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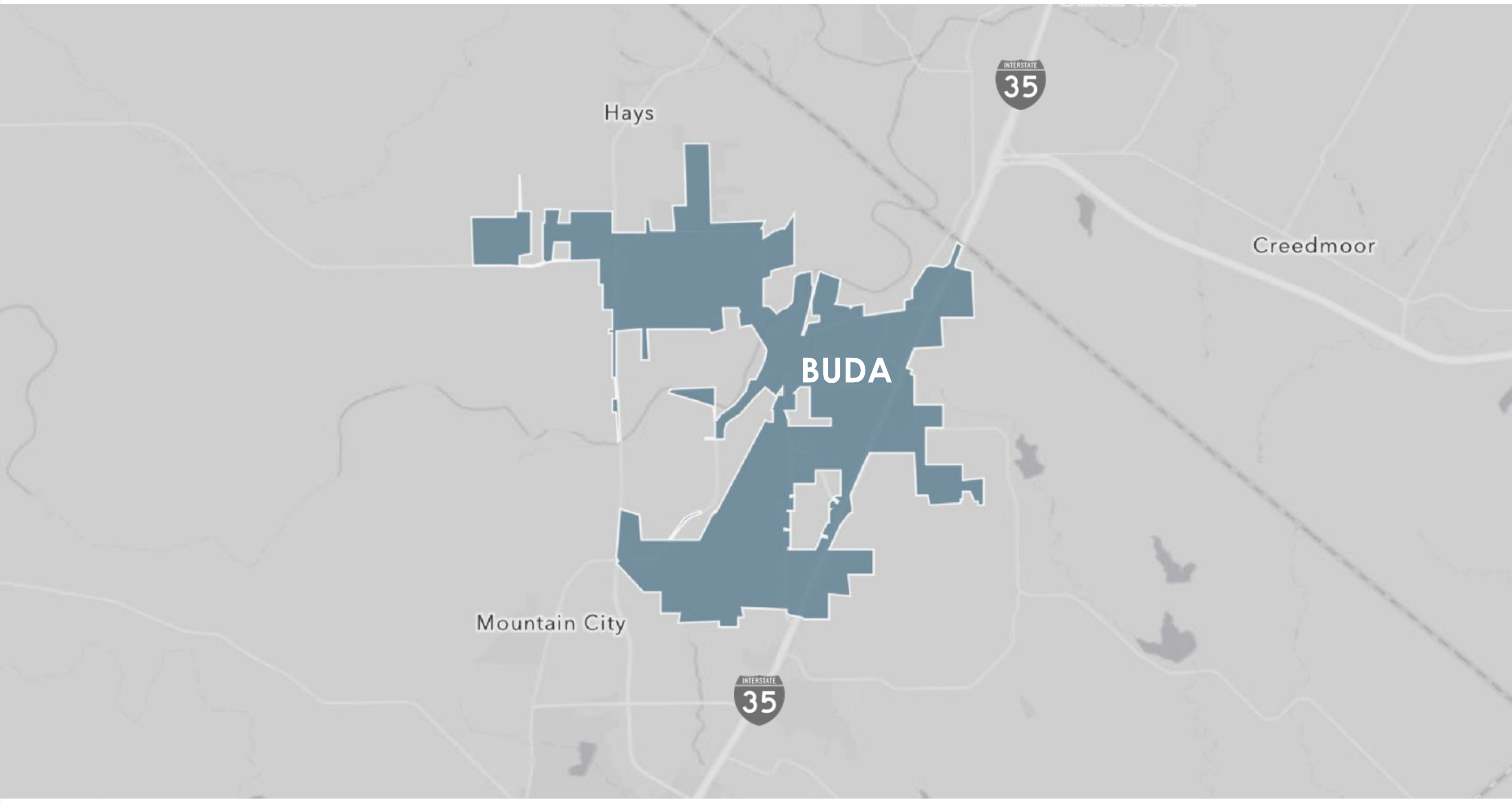

ECONOMIC DEVELOPMENT STRATEGIC PLAN

BUDA ECONOMIC DEVELOPMENT CORPORATION

TIP strategies
AUSTIN • SEATTLE

ACKNOWLEDGMENTS

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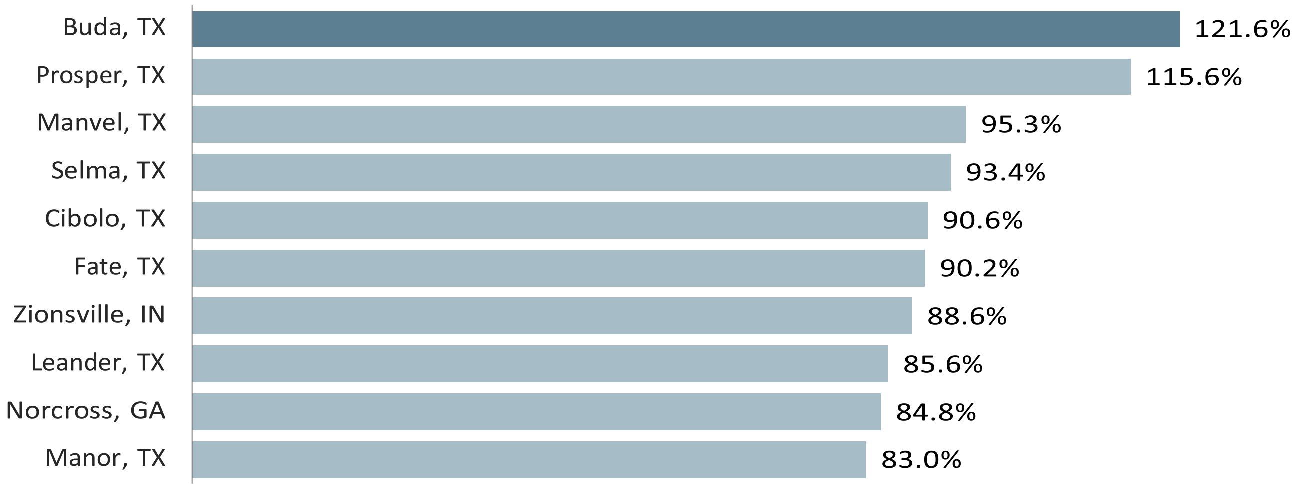
EXECUTIVE SUMMARY

INTRODUCTION

Buda is growing faster than any other city in the country, more than doubling its population between 2010 to 2017. With tremendous growth comes remarkable opportunity. But the unparalleled growth and development in Buda brings challenges alongside the benefits. The obvious challenge for the City is keeping pace with the growth from an infrastructure and public services standpoint (police, fire, schools, parks). A less obvious, but just as important, challenge is the potential for local leaders to relax in terms of economic development. It can be easy to assume that growth will *simply happen*, and that there is no need to invest in business development efforts. This assumption cannot be allowed to take hold. A focused economic development program is essential for future prosperity. Channeling and focusing growth will be especially important for Buda as the City approaches **a nearly 100 percent built-out state** in the next 10 to 20 years.

FIGURE 1. FASTEST-GROWING US CITIES, 2010–2017
PERCENT CHANGE IN POPULATION FROM 2010 TO 2017 AMONG US CITIES WITH AT LEAST 5,000 RESIDENTS IN 2010



Source: US Census Bureau, Population Estimates Program.

ORGANIZATIONAL BACKGROUND

Organizational background: Established in 2001, the Buda Economic Development Corporation (EDC) is a Type B EDC created under sections 501, 504, and 505 of the Texas Local Government Code. The EDC is funded through a dedicated half-cent sales tax. The EDC is the lead economic development entity for Buda, working in partnership with the City of Buda and the Buda Area Chamber of Commerce to strengthen and grow the local economy.

Buda EDC's mission: The EDC's mission is to provide leadership in creating and pursuing balanced economic growth, by recruiting and retaining desirable, diverse businesses and developing infrastructure, while protecting the quality of life and natural resources in the region. The EDC helps to grow the economy in Buda by actively recruiting new retail, manufacturing, and office businesses to Buda, providing small business assistance and guidance, and working with existing Buda businesses by providing assistance with growth and expansion.

PROJECT APPROACH

In response to the challenges and opportunities facing Buda's economic future, the Buda EDC initiated a planning effort to create a new economic development strategic plan for the community. This builds on the 2013 economic development strategic plan and provides a new framework to guide the community's growth over the next 10 years. The EDC engaged economic development consulting firm TIP Strategies, based in Austin, to lead the strategic planning process. The consultants were supported by EDC staff and a designated Steering Committee of local community and business leaders. The resulting plan outlines a set of strategic initiatives to expand existing industry and business sectors in Buda, recruit new businesses to the community, and encourage new commercial investment and development in the community. The plan is supported by an implementation matrix that outlines the actions, priorities, and timeframes needed to effectively execute the recommendations.

To provide a foundation for the planning process, the TIP consulting team conducted an assessment of Buda's demographics, employment patterns, industry concentrations, commuting flows, and other qualitative and quantitative factors affecting the City's competitiveness. For comparative purposes, data are shown for the City of Buda, Hays County, the five-county Austin metro area (Hays, Travis, Williamson, Caldwell, and Bastrop Counties), Texas, and the US. The results of this economic analysis are included in Appendix 3 of this report. The team's quantitative analysis was supplemented by an extensive input process that included dozens of community and business leaders through roundtable discussions and individual interviews. In addition, an online survey was conducted to elicit local stakeholders' views of Buda's competitive position and document their thoughts on the community's opportunities and challenges. Stakeholder views were incorporated into the SWOT analysis (also in Appendix 3) and helped to inform strategies. A target industry analysis, which provides details on the most promising growth sectors for new business investment and job growth in Buda, is included in Appendix 4.

VISION

A forward-looking economic development strategic plan must be driven by a clear vision. Meaningful vision statements are bold, provide a clear direction, and differentiate the community from its competition.

Buda is the most dynamic business center between Austin and San Antonio—a leading destination for high-growth companies, skilled and creative workers, and high-impact real estate development projects.

GUIDING PRINCIPLES

Guiding principles reflect the values of a community. In the context of an economic development strategy, they are a set of statements expressing how a community defines economic development. The plan's guiding principles are designed as cross-cutting themes and reference points for the goals and strategies. Each guiding principle is forward-looking and helps point the community toward growth and improvement. The strategic plan is built on a framework of three guiding principles.

1. **DIVERSIFIED:** *Buda offers a fertile environment for a broad range of industries that offer employment opportunities at all wage levels.*

2. **COMPETITIVE:** *Buda is able to compete with any community in the Austin–San Antonio corridor and nationwide for business expansion and relocation projects.*

3. **CAPITAL-INTENSIVE:** *Buda is a leading destination for new capital investment and high-growth businesses that create lasting value for the local economy.*

GOALS

The following five goals support the vision statement and the guiding principles. Together, the vision, the guiding principles, and the goals form the framework for the strategic plan. Specific strategies and actions are contained within each goal.

GOAL 1. BUSINESS DEVELOPMENT: *Grow Buda's economy through recruitment of new investment and job growth in a set of target industries and through the retention and expansion of existing employers.*

GOAL 2. SMALL BUSINESS GROWTH AND ENTREPRENEURSHIP: *Create a robust local environment for the growth of small businesses and entrepreneurial companies.*

GOAL 3. ORGANIZATIONAL ALIGNMENT: *Align Buda's economic development partners to address key issues such as workforce and transportation that affect the EDC's ability to grow the local economy.*

GOAL 4. REAL ESTATE DEVELOPMENT: *Elevate Buda's profile as a key market for commercial real estate development within the Austin–San Antonio corridor.*

GOAL 5. HIGH-IMPACT OPPORTUNITIES: *Pursue catalyst projects and high-impact development opportunities.*

OUTCOMES

An important component of any successful strategic plan is the set of metrics used to track the plan's implementation over time. The plan's goals and strategies are designed to move Buda's local economy in the direction of the following desired outcomes.

- **EMPLOYMENT GROWTH:** Increase the number of new jobs in Buda—especially jobs that pay above the local median wage and above the median wage within the industry—to provide greater economic opportunities for residents and to expand the share of residents who live and work in the community.
- **BUSINESS GROWTH:** Attract business expansion and relocation projects from outside the City, and help existing companies remain and grow in Buda.
- **CONSTRUCTION OF NEW COMMERCIAL SPACE:** Develop new commercial office space, retail/restaurant space, hotels, and light industrial/flex space.
- **GROWTH OF LOCAL TAX BASE:** Expand the local sales tax base and commercial property tax base.
- **CAPITAL INVESTMENT:** Attract new investments from existing employers, new companies, and real estate developers.

STRATEGIC ACTION PLAN

GOAL 1. BUSINESS DEVELOPMENT

Grow Buda's economy through recruitment of new investment and job growth in a set of target industries and through the retention and expansion of existing employers.

FOCUS AREAS

- Target industry recruitment
- Business retention and expansion
- Buda's online and social media presence

This strategic plan aims to challenge Buda's leadership with bold ideas and a more aggressive approach to economic development. Nonetheless, there remains a set of core economic development activities that must be continued and expanded on to maintain the community's positive economic momentum. These activities are focused on target industry recruitment, business retention and expansion, and enhancing Buda's online and social media marketing efforts.

Business recruitment must be a top priority for any successful economic development program operating in a high-growth environment like the Austin–San Antonio corridor. The Buda EDC has facilitated numerous recruitment projects in recent years that have brought new jobs and investment to the local economy. New business attraction efforts focused on a set of target industries will help Buda compete successfully for expansions and relocation projects, which can yield immediate positive results for the community. However, this should not come at the expense of existing employers in Buda. The community benefits from a diverse base of established employers. Collectively, Buda's existing companies provide thousands of jobs and form the foundation of the local economy. A strong business expansion and retention (BRE) program is important, not only because of job creation, but because it is difficult to recruit a new company if existing businesses are not thriving. In addition to fostering a supportive local business climate, a dynamic BRE program should also include efforts to mitigate the risks and vulnerabilities facing existing employers. For example, businesses that have recently been acquired by out-of-market companies or investors are often at risk of downsizing or relocation. Cultivating close relationships with the community's existing employers can also provide inside knowledge that could lead to growth from other sources, such as the recruitment of suppliers and service providers.

STRATEGIES AND ACTIONS

1.1. TARGET INDUSTRY RECRUITMENT. Launch an aggressive business recruitment program focused on companies within a set of target industries.

1.1.1. Focus business recruitment and marketing efforts on five target industries (*described in more detail in the target industry analysis in Appendix 4*).

- **IT AND BUSINESS SERVICES:** software and IT services, corporate and regional HQs, and professional services firms
- **RETAIL, TOURISM, AND HOSPITALITY:** retail stores, restaurants, conference center hotel, entertainment venues, and festivals and events.
- **MEDICAL:** hospitals, physicians' offices (general practitioners and specialties), testing laboratories, and long-term care facilities.
- **FOOD AND BEVERAGE:** craft food processing, breweries, and distilleries.
- **LIGHT INDUSTRIAL:** e-commerce and fulfillment centers, warehousing and distribution, construction products and services, production technologies, and light manufacturing facilities.

1.1.2. Create new marketing materials around Buda's target industries.

- Design customized messages for each target that tell compelling stories about why Buda is a good fit for that particular industry.
- Create high-quality print and online marketing materials—including one-pagers and pages on the EDC website—to showcase Buda's assets specific to each target industry.

Best practices: Craft beer in Asheville, NC; Animal health in Kansas City MO/KS

1.1.3. Regularly attend relevant trade shows and business conferences (at least once per quarter), focusing on events that provide opportunities to market directly to key decision-makers in Buda's target industries. *A list of relevant industry associations, 2018–2019 trade shows, and publications is provided in the target industry analysis in Appendix 4.*

1.1.4. Position Buda as a preferred landing spot for high-growth companies in the Austin area seeking a new location or an expansion facility.

- Build relationships with company leadership of Inc. 5000 firms and other high-growth companies based in the Austin metro area.
- Cultivate relationships with business incubators/accelerators in the region (such as Capital Factory and Austin Technology Incubator) to identify rapidly growing startups on the verge of outgrowing their existing space, which might consider expanding or relocating to Buda.

1.1.5. Conduct an annual "fam tour" for site consultants and commercial real estate brokers to generate awareness of Buda as a desirable destination in the Austin–San Antonio corridor for business expansions and investment.

1.2. BUSINESS RETENTION AND EXPANSION. Work closely with Buda's existing employers to help them remain and grow in the community.

1.2.1. Continually update and expand the EDC database of existing businesses.

1.2.2. Launch a formal business visitation program to better address the needs of local employers.

- Focus the visitation program on Buda's largest employers and on strategic smaller companies, including those that serve external markets, have high growth potential, and/or fall into one of the EDC's target industries.
- Structure business visits with the goal of understanding and responding to the major issues facing local employers.
- Prioritize visits so that Buda's largest employers are called on more frequently (potentially twice a year) to help preserve open lines of communication between the EDC and the community's major employers. Visit smaller companies once per year.

1.2.3. Cultivate relationships with company leadership located outside Buda.

- Focus on Buda's largest current and future employers.
- Visit the corporate headquarters of major Buda employers every 3 to 5 years.

1.3. BUDA'S ONLINE AND SOCIAL MEDIA PRESENCE. Actively manage and enhance Buda's image as a desirable place to do business through internal and external messages across various online and social media platforms.

1.3.1. Continue using the EDC website and Facebook page to communicate the Buda EDC activities and achievements and to showcase the community's advantages for business growth.

1.3.2. Work jointly with the City and the Chamber to regularly manage and update Buda's entry on Wikipedia to include accurate and positive information, because this is often the first (and sometimes only) source of information people use to learn about a community.

1.3.3. Collaborate with the City, the Chamber, Hays CISD, and other local organizations to communicate positive, up-to-date information on Facebook, Twitter, and other social media channels about local businesses, developments, and upcoming events.

1.3.4. Cultivate relationships with local and regional media (*Austin Business Journal, San Antonio Business Journal, Community Impact Newspaper, Austin American-Statesman,* and others) to elevate awareness in the Austin–San Antonio corridor of Buda as an up-and-coming business and development location.

GOAL 2. SMALL BUSINESS GROWTH AND ENTREPRENEURSHIP

Create a robust local environment for the growth of small businesses and entrepreneurial companies.

Entrepreneurship and small business growth are key ingredients for the growth of local economies. An important distinction must be made between entrepreneurial companies and small businesses generally. Entrepreneurial companies are defined by four distinct characteristics: (1) an export-oriented market focus, (2) high levels of capital investment, (3) dependence on intellectual property (IP), and (4) high growth potential. Small businesses, on the other hand, primarily serve local markets, have much lower needs for capital investment and IP, and have modest growth expectations.

FOCUS AREAS

- Small business support system
- Connections to the Austin entrepreneurship and innovation ecosystem
- Amenities for entrepreneurs and remote workers

Buda has proven it can provide a supportive environment for the growth of both types of companies. The dozens of local businesses in downtown Buda along Main Street—from Summer Moon Coffee Bar to Nate's—are a great example of successful small businesses. Perhaps even more important than the employment opportunities provided by these companies, is the sense of place they help create for Buda. Distinctive retailers, restaurants, and coffee shops help otherwise sterile downtown districts build unique identities. Independent, locally owned firms also recirculate a higher share of their revenue in the local economy as compared to national chain businesses. When these businesses cluster along mixed-use corridors with a concentration of residential units, hotels, and other uses beyond retail and restaurants, they help attract other firms—ranging from professional services firms to tech companies—and often become a magnet for young people.

Separate from the small businesses on Main Street and elsewhere in Buda, the community is also a growing center of entrepreneurial companies. Many of Buda's recent business expansion/relocation projects—from Deep Eddy Vodka and Fat Quarter Shop to CHiP Semiconductor—are investments from high-growth firms that serve a much larger market beyond Buda and the Austin metro area. These firms, if Buda can retain them and help them grow locally, are poised to expand far beyond their current size. Over time, Buda's entrepreneurial companies are capable of adding hundreds of new jobs to the local economy and millions of dollars of new capital investment to support the local tax base.

STRATEGIES AND ACTIONS

2.1. SMALL BUSINESS SUPPORT SYSTEM. Work with the City and the Chamber to ensure small businesses in Buda have access to the programmatic support, real estate space, and incentives/policies they need to thrive.

2.1.1. Work with the Buda Chamber to encourage independent retailers and other small businesses in Buda to diversify their revenue streams with new products, special membership/subscription services, events, and other creative approaches.

2.1.2. Encourage the development of affordable space for small businesses throughout the community, including light industrial districts and small-scale, neighborhood-serving commercial zones.

2.1.3. Continue the EDC and City incentive programs that support small business growth (small business permit fee reimbursement) and larger job creation and investment projects (traditional incentives for business expansions that create at least 10 new jobs and $250,000 of capital investment).

2.2. CONNECTIONS TO THE AUSTIN ENTREPRENEURSHIP AND INNOVATION ECOSYSTEM. Establish stronger linkages between entrepreneurs and tech workers in Buda to the greater Austin startup/entrepreneurship/tech scene.

2.2.1. Expand networking channels and create new opportunities for Buda's entrepreneurs and tech workers to build relationships with entrepreneurs, startups, and technology workers in the region.

- Encourage local entrepreneurs to participate in area networking events and groups.
- Explore the potential to establish an entrepreneur networking group in Buda to serve South Austin and Hays County.
- Work with local coffee shops, restaurants, and other unique local businesses on Main Street to host local entrepreneur and tech worker networking events.
- Develop a tech-focused event in Buda to draw entrepreneurs into the community during the SXSW Interactive, F1, or RTX Austin. Start with a small, off-site event that offers attendees of the large conference something else to do in the area. Based on the success of the initial event, make adjustments to provide the greatest benefit for Buda businesses and entrepreneurs.

2.2.2. Promote Buda as a potential landing spot for Austin area startups involved in accelerator programs such as MassChallenge Texas, the Capital Factory, and the Austin Technology Incubator.

2.2.3. Strengthen Buda's linkages to Texas State University's growing research and development (R&D) and technology commercialization programs.

2.2.4. Cultivate relationships with entrepreneurs, startups, and researchers at Texas State University's Science, Technology, and Advanced Research (STAR) Park in San Marcos.

2.2.5. Explore opportunities to collaborate with the Greater San Marcos Partnership to integrate Buda as a key participant in the Greater San Marcos Innovation Summit annual event.

2.3. AMENITIES FOR ENTREPRENEURS AND REMOTE WORKERS. Enhance Buda's quality of place with amenities that attract entrepreneurs, remote workers, freelancers, and young professionals.

2.3.1. Work with area real estate developers to create vibrant coworking spaces for entrepreneurs, freelancers, and remote workers.

2.3.2. Evaluate options to reposition the former City Hall located on Main Street in downtown Buda as a creative coworking space for entrepreneurs, small professional services companies, freelancers, and remote workers.

2.3.3. Work with the City to continue and expand its investments in amenities, such as new parks, trails, public spaces, dog parks, and other enhancements that build on Buda's strong quality of place.

2.3.4. Conduct regular resident and workforce questionnaires to gain a better understanding of the specific amenities desired by Buda's residents and workforce.

RISE OF THE REMOTE WORKERS

The share of remote workers—those who do not commute to a regular work location—has grown from slightly more than 3 percent of the workforce to more than 5 percent of the US workforce between 2000 and 2016. Austin leads the US among the 100 largest metro areas, with remote workers representing nearly 9 percent of the metro area's workforce. Only about 5 percent of Buda residents work remotely, indicating a significant untapped opportunity to provide a more conducive local environment for remote workers, freelancers, and tech/professional workers with flexible employment situations.

GOAL 3. ORGANIZATIONAL ALIGNMENT

Align Buda's economic development partners to address key issues such as workforce and transportation that affect the EDC's ability to grow the local economy.

Goals 1 through 4 cannot be achieved without a commitment to the necessary tools and resources to support economic development in Buda. The Buda EDC will continue to serve as the primary entity responsible for growing the local economy. The financial resources available to the EDC to carry out its economic development efforts must continue to be available to support traditional business retention, expansion, and recruitment activities. The EDC should also continue to invest in strategic infrastructure improvements that lead to new investment and job growth in the community. Nonetheless, economic development is not the sole jurisdiction of the Buda EDC. The City of Buda, the Buda Area Chamber of Commerce, Hays CISD, Austin Community College (ACC), and a variety of local and regional partners play critical roles in growing and strengthening the local economy. Ongoing and expanded collaboration among Buda's local and regional economic development partners is a necessary outcome of this strategic plan.

FOCUS AREAS

- Local economic development partners
- Workforce development
- Transportation infrastructure

In addition to aligning Buda's local economic development partners in support of economic development, community leaders must also engage with regional partners to address key issues affecting Buda and the surrounding region. Workforce development, infrastructure, and transportation are the most critical issues outside the scope of the EDC that could limit Buda's growth potential.

STRATEGIES AND ACTIONS

3.1. LOCAL ECONOMIC DEVELOPMENT PARTNERS. Maintain the Buda EDC as the lead entity responsible for promoting economic development in Buda, with clearly defined roles and responsibilities for key partners including the City of Buda, the Buda Chamber of Commerce, and other organizations.

3.1.1. Continue the long-term commitment to the Buda EDC as the Type B sales tax corporation with resources to invest in core economic development functions that generate new investment and job growth in the community.

3.1.2. Ensure that the EDC's financial resources are not used as a "slush fund" for purposes that do not directly affect the community's economic well-being.

