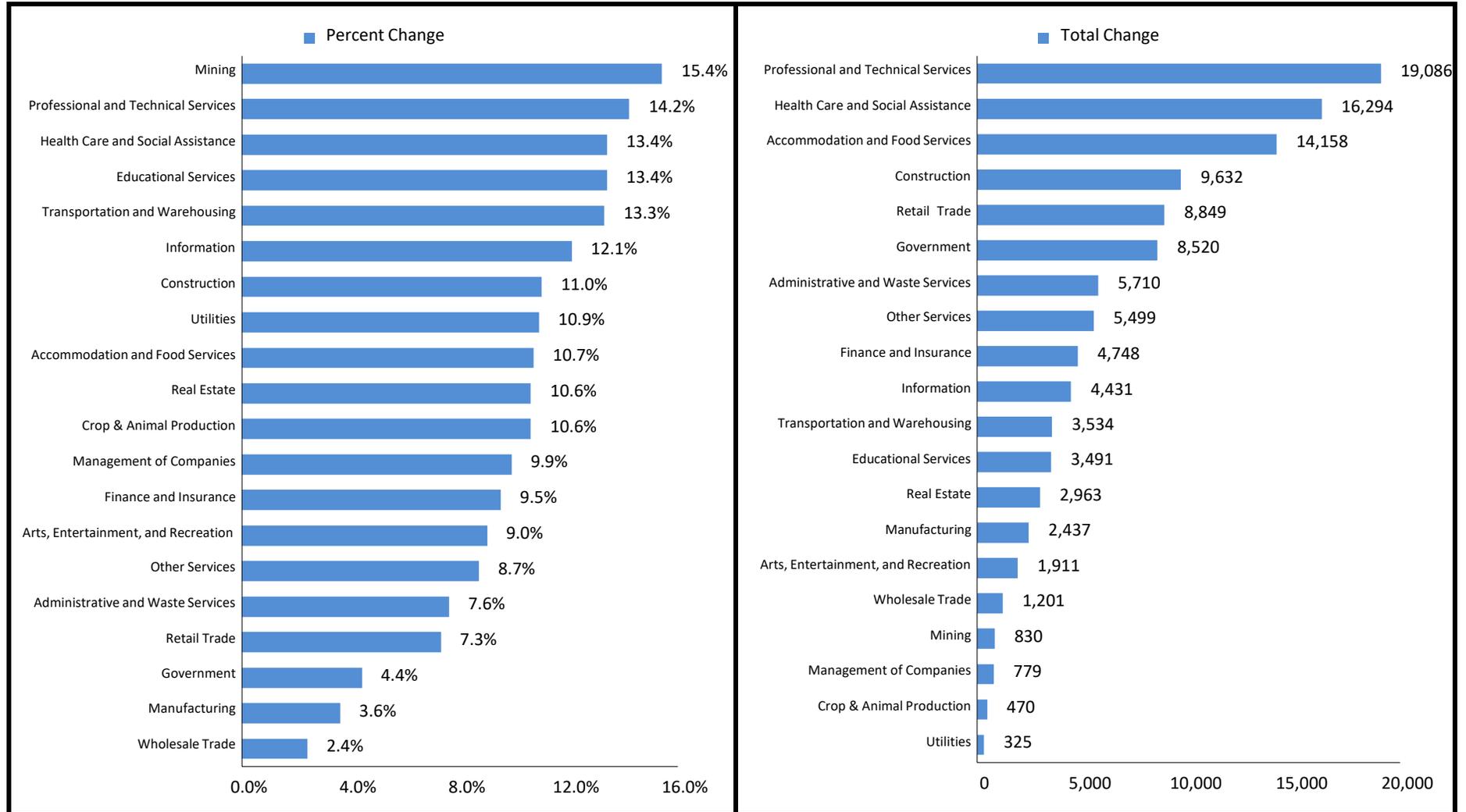
Figure IV-1. CAPCOG Unemployment Rate



Source: EMSI

The vitality of the region is predicated on the skills and productivity of its workforce. Exhibit 1.2 shows that the CAPCOG region will experience double-digit employment growth in ten of its top twenty industries in the next five years. Therefore, continued growth in the region requires creation of more pathways for advancement for all Central Texas residents. Efforts to develop a multi-skilled workforce throughout the region and across the entire wage spectrum will be a core contribution to the region’s ongoing economic competitiveness.

Figure IV-2 Regional Employment Growth by Industry



Source: EMSI

Figure IV-3 Educational Attainment by Race:

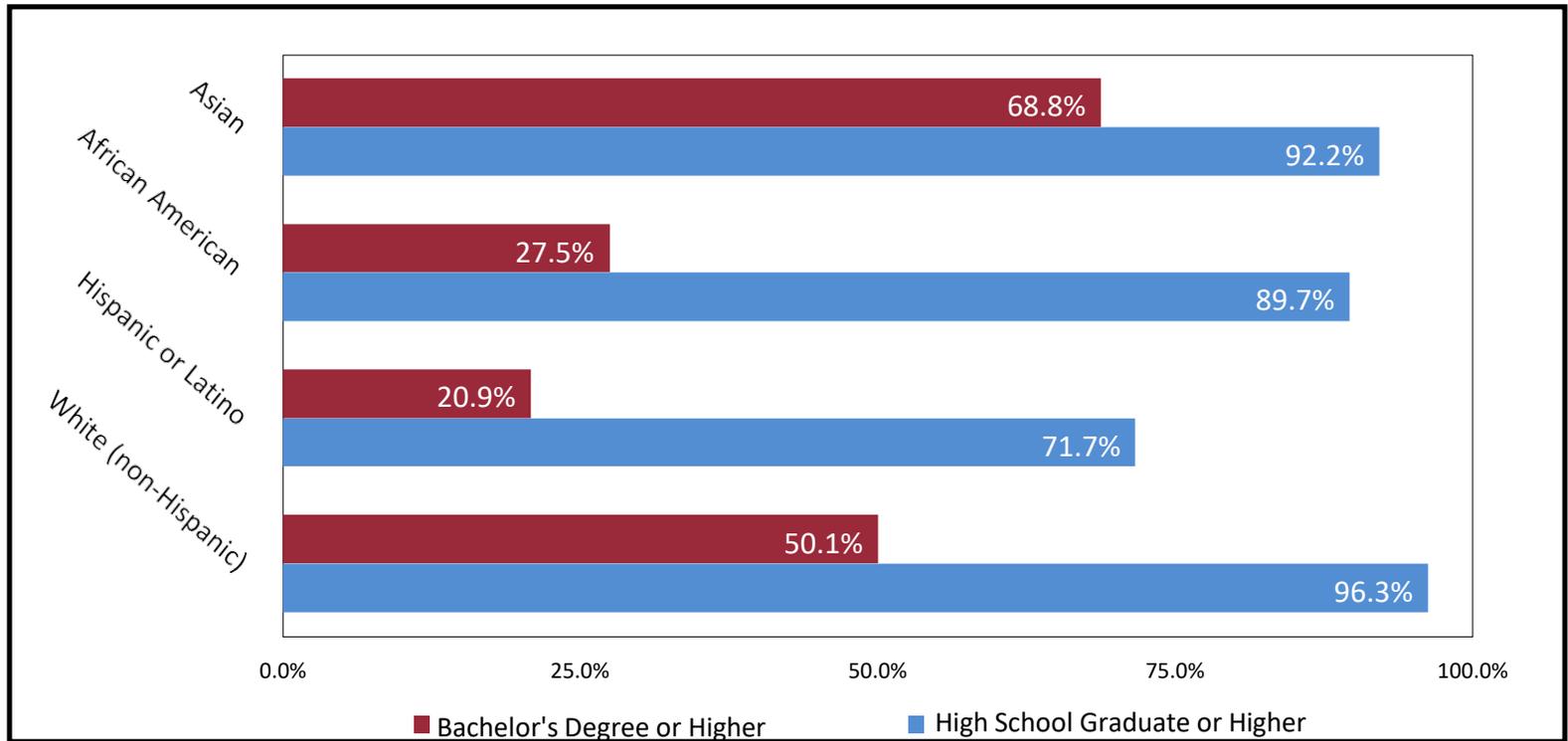
Workforce development needs vary widely across the region, particularly along rural and urban lines.

Workforce development is limited in the rural areas of the central Texas region. Most of our rural counties have opted not to contribute to community college taxing districts, increasing the difficulties of reaching families in poverty within these areas with training. The cost and access to tuition, reliable transportation to get to the educational institution, high-quality

child care, and internet service are all prohibitive to the population in this region. Mobile training units allow the educational institutions to establish training in these rural areas and reduce the impact of the lack of structural barriers on job seekers in need of training.

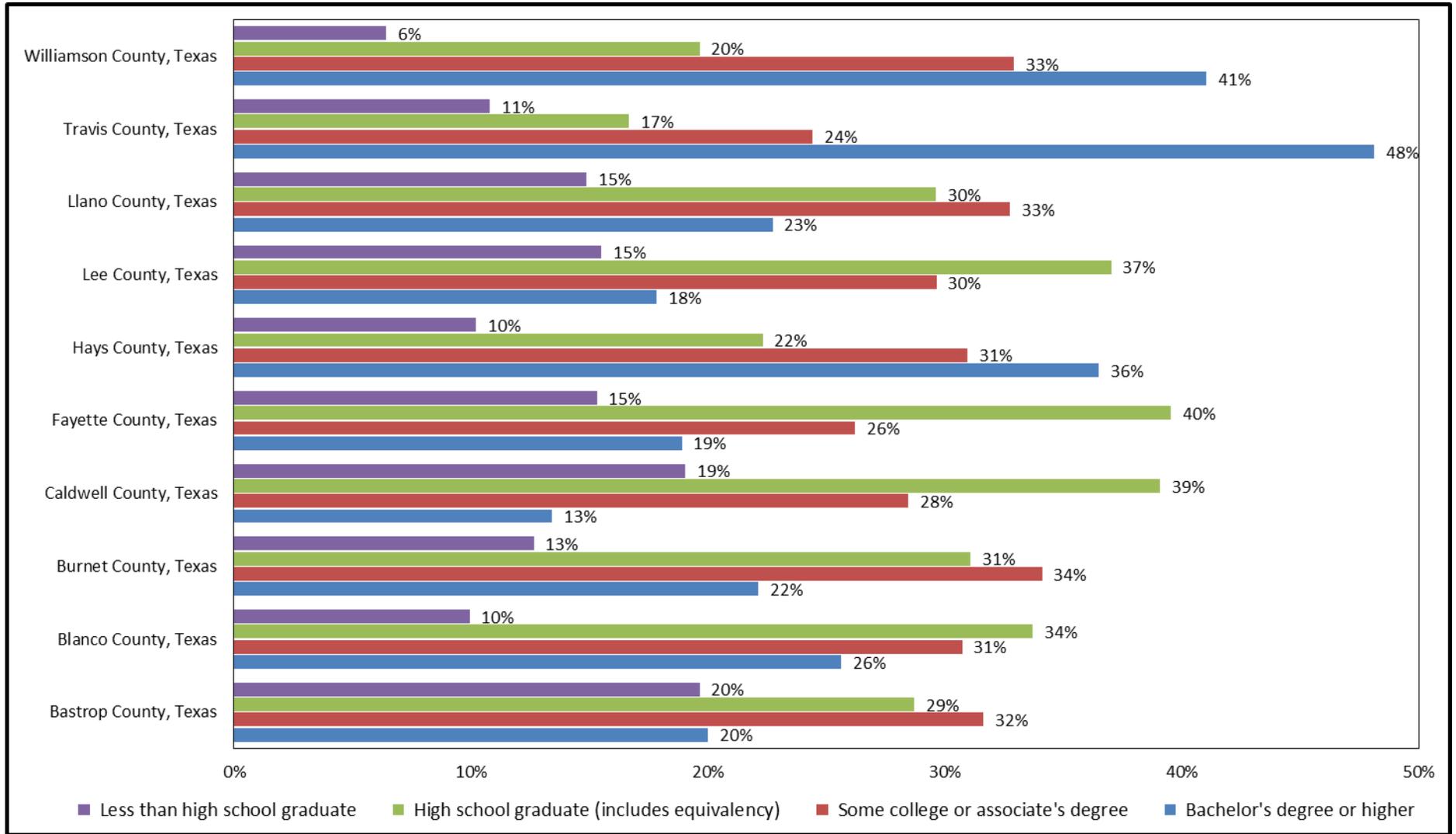
Austin Community College, Blinn Community College, Central Texas College, Temple College, and Texas State Technical College are the community colleges who have a service area in the 10-county region.

Educational attainment is still a critical need for the regional workforce, and with the graduation rate still fluctuating in many communities, it's an important indicator to track. The focus on educational attainment is relevant because it directly impacts employee's median earnings. By increasing the skill and education levels of the regional workforce, more locally sourced labor will be able to fill employer need from within – ultimately, improving competitiveness and raising incomes.