3.1.3. Encourage the City to expand its Buda Citizens' Academy to include the Chamber and possible spin-off leadership programs.

3.2. WORKFORCE DEVELOPMENT. Engage in regional workforce development efforts alongside employers and educational institutions to address key workforce issues facing Buda's current and future industries.

3.2.1. Convene a group of local employers quarterly to discuss workforce issues along with ACC, Hays CISD, and Texas State University.

3.2.2. Work closely with ACC and Hays CISD to align education and training programs with current and future workforce needs in support of Buda's existing employers and target industries.

- Develop specialized training programs to create a pipeline of medical professionals in support of Buda's emerging Medical District.

3.2.3. Establish stronger relationships between the Buda business community and Texas State University and the University of Texas at Austin.

- Encourage Buda's business leaders to join Texas State University's industry advisory councils (through the Office of the Provost) to help provide the university with employer intelligence about future workforce needs to inform the development of academic programs.
- Encourage Buda employers to provide internships to Texas State and UT–Austin students.

3.2.4. Work with local and regional partners to encourage the establishment of private training initiatives in Buda, such as coding boot camps and other technology-focused training programs.

3.3. TRANSPORTATION INFRASTRUCTURE. Actively participate in regional transportation planning discussions that affect Buda's ability to attract and retain companies, workers, and residents.

3.3.1. Collaborate with the City, Hays County, the Capital Area Metropolitan Planning Organization (CAMPO), and the Central Texas Regional Mobility Authority (CTRMA) to push for construction of the SH 45 "missing link" to connect the highway between the section of SH 45 currently under construction at FM 1626 to the existing I-35/SH 45 interchange. *Once complete (potentially in the next 5 to 10 years), this segment of regional highway infrastructure will provide a complete highway loop of roughly 80 miles encircling the Austin metro area that does not involve I-35. This major milestone would significantly enhance the potential for large-scale corporate campuses near the intersection of I-35 and SH 45.*

3.3.2. Participate in regular dialogue with the City, Hays County, the city of Kyle, the city of Austin, Travis County, and CAMPO about necessary transportation infrastructure improvements to enhance mobility for residents, workers, and businesses in Buda.

3.3.3. Explore options for providing public transportation service linking Buda to Austin, Kyle, and San Marcos. Regular transit service would enhance access to/from Buda for workers employed by local businesses, local residents who work outside the City, and for visitors traveling to the community's retail and restaurant businesses.

GOAL 4. REAL ESTATE DEVELOPMENT

Elevate Buda's profile as a key market for commercial real estate development within the Austin– San Antonio corridor.

FOCUS AREAS

- Real estate engagement
- Office development
- Industrial park and flex space development
- Communitywide land use analysis

It is no secret that Austin leads the nation in job growth and population growth among the country's largest metro areas. With the massive influx of new jobs and residents in the region, the area real estate community has responded in kind. Thousands of new housing units—from high-rise condo towers and urban apartment buildings to master-planned suburban communities with new, single-family houses—are under construction in every corner of the metro area. While residential growth is evenly spread across the region, the development of commercial office space has clustered in a handful of districts, including downtown Austin, the region's "second downtown" centered on The Domain, and a handful of new corporate campuses, such as Apple's suburban campus in northwest Austin and Oracle's urban campus along the East Riverside Drive corridor. Very little new commercial office space is under construction or planned anywhere south of Ben White Boulevard (Highway 290/71), including Buda and Hays County. This is critical because the location of office space under construction in the Austin metro area reveals where the *capacity* to add new jobs will be located in the months and years ahead.

The development of new commercial office space should be a priority for Buda's economic development program. Buda has a highly educated population (with more than 40 percent of its residents holding a bachelor's degree or higher) and is centrally located within the Austin metro area, providing convenient access to the region's skilled workforce and rapidly growing cluster of tech companies and professional services firms. Establishing a local employment base in Buda driven by commercial office development will not be easy. This effort will require a sustained, long-term approach with public investments (infrastructure and incentives), creative marketing tactics, and a dedication toward engagement with the real estate community.

The development of light industrial space for warehousing, distribution, and manufacturing facilities is one of Buda's most appealing short-term options for new investment and job growth. The community's robust transportation infrastructure, relatively affordable real estate (in comparison to Austin), and proximity to growing population and employment centers (in the Austin and San Antonio markets) make Buda a compelling location for light industrial and flex space development. Development of new light industrial space to accommodate these new businesses will provide benefits to the community beyond new jobs, including high levels of capital investment in buildings and equipment that will bolster the local tax base. In addition to direct tax base benefits, increasing the City's daytime population through new office and light industrial developments will also create stronger demand for other local businesses, including retailers and restaurants.

Far too many cities attempt to overcome their economic deficiencies by investing in generic branding efforts that tout "quality of life" and claim their community is a great place to "live, work, and play." Rather than embark on a generic branding/promotion effort, Buda should focus its energies on how to actually improve the community, through public infrastructure investments and through commercial real estate development projects driven by the private sector. More success can be realized through engagement with the real estate community, including developers, commercial brokers, and major landowners, than through ads and billboards.

STRATEGIES AND ACTIONS

4.1. REAL ESTATE ENGAGEMENT. Develop and maintain relationships with the Austin area real estate community to increase awareness of Buda as a key real estate submarket within the Austin area.

4.1.1. Host events and meetings in Buda that bring in associations and networking groups of real estate developers, commercial real estate brokers, and other real estate professionals.

4.1.2. Participate in Austin area real estate developer and broker networking events.

4.1.3. Explore opportunities to create a design competition for one or more specific sites in Buda.

4.1.4. Focus most of the EDC's real estate engagement efforts on strengthening Buda's ties to the Austin area real estate community, but also make an effort to reach out to the San Antonio area real estate community.

4.1.5. Work closely with the City, Hays County, Hays CISD, and other public sector entities to identify any underutilized properties that could be positioned for public or private real estate development.

4.1.6. Periodically (at least once per year) convene a group of major employers, local governments, utility providers, and area real estate developers/brokers to identify gaps or deficiencies in Buda's infrastructure that act as a barrier to the growth of existing employers and recruitment of new companies. Work collectively to identify and implement solutions to the most critical infrastructure challenges.

4.2. OFFICE DEVELOPMENT. Pursue a multifaceted approach to stimulate the development of commercial office space in Buda.

4.2.1. Focus office development efforts in development districts 1 through 5 (see Appendix 2).

- Start with the emerging Buda Medical District centered on the new Baylor Scott & White hospital.
- Capitalize on the demand for medical office space near the new hospital to develop joint commercial office projects that include a combination of medical office space and standard commercial Class A office space. This could take place on the same development site or in the same building.

4.2.2. Work with area real estate developers to explore options for future development of all or part of the North Buda/Onion Creek development district as a potential corporate campus with a mixture of land uses (including retail, restaurants, and residential).

4.2.3. Explore opportunities for the EDC to acquire strategic properties for development of commercial Class A office space.

4.2.4. Create a City incentive program to encourage the development of new office space.

Best practice: Sugar Land Development Corporation Class A Office Development Incentive Program

4.2.5. Recruit large, institutional office users (such as a state of Texas government agency seeking to relocate its facilities out of central Austin) that could become anchor tenants for a new commercial office development.

4.2.6. Protect existing and planned office areas and flex space developments to ensure Buda can continue to benefit from business expansion projects, job growth, and expansion of the City's commercial property tax base.

4.3. INDUSTRIAL PARK AND FLEX SPACE DEVELOPMENT. Increase the availability of high-quality, light industrial space and flex space for warehousing and distribution, light manufacturing, and other businesses.

4.3.1. Focus industrial park and flex space development efforts in development districts 6, 7, and 8 (see Appendix 2) and in areas with existing light industrial space.

4.3.2. Explore opportunities for the EDC to acquire strategic properties for the development of business/industrial parks to accommodate light industrial business expansion projects.

4.3.3. Protect existing and planned industrial areas and flex space developments to ensure Buda can continue to benefit from business expansion projects, job growth, and expansion of the City's commercial property tax base.

4.4. COMMUNITYWIDE LAND USE ANALYSIS. Conduct a land use analysis of the properties located within the City limits and the City's extraterritorial jurisdiction (ETJ) to develop an understanding of how Buda's future land uses will be affected and shaped by area real estate development trends in the residential, commercial, and industrial property segments.

4.4.1. Use the results of this analysis to inform and shape City development regulations, zoning changes, infrastructure investments, and other public decisions that affect how and where development will occur.

4.4.2. Work with the City, local landowners, and the area real estate community to ensure an adequate supply of land is developed with nonresidential uses (retail, office, light industrial, flex space) so that Buda grows as a balanced community with a range of employment options and a sustainable local tax base that is not overly dependent on residential properties.

GOAL 5. HIGH-IMPACT OPPORTUNITIES

Pursue catalyst projects and high-impact development opportunities.

Goals 1, 2, and 3 describe the core economic development activities necessary to strengthen, grow, and diversify Buda's local economy. The EDC and its partners can place the community on a sustainable economic path over the next 5 to 10 years with successful implementation of these initiatives. Goal 4 moves beyond the baseline of what is necessary and stretches community leadership to reach for what is possible. Goal 5 includes six, high-impact opportunities that can transform the community and raise its economic standing within the Austin–San Antonio corridor. These six opportunities are shown in the list to the right and described in more detail below.

FOCUS AREAS

- Buda Medical District
- Destination retail and visitor attractions
- Regional corporate and tech campus at I-35 and SH 45 interchange
- Downtown Buda and Main Street District
- New festivals and events
- Full-service hotel and conference center

STRATEGIES AND ACTIONS

5.1. BUDA MEDICAL DISTRICT. Incorporate the new Baylor Scott & White hospital and Ascension Seton Health Center as the cornerstones of a dynamic mixed-use district. *(See development district 4 in Appendix 2.)*

5.1.1. Pursue medical specialty providers to locate in or near the Buda Medical District.

5.1.2. Work closely with Baylor Scott & White and other local medical institutions to identify underserved markets. Based on this assessment, identify specific opportunities for new medical specialties that do not exist (or are not meeting current demand) in Buda, Hays County, and South Austin.

5.1.3. Work with the area real estate community to develop office space for medical and professional services firms (see Goal 2).

5.1.4. Work with the City to invest in public infrastructure—sidewalks, trails, parks, and other amenities—to make the district more inviting for a wide range of users. Use these investments to enhance the linkages between the Buda Medical District and surrounding areas, including the Cabela's retail district on the other side of I-35 and the residential portions of the Sunfield development.

Best practice: Round Rock medical and higher education district; Waxahachie medical district

5.2. DESTINATION RETAIL AND VISITOR ATTRACTIONS. Create new destinations that attract a large number of new visitors and increased retail spending to the community, while also serving as amenities for local residents.

5.2.1. Continue to support the growth and success of Buda's existing and planned retail and visitor attractions that generate high levels of visitor spending, such as Cabela's, Pinballz Kingdom, and Mavericks Dance Hall (set to open in 2019).

5.2.2. Recruit destination retail businesses and national chain retailers (such as Costco, IKEA, and Whole Foods) that serve a trade area far beyond the Buda City limits.

5.2.3. Recruit destination entertainment attractions (such as Topgolf, Great Wolf Lodge, Alamo Drafthouse Cinema, and Dave & Buster's) that draw visitors from throughout the Austin–San Antonio corridor.

5.3. REGIONAL CORPORATE AND TECH CAMPUS AT I-35 AND SH 45 INTERCHANGE. Position the properties surrounding the I-35 and SH 45 interchange as a regional corporate and tech campus.

It might take 10 to 15 years before the Austin area real estate market reaches a point where this location could justify large-scale development of commercial office space with mixed-use elements (high-density residential, retail/restaurants, entertainment venues, hotels). However, it is in Buda's interest to collaborate with the city of Austin and landowners in this area to begin planning for future development at this location because this is the last remaining option for a truly regional employment center near Buda. Demand for commercial development in this district will increase substantially if the "missing link" of SH 45 is constructed between FM 1626 and I-35, providing a complete highway loop around the Austin area.

5.3.1. Initiate conversations with the city of Austin and other partners about the long-term potential for a regional corporate and tech campus (with mixed-use development) at the I-35 and SH 45 interchange.

5.3.2. Provide EDC incentives for high-profile business recruitment projects and major commercial developments at this location that provide a demonstrable positive economic impact to the City of Buda.

Best practice: Plano's mixed-use Legacy business park with corporate offices, retail, and residential

5.4. DOWNTOWN BUDA AND MAIN STREET DISTRICT. Continue working with the City, the Chamber, landowners along Main Street, and local businesses to enhance downtown Buda's role as one of the most authentic and vibrant Main Street districts in Texas.

Downtown Buda is a unique asset with significant economic potential, much of which remains untapped. With strategic public investments, marketing and promotion efforts, and new businesses added to the district, the Main Street corridor can become a regional destination. Additional enhancements to downtown can also serve as a key component of Buda's efforts to attract and retain the skilled workforce needed to support current and future employers.

5.4.1. Encourage the City to invest in streetscape enhancements to improve the walkability, bike friendliness, and overall access within and through the Main Street corridor.

5.4.2. Continue working with the City and Hays County to identify freight mobility solutions to encourage truck traffic to avoid Main Street in downtown Buda, if possible, and to use other corridors instead.

5.4.3. Support the City's Main Street program in its ongoing efforts to tell the story of downtown Buda to internal and external audiences through online, social media, and other communications channels.

5.4.4. Work with the Main Street program and the Chamber to encourage new investment and business development in downtown, including the growth of appropriately scaled commercial office buildings in and near downtown.

5.5. NEW FESTIVALS AND EVENTS. Create new events and festivals that attract thousands of visitors to the community, while generating positive recognition for Buda as a desirable place within the Austin–San Antonio corridor.

The role of events, festivals, and conferences should be explored as a key component of a local tourism strategy. Major events can have a profound influence on how the outside world views Buda. A prime example of an event translating into significant economic development outcomes (beyond just tourism spending) is the South by Southwest (SXSW) Interactive Festival, which has accelerated Austin's position as a national technology and innovation hub. Smaller, more targeted events can also have a significant impact. The ClimateCon 2018 event held in Asheville, North Carolina, helped accelerate business development efforts focused on leveraging the area's unique climate science assets by providing a forum to explore business opportunities around climate data. Similar linkages between tourism and economic development should be encouraged in Buda to leverage the area's tourism assets and expose the City to other business development opportunities. Successful events can enhance Buda's image/brand in the minds of tourists, skilled workers, and business decision-makers.

5.5.1. Continue working with the City's Tourism Department, the Chamber, and other local organizations to support the ongoing growth and success of existing signature events, including the Weiner Dog Races, Fajita Fiesta, Budafest, and other local events.

5.5.2. Support the Tourism Department in its efforts to pursue the creation of new events and festivals with the potential to generate a significant economic impact. Focus on new events that serve an external audience beyond existing residents, similar to the small business vs. entrepreneurial company distinction described in Goal 3.

5.5.3. Work with the City, the Chamber, and other local organizations to identify options for creating a full-time event planner position in Buda, potentially through the City's hotel occupancy tax (HOT) revenue stream.

5.5.4. Options for new events include a triathlon or bike race, a Hill Country breweries/ wineries/ distilleries festival, a remote-control car race during F1, and attraction of youth sports tournaments.

5.5.5. Develop a tourism strategic plan to guide the City's future investments and activities focused on promoting tourism in Buda.

- As part of this effort, conduct economic impact studies of existing events to evaluate the amount of visitor spending they attract from nonresidents.
- Use information from the plan and economic impact studies to identify opportunities to raise the profile of existing events so they attract a larger share of visitors (and spending) from attendees that reside outside of Buda and Hays County.

Best practices: Wineglass Marathon in Corning, NY; Boerne 0.5k race; ClimateCon 2018 in Asheville, NC

5.6. FULL-SERVICE HOTEL AND CONFERENCE CENTER. Develop a full-service hotel and conference center capable of hosting large business events and trade shows with 500 to 1,000 attendees. *In 2017, CBRE Hotels completed a market study and economic impact analysis for a proposed Buda Hotel and Conference Center.*

5.6.1. Provide incentives to support the attraction and development of a new, full-service hotel and conference center.

5.6.2. The incentives could include infrastructure improvements or a public/private model to finance and operate a new convention center, in combination with a new hotel. City HOT revenues are one potential funding source for this strategy.

5.6.3. In addition to the eight sites evaluated in the CBRE Hotels study, explore opportunities for a hotel and conference center to be located in or adjacent to the emerging Buda Medical District.

APPENDIX 1. IMPLEMENTATION MATRIX

A strong implementation strategy is key to bringing a plan to fruition. Identifying strategies and describing the actions needed to turn concepts into reality is not enough. Setting priorities is perhaps the most important role that a solid implementation strategy should fulfill. Having clearly established priorities is essential for effective use of public resources.

The implementation matrix provides a graphic representation of when actions should realistically be implemented and suggests potential partners to help carry them out. It is important to note that the plan includes a range of strategies and actions, some of which are intended to stretch the EDC and community leadership.

The implementation matrix is designed to be a flexible, ever-evolving document. By nature of changing conditions, some actions might become unnecessary or might become difficult to implement due to unforeseen roadblocks. The EDC and its partners will use the implementation matrix to monitor the status of all items, including actions that have already been completed, actions that are in progress, and actions not yet initiated.

A complete version of this implementation matrix is published separately.

	Responsible Partners (suggested lead in **bold**)	**Ongoing**	**Next 12 Months**	**1 to 3 Years**	**3 to 5 Years**	**5 to 10 years**
GOAL 1. BUSINESS DEVELOPMENT						
1.1. TARGET INDUSTRY RECRUITMENT. Launch an aggressive business recruitment program focused on companies within a set of target industries.						
1.1.1. Focus business recruitment and marketing efforts on five target industries: light industrial; retail, hospitality, and tourism; medical; food and beverage; IT and business services. ● ● 1.1.2. Create new	**EDC** marketing materials around Buda's target industries.		**EDC**	, BACC,		
City ● ●						
◦ Design customized messages for each target that tell compelling stories about why Buda is a good fit for that particular industry.						
◦ Create high-quality print and online marketing materials—including one-pagers and pages on the EDC website—to showcase Buda's assets specific to each target industry.						
1.1.3. Regularly attend relevant trade shows and business conferences (at least once per quarter), focusing on **EDC**						
events that provide opportunities to market directly to key decision makers in Buda's target industries. 1.1.4. Position Buda as a preferred landing spot for high-growth companies in the Austin area seeking a new **EDC**		●				
location or an expansion facility. ◦ Build relationships with company leadership of Inc. 5000 firms and other high-growth companies based in the Austin		●				
metro area. ◦ Cultivate relationships with business incubators/accelerators in the region (such as Capital Factory and Austin Technology Incubator) to identify rapidly growing startups on the verge of outgrowing their existing space, which might						
consider expanding or relocating into Buda. 1.1.5. Conduct an annual "fam tour" for site consultants and commercial real estate brokers to generate awareness of Buda as a desirable destination in the Austin-San Antonio corridor for business expansions and real	**EDC**, BACC, City, area estate community	● ●	●	investment.		

APPENDIX 2. PRIORITY DEVELOPMENT DISTRICTS

Buda is essentially landlocked in every direction, with Austin's extraterritorial jurisdiction (ETJ) to the north and east, Kyle to the south, and the Dripping Springs ETJ to the west. The constraints of jurisdictional boundaries, combined with Buda's enviable location within the nation's fastest-growing major metro area, call for a thoughtful approach toward the development of the City's limited supply of remaining sites. As the surrounding region continues its outward growth and development in the direction of Buda, it will become increasingly important for the City to partner with landowners and real estate developers to encourage strategic real estate development projects.

The 2011 Buda Comprehensive Plan included a Future Land Development Plan—a conceptual framework to help guide City infrastructure investments and development regulations—which identified six "character districts" and five categories of "mixed use nodes." The City's 2011 Comprehensive Plan addressed land use issues in much greater detail. The purpose here is to focus on key districts for economic development. With that goal in mind, TIP limited the analysis to a group of eight development districts that have the greatest potential to expand the employment base and generate new revenue for the City, both through development and redevelopment. TIP's evaluation included the following eight districts. **1.** North Buda/Onion Creek

2. I-35 and SH 45 Interchange
3. Cabela's Retail District
4. Buda Medical District
5. FM 1626 and FM 967
6. FM 1626 and FM 2770
7. Sunfield Business District
8. Robert S. Light Boulevard

Each district was assessed according to the following factors to provide a better understanding of constraints and opportunities for real estate development.

DISTRICT EVALUATION FACTORS

- **Size**: Is the district large enough to accommodate significant development?
- **Infrastructure**: Does the district have water, wastewater, electricity, gas, broadband, and other needed infrastructure?
- **Zoning**: Does the current zoning support new employment uses and commercial real estate development?
- **Land Uses**: Are surrounding properties compatible with potential development options for the district?
- **Highway Access**: Is the district adjacent to a major highway?
- **Arterial Road Access**: Is the district easily accessible to arterial roads and streets?
- **Visibility**: Does the site have high visibility?
- **Employment Potential**: Can the site accommodate a large number of new jobs?
- **City Revenue Potential**: Is there potential for the district to provide a significant enhancement to the City's tax base?

DEVELOPMENT DISTRICT 1: NORTH BUDA/ONION CREEK

This is one of the most valuable sites in Buda, thanks to its large size (500+ acres), its scenic appeal (Onion Creek runs through the property), and its central location in Buda in close proximity to Main Street, Cabela's retail district, and Austin. The site is owned by the Urban family and would require close collaboration with the landowners, the City, and any development partners to ensure responsible development of this area for all parties involved. The site's location makes it a good fit for corporate HQs, especially with the access to Onion Creek, which could serve as an amenity. Other potential uses for this district include high-end residential development and boutique retail, restaurants, and entertainment (similar to the Gruene Historic District in New Braunfels).

🟢 Above average 🟡 Average 🔴 Below average

CRITERIA	SCORE	COMMENTS
Size	🟢	Very large site (more than 500 acres)
Infrastructure	🔴	Will require major new infrastructure investments (including at least one new bridge over Onion Creek) to become shovel-ready
Zoning	🟡	No existing zoning based on its location in Buda's ETJ and Austin's ETJ
Land Uses	🟢	Surrounding areas are compatible with a wide range of development options: Main Street includes a mix of commercial, UP railroad on the western edge is a natural buffer, and there is no significant development along northern edge
Highway Access	🟡	District does not have direct highway frontage, but is located less than one-fourth mile from I-35 and is accessible via the Main Street exit (221)
Arterial Road Access	🟡	District is adjacent to Main Street, but does not have arterial roads providing access across Onion Creek or across the UP railroad
Visibility	🔴	Minimal visibility, district is mostly hidden to travelers along I-35

Employment Potential		High level of new employment possible
City Revenue Potential		Moderate municipal revenue potential, majority of this site is located north of the Buda City limits, in Austin's ETJ

DEVELOPMENT DISTRICT 2: I-35 AND SH 45 INTERCHANGE

The properties surrounding the highway interchange of I-35 and SH 45 represent the most significant long-term opportunity for a major, mixed-use, commercial center between downtown Austin and San Marcos. If and when SH 45 is extended west from this interchange to connect with the portion of SH 45 currently under construction between FM 1626 and MoPac, this location would become more easily accessible from every corner of the Austin metro area. The recent emergence of Austin's "second downtown" centered on The Domain in far North Austin has given rise to a dual-campus phenomenon in which many large tech companies (Facebook, Indeed, HomeAway) have opened offices in downtown Austin and The Domain. A similar opportunity for large-scale commercial development exists at the I-35/SH 45 interchange. Over the next 10 to 20 years, this district could support a large amount of new Class A office space for corporate HQs, technology companies, and professional services firms, along with high-density residential development, retail, restaurants, entertainment, and hotels. And despite the fact that this entire district is located outside the Buda City limits, large-scale development at this intersection would have positive impacts on land values and development potential for surrounding areas, including much of Buda.

Above average   Average   Below average

CRITERIA	SCORE	COMMENTS
Size		Very large district (1,000+ acres)
Infrastructure		Development would require substantial infrastructure investments
Zoning		District is located in Austin's ETJ
Land Uses		Site offers a "blank slate" for development, with no existing or incompatible uses
Highway Access		District is traversed by I-35 and SH 45

Arterial Road Access		No existing arterial roads in the district
Visibility		One of the most visible sites in the entire Austin–San Antonio corridor
Employment Potential		High level of new employment possible, including high-wage jobs
City Revenue Potential		District is completely outside the Buda City limits, but large-scale development would provide significant spin-off development opportunities in surrounding areas

DEVELOPMENT DISTRICT 3: CABELA'S RETAIL DISTRICT

This district includes the largest concentration of existing commercial development in Buda, anchored by Cabela's, Walmart, and H-E-B, along with numerous small retail stores, restaurants, and hotels. Most of the district is already developed, with a few remaining undeveloped sites and underutilized parking areas that can accommodate a small amount of additional development. The biggest long-term opportunity for this district is redevelopment of the roughly 20-acre Crestview RV site located immediately southeast of Cabela's. Over the long-term (10–25 years), the entire district could be completely redeveloped into a much denser, mixed-use district.

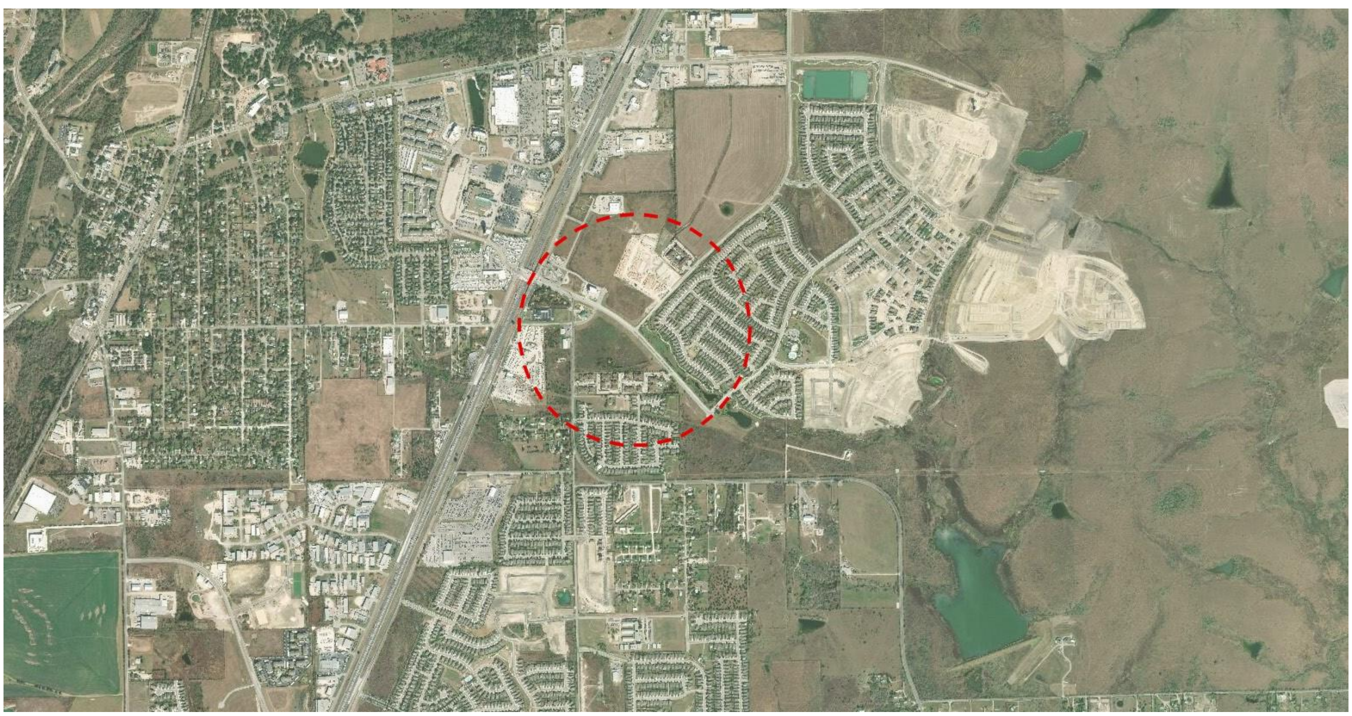
Above average Average Below average

CRITERIA	SCORE	COMMENTS
Size		The district itself is large, but there are no remaining large sites available for development
Infrastructure		District is shovel-ready
Zoning		Existing zoning allows additional commercial development
Land Uses		District includes mostly commercial development, with one exception (multifamily apartment complex)
Highway Access		Adjacent to I-35
Arterial Road Access		Adjacent to Cabela's Drive and Main Street

Visibility		Highly visible site due to I-35 frontage
Employment Potential		Moderate level of new employment possible
City Revenue Potential		Moderate level of new capital investment possible

DEVELOPMENT DISTRICT 4: BUDA MEDICAL DISTRICT

This is one of the most promising development districts in Buda, anchored by the first Baylor Scott & White hospital in Hays County, a full-service medical facility currently under construction and scheduled to open in 2019. Ascension Seton is also building a health center across the street from the hospital. Commercial office space for medical and professional services firms is a viable option for this district. Complementary “amenities,” such as restaurants, retailers, services, and hotels, can add to the district’s vitality. Over the long-term, underutilized properties with auto-centric businesses along I-35 could be redeveloped with higher-intensity commercial uses.



Above average   Average   Below average

CRITERIA	SCORE	COMMENTS
Size		If a larger area surrounding this district is considered—including the Knapheide Truck Equipment Center, Camper Clinic II, and Truck City Ford sites fronting I-35—the longterm development and redevelopment opportunities for this district cover a large area approaching 250–300 acres

Infrastructure		District is shovel-ready
Zoning		Partially within the Buda City limits and partially within the Sunfield development
Land Uses		Portions of the district are occupied by single-family residential, which could be incompatible with high-density commercial and mixed-use development
Highway Access		Adjacent to I-35 and the Cabela's Drive exit
Arterial Road Access		Adjacent to FM 2001, White Wing Trail, and Fire Cracker Drive
Visibility		Highly visible site due to I-35 frontage, with the multistory Baylor Scott & White hospital enhancing the district's visibility
Employment Potential		High level of new employment possible, including middle- and high-wage jobs
City Revenue Potential		Both Baylor Scott & White and Seton are nonprofit medical systems, which limits the tax base potential for this district, but the new medical facilities will serve as anchors for new private sector investment and commercial businesses

DEVELOPMENT DISTRICT 5: FM 1626 AND FM 967

This district would be an ideal site for small- to moderate-scale commercial development. A grocery store-anchored retail center to serve surrounding residential areas is one potential development option, especially for the southeast corner of the FM 1626/FM 967 intersection. Other potential uses for this district include small-scale commercial office space, medical clinics, restaurants, and urban residential (townhomes, condos) development.

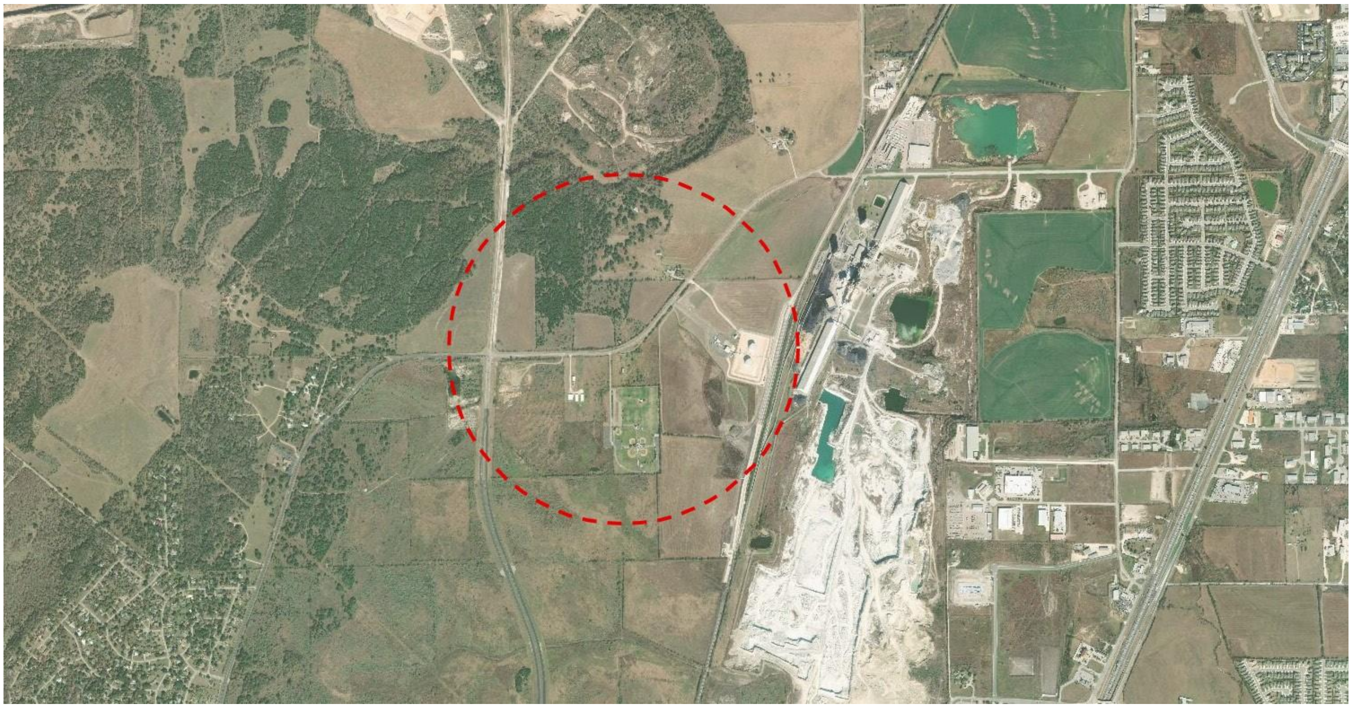
Above average Average Below average

CRITERIA	SCORE	COMMENTS
Size		Moderately sized district with roughly 80–100 acres, primarily at the southeast corner of the FM 1626/FM 967 intersection

Infrastructure		Some new infrastructure would be required, including wastewater/floodplain mitigation (Garlic Creek runs through the district)
Zoning		Existing zoning allows for commercial development, but depending on the specific uses, rezoning might be required
Land Uses		Land uses at the intersection of FM 1626/FM 967 include a range of commercial retail and small office uses, with residential and open space in the broader surrounding area
Highway Access		District is roughly 4 miles west of I-35 along FM 967 and Main Street and roughly 3 miles south of the new SH 45 SW (under construction) along FM 1626
Arterial Road Access		Adjacent to FM 1626 and FM 967
Visibility		Moderate visibility along arterial roads (FM 1626 and FM 967), but no highway access
Employment Potential		Moderate level of new employment possible
City Revenue Potential		Moderate level of new capital investment possible

DEVELOPMENT DISTRICT 6: FM 1626 AND FM 2770

The intersection of FM 1626 and FM 2770 is one of the most obvious focus areas for future commercial development in Hays County, but a number of factors create uncertainty for this district. The city limits of Buda and Kyle border each other at this intersection, with the dividing line running diagonally in a northwest to southeast direction. Kyle's zoning controls the southeast corner of this intersection and portions of the northwest and southeast corners. Buda's jurisdiction covers the entire northeast corner of the intersection and portions of the northwest and southeast corners. Another complicating factor is the lack of existing water/wastewater infrastructure in the area. Texas Lehigh Cement Company and Centex Materials Inc. own large sections of this district and a much larger area surrounding the district to the north and east, a total of roughly 2,000 acres. Any development options for this district would need to take into account future encroachment of quarries as a neighboring land use.



🟢 Above average 🟡 Average 🔴 Below average

CRITERIA	SCORE	COMMENTS
Size	🟢	Very large district with roughly 300 acres in Buda City limits east of FM 1626
Infrastructure	🔴	Major new infrastructure (water and wastewater) would be required to support significant new development in this district
Zoning	🔴	Large portions of this district are currently designated with agriculture zoning, requiring rezoning for new commercial development
Land Uses	🟡	Texas Lehigh Cement Company and Centex Materials Inc. own most of the land in and surrounding this district
Highway Access	🔴	Roughly 3 miles northwest of I-35 along FM 1626
Arterial Road Access	🟢	Adjacent to FM 1626 and FM 2770
Visibility	🟡	Moderate visibility along FM 1626 and FM 2770, but no highway access
Employment Potential	🟡	Moderate level of new employment possible
City Revenue Potential	🟡	Moderate level of new capital investment possible

DEVELOPMENT DISTRICT 7: SUNFIELD BUSINESS DISTRICT

The northern section of the Sunfield development is arguably the best location in Buda for large-scale, traditional business recruitment projects—warehousing and distribution facilities, manufacturing operations, and other light industrial businesses—in the short-term future. The US Foods distribution center anchoring this district is now Buda's largest non-retail employer, with 300 jobs. The district will soon be home to Buda's first spec industrial space, with 600,000 square feet planned (300,000 square feet currently under construction). Additional investment in the form of light industrial facilities over the next few years is likely, given the area's strategic location near the I-35 and SH 45 intersection, providing distribution and production facilities with convenient access for goods movement.

Above average   Average   Below average

CRITERIA	SCORE	COMMENTS
Size	Average	Moderately sized district with roughly 80–100 acres of land remaining for development
Infrastructure	Above average	District is shovel-ready
Zoning	Average	District is located in Sunfield, requiring collaboration between the City and the Sunfield developers to determine future land uses
Land Uses	Above average	Existing US Foods distribution center and new light industrial buildings under construction in the district are compatible with future commercial/industrial uses
Highway Access	Above average	Adjacent to I-35
Arterial Road Access	Above average	Adjacent to Main Street, Fire Cracker Drive, and Turnersville Road
Visibility	Above average	Highly visible site along I-35 and, to a lesser extent, along SH 45
Employment Potential	Average	Moderate level of new employment possible
City Revenue Potential	Above average	High level of new capital investment possible

DEVELOPMENT DISTRICT 8: ROBERT S. LIGHT BOULEVARD

The area along Robert S. Light Boulevard has recently become one of Buda's most successful districts for light industrial development. The corridor is home to several of the community's newest business expansion/relocation projects including CHiP Semiconductor, Deep Eddy Vodka, and Ampersand Art Supply. With construction planned in the next few years of a new segment of Robert S. Light Boulevard, connecting its current western terminus at Loop 4 to FM 2770 and FM 1626 farther west, access to this area will be improved significantly. As this area continues to develop over the next several years, the City and the EDC should work together to help retain existing employers in the corridor and to recruit additional companies seeking light industrial space in Buda.

Above average Average Below average

CRITERIA	SCORE	COMMENTS
Size		Large district with roughly 200 acres of developable properties in close proximity to Robert S. Light Boulevard
Infrastructure		District is shovel-ready
Zoning		Majority of the district is currently zoned for light industrial
Land Uses		Majority of land uses are light industrial and vacant properties, but there is one multifamily housing development on the corridor and a single-family residential development immediately south of the district, both of which might be somewhat incompatible with future industrial development
Highway Access		Adjacent to I-35
Arterial Road Access		Adjacent to Loop 4 and adjacent to Robert S. Light Boulevard, with a planned extension of the boulevard westward toward FM 2770 and FM 1626
Visibility		Highly visible site due to I-35 frontage
Employment Potential		High level of new employment possible
City Revenue Potential		High level of new capital investment possible

APPENDIX 3. ECONOMIC ASSESSMENT

INTRODUCTION

The first step in the planning process was to document Buda's position from an economic development perspective to provide a foundation for the planning process. During the project's discovery phase, numerous roundtable discussions and interviews were conducted with dozens of community and business leaders in Buda. As part of this phase, the TIP consulting team also conducted a quantitative assessment of various factors that influence Buda's economic competitiveness. The data analysis evaluated Buda's demographics, employment patterns, industry concentrations, commuting flows, and other qualitative and quantitative factors affecting the City's potential for economic development.

To provide context for the assessment, data are shown for the City of Buda, Hays County, the Austin metro area, Texas, and the US. The economic research also compared Buda with 10 competitor cities in the I-35 corridor in the Austin and San Antonio metro areas to shed light on how Buda's economy compares to its regional competition.
The competitor cities include Kyle, San Marcos, New Braunfels, Schertz, Lockhart, Bastrop, Pflugerville, Round Rock, Cedar Park, and Georgetown. As part of the assessment, TIP also prepared an analysis of Buda's strengths, weaknesses, opportunities, and threats. Results of this analysis, commonly referred to as a SWOT analysis, are presented after the key findings.

KEY FINDINGS

The findings presented in this section are based on the following elements.

- A review of relevant studies, plans, and other material provided by the Buda EDC, the City of Buda, and other organizations.
- A review of economic and demographic data from primary and secondary sources, including the US Census Bureau, the US Bureau of Labor Statistics, Economic Modeling Specialists Intl. (Emsi), and Esri.
- Findings from community site visits and interviews and focus groups with over 50 community representatives and stakeholders.
- Our 20 years of experience working with communities across the country and compiling best practices.

The economic assessment revealed important insights into Buda's relative economic position. It also provided a thorough understanding of the community's competitive advantages and disadvantages. The most significant findings are summarized in the next section. The complete assessment is presented after the key findings.

POPULATION AND DEMOGRAPHICS

Buda has a rapidly growing population, more than doubling in size between 2010 and 2017 (122 percent). At the county level, this growth can be attributed to domestic migration, which increased 128 percent between 2010 and 2017. In comparison to other regional geographies, Buda's growth clearly outstrips that of Hays County, the Austin metro area (the five-county region, including Travis, Hays, Williamson, Caldwell, and Bastrop Counties), Texas, and the US over the same time period. This is all the more impressive in the context of Hays County's population growth, which leads the nation for counties of its size.

Buda's population is the youngest out of the comparison geographies with the youth demographic (0–19 years), accounting for 33 percent of the population. **Buda's median household income is relatively high** at $72,020. This is approximately $6,000 higher than the Austin metro area, but almost $18,000 higher than the state. Similarly, Buda home prices are also higher than the county, the state, and the US, with a median price of $201,500, but not higher than the Austin metro area. Buda's housing is more skewed toward detached, singlefamily homes than the other regional peers and has no mobile housing.

Buda has a somewhat **low percentage of its population working remotely** at 4.9 percent, compared to 6.3 percent of the county and 7.4 percent of the Austin metro area. This statistic can be interpreted as an indicator of a tech-oriented workforce, and this number shows that Buda's current mix of jobs could be less tech-oriented or that the City has barriers for people who do want to work remotely.

Buda's demographics by race/ethnicity show a **larger Hispanic/Latino population** than the Austin metro area (38 percent vs. 32 percent). This is also much larger than that of the US (17 percent).

WHY IT MATTERS

The most important resource available to a community is its people. As a result, a basic understanding of the composition of the population and its characteristics is an essential first step in conducting an economic assessment.

- *Population.* Trends should be linked to comprehensive service and infrastructure planning to ensure that the resources of the community are used in an efficient and effective manner.
- *Demographic characteristics.* Data on the various segments of a given population (age, race, gender) can help organizations gauge the relative economic health of the people in the region and determine their service needs.
- *Educational attainment.* This indicator is of particular interest to companies looking to relocate or expand in an area. Along with demographic characteristics, like age, educational attainment data help employers assess the potential labor pool.

Data from this section were obtained primarily from two US Census Bureau programs: the Population Estimates Program (population and components of change) and the American Community Survey (demographic characteristics and housing).

COMMUTING FLOWS

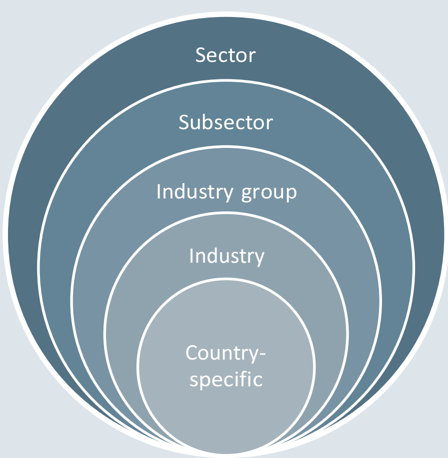
Given Buda's proximity to Austin, it is unsurprising that of the 4,956 employed residents, 96 percent commuted to jobs outside the City in 2015. There were 4,260 workers who also commuted to the City for work, with only 178 people living and working in the City. Reflecting the City's rapid growth, **both the outbound and inbound commuting segments have also grown drastically over the last decade**. The number of people who live and work in Buda has grown minimally during the same period. The commuting distance of those individuals who work in Buda has increased in the last 10 years, with an 11 percent increase in those commuting greater than 50 miles. Commute distances have not changed for those who live in Buda but work elsewhere.

Austin is the number one destination for employed Buda residents, accounting for 58 percent of commuters. San Marcos is the second largest with 5 percent. Buda's workforce commutes from Austin (20 percent), Kyle (9 percent), San Marcos (4.5 percent), and San Antonio (4.4 percent). When viewing commute flows by industry, retail trade, construction, restaurants, bars, hotels, and manufacturing are the sectors with the largest net inflows of workers. Government, healthcare, professional services, and education have the largest net outflows.

INDUSTRY TRENDS

Job growth in Buda has been robust. Total employment in the Buda ZIP code (78610) grew from 8,362 jobs in 2007 to 11,065 in 2017 (32 percent). This growth rate is similar to regional geographies, with Hays County growing 37 percent and the Austin metro area growing 28 percent over the same time period. Construction is Buda's largest employment sector with 2,353 jobs, followed by retail trade (1,443) and administrative & support services (1,164). Since the start of the recession in 2008, these three sectors were also the top job gainers, collectively adding nearly 1,900 net new jobs to the local economy. Manufacturing and utilities were the only sectors with a net loss of more than 100 jobs since 2008. Buda has an established base of dozens of employers, ranging from small businesses to employers with upward of 300 employees in Buda and spanning industries such as retail, manufacturing, construction, government, healthcare, and distribution. Capital Excavation, Walmart, and US Foods are the City's largest employers, each with at least 300 workers.

NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (NAICS) STRUCTURE AND EXAMPLE



EXAMPLE: Sector 31-33 Manufacturing

- **Subsector 336** Transportation equipment manufacturing
  - **Industry group 3361** Motor vehicle manufacturing
    - **Industry 33611** Automobiles & light duty motor vehicles, incl. chassis
      - **Country-specific 336111** Automobiles & light duty motor vehicles, incl. chassis

CLASSIFICATION SYSTEMS

Much of the data presented in this section is organized under one of two federal classification systems.

The **North American Industry Classification System** (NAICS, pronounced Nakes) was developed under the direction and guidance of the Office of Management and Budget (OMB) as the standard for use by Federal statistical agencies in classifying business establishments for the collection, tabulation, presentation, and analysis of statistical data describing the US economy. The classification system was developed jointly with government agencies in Canada and Mexico to allow for a high level of comparability in business statistics among the North American countries. It classifies industries into 20 sectors based on production processes. These sectors are broken into subsectors, industry groups, and individual industries, with an additional level of detail to accommodate industry codes specific to the three countries. The most recent version, 2017 NAICS, was finalized in 2016 and will continue to be implemented by agencies over the next several years.

WHY IT MATTERS

Analyzing employment trends is at the core of understanding the structure of a local and regional economy. By looking at the growth and decline of industry employment levels over time, employment and wage data can be used to identify regional industry and occupational strengths, inform decisions on target industry initiatives and incentives, and help illustrate whether an area is gaining or losing ground relative to the state or the nation.

ABOUT THE DATA

Data in this section are drawn from the following sources.

- *Emsi.* Employment by industry and occupation produced by proprietary data provider Emsi. The company integrates economic, labor market, demographic, and education data from over 90 government and private sector sources, creating a comprehensive and current database that includes both published data and detailed estimates with full coverage of the United States.
  - Data note: Emsi offers data at the national, state, county, and ZIP code levels. As a result, figures for Buda are actually the 78610 ZIP code.
  - *Federal agencies.* Public data sources used in this section include the US Bureau of Labor Statistics (for data on the labor force, including unemployment rates) and the Longitudinal Employer-Household Dynamics (commuting data) from the US Census Bureau.

DEFINITIONS

Location quotients. Location quotient (LQ) analysis is a statistical technique used to suggest areas of relative advantage based on a region's employment base. LQs are calculated as an industry or occupation's share of total local employment divided by the same industry or occupation's share of employment at the US level.

$$\frac{(\text{local employment in industry x / total local employment—all industries})}{(\text{national employment in industry x / total national employment-all industries})}$$

If local and national employment levels in the industry are perfectly proportional, the LQ will be 1.00. LQs greater than 1.25 are presumed to indicate a comparative advantage; those less than 0.75 suggest areas of weakness but also point to opportunities for future growth to address gaps in underserved local markets.

WORKFORCE AND EDUCATION

Buda's mix of occupations by skill level includes 35 percent high-skill jobs, 50 percent middle-skill jobs, and 15 percent low-skill jobs. This mix has a **higher proportion of high-skill jobs and middle-skill jobs** than the US. Compared to regional geographies, Buda has the highest labor force participation rate for men and women at 83 percent and 69 percent, respectively.

Construction & extraction, office & administrative support, and sales & related are the top three occupational sectors in Buda, accounting for almost half of all jobs (43 percent). Buda median wages tend to be lower than those of the US, different from the Austin metro area, where the median wages tend to be higher than those of the US.

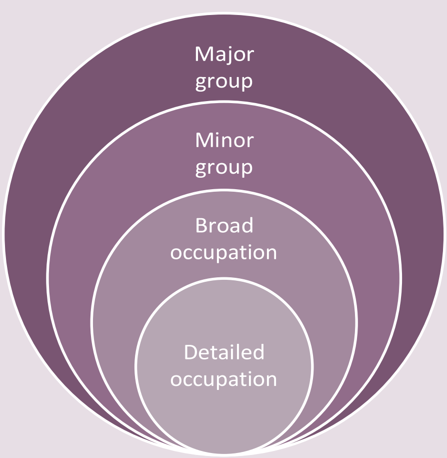
Buda has a **highly educated population** with 41 percent of the population having achieved a bachelor's degree or higher. This is only one percentage point less than the Austin metropolitan statistical area (MSA) and much higher than the state or the US. Buda is also located near many regional postsecondary institutions, which allows for easy access to education.

For the Hays County Independent School District (ISD), many high school graduates enrolled in college (20 percent), found jobs (25 percent), or did both (30 percent). Austin Community College and Texas State University are the most popular destinations for matriculation, accounting for 61 percent of all high school graduates who enrolled at public schools.