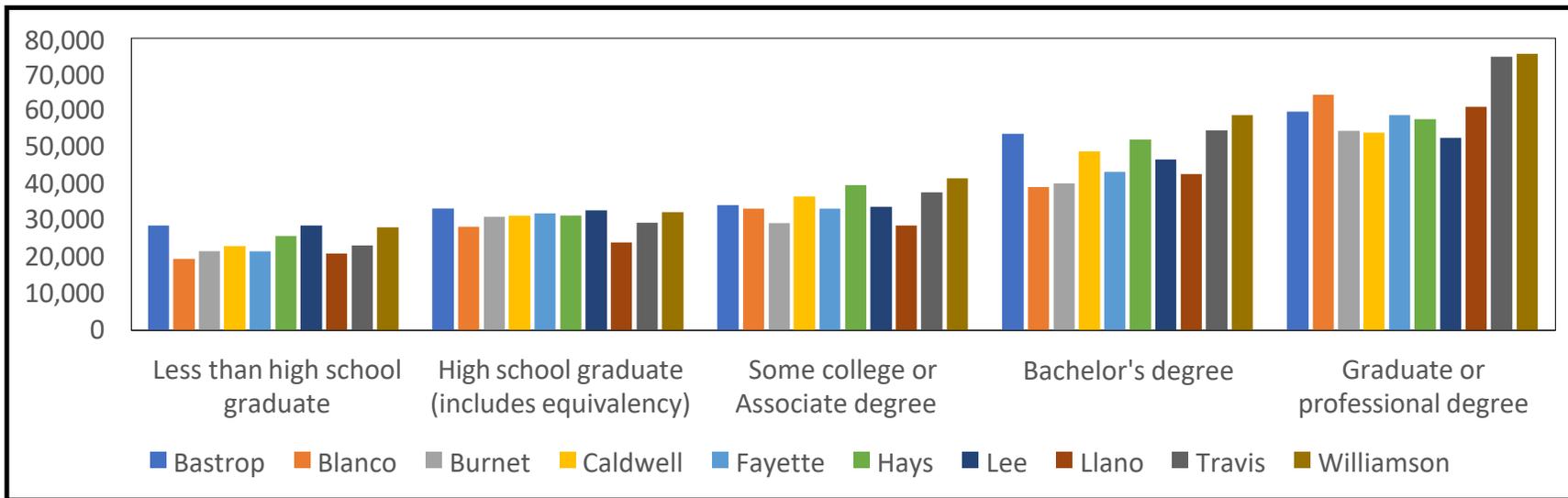
Source: US Census ACS 5-year Estimates 2013-2017

Figure IV-4: Regional Educational Attainment



Source: US Census ACS 5-year Estimates 2013-2017

Figure IV.5 Median Earnings by Educational Attainment



Source: US Census ACS 5-year Estimates 2014-2018

Regional Objectives for Workforce Development:

Address gaps in educational support to match youth and adult students, in both formal and informal settings, to appropriate programs and improve educational attainment of market-valued credentials in fields aligned with employment in target industry sectors.

Coordination between educational institutions and the private sector to align post-secondary program offerings and expand accessibility of programs oriented toward meeting labor needs at the local and regional level in support of Workforce Solutions workforce plans Identify factors that threaten long term resiliency.

Sharing and distribution of labor market and career knowledge to inform stakeholders, policy makers, business leaders and residents as they make decisions related to their own skills development and workforce competitiveness.

Community outreach messaging that supports lifelong learning focused on worker upskilling, reskilling, and networking strategies toward employment options in demand occupations.

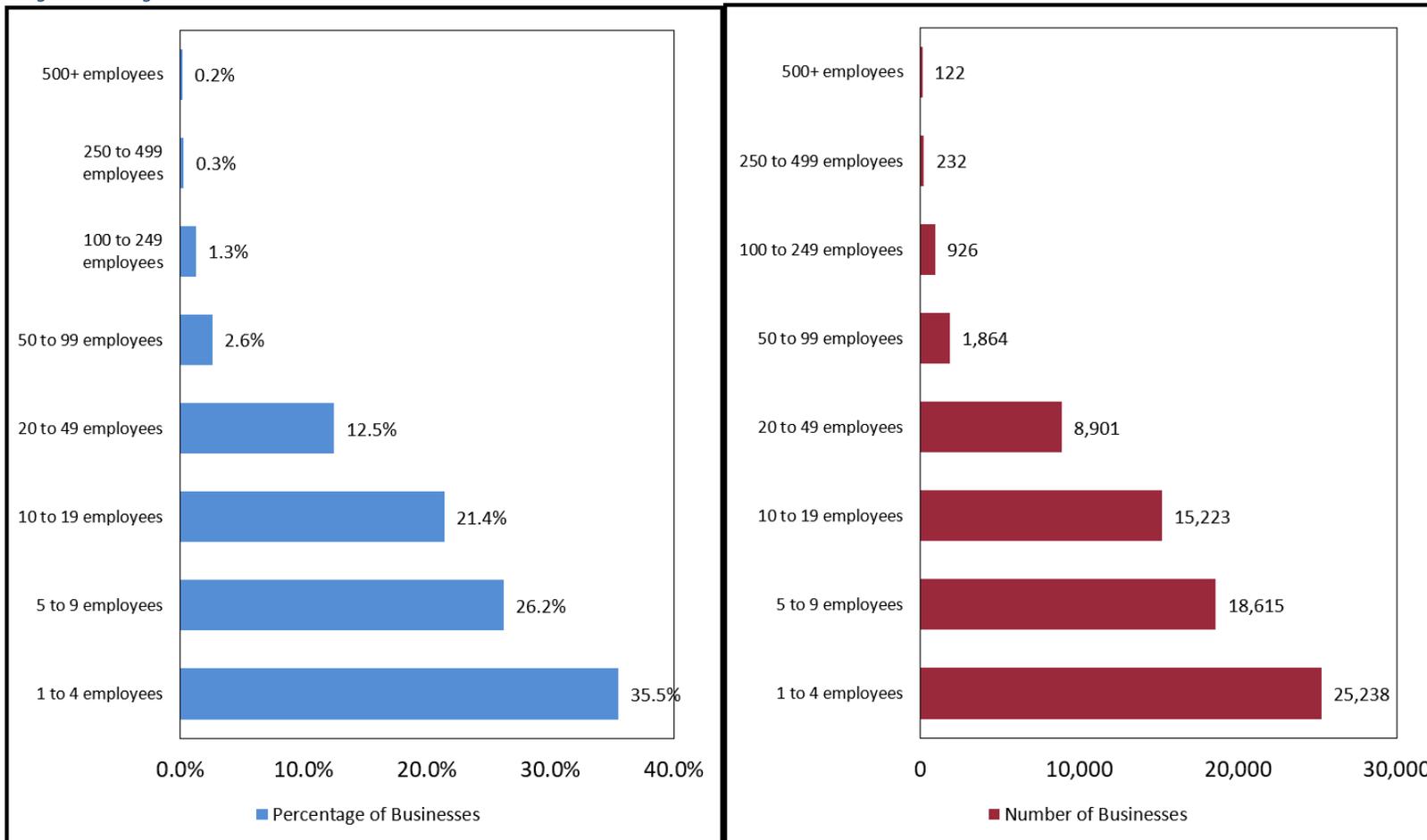
Measuring Progress:

- High school graduation rates (Texas Education Agency)
- Unemployment rate (Bureau of Labor/Workforce Solutions)
- Annual participation in formal and informal education and training activities (Capital Area and Rural Capital Area Workforce Solutions, related educational institutions and community-based organizations)
- Employment growth in middle and high skill, high jobs as a percentage of regional job growth.