CLASSIFICATION SYSTEMS

The **Standard Occupational Classification** (SOC) system is used by federal statistical agencies to classify workers into categories for the purpose of collecting, calculating, or disseminating data. This system groups all occupations in which work is performed for pay or profit according to the type of work performed and, in some cases, on the skills, education, or training needed to perform the work at a competent level. Under the current (2018) SOC system, workers are classified into one of 867 detailed occupations, which are combined to form 459 broad occupations, 98 minor groups, and 23 major groups.

STANDARD OCCUPATIONAL CLASSIFICATION (SOC) SYSTEM STRUCTURE AND EXAMPLE)



EXAMPLE: Major group 51-0000 Production occupations

- **Minor group 51-2000** Assemblers & fabricators
  - **Broad occupation 51-2090** Miscellaneous assemblers & fabricators
    - **Detailed occupation 51-2092** Team assemblers

COMPETITIVE BENCHMARKING

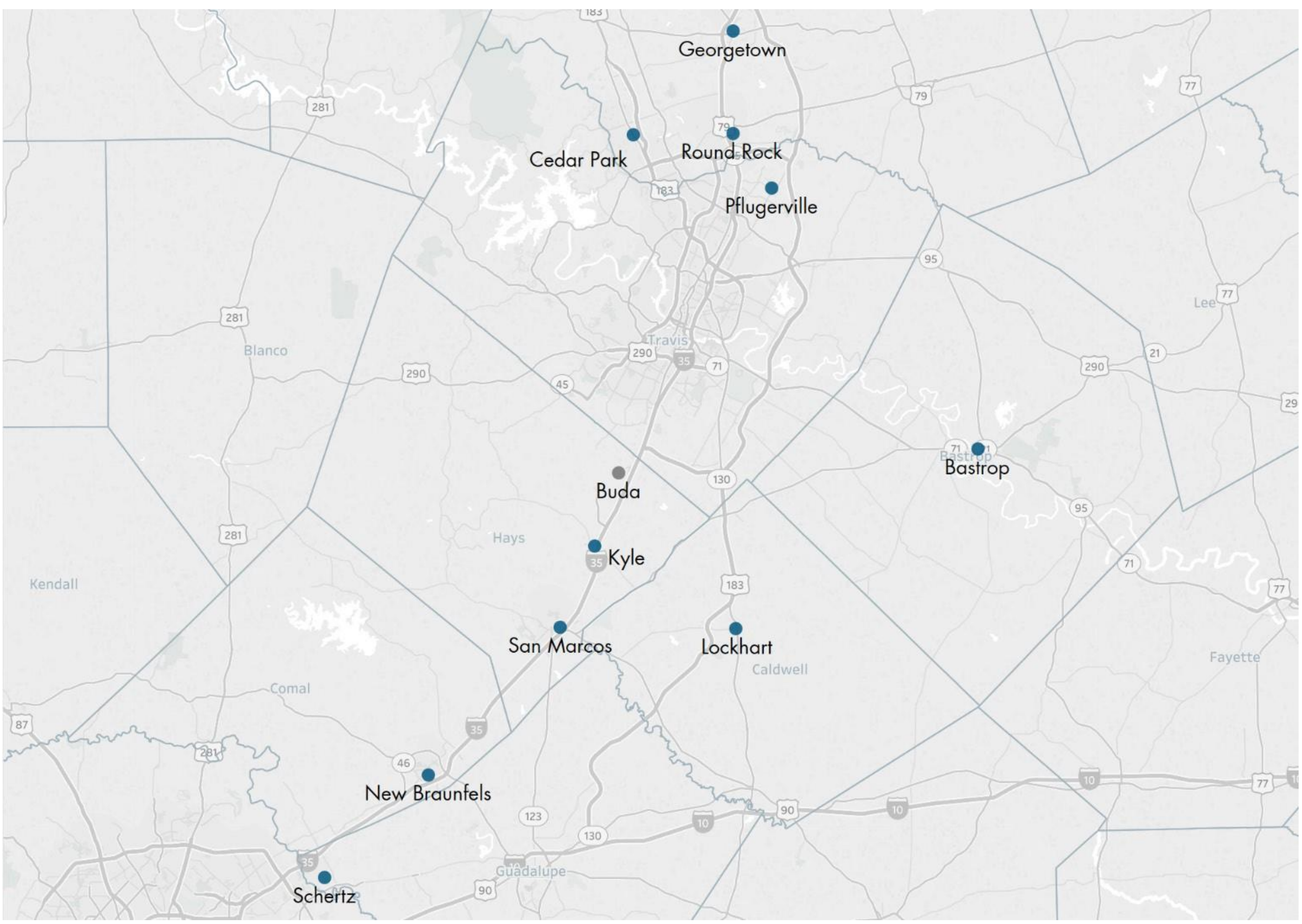
Ten competitor cities along the I-35 corridor in the Austin and San Antonio metro areas were chosen as benchmarks for Buda against key indicators (see Figure 2).

Of these competitor cities, Buda had the **highest population growth** between 2010 and 2017, followed by Kyle. Buda has a similar proportion of prime, working-age population as its peers and a lower proportion of seniors. Buda has the second most educated population, tying with Georgetown. Hays ISD, however, has a lower 4year graduation rate compared to other Buda peers.

In terms of development, Buda has a high ratio of new housing permits per 1,000 residents, followed by Georgetown and Kyle. Buda is somewhat unique in that single-family permits accounted for 100 percent of all residential building permits in 2017. Buda's housing affordability index (housing prices compared with income levels) is lower than the US and **more affordable housing** than 6 of the 10 competitor cities. Buda is behind most of its peers in regard to the percent of population who works at home, but above the US.

Employers in the City have access to a large number of workers with a 45-minute drive, and this number is growing. For all industries, Buda had the third highest growth in taxable sales between 2010 and 2017 (66 percent), but for retail industries only, Buda had the second lowest growth in taxable sales (33 percent). Buda has nearly as many inbound commuters on a daily basis as it has outbound commuters, making it a net exporter of labor, similar to 6 of the 10 competitor cities.

FIGURE 2. BUDA PEER CITIES



RETAIL ANALYSIS

Buda's daytime population includes two different segments: an estimate of 6,560 workers and 7,994 residents, based on information from Esri. Buda's retail market opportunities are predicted to grow by 2023, thanks to several factors: population is expected to increase 32 percent, median household income increase 9 percent, number of housing units increase 29 percent, and median home value increase 8 percent.

Buda's retail demographics are stronger than the Austin metro area as a whole. While Boomburbs and Soccer Moms are prominent tapestry segments for Buda (representing 73 percent of all households), these segments represent a much smaller share of the metro area's population (13.3 percent). These two segments are among the highest tapestry segments in terms of spending power for retail establishments.

Buda has a number of retail sectors that draw customers from outside the city, including automobiles, grocery stores, and sporting goods. The largest retail sectors for leakage in Buda are clothing and clothing accessories stores; electronics and appliances stores; and building materials, garden equipment, and supply stores. Leakage is assumed when estimated demand exceeds the estimated supply, suggesting that residents have to shop outside the city for items in these sectors. **Buda also has an established and expanding downtown** district with a mixture of long-time businesses and new businesses, mostly in the food, services, and retail sectors.

Buda's local businesses and tax base are enhanced by visitor spending. According to the Texas Comptroller's office, accommodation and food service—the sector that includes hotels and restaurants—represented a small slice (11.2 percent) of Buda's taxable sales in 2017. Buda trailed all 10 peer cities in the corridor on this measure in 2017, likely due to the outsized role of Cabela's in the City's local sales tax base. Between 2010 and 2017, growth rates in taxable sales for accommodation and food service varied widely throughout the corridor, from a low of 6.4 percent in San Marcos to a high of 20.1 percent in Kyle. At 9.3 percent, Buda's growth in this sector represented the corridor's median. Buda's ability to draw tourist-related spending is strong, according to annual reports from the Texas tourism office. Buda's travel spending grew at a compound annual rate of 11.1 percent between 2010 and 2017, leading all 10 competitor cities in the Austin–San Antonio corridor.

Cabela's has helped establish Buda as a retail destination, in addition to its significant contributions to the local tax base. The company grew 13.1 percent between 2014 and 2015, nationally, and averages $344 in sales per square foot. While Cabela's does face risks from other brick-and-mortar sporting goods stores and ecommerce sales, the store remains the only Cabela's location in the Austin–San Antonio corridor. Moreover, the customer base in the primary trade area within a 30-minute drive time (and beyond) of the Cabela's retail district will continue to grow rapidly in the coming years, helping to shield the store from potential losses in revenues from competition. In addition, this growing population in Buda and surrounding areas will drive additional demand for retail, restaurant, and entertainment businesses seeking a location within or near the Cabela's retail district in Buda.

WHY IT MATTERS

Retail is increasingly seen as a critical element of a local economy. It is an amenity without which other economic sectors find it difficult to recruit workers. While traditional theory sees retail as a spin-off effect from the manufacturing sector and other export-oriented industries, many successful communities now recognize that a thriving retail sector is an important part of the community. In addition to providing an amenity for residents and visitors, the presence of a shopping and entertainment destination is often an important consideration in the recruitment of employers.

Retail growth can also have tremendous fiscal ramifications. The dependence of many Texas communities on sales tax has several consequences, not the least of which is fierce competition for retail by suburban communities. The 4A/4B sales tax directly funds economic development corporations.

ABOUT THE DATA

Data in this section come from Esri's Retail MarketPlace data series (accessed via the company's Community Analyst tool). Additional information about this data is provided below.

Esri's Retail MarketPlace products combine federal data (such as the US Census Bureau Retail Trade Surveys and the US Bureau of Labor Statistics Consumer Expenditure Surveys) with information from proprietary data providers (such as Dun & Bradstreet) to prepare estimates of retail sales (supply) and potential consumer spending (demand).

Surplus/Leakage. The surplus/leakage gap shown in this report measures the difference between Esri's estimates of potential retail spending by households in a given area (demand) and the estimated volume of retail sales (supply) generated by retail businesses in the same area. This calculation enables a one-step comparison of supply against demand on an industry-by-industry basis and provides a simple way to identify business opportunity.

- *Leakage*. Leakage in an area represents a condition where demand exceeds supply. In other words, retailers outside the market area are fulfilling the demand for retail products; therefore, demand is "leaking" out of the trade area. Such a condition highlights an opportunity for new retailers to enter the trade area or for existing retailers to extend their marketing outreach to accommodate the excess demand.
- *Surplus*. Surplus in an area represents a condition where supply exceeds the area's demand. Retailers are attracting shoppers that reside outside the trade area. The "surplus" is in market supply. Brand positioning and product mix are key differentiators in these types of markets.

Tapestry Segmentation. Esri's Tapestry Segmentation system uses more than 60 attributes (such as age, income, marital status, home ownership, and education) to classify neighborhoods across the US. The Tapestry system includes 67 segments based on distinct consumer traits and residential characteristics that Esri has found to be the best indicators of consumer spending patterns. These segments are organized into 14 LifeMode groups based on shared experiences (e.g., same generation, immigrants) or significant traits (e.g., affluence, preference for urban/suburban homes). This information is frequently used to help retailers understand consumer lifestyles and preferences in an area.

FISCAL ANALYSIS

The top five sources of revenue for the City of Buda are sales and use taxes, property taxes, fees and charges for services, franchise taxes, and hotel occupancy taxes. These five sources account for almost 95 percent of total municipal revenue. Thanks to Buda's rapid growth of residential and commercial development in recent years, **the total assessed value of the property in the City increased 250 percent** from fiscal year 2008 to fiscal year 2017. In fiscal year 2017, Texas Lehigh Cement Company was the largest property taxpayer in Buda with an assessed value of $86 million. The top 10 property tax payers accounted for about 15 percent of all taxable assessed value.

WHY IT MATTERS

Tax base diversification is a frequent goal of economic development planning. Ensuring that the community is not overly reliant on a particular type of revenue or on a handful of industries or employers can help protect against economic swings and enable communities to maintain adequate, consistent service levels. Having a diversified revenue stream can also help achieve a balance in the tax burdens of various groups (e.g., residents, businesses, and consumers). As a result, having a solid understanding of the sources of revenue and trends in collection is an essential step in crafting appropriate strategies.

Data presented in this section were compiled from the City's *Comprehensive Annual Financial Report* for the fiscal year ended September 30, 2016 (the most recent report available at the time of analysis), and from quarterly sales tax reports published by the Texas Comptroller of Public Accounts.

REAL ESTATE ANALYSIS

Since 2010, the majority of Buda's housing permits have been for single-family structures. In terms of housing costs, Buda is more affordable than the Austin metro area, Hays County, and the US, but slightly more expensive than Texas. Because of its rapid growth, most of Buda's housing stock was built after 2000 (72 percent).

There are **many new developments** in and around the Buda area, including San Marcos, Kyle, New Braunfels, and Dripping Springs. These new residential developments, industrial projects, and, more recently, medical/office development, all contributed to Buda's growth. The Sunfield development was listed among the top 10 fastest-growing neighborhoods in the Austin market in 2017. **Hays County was the fastest-growing county of its size in the US** from 2016 to 2017 with 5 percent population growth. The Buda market's median home price grew, but not as much as many of its peers.

ORGANIZATIONAL ANALYSIS

At **1.24 economic development staff per 10,000 residents**, Buda EDC has one of the larger staff-toresident ratios of the benchmark cities. Bastrop has the highest ratio at 3.41. The lowest is the Greater Austin Chamber of Commerce at 0.18. The City of Buda operates a Type B economic development corporation, with revenues about $2 million and expenditures about $1.1 million. While the City of Buda's economic development fund might not be the largest in amount, on a per capita basis, Buda has **more to spend** per resident than many of its peers. Buda's economic development programs range from target industries to business retention and expansion (BRE) to workforce development. Out of the local economic development organizations, **Buda EDC has the largest number of offerings**, tied with Bastrop EDC. Of the regional economic development organizations, the Greater Austin Chamber of Commerce offers the most offerings, fulfilling every category.

SWOT ANALYSIS

Using economic and demographic data to understand Buda's economic potential is a critical starting point, but it does not tell a complete story of the City's challenges and opportunities. In addition, TIP's review of quantitative information, a qualitative understanding of Buda, was developed through meetings with business and community leaders and an online questionnaire for employers and residents. Based on these additional insights, along with TIP's experience working with communities throughout Texas and across the US, an analysis was created of the community's strengths, weaknesses, opportunities, and threats—commonly referred to as a SWOT analysis.

For the purposes of this plan, a SWOT analysis is defined as follows.

- **STRENGTHS.** Advantages that can be leveraged to grow and strengthen the local economy.
- **WEAKNESSES.** Liabilities and barriers to economic development that limit Buda's growth potential.
- **OPPORTUNITIES.** Assets and positive trends that hold significant potential for increased local business growth, investment, and real estate development.
- **THREATS.** Unfavorable factors and trends that could negatively affect the local economy.

STRENGTHS

- Location near Austin and along I-35 corridor (including proximity to Austin-Bergstrom International Airport, Circuit of the Americas, downtown Austin, and access to San Antonio)
- Robust transportation infrastructure (existing, under construction, and planned) connecting Buda to Austin and San Antonio
- Type B economic development corporation—Buda EDC—resources for business expansion and recruitment
- Sunfield master-planned community (partially in the City limits and mostly in the extraterritorial jurisdiction)
- Diverse group of small- to mid-size employers in several industries
- Historic Main Street district with dozens of unique businesses
- Buda Mill & Grain complex along Main Street
- New City Park at north end of Main Street
- Attractive Texas Hill Country atmosphere throughout community
- New city hall and library complex
- Vast majority of residential and commercial development in the City built after 2000 (with the notable exception of historic structures on Main Street), giving the community a fresh look and feel
- City of Buda is a "full-service" community with police, fire, parks, public works, and other City services
- Three major medical developments currently under construction: Baylor Scott & White hospital, Ascension Seton Health Center, and St. David's HealthCare 24/7 emergency clinic
- Relatively low City property tax rate compared to Kyle and other I-35 corridor cities
- Competitive utility rates (electric, water, wastewater)
- Multiple existing commercial and industrial districts
- YMCA Camp Cypress
- Local and regional higher education institutions (Austin Community College Hays campus, Texas State University, University of Texas at Austin)
- Hays CISD and new high school campus under construction in Buda
- Permitting and development review process more "business friendly" and expedient than City of Austin

WEAKNESSES

- Small City in Austin's orbit, easy for Buda to "fly under the radar" compared to larger surrounding cities
- Few "executive housing" options (high-end homes in the $500K to $1M+ price range) in or near Buda
- No existing public transportation service in Buda providing connections for workers and visitors to Austin, San Marcos, and surrounding communities
- No higher education institutions located in Buda
- Main Street transportation "bottleneck" due to limited roadway capacity, especially for trucks and larger vehicles

OPPORTUNITIES

- Rapid ongoing growth of Austin and San Antonio metro areas provides numerous opportunities for business attraction and commercial real estate development in Buda
- Business expansion projects and/or relocations from growing companies in the Austin metro area
- Additional hotel development to serve leisure and business travelers visiting Austin area and Texas Hill Country, including potential for a hotel/conference center complex
- New City Unified Development Code ensures quality standards for new development projects
- Large sites along I-35 with significant redevelopment potential: America's Auto Auction, CrestviewRV, Camper Clinic 2
- R-use of old city hall building as a coworking space for small, growing companies
- Potential to more proactively leverage Onion Creek waterway area as a tourism and recreation asset, including as a centerpiece for future development projects
- Potential for a major regional corporate and tech campus, with mixed-use development (similar to The Domain shopping center) at the I-35 and SH 45 interchange
- Development of commercial Class A office space including multi-tenant buildings (for a variety of firms), coworking space (for entrepreneurs, freelancers, and growing companies), and single-user office campuses (for mid- and large-size employers, including state government offices)
- Increasing costs of real estate in Austin provide incentives for relocation to Buda as a more affordable location for commercial and industrial firms, satellite offices for tech firms, and professional services companies, in addition to state government offices that could lease office space outside the urban core
- New road and highway expansion projects (SH 45 southwest between FM 1626 and MoPac freeway, MoPac underpasses at Slaughter Lane and La Crosse Avenue, Robert S. Light Boulevard extension west toward FM 1626, and expansion of FM 1626 to four lanes from FM 967 to FM 2770) will enhance transportation access to/from Buda and surrounding areas
- Creation of a medical district centered on the new Baylor Scott & White hospital, with new medical specialties, office space, and amenities (hotels, restaurants, entertainment)
- Limited infrastructure capacity in surrounding communities (such as the wastewater limitations in Dripping Springs) provide opportunities for business expansion into Buda

THREATS

- Competition from other cities in the Austin–San Antonio corridor for business expansion and recruitment projects
- Reliance on big box retail (Cabela's, Walmart, H-E-B) as a key source of tax revenue, visitors, employment, and demand driver of adjacent real estate development
- Capacity for future growth is somewhat limited because of few remaining large sites within the City limits available for development
- Potential loss of local companies as they grow due to lack of space available for expansion
- External perceptions are narrowly focused on the most visible aspects of Buda (Cabela's and I-35 frontage) and do not represent the reality of the City's more varied economic landscape (business and industrial parks, Main Street, quality residential developments)
- Proliferation of industrial/flex space in Buda and Kyle, especially along I-35 frontage, presents a risk of the area being pigeonholed as primarily an "industrial" corridor
- Periodic flooding along Onion Creek and other flood-prone areas affects businesses along Main Street and others in the community
- Edwards Aquifer recharge zone in western portions of Buda (especially along FM 1626 and FM 967) limits future development options
- Lack of available housing options for low- to mid-wage workers (workforce housing) and C-level professionals (executive housing) in or near Buda barrier to recruitment of companies that rely on these workers
- Housing affordability a growing challenge for a large share of low- and mid-wage workers in the Austin metro area

POPULATION AND DEMOGRAPHICS

FIGURE 3. BUDA POPULATION

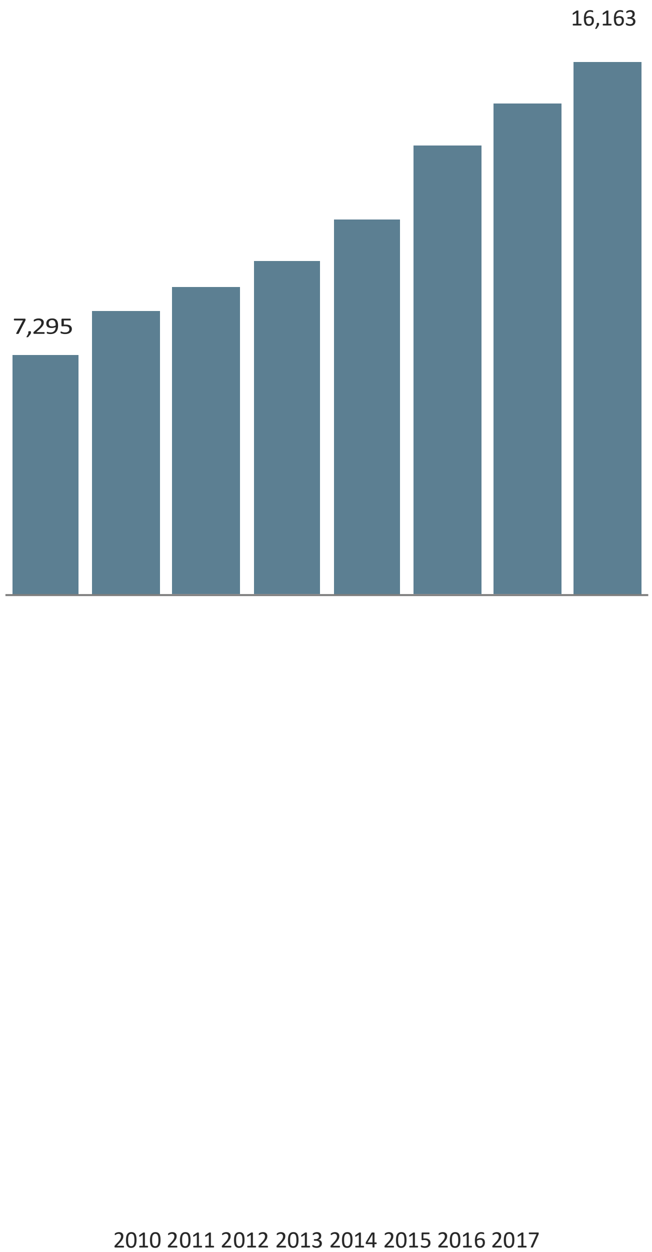


FIGURE 4. HAYS COUNTY COMPONENTS OF POPULATION CHANGE

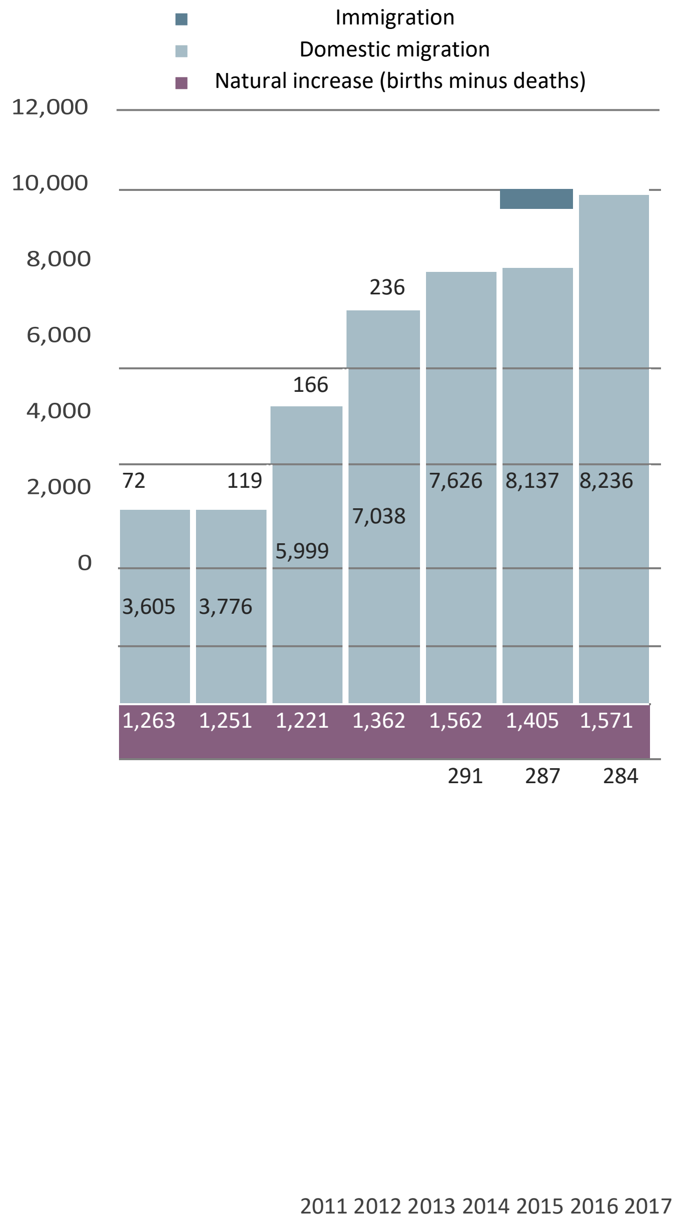
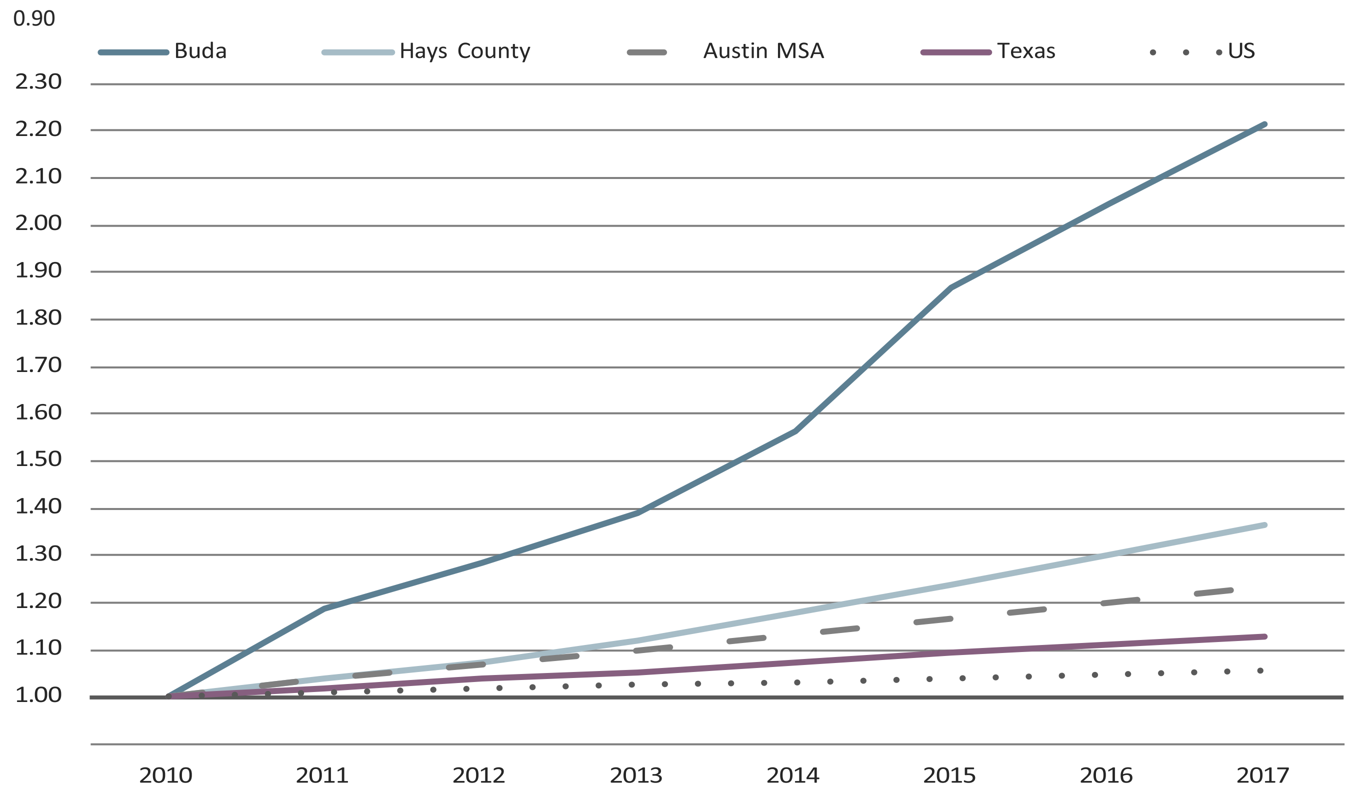


FIGURE 5. COMPARATIVE POPULATION TRENDS
INDEXED TO 2010



Source: (all figures) US Census Bureau, Population Estimates Program.

FIGURE 6. AGE STRUCTURE

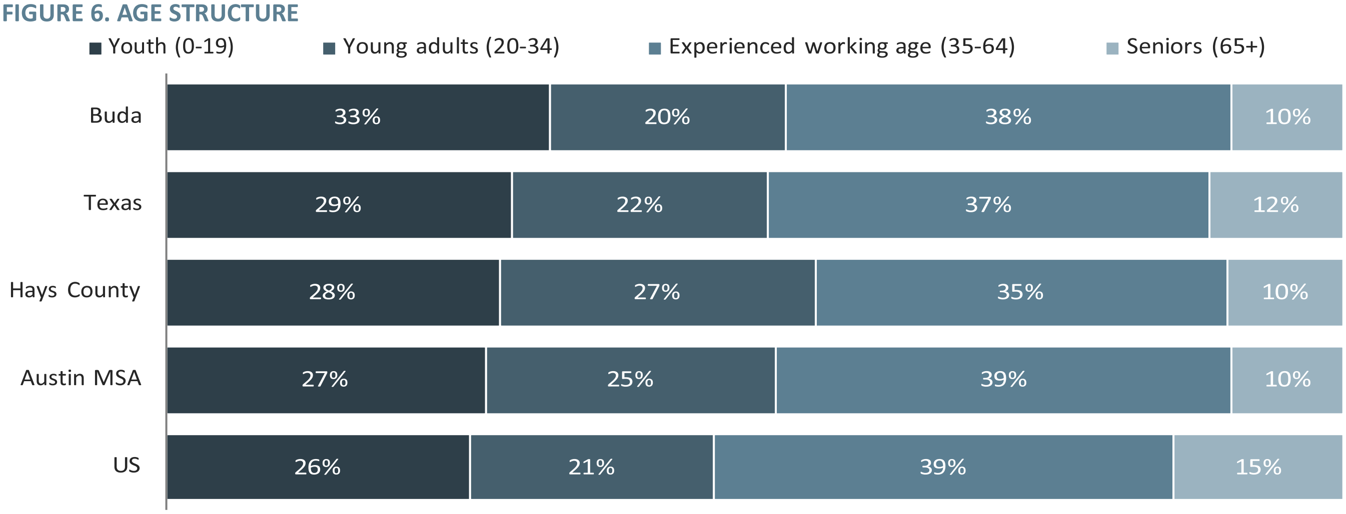
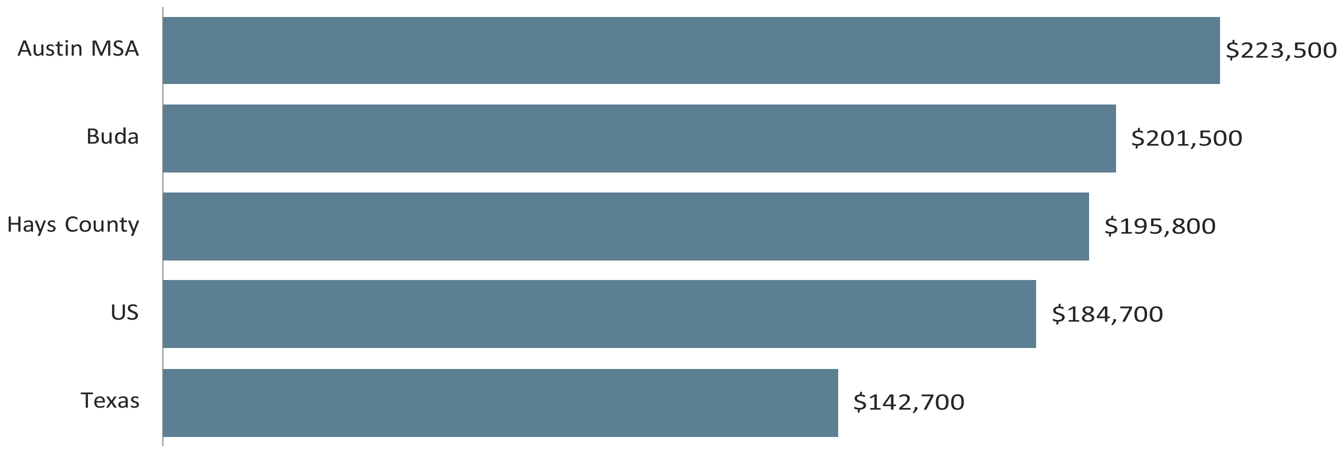


FIGURE 7. MEDIAN HOUSEHOLD INCOME

FIGURE 8. MEDIAN HOME VALUE
OWNER-OCCUPIED UNITS



Source: (all figures) US Census Bureau, American Community Survey, 5-year averages for the period 2012–2016.

FIGURE 9. COMPOSITION OF HOUSING STOCK

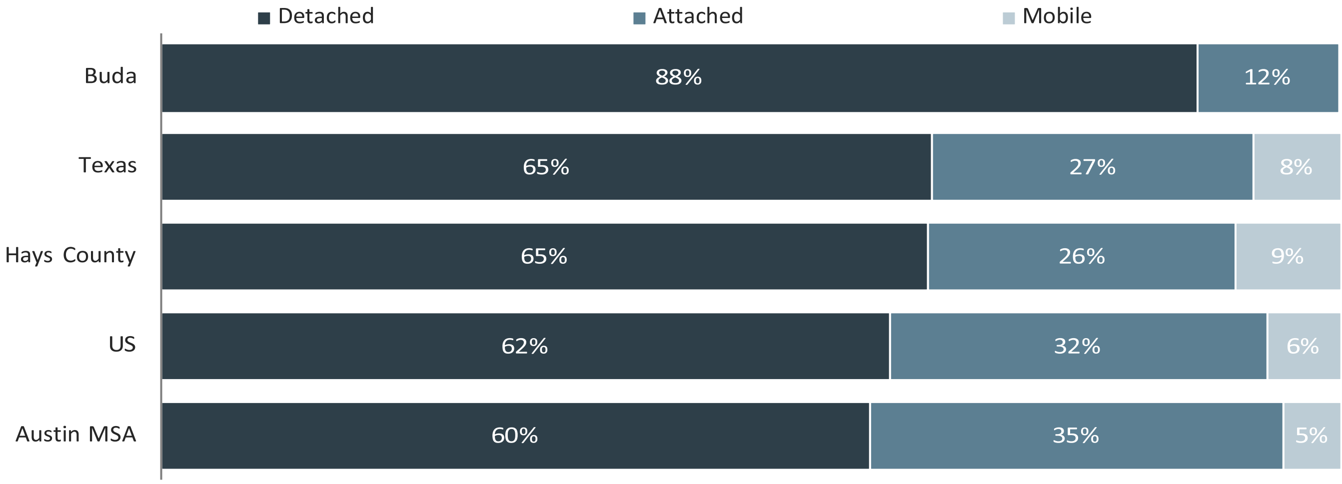


FIGURE 10. SHARE OF REMOTE WORKERS

PERCENT OF ALL WORKERS AGE 16+ WORKING REMOTELY

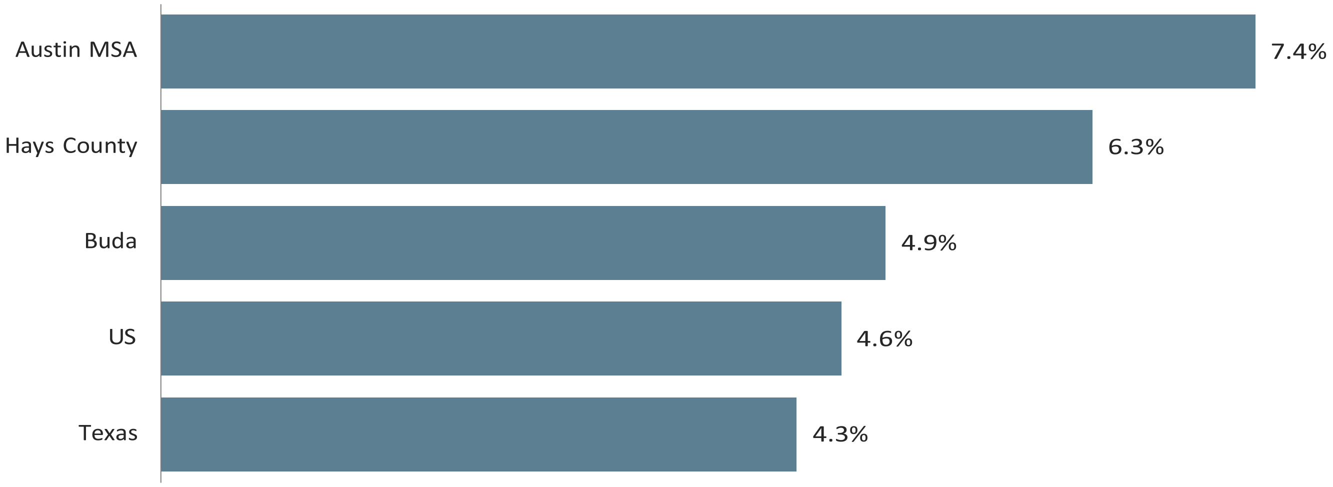
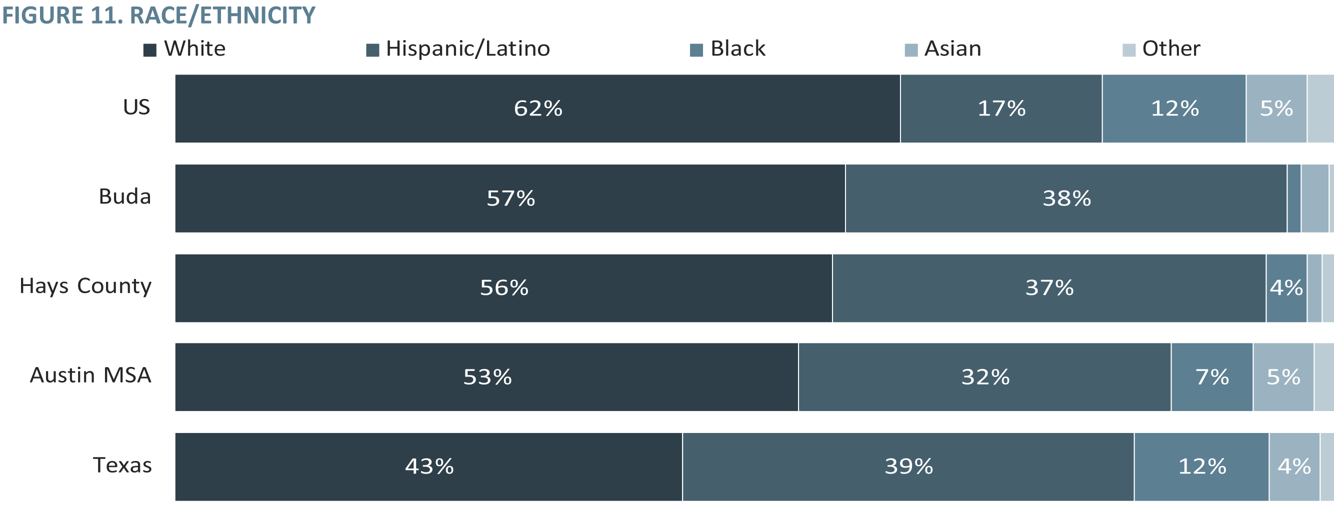


FIGURE 11. RACE/ETHNICITY



Source: (all figures) US Census Bureau, American Community Survey, 5-year averages for the period 2012–2016.

COMMUTING FLOWS

FIGURE 12. INFLOW/OUTFLOW FOR BUDA, 2015

FLOW OF WORKERS TO/FROM THE AREA

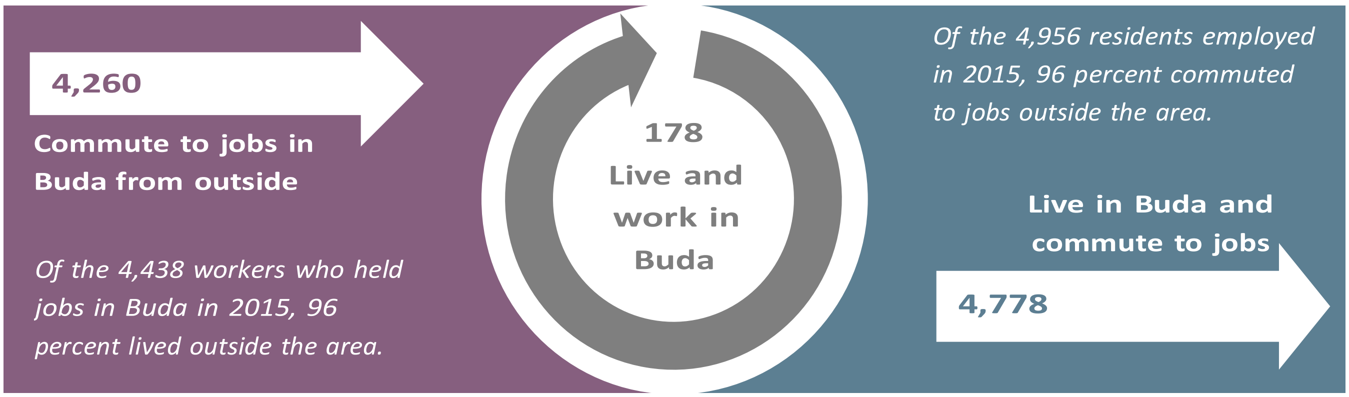


FIGURE 13. COMMUTING FLOWS, 2005–2015

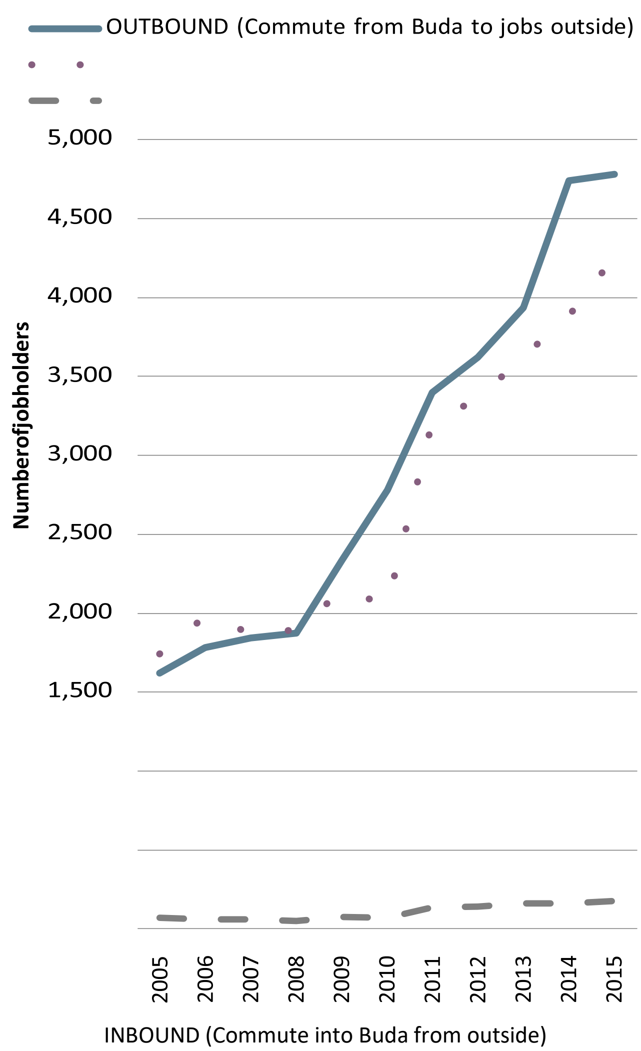
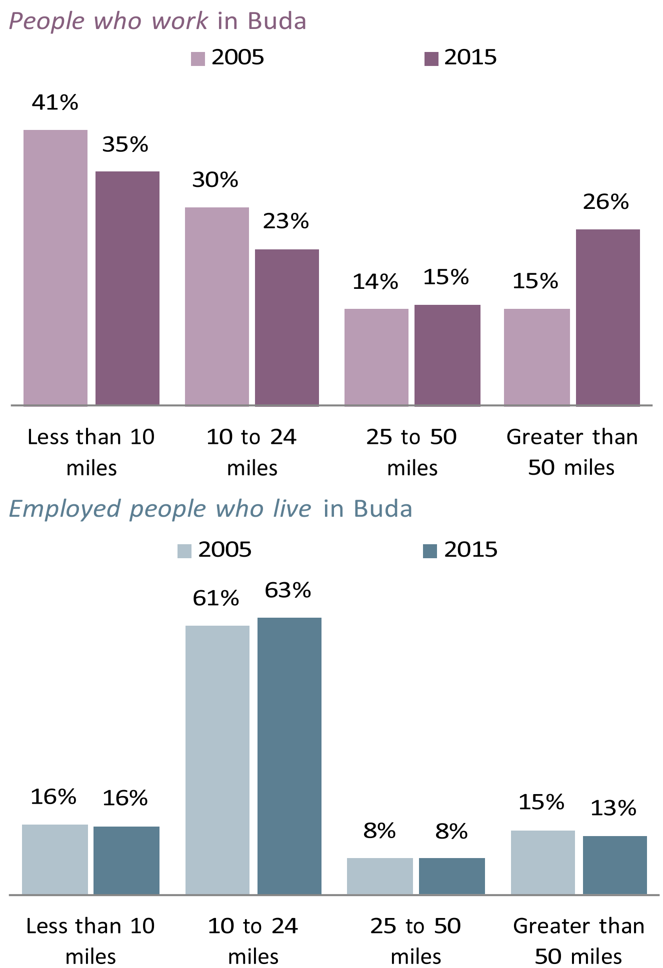


FIGURE 14. DISTANCE TRAVELED, 2005 VS. 2015

SHARE OF JOBHOLDERS



LIVE & WORK (Live & work in Buda)

1,000

500 0

Source: (all figures) US Census Bureau, Local Employment Dynamics.
Note: (Figure 12) Arrows are for illustrative purposes and do not indicate directionality of worker flow between home and employment locations.

FIGURE 15. COMMUTING DESTINATION, 2015
TOP 10 CITIES

Where Buda workers live

	City (Place)	Count	Share
1	Austin city, TX	873	19.7%
2	Kyle city, TX	403	9.1%
3	San Marcos city, TX	201	4.5%
4	San Antonio city, TX	197	4.4%
5	Buda city, TX	178	4.0%
6	Houston city, TX	98	2.2%
7	New Braunfels city, TX	71	1.6%
8	Lockhart city, TX	40	0.9%
9	Pflugerville city, TX	37	0.8%
10	Fort Worth city, TX	35	0.8%
	All Other Locations		
	Total		

Where employed Buda residents work

	City (Place)	Count	Share
1	Austin city, TX	2,863	57.8%
2	San Marcos city, TX	253	5.1%
3	Buda city, TX	178	3.6%
4	San Antonio city, TX	131	2.6%
5	Houston city, TX	130	2.6%
6	Kyle city, TX	128	2.6%
7	Round Rock city, TX	86	1.7%
8	Dallas city, TX	62	1.3%
9	New Braunfels city, TX	56	1.1%
10	Dripping Springs city, TX	35	0.7%
	All Other Locations	1,034	20.9%
	Total	**4,956**	**100.0%**

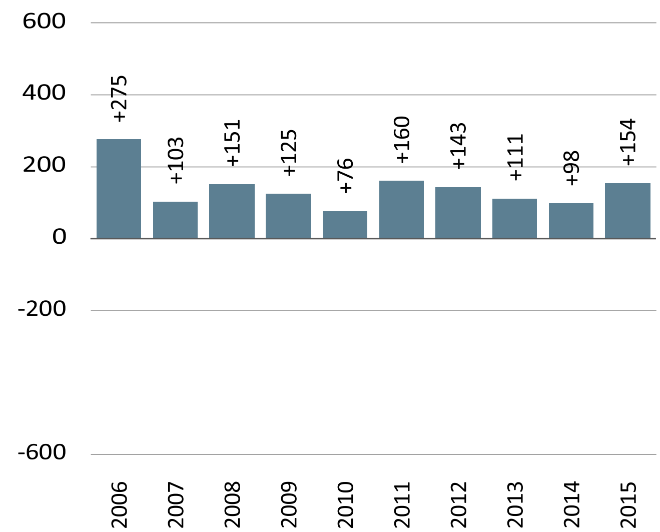
FIGURE 16. NET COMMUTING FLOWS BY NAICS INDUSTRY SECTOR, 2015 NET FLOWS = INBOUND - OUTBOUND FLOWS

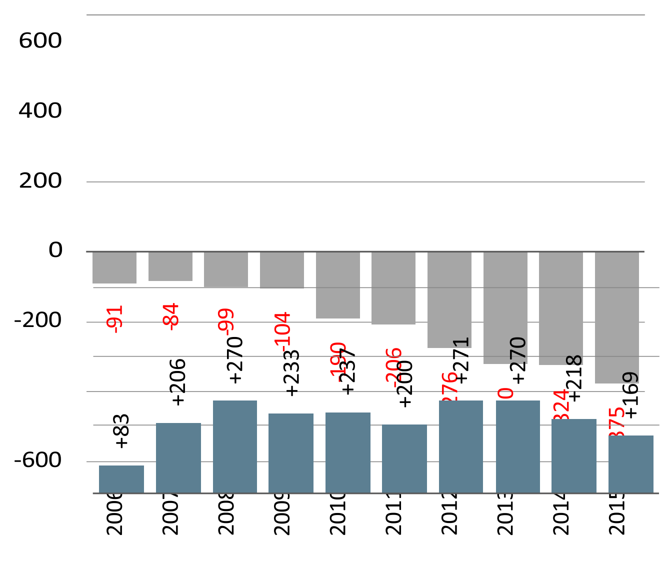
SECTOR	INFLOW	OUTFLOW	NET
Retail trade	976	442	534
Construction	720	381	339
Restaurants, bars, & hotels	586	417	169
Manufacturing	450	296	154
Administrative services	288	255	33
Wholesale trade	238	222	16
Personal & other services	156	144	12
Agriculture, forestry, fishing and hunting	1	6	-5
Oil, gas, & mining	0	24	-24
Corporate & regional HQs	0	37	-37
Property sales & leasing	37	90	-53
Utilities	0	57	-57
Transportation & warehousing	42	99	-57
Arts & entertainment	10	81	-71
Finance & insurance	88	170	-82
Information & media	6	100	-94
Education	409	631	-222
Professional services	165	412	-247
Healthcare	212	587	-375
Government	54	505	-451

Source: (all figures) US Census Bureau, Local Employment Dynamics.