THEME 2: ENTREPRENEURSHIP & INNOVATION

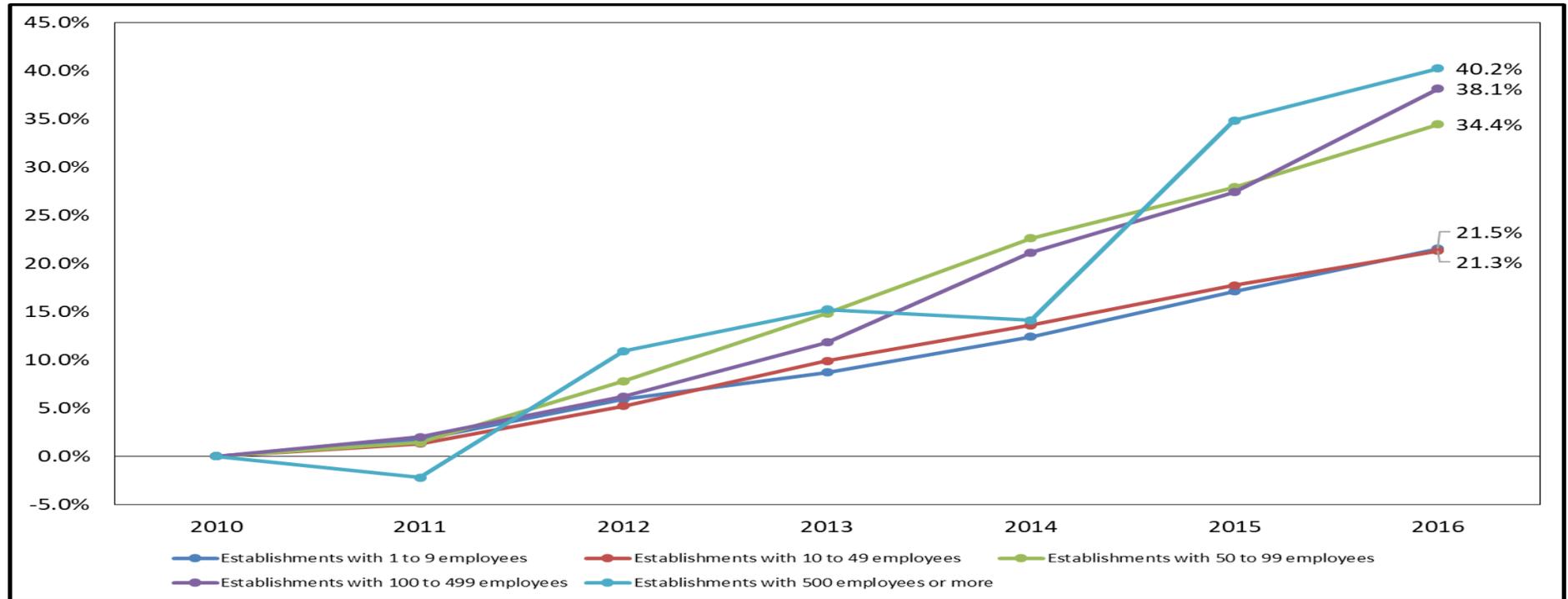
Facilitating the growth of the region’s existing industries and businesses is critical to sustaining the pillars of the local economy; therefore, it is important to ensure the infrastructure and resources are available and accessible. To remain economically competitive, regional resources and pathways, including formal and informal education and training opportunities, should be established for existing industries and businesses to pursue expansion and innovation to meet current demand. Entrepreneurs, freelance/gig workers and innovators also need small business support and development resources including, but not limited to, access to seed financing, commercialization assistance and training to adequately sustain and run their business. Additionally, the trend in communities that are increasingly providing shared workspace options and business incubator services play an important role in the region, particularly where the reliability of broadband service is a challenge.

Figure IV-6 Regional Business Growth



Source: US Census Bureau, EMSI

Figure IV-7 Change in Regional Business Distribution Based on Number of Employees



Source: US Census Bureau

Objectives for supporting entrepreneurship and accelerating growth among the region’s existing firms include:

Raise the reach, scale, and accessibility of programs in the region that support and encourage prospective entrepreneurs to start and grow a business

Foster collaborative working and learning spaces where ideas can be commercialized and innovative businesses can grow.

Support the development of place-specific and innovation-based industry clusters throughout the region that create desirable jobs

Dialogue with public and private stakeholders in order to identify and alleviate growth constraints for existing businesses.

Support gig workers and SMBs with digital skills training and other services.