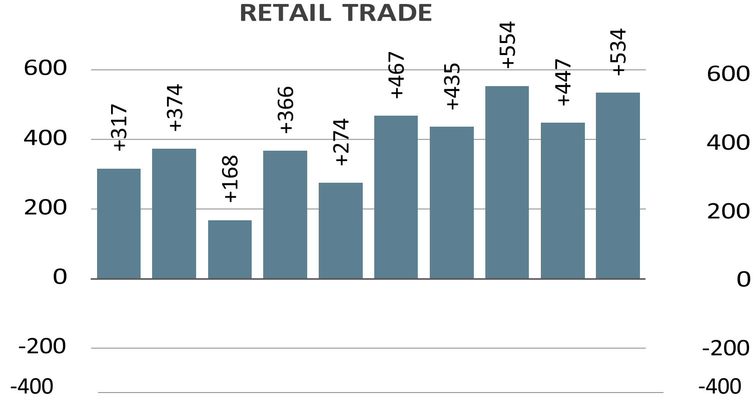
FIGURE 17. NET COMMUTING FLOWS BY NAICS INDUSTRY SECTOR NET FLOWS = INBOUND - OUTBOUND FLOWS

MANUFACTURING **HEALTHCARE & SOCIAL ASST.**

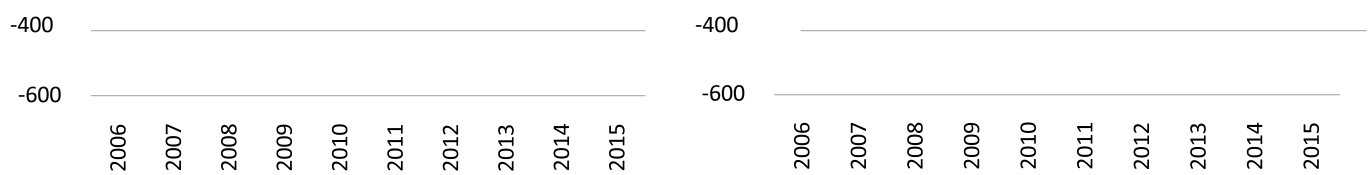




RETAIL TRADE



FOOD & LODGING



Source: US Census Bureau, Local Employment Dynamics.

INDUSTRY TRENDS

FIGURE 18. BUDA EMPLOYMENT TRENDS, 2007–2017

TOTAL ANNUAL EMPLOYMENT IN BUDA (78610)

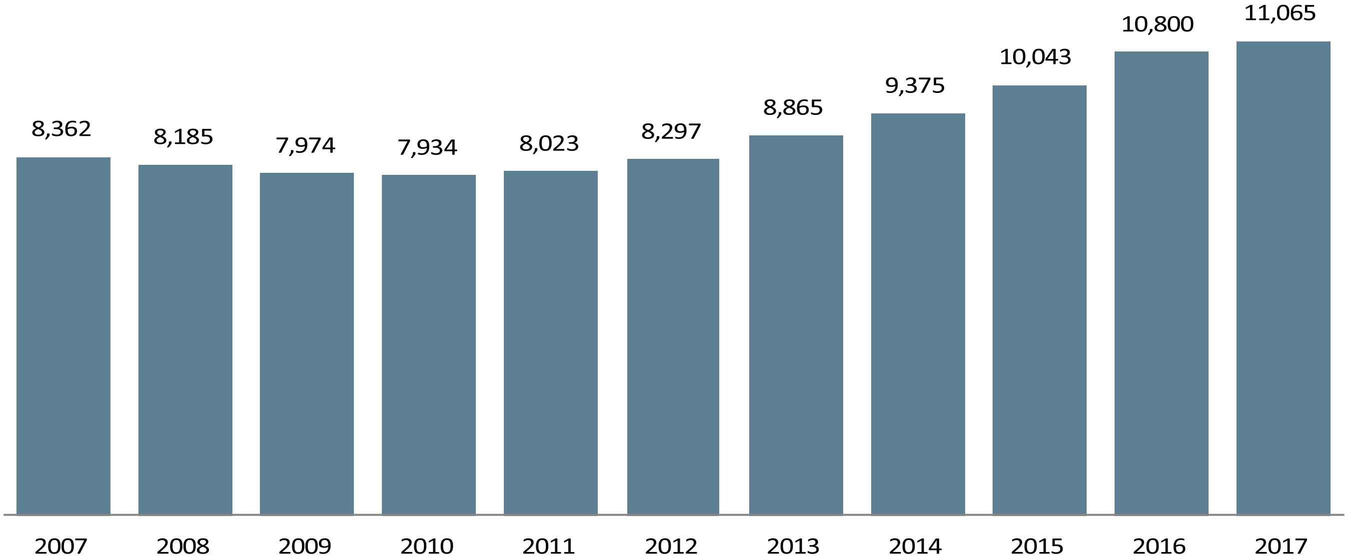
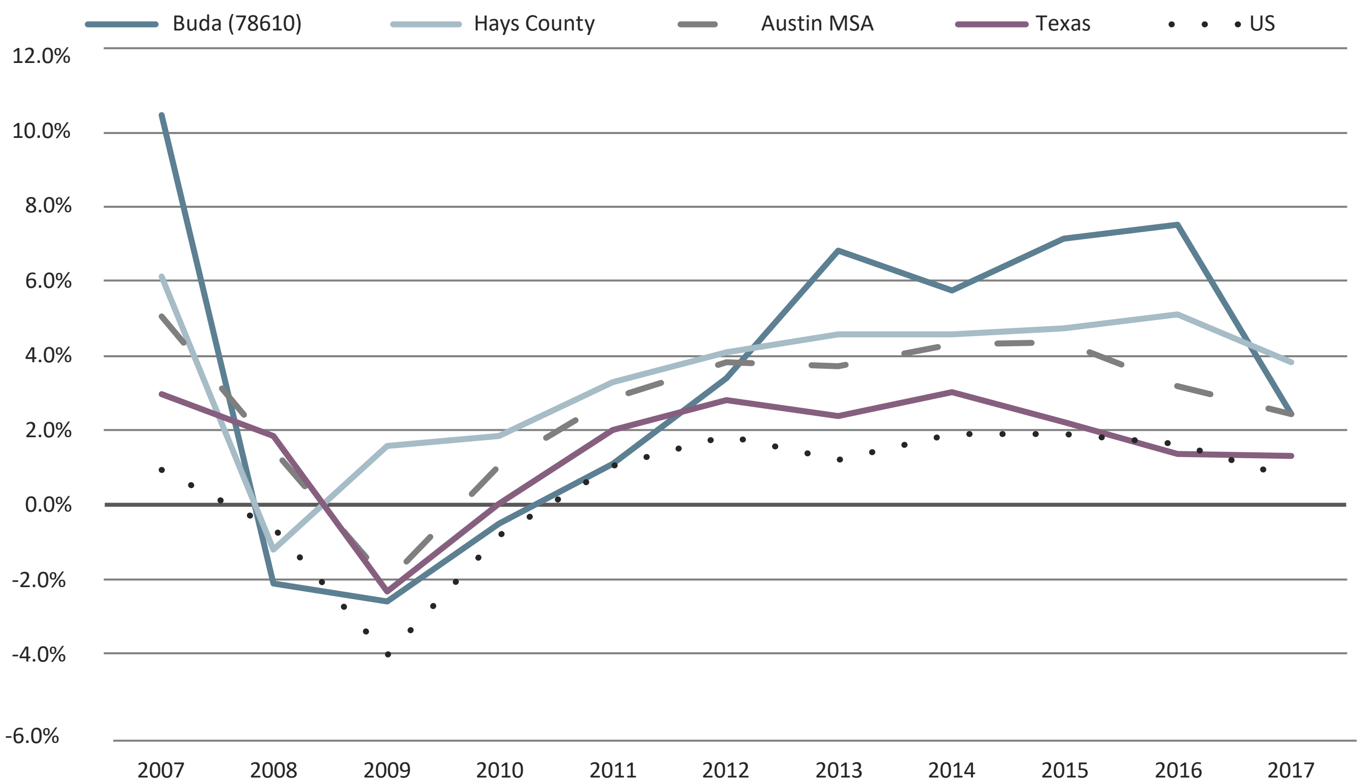


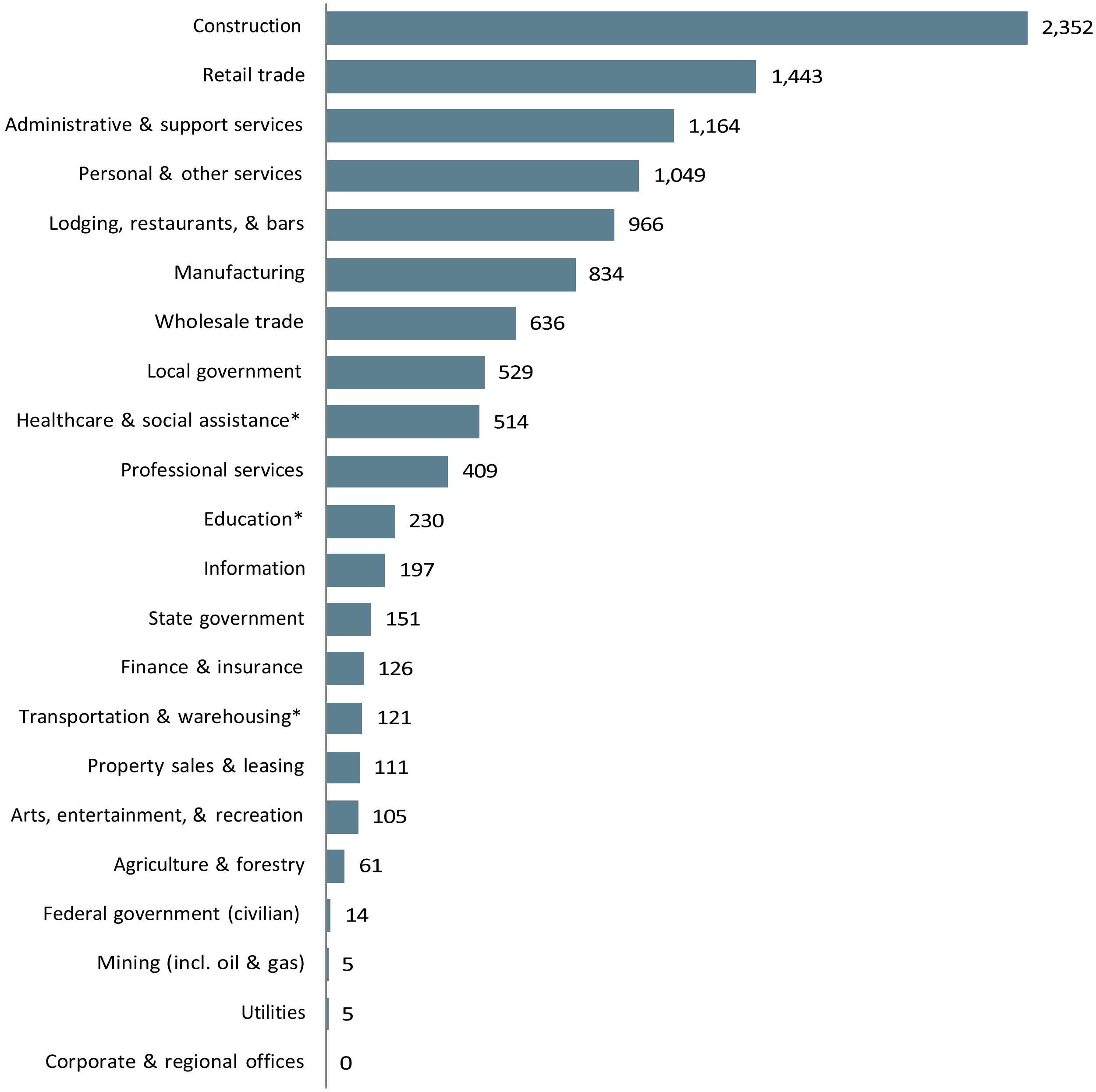
FIGURE 19. EMPLOYMENT TRENDS, 2007–2017

ANNUAL JOB GROWTH RATE (PERCENTAGE CHANGE FROM PRIOR YEAR)



Source: (all figures) Emsi 2018.1—QCEW Employees, Non-QCEW Employees, and Self-Employed.
Note: The ZIP code 78610 was used to represent Buda because place-level data is not available for Emsi.

FIGURE 20. BUDA (78610) JOB BASE BY INDUSTRY SECTOR, 2017



*Includes related public sector employment (e.g., education includes public schools, colleges, and universities; healthcare includes public hospitals; and transportation and warehousing include US Postal Service workers).

Source: Emsi 2018.1—QCEW Employees, Non-QCEW Employees, and Self-Employed.

Note: The ZIP code 78610 was used to represent Buda because place-level data is not available for Emsi.

FIGURE 21. BUDA (78610) NET CHANGE IN JOBS BY SECTOR SINCE THE RECESSION, 2008–2017

56	Administrative & support services	734
23	Construction	713
44	Retail trade	428
72	Lodging, restaurants, & bars	368
42	Wholesale trade	304
62	Healthcare & social assistance*	264
81	Personal & other services	242
54	Professional services	196
61	Education*	145
9039	Local government	101
52	Finance & insurance	43
48	Transportation & warehousing*	37
53	Property sales & leasing	34
71	Arts, entertainment, & recreation	30
901199	Federal government (civilian)	9
55	Corporate & regional offices	0
11	Agriculture & forestry	-2
21	Mining (incl. oil & gas)	-16
9029	State government	-58
51	Information	-74
22	Utilities	-150
31	Manufacturing	-476

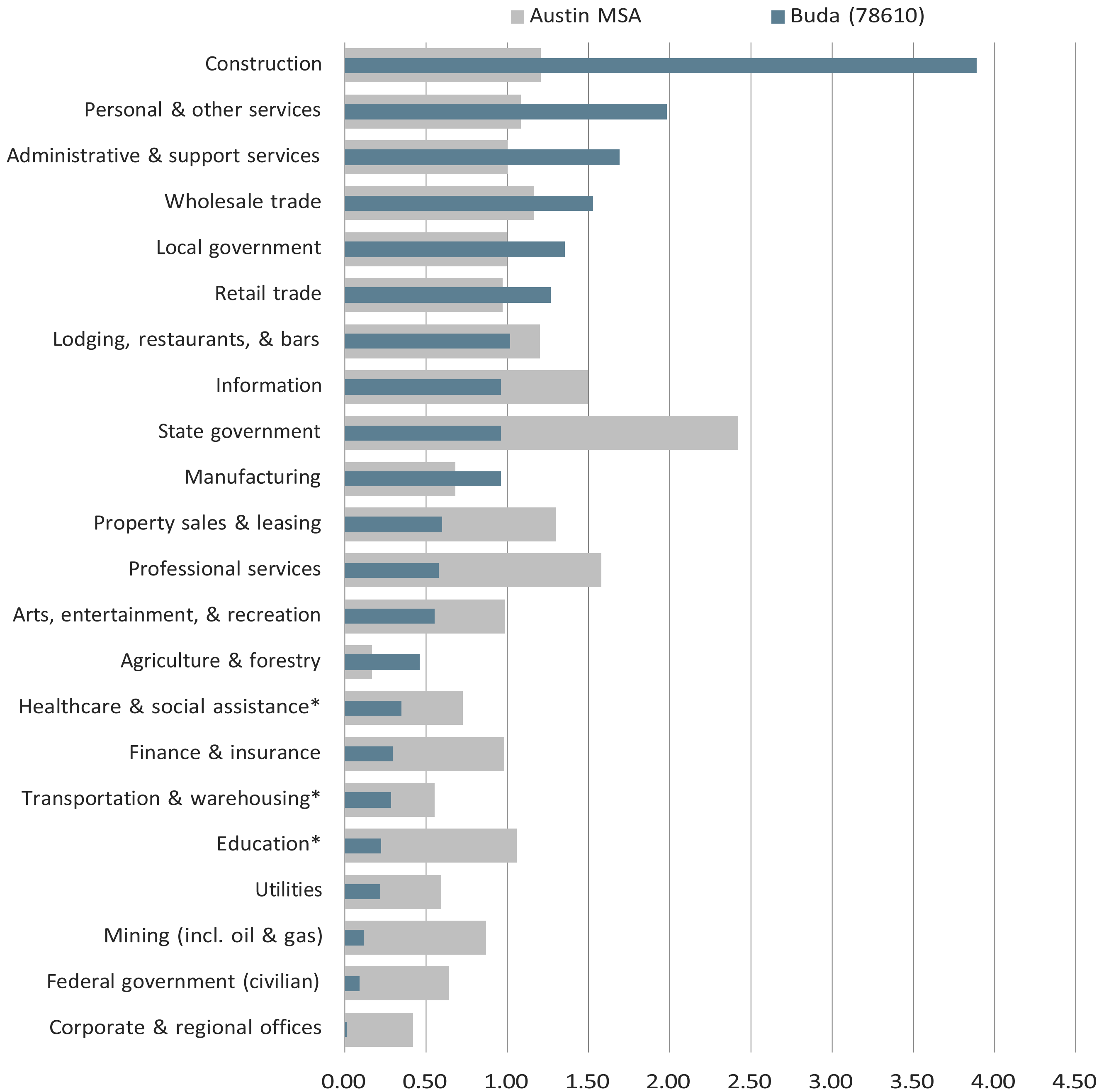
*Includes related public sector employment (e.g., education includes public schools, colleges, and universities; healthcare includes public hospitals; and transportation and warehousing include US Postal Service workers).

Source: Emsi 2018.1—QCEW Employees, Non-QCEW Employees, and Self-Employed.

Note: The ZIP code 78610 was used to represent Buda because place-level data is not available for Emsi.

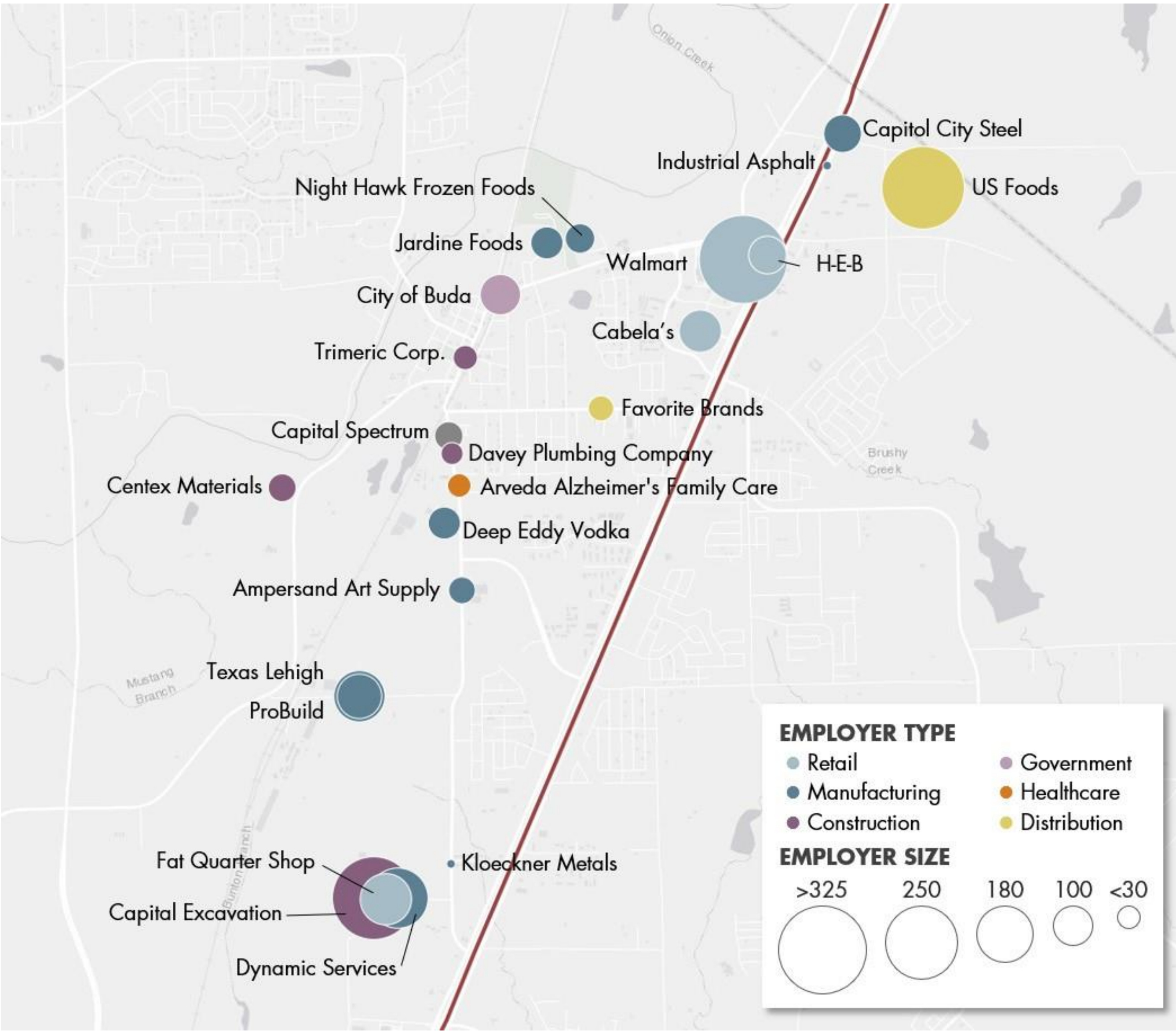
FIGURE 22. INDUSTRY CONCENTRATION (LQ)

COMPARISON OF BUDA AND AUSTIN MSA



*Education includes all public schools, colleges, and universities. Healthcare includes all public hospitals. Excludes military and unclassified employment.
Source: Emsi 2018.1—QCEW Employees, Non-QCEW Employees, and Self-Employed.
Note: The ZIP code 78610 was used to represent Buda because place-level data is not available for Emsi.

FIGURE 23. MAJOR EMPLOYERS BY TYPE



Sources: Buda Economic Development Corporation, TIP research.

WORKFORCE AND EDUCATION

FIGURE 24. BUDA (78610) OCCUPATIONS BY SKILL LEVEL, 2017

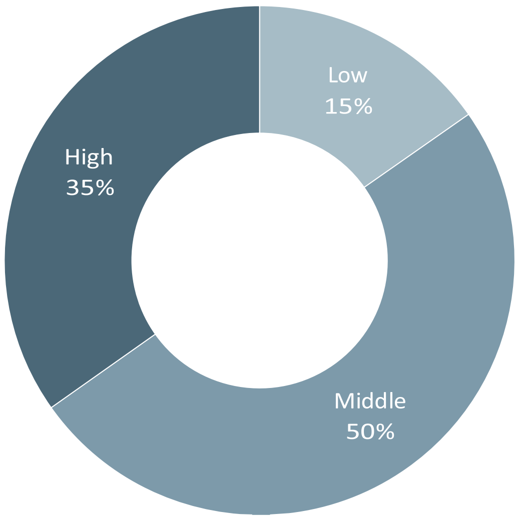


FIGURE 25. US OCCUPATIONS BY SKILL LEVEL, 2017

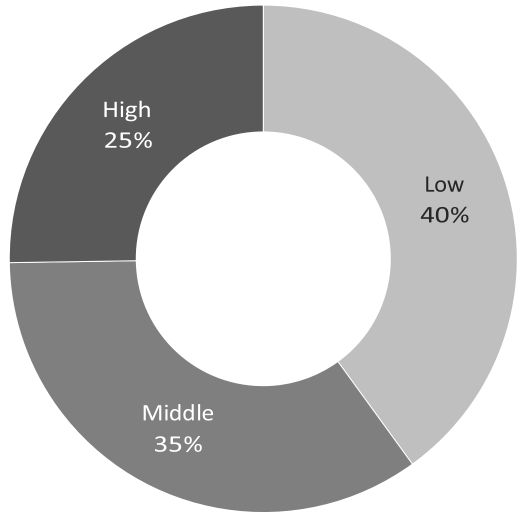
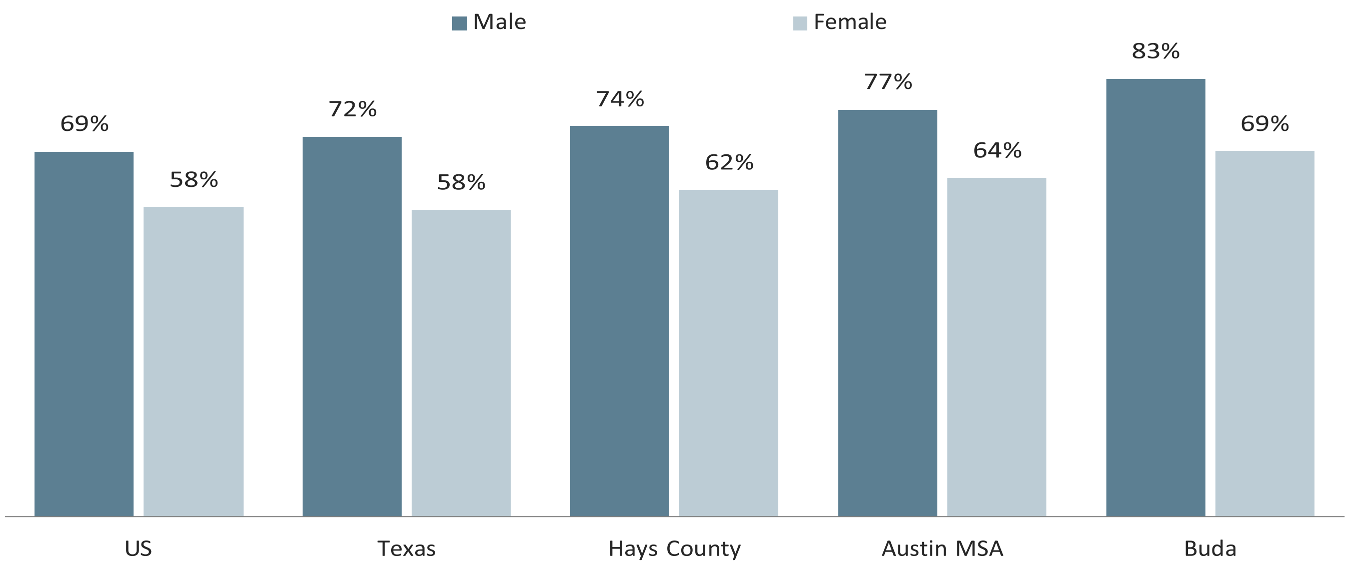
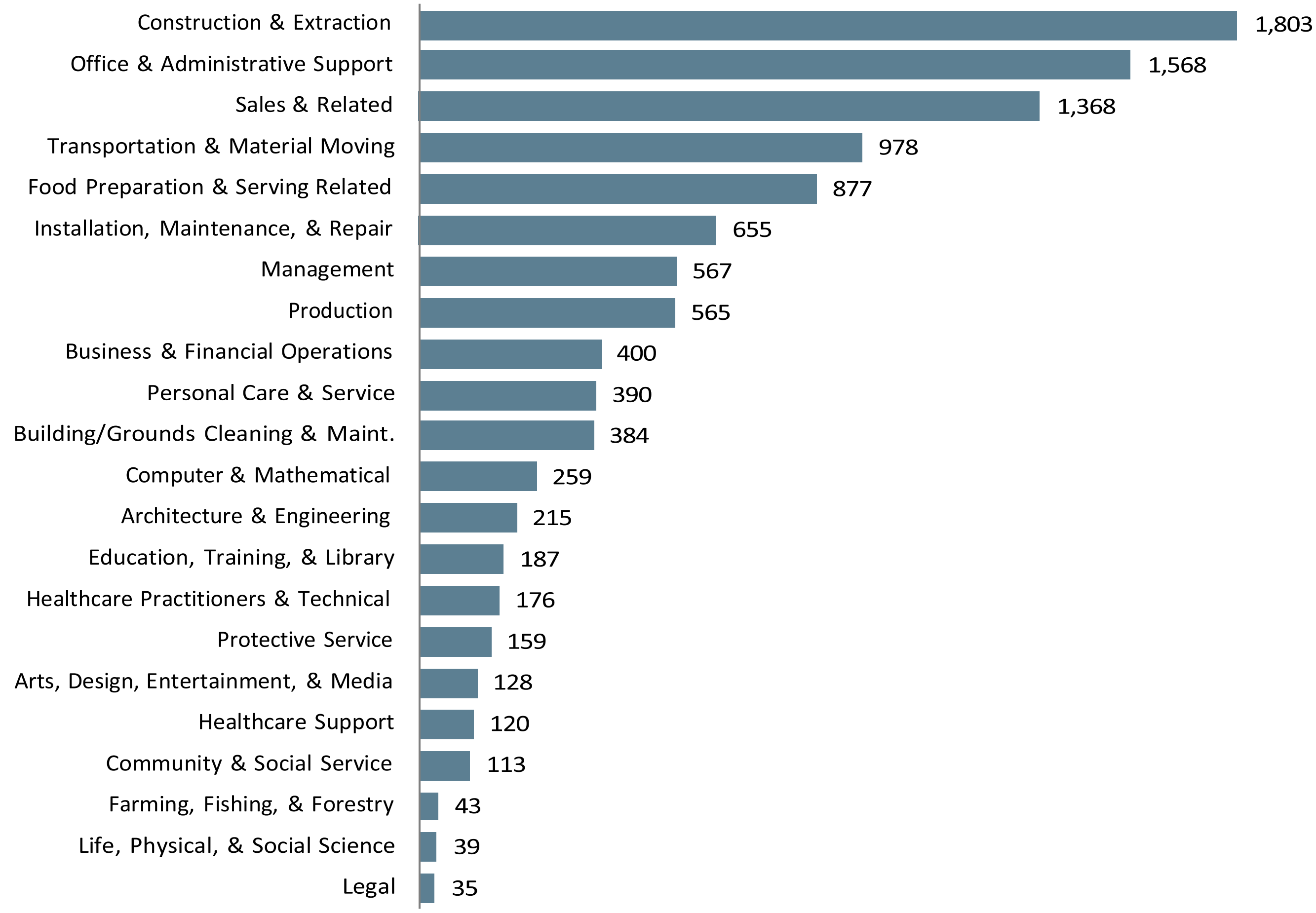


FIGURE 26. LABOR FORCE PARTICIPATION
POPULATION 16+ YEARS



Sources: (Figure 24 and Figure 25) Emsi 2018.1—QCEW Employees, Non-QCEW Employees, and Self-Employed; (Figure 26) US Census Bureau, American Community Survey, 5-year averages for the period 2012–2016.
Note: The ZIP code 78610 was used to represent Buda because place-level data is not available for Emsi.

FIGURE 27. BUDA (78610) EMPLOYMENT BY OCCUPATION, 2017



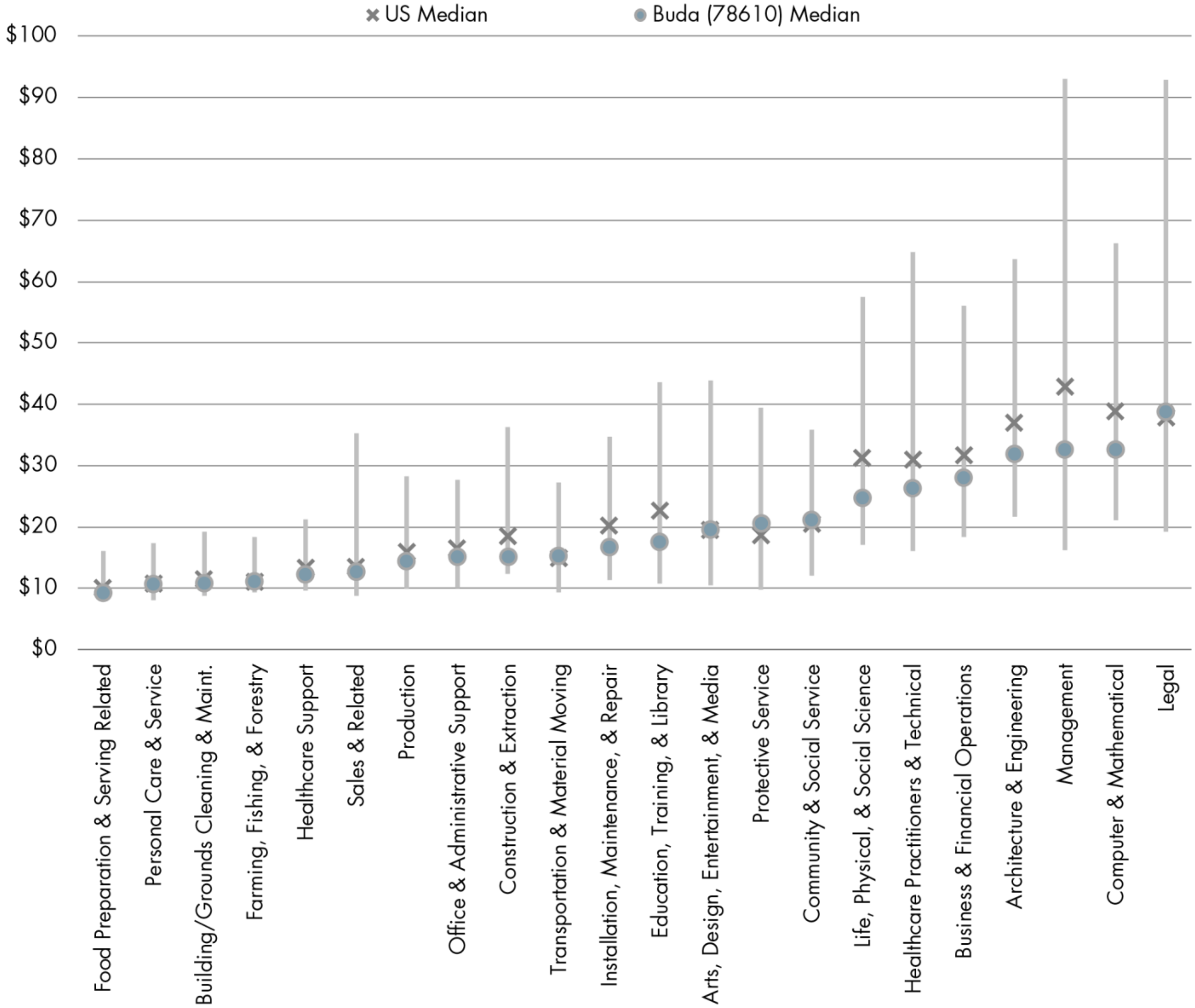
Source: Emsi 2018.1—QCEW Employees, Non-QCEW Employees, and Self-Employed.

Notes: Excludes military and unclassified occupations. The ZIP code 78610 was used to represent Buda because place-level data is not available for Emsi.

FIGURE 28. BUDA (78610) WAGES IN THE CONTEXT OF THE NATIONAL WAGE RATES, 2017 BY MAJOR OCCUPATIONAL GROUP

Line = US wage range from the 10th to the 90th percentile

Markers = Median hourly wage rates for US (x) and Buda (dot)



Source: Emsi 2018.1—QCEW Employees, Non-QCEW Employees, and Self-Employed.

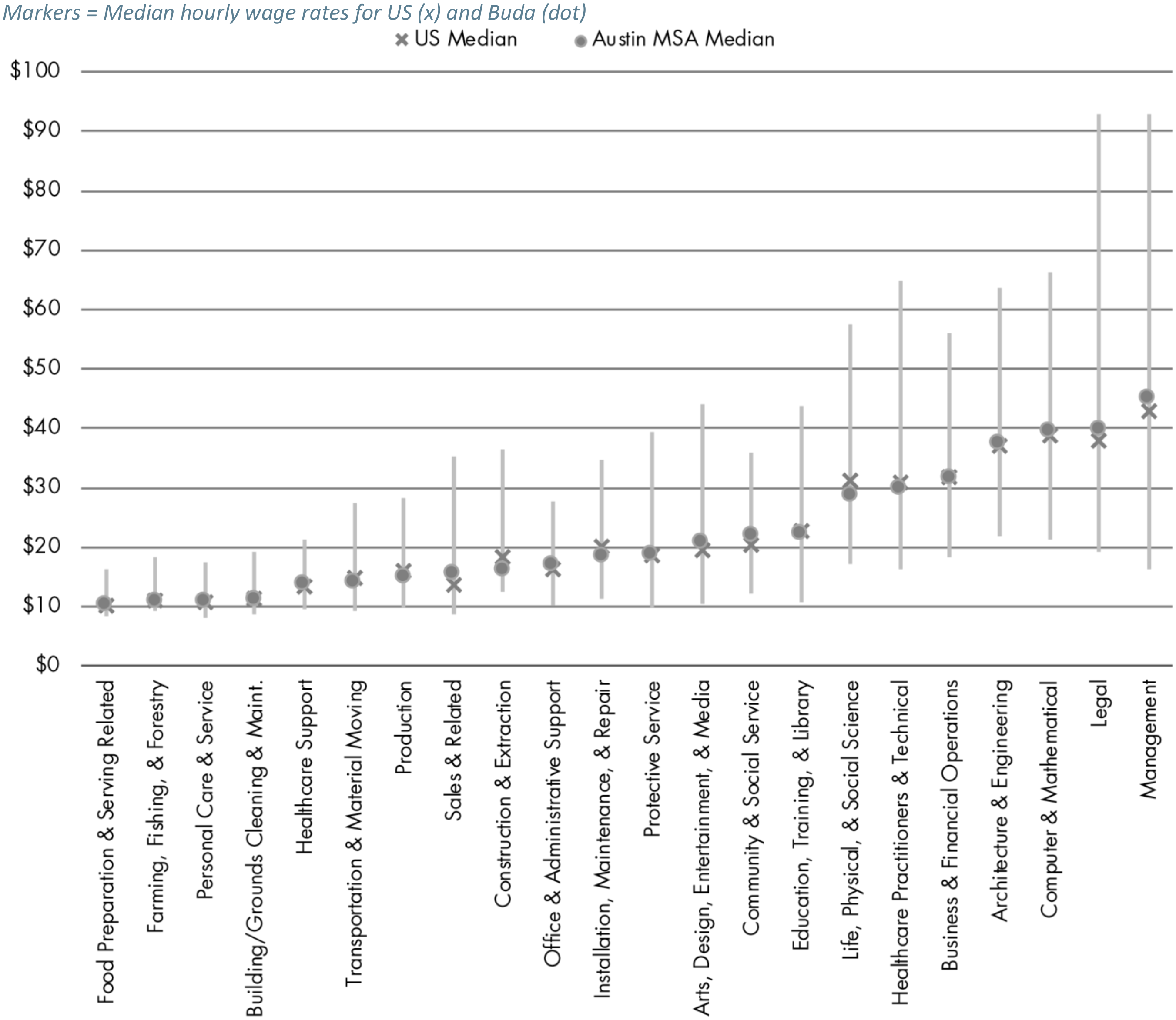
Notes: Figures exclude military occupations. The ZIP code 78610 was used to represent Buda because place-level data is not available for Emsi.

FIGURE 29. AUSTIN WAGES IN THE CONTEXT OF THE NATIONAL WAGE RATES, 2017

BY MAJOR OCCUPATIONAL GROUP

Line = US wage range from the 10th to the 90th percentile

Markers = Median hourly wage rates for US (x) and Buda (dot)



Source: Emsi 2018.1—QCEW Employees, Non-QCEW Employees, and Self-Employed.

Notes: Figures exclude military occupations. The ZIP code 78610 was used to represent Buda because place-level data is not available for Emsi.

FIGURE 30. EDUCATIONAL ATTAINMENT

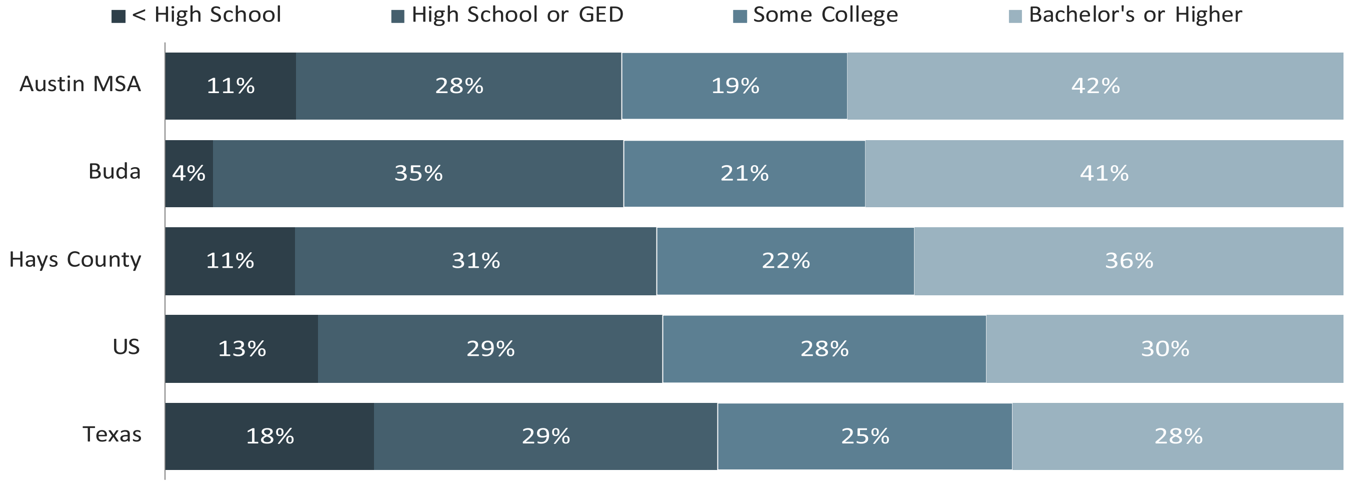
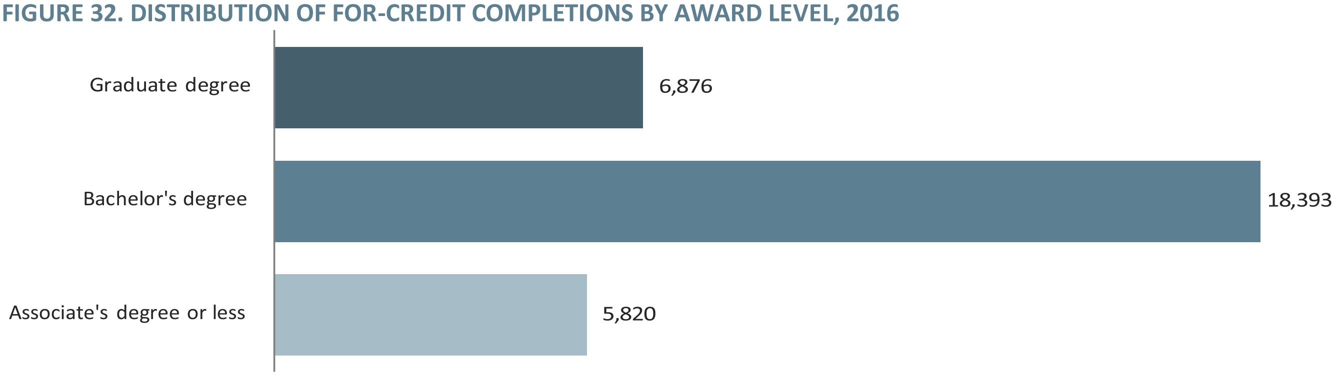


FIGURE 31. REGIONAL INSTITUTIONS BY COMPLETIONS, 2016

INSTITUTION NAME	CITY	TYPE	2016 COMPLETIONS
Concordia University Texas	Austin	Private not-for-profit, 4 or more years	665
Huston-Tillotson University	Austin	Private not-for-profit, 4 or more years	178
St. Edward’s University	Austin	Private not-for-profit, 4 or more years	1,104
The University of Texas at Austin	Austin	Public, 4+ years	17,181
Austin Community College District	Austin	Public, at least 2 but <4 years	3,394
Southwestern University	Georgetown	Private not-for-profit, 4 or more years	339
Texas State University	San Marcos	Public, 4+ years	8,151

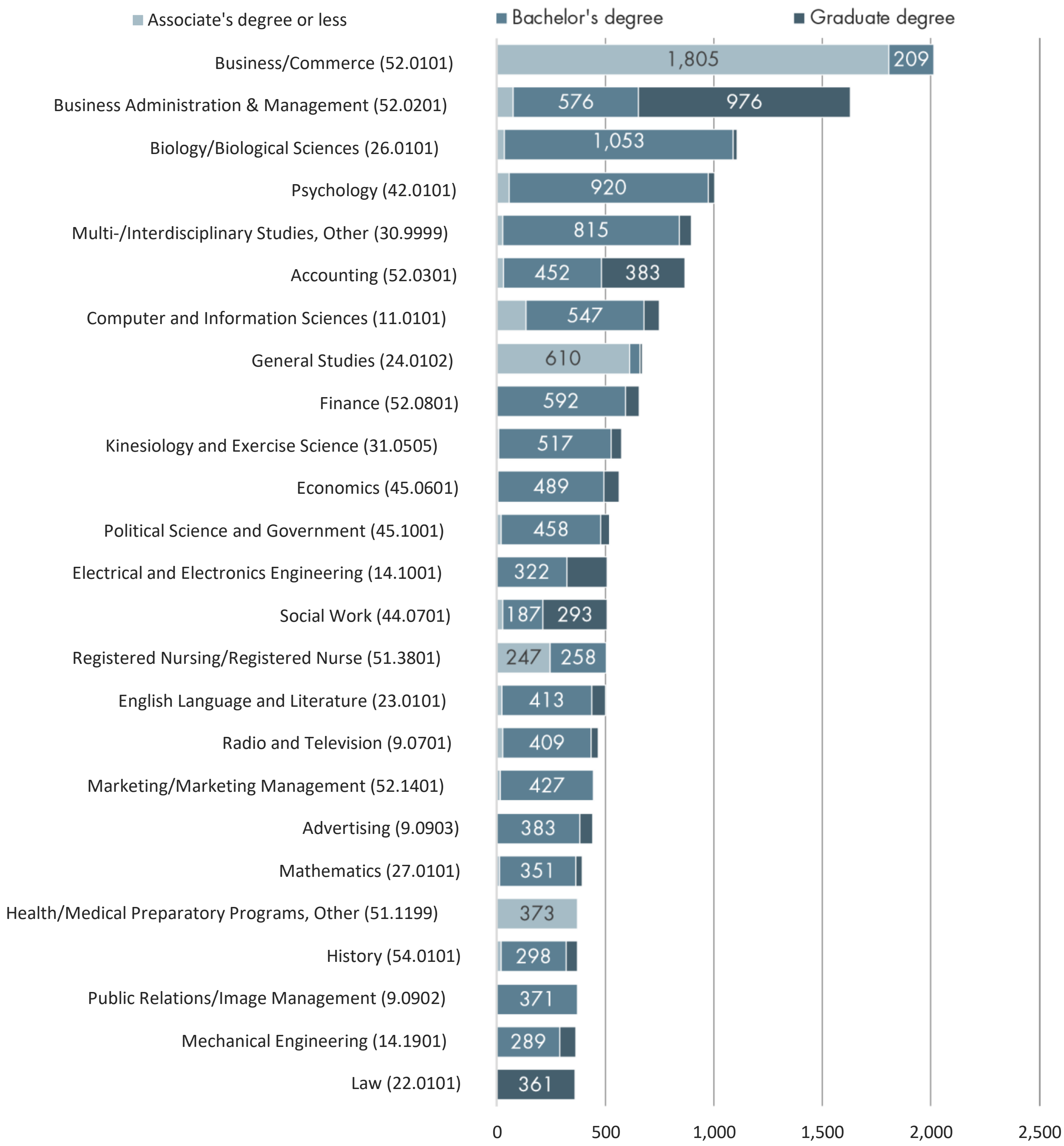
FIGURE 32. DISTRIBUTION OF FOR-CREDIT COMPLETIONS BY AWARD LEVEL, 2016



Sources: (Figure 30) US Census Bureau, American Community Survey, 5-year averages for the period 2012–2016; (Figure 31 and Figure 32) National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS).

Notes: IPEDS data include only schools eligible to participate in federal financial aid programs. For clarity, for-profit schools were excluded and a threshold of at least 100 completions was used for all other schools.

FIGURE 33. LARGEST FIELDS OF STUDY RANKED BY COMPLETIONS (ALL AWARD LEVELS), 2016



Source: National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS).
Notes: IPEDS data include only schools eligible to participate in federal financial aid programs. Data labels for values under six have been omitted for readability. For clarity, for-profit schools were excluded and a threshold of at least 100 completions was used for all other schools.

FIGURE 34. HAYS ISD HS GRADUATES, TEXAS ENROLLMENT, & EMPLOYMENT OUTCOMES, 2013–2014*

FOR THE FALL SEMESTER FOLLOWING HS GRADUATION

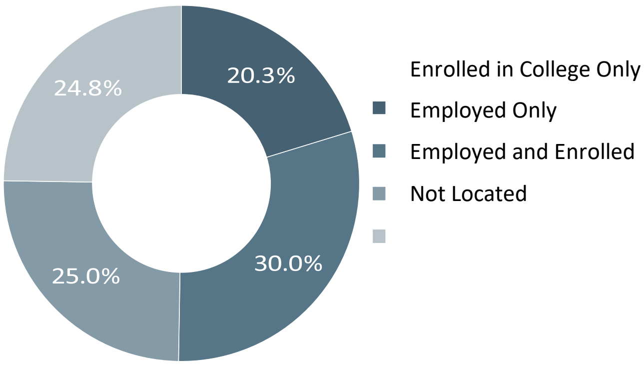


FIGURE 35. HAYS ISD HS GRADUATES, TEXAS PUBLIC COLLEGE ENROLLMENT, 2013–2014*

SCHOOL	NUMBER ENROLLED	PERCENT ENROLLED
Austin Community College	178	41.1%
Texas State University-	85	19.6%
Texas A&M University	37	8.6%
U. of Texas at San Antonio	24	5.5%
Texas Tech University	21	4.9%
U. of Texas at Austin	14	3.2%
Blinn College	13	3.0%
Texas A&M Univ.–Corpus Christi	6	1.4%
All Other	45	10.4%
Total	**423**	**97.6%**

FIGURE 36. HAYS ISD HIGH SCHOOL GRADUATES, EMPLOYMENT OUTCOMES, 2013–2014

FOR THE FALL SEMESTER FOLLOWING HIGH SCHOOL GRADUATION

INDUSTRY	# EMPLOYED	% EMPLOYED	MEDIAN WEEKLY WAGE
Retail Trade	196	37.3%	$200
Accommodations and Food Services	187	35.6%	$209
Healthcare and Social Assistance	28	5.3%	$196
Admin. and Support, Waste Mgmt. and Remediation Svcs.	24	4.6%	$178
Construction	20	3.8%	$455
Other Services	13	2.5%	$148
Professional, Scientific, and Technical Services	10	1.9%	$181
Wholesale Trade	10	1.9%	$176
Arts, Entertainment, and Recreation	7	1.3%	$72
Educational Services	5	1.0%	$25
All Other	26	4.9%	$175
Total	526	100.0%	$198

*Most recent year data is available.