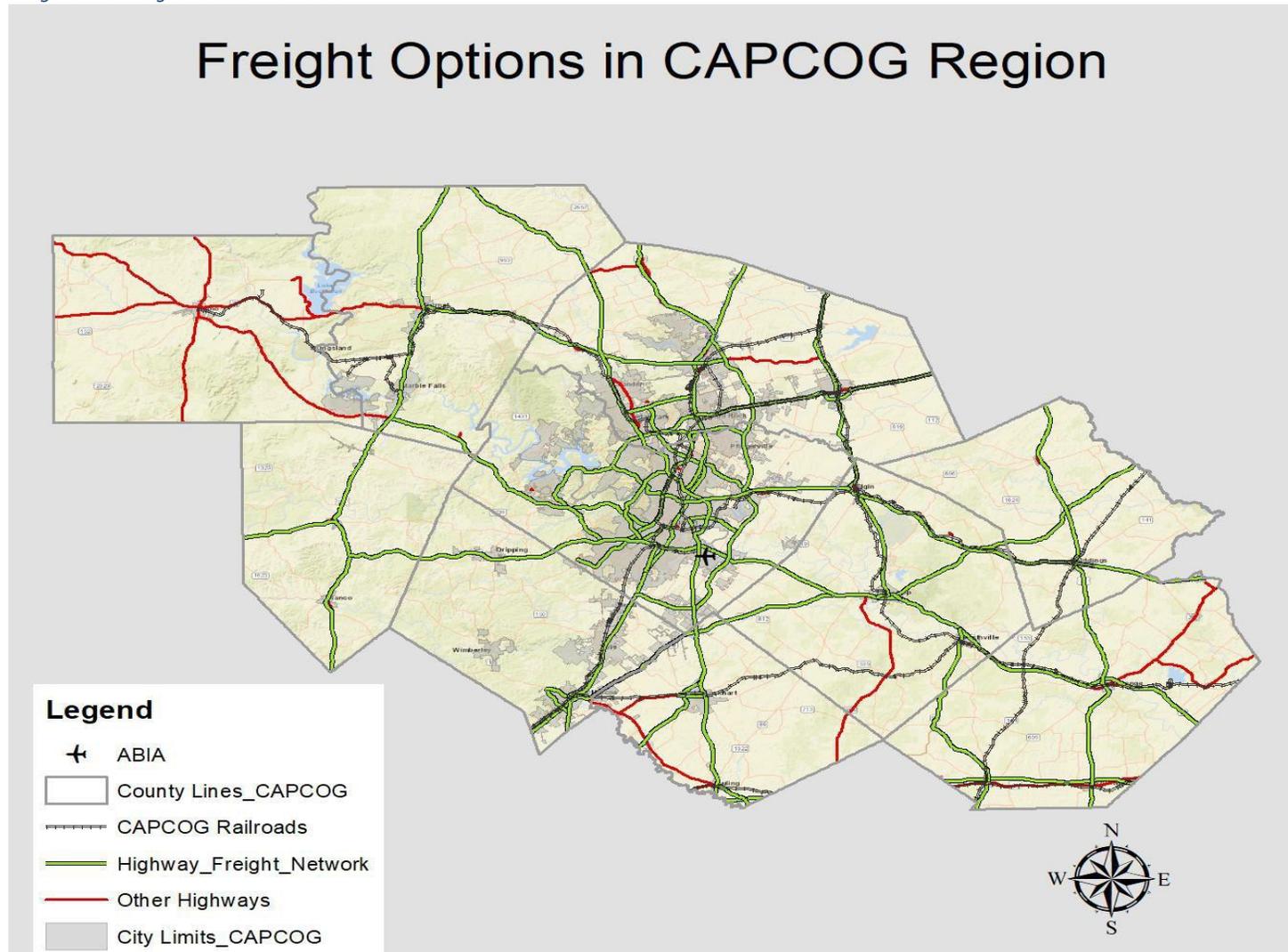
Measuring Progress:

- Annual report from Small Business Administration and Revolving Loan providers on small business loans made in the region.
- Annual venture capital investments made in the region.
- Survey to identify new businesses in the region’s communities.

THEME 3: INFRASTRUCTURE

Approximately 55,000 people move to the CAPCOG region each year. With robust growth, development considerations need to balance basic and modern infrastructure elements. Within the region's three general geographies of urban, suburban and rural, infrastructure impacts business development, disaster management, public health, access to education and employment, and many other issues, and it depends on the coordination and collaboration between all levels of government, transportation and transit entities, utility companies, and many other public and private organizations. Sustaining, maintaining and developing infrastructure will continue to be a need in our region.

Figure IV-8 Freight Routes in CAPCOG



Transportation Infrastructure

In the CAPCOG region, the transportation network whether by air, car, bus, or train is an economic driver, and thus supporting a variety of modes is important. Defining the nexus between commuting and employment centers among all three geographies is a vital link in developing cohesive, efficient and reliable connectivity in the region. Expansion of the region's transportation infrastructure will bring value to the local economy. Subsequently, an effort to address the regional movement of goods and services is needed to capture the growing rise of the distribution, manufacturing, logistics sector in the region and the needs and demands on the existing infrastructure network.

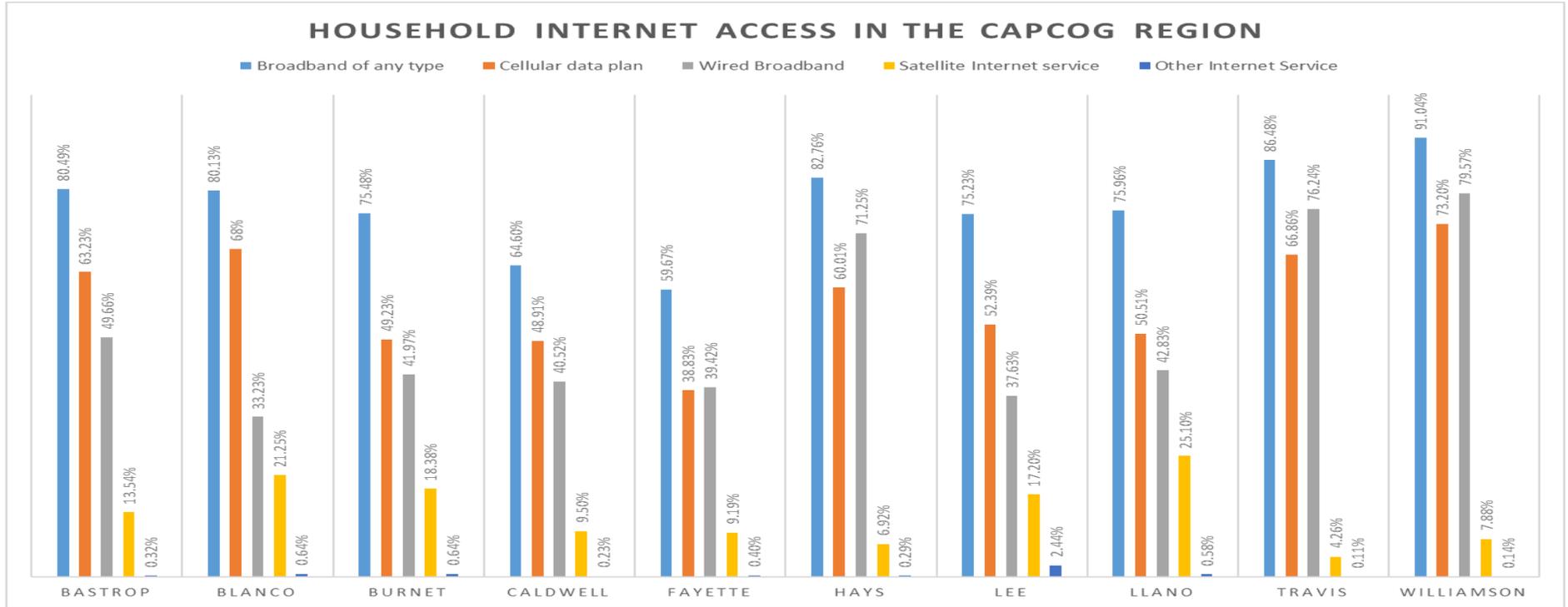
Source: Texas Department of Transportation, US Census Bureau, Federal Aviation Administration

The region’s roads are increasingly congested with commuters. According to the Census Bureau’s on-the-map application, 49 percent of the region’s residents live in a different county than they work – the percentage hasn’t changed but the population has continued to increase. In Bastrop, Blanco, Hays, and Llano counties, more than 70 percent of residents work in another county; 81.84 percent of Caldwell County’s residents drive across a county line for their jobs. The trend will likely continue as median home values have made a steady climb since 2015 outpacing median household income and rent has steadily increased over 20 years although at a faster rate since 2016 adding to the challenges of finding housing close to the region’s major employment centers.

Broadband Services

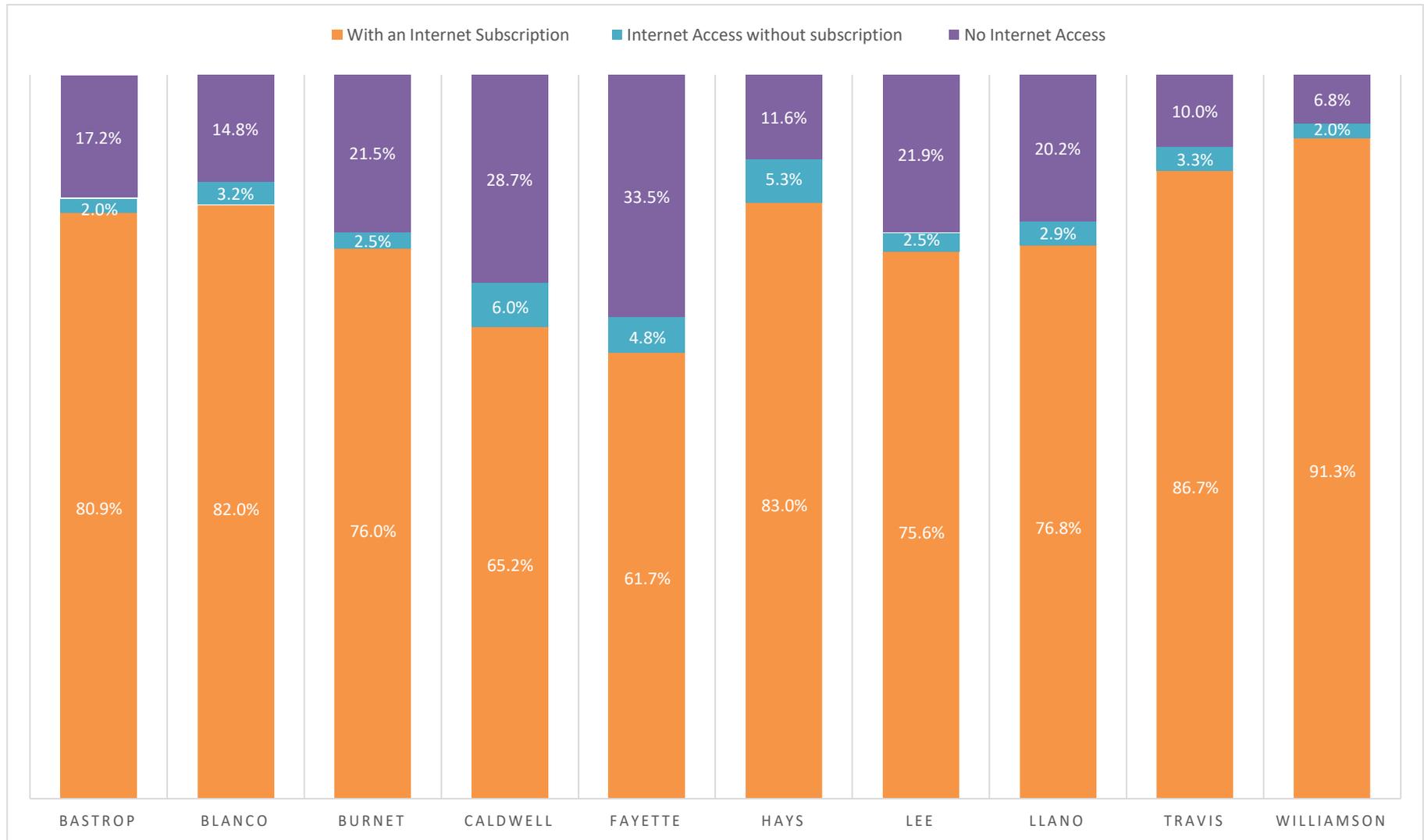
Recent events have shown us access to high speed and reliable internet service is paramount to sustaining employment, commerce and educational attainment. In this current day, we also find that the ability to telework is just as important as being able to drive to work. Yet, in a majority of the region's counties, cities and towns stable and reliable internet access is not available. Improving access to high-speed internet will take a joint effort between public and private sectors through collaboration and partnerships.

Figure IV-9 Household Internet Access



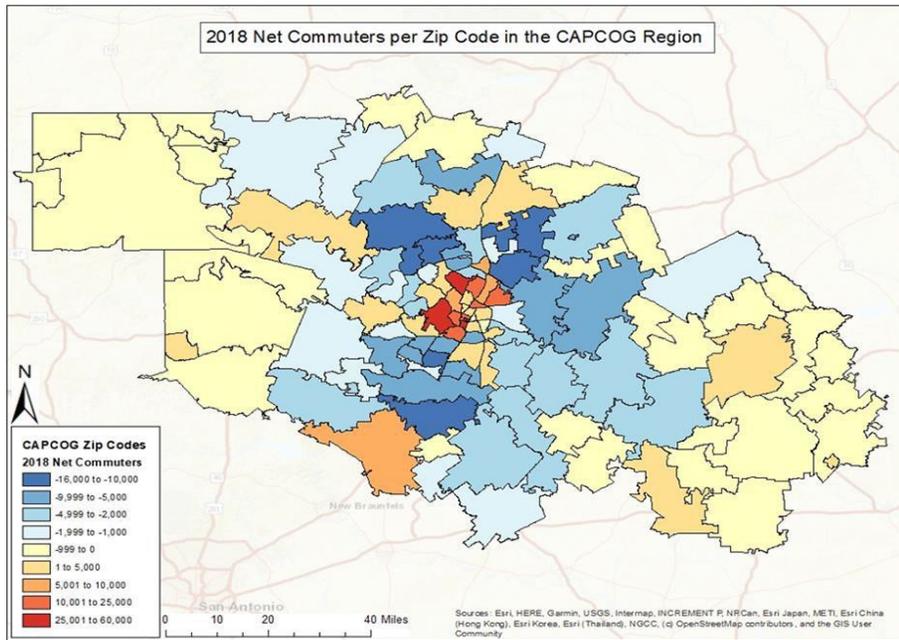
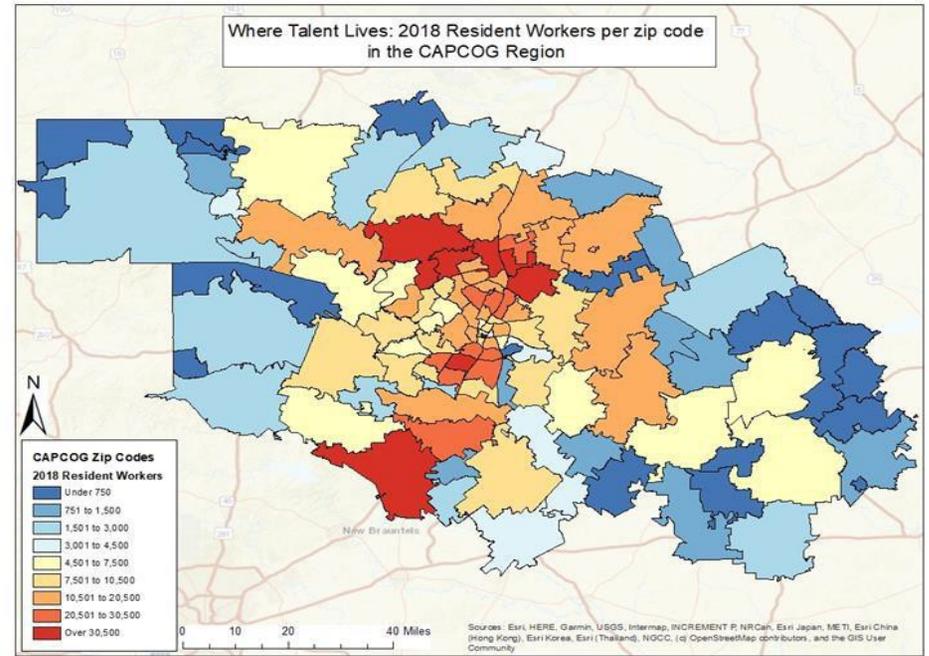
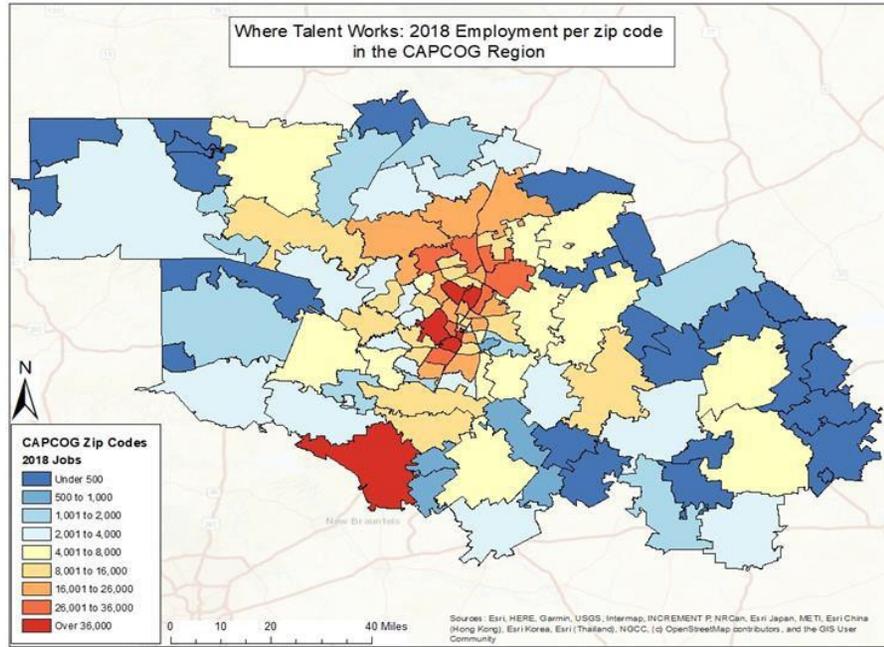
Source: US Census ACS 5-year Estimates 2014-2018

Figure IV-10 Broadband Coverage



Source: US Census ACS 5-year Estimates 2014-2018

Figure IV-11 Where Talent Lives vs. Where



Source: US Census ACS 5 - Year Estimates 2014-2018, EMSI

Objectives for supporting continued infrastructure development:

Promote and monitor broadband expansion through collaboration with the economic development and business communities.

Work with communities toward policies that expand workforce housing.

Track home to work commutes and promote policies encouraging regional jobs/housing balance

Identify gaps in freight services to support business expansions and new business development.

Measuring Progress:

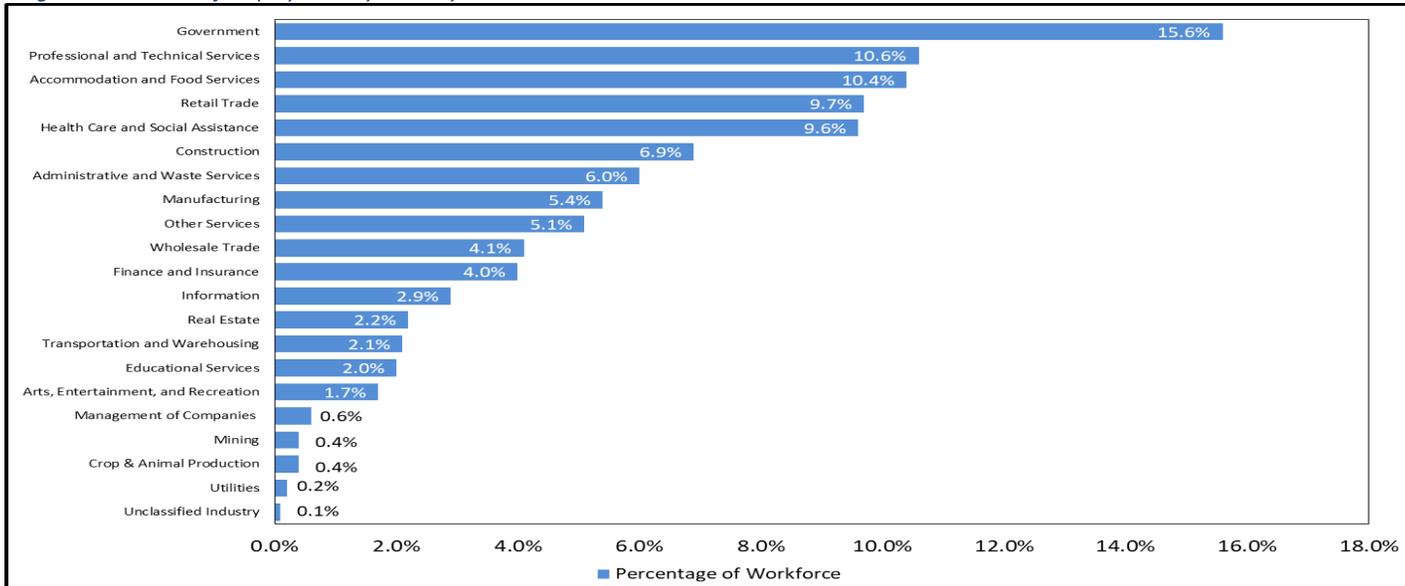
- Expansion of broadband services in previously underserved areas
- Increase in housing development that is affordable based on wages of demand population.
- Report and map annual commuting patterns between communities and regional concentrations of businesses.

THEME 4: Resiliency

While the region's median household income at \$ 61,090 is higher than the state median of \$59,570, the region's employment sectors vary widely in average earnings with the top five (mining, utilities, manufacturing, professional and technical services, finance and insurance) paying between \$113,423 and \$163,001. The sectors that employ the most workers, however, are those that support the region's robust tourism industry – accommodations and food services; arts, entertainment and recreation; and retail trade (adjusted) at 16.9 percent, just ahead of government at 15.9 percent according to 2018 data.

The tourism industry generates significant revenue for both the public and private sectors but was hit hardest by the pandemic beginning in March 2020. Initially many restaurants, hotels, recreational venues, and stores saw what was initially expected to be temporary shutdowns or limited access; however, lack of resources and inability to regain customer base resulted in many permanent closures. While the region's tourism industry likely will recover, the need to further diversify industry sectors and employment is an objective many regions will focus more on now than in many years.

Figure IV-12 Share of Employment by Industry

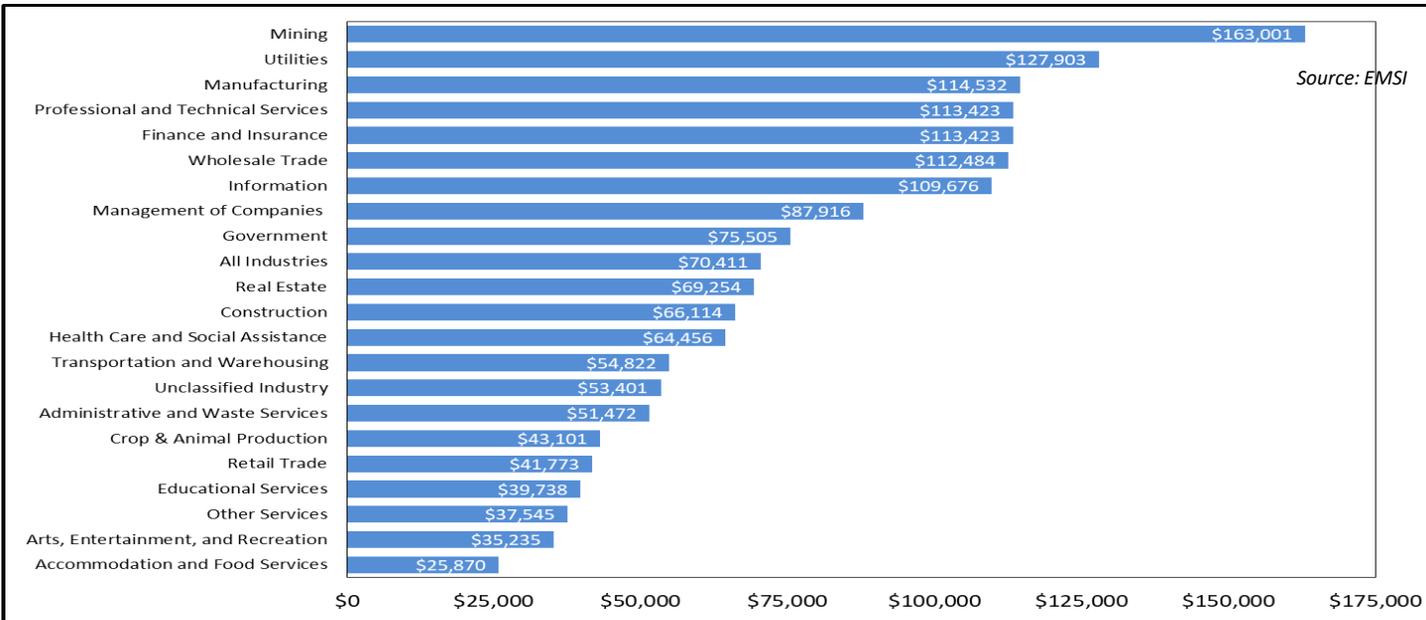


Resiliency, by definition, speaks to how a region and its communities respond to economic disruptions. For a region to avoid disruptions, strengthening and diversifying employment industry base is one strategy that is essential.

The question of resiliency for many regions can also be tied to recovery from physical disasters such as hurricanes, unprecedented flooding, and wildfires. While those events also had economic impacts, the primary impact was tied to the physical recovery due to damage of community infrastructure – bridges, roads, housing, and physical structures. This region has experienced a hurricane and several severe flooding events since the 2015-2020 CEDS was adopted; the 2020-2025 CEDS addresses the recovery and resiliency necessitated by a historic pandemic that has impacted all industry sectors at some level.

Figure IV-13 Average Earnings Per Industry in the CAPCOG Region

Source: EMSI



Source: EMSI

Source: EMSI

Objectives to support recovery and build resiliency include:

Identify impacted business sectors most challenged by rebuilding markets for products and services.

Assess business and physical infrastructure resiliency at the regional level to identify gaps and vulnerabilities that could disrupt sectors or impede economic growth and diversification.

Identify factors that threaten communities' long-term resiliency.

Support diversity and accessibility with the expansion of economic opportunities

Measuring Progress:

- Individual Unemployment Claims
- Unemployment claims by industry
- Share of employment by industry sectors at regional and county level



CAPCOG.ORG
6800 BURLESON ROAD
BUILDING 310, SUITE 165
AUSTIN, TX 78744



**THE CEDS IS FUNDED BY THE U.S. ECONOMIC
DEVELOPMENT ADMINISTRATION**