Source: (all figures) Texas Education Agency via Texas Public Education Information Resource (TPEIR). Note: (Figure 36) Includes students enrolled and not enrolled in college.

COMPETITIVE BENCHMARKING

FIGURE 37. TOTAL POPULATION, 2010 AND 2017

IN THOUSANDS

Geography	2010	2017	Net Chg.	Percent Chg.	Median Age
Buda	**7,295**	**16,163**	**8,868**	**+121.6%**	**33.9**
Kyle	28,016	43,480	15,464	+55.2%	30.9
Cedar Park	48,937	75,704	26,767	+54.7%	34.3
Georgetown	47,400	70,685	23,285	+49.1%	47.0
San Marcos	44,894	63,071	18,177	+40.5%	23.7
New Braunfels	57,740	79,152	21,412	+37.1%	35.4
Pflugerville	46,936	63,359	16,423	+35.0%	37.0
Schertz	31,465	40,092	8,627	+27.4%	36.5
Round Rock	99,887	123,678	23,791	+23.8%	33.2
Bastrop	7,218	8,802	1,584	+21.9%	41.1
Lockhart	12,698	13,788	1,090	+8.6%	36.0
US	308,745,538	325,719,178	16,973,640	+5.5%	37.7

FIGURE 38. AGE DISTRIBUTION WITHIN 30-MINUTE DRIVE SORTED ON PRIME, WORKING-AGE POPULATION

Geography	0-19yrs	20-34yrs	35-64yrs	65yrs+
Georgetown	28%	23%	39%	10%
Bastrop	29%	20%	39%	12%
Cedar Park	28%	24%	38%	9%
Schertz	27%	21%	38%	14%
Round Rock	28%	25%	38%	10%
Pflugerville	28%	26%	37%	9%
New Braunfels	27%	23%	37%	14%
Kyle	27%	28%	35%	10%
Buda	**27%**	**29%**	**35%**	**9%**
San Marcos	28%	26%	35%	11%
Lockhart	30%	27%	34%	9%

Sources: (Figure 37) US Census Bureau, Population Estimates Program and American Community Survey, 5-year averages for the period 2012– 2016 (median age); (Figure 38) Esri Online, Community Analyst.

FIGURE 39. EDUCATIONAL ATTAINMENT (2016)

POPULATION 25+ YEARS

Geography	Bachelor's Degree Attainment
Cedar Park	44%
Georgetown	41%
Buda	**41%**
Round Rock	37%
Pflugerville	37%
Schertz	33%
San Marcos	32%
New Braunfels	31%
US	30%
Kyle	30%
Bastrop	21%
Lockhart	14%

FIGURE 40. INDEPENDENT SCHOOL DISTRICT RANKINGS

GEOGRAPHY	STUDENTS	NUMBER OF SCHOOLS	AVERAGE ACT SCORE (STATE=20.3)	4-YEAR GRADUATION RATE (STATE=89.1%)
Round Rock ISD	48,142	55	24.4	99.6
Cedar Park (Leander ISD)	38,130	41	23.3	98.7
Georgetown ISD	11,395	19	23.2	97.7
Pflugerville ISD	24,562	29	18.2	97.3
Schertz ISD	15,118	16	21.7	97.2
New Braunfels ISD	8,583	14	22.7	96.0
Bastrop ISD	10,501	15	18.7	93.7
Lockhart ISD	5,397	9	19.1	91.2
San Marcos ISD	8,073	11	20.1	89.1
Buda (Hays ISD)	**19,142**	**23**	**21.0**	**88.5**
Kyle (Hays ISD)	19,142	23	21.0	88.5

Sources: (Figure 39) US Census, American Community Survey, 5-year averages for the period 2012–2016; (Figure 40) Texas Education Agency, Schooldigger.com.

FIGURE 41. BUILDING PERMITS, 2010–2017

Geography	Total Permits 2010-2017	Population 2017 (in thousands)	Total Housing Permits per 1,000 Residents
Buda	**3,101**	**16**	**192**
Georgetown	9,163	71	130
Kyle	5,479	43	126
San Marcos	7,771	63	123
New Braunfels	9,497	79	120
Pflugerville	5,182	63	82
Cedar Park	5,719	76	76
Schertz	3,024	40	75
Bastrop	480	9	55
Round Rock	6,589	124	53
Lockhart	291	14	21

FIGURE 42. SINGLE-FAMILY AND MULTIFAMILY SHARE OF BUILDING PERMITS, 2017

Geography	Share of Single-Family	Share of Multifamily
Bastrop	100%	0%
Buda	**100%**	**0%**
San Marcos	100%	0%
Schertz	100%	0%
Cedar Park	93%	7%
Lockhart	89%	11%
Pflugerville	61%	39%
Georgetown	60%	40%
New Braunfels	58%	42%
Kyle	48%	52%
Round Rock	42%	58%

Sources: (all figues) SOCDS Building Permits Database, HUD; (Figure 41) Census Bureau, Population Estimates Program.

FIGURE 43. JOBS, 2017

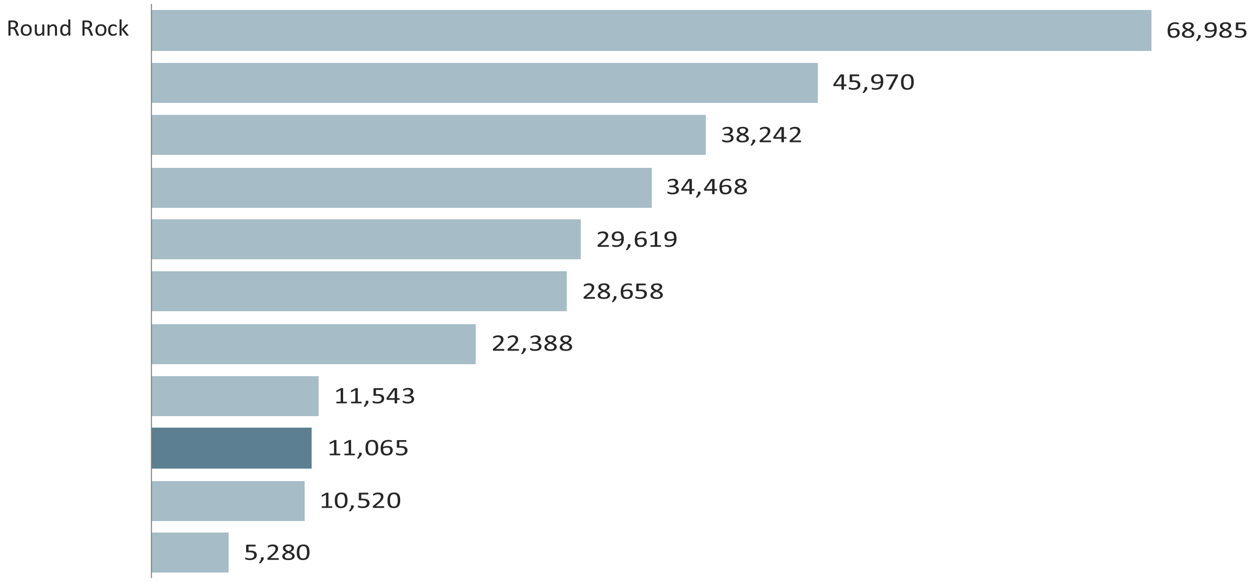
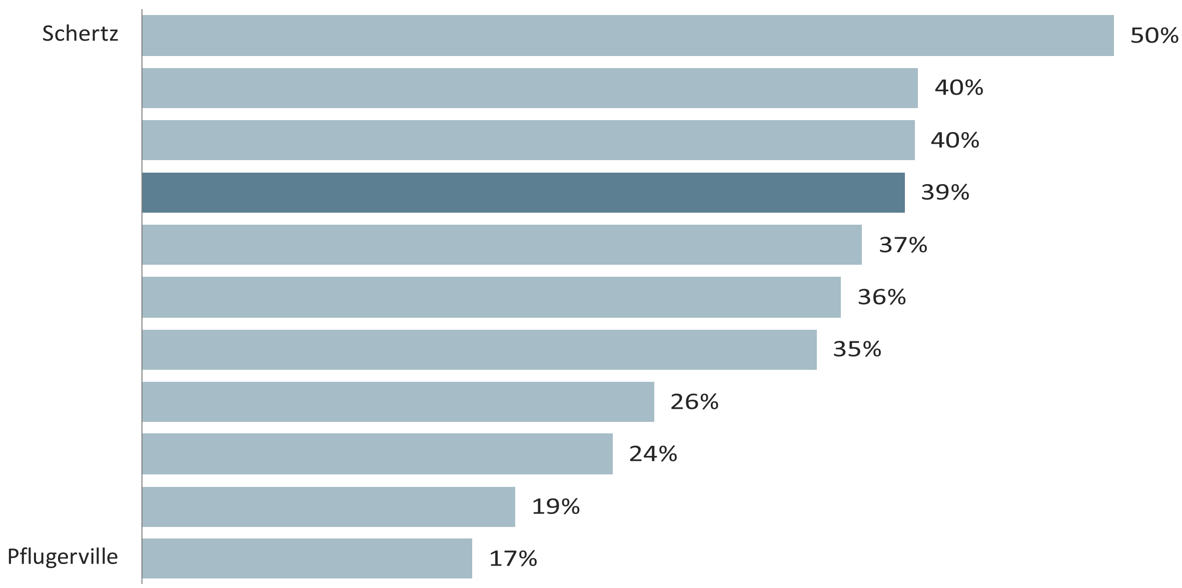


FIGURE 44. CHANGE IN JOBS, 2010–2017



New Braunfels

San Marcos

Georgetown

Pflugerville

Cedar Park

Schertz

Kyle

Buda

Bastrop

Lockhart

Cedar Park

Georgetown

Buda

Round Rock

San Marcos

New Braunfels

Bastrop

Kyle

Lockhart

Source: (all figures) Emsi, 2018.2—QCEW Employees, Non-QCEW Employees, and Self-Employed.
Note: ZIP code level data was used to represent these cities because place-level data is not available for Emsi.

FIGURE 45. ACCESS TO WORKERS, 2017
WITHIN 45-MINUTE DRIVE TIME

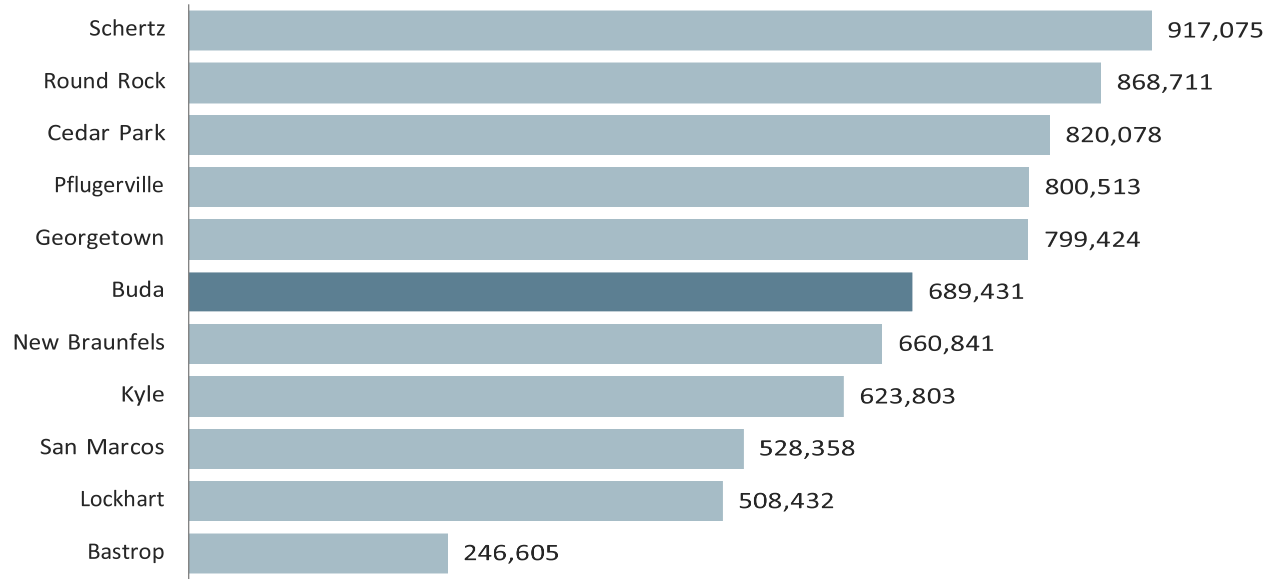
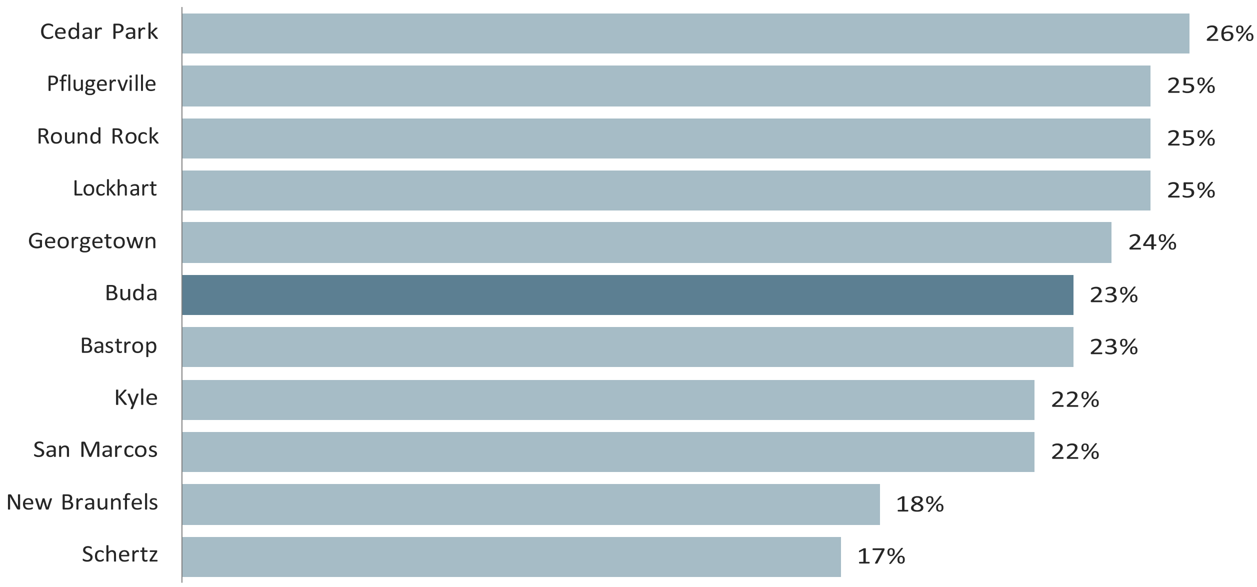


FIGURE 46. CHANGE IN ACCESS TO WORKERS, 2010–2017
WITHIN 45-MINUTE DRIVE TIME



Source: (all figure) Emsi, 2018.2—QCEW Employees, Non-QCEW Employees, and Self-Employed.
Note: ZIP code level data was used to represent these cities because place-level data is not available for Emsi.

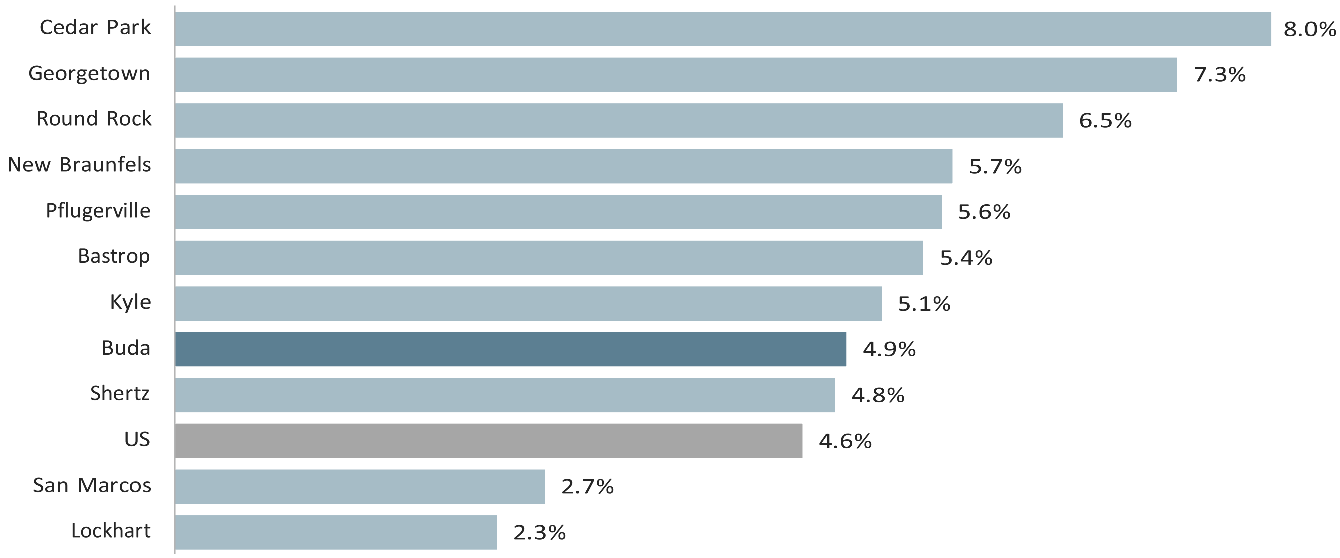
FIGURE 47. HOUSING AFFORDABILITY, 2016

LOWER INDEX = MORE AFFORDABLE

Geography	Median Home Values	Median Household Income	Housing Affordability Index
San Marcos	$151,700	$30,985	4.90
Georgetown	$222,300	$64,256	3.46
US	$184,700	$55,322	3.34
Bastrop	$145,800	$48,178	3.03
New Braunfels	$177,200	$61,618	2.88
Buda	**$201,500**	**$72,020**	**2.80**
Cedar Park	$230,900	$87,466	2.64
Round Rock	$192,500	$74,087	2.60
Lockhart	$121,300	$49,913	2.43
Pflugerville	$183,500	$77,899	2.36
Shertz	$179,000	$77,139	2.32
Kyle	$158,400	$72,191	2.19

FIGURE 48. SHARE OF REMOTE WORKERS, 2016

PERCENT OF ALL WORKERS AGE 16+ WORKING REMOTELY



Sources: (all figures) US Census, American Community Survey, 5-year averages for the period 2012–2016; TIP calculation (index).

FIGURE 49. TAXABLE SALES, 2010–2017

IN MILLIONS, ALL INDUSTRIES

Geography	2010	2017	Net Change	Percent Change
Pflugerville	234	656	422	180.5%
Kyle	149	397	248	166.4%
Buda	**180**	**412**	**232**	**128.8%**
Cedar Park	523	1,084	561	107.3%
Schertz	324	581	257	79.4%
Bastrop	237	409	172	72.4%
Georgetown	571	952	381	66.7%
New Braunfels	1,054	1,710	656	62.3%
San Marcos	1,286	2,016	730	56.8%
Lockhart	85	129	44	52.0%
Round Rock	2,696	3,348	651	24.2%

FIGURE 50. TAXABLE RETAIL SALES, 2010–2017

IN MILLIONS

Geography	2010	2017	Net Change	Percent Change
Kyle	110	251	141	+128%
Cedar Park	301	638	337	+112%
Pflugerville	154	262	109	+71%
Bastrop	184	308	124	+67%
San Marcos	838	1,289	451	+54%
Lockhart	48	71	23	+47%
New Braunfels	535	754	218	+41%
Round Rock	1,020	1,404	385	+38%
Georgetown	379	516	136	+36%
Buda	**114**	**151**	**37**	**+33%**
Schertz	162	189	27	+17%

FIGURE 51. NET COMMUTERS, 2015

Geography	Inbound	Outbound	Net Commuters
San Marcos	25,061	12,198	+12,863
Bastrop	5,013	2,625	+2,388
New Braunfels	21,938	19,933	+2,005
Georgetown	16,785	16,754	+31
Round Rock	43,850	44,258	-408
Buda	**4,260**	**4,778**	**-518**
Lockhart	2,441	4,539	-2,098
Shertz	11,304	14,243	-2,939
Kyle	3,463	14,452	-10,989
Pflugerville	12,299	25,099	-12,800
Cedar Park	13,499	28,424	-14,925

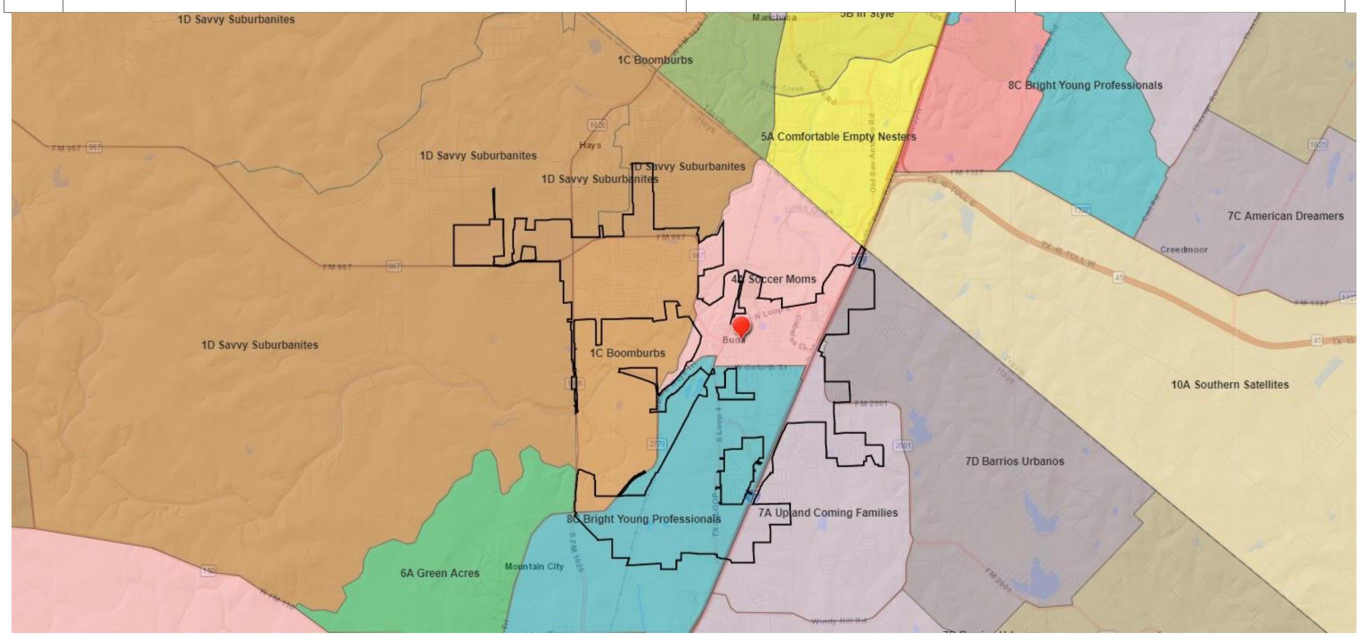
Sources: (Figure 49 and Figure 50) Texas Comptroller, Historical Sale and Use Tax; (Figure 51) US Census Bureau, Local Employment Dynamics.

RETAIL ANALYSIS

CITY OF BUDA

FIGURE 52. CITY OF BUDA, TOP FIVE TAPESTRY SEGMENTS BY HOUSEHOLDS (HH) COMPARED TO AUSTIN MSA

	TAPESTRY SEGMENT	% OF BUDA HHs	% OF AUSTIN MSA HHs
1	Boomburbs (1C)	42.7%	8.3%
2	Soccer Moms (4A)	30.3%	5.0%
3	Up and Coming Families (7A)	14.5%	12.4%
4	Bright Young Professionals (8C)	6.9%	6.3%
5	Barrios Urbanos (7D)	4.0%	0.7%
	All other	*98.4%*	*32.7%*



Source: Esri, Community Analyst.

FIGURE 53. CITY OF BUDA, RETAIL LEAKAGE ANALYSIS IN MILLIONS

NAICS	RETAIL SECTOR	EST. RETAIL PURCHASES OF AREA RESIDENTS (DEMAND)	EST. RETAIL SALES OF AREA STORES (SUPPLY)	SURPLUS (+) /LEAKAGE (-) GAP
	Total Retail Trade and Food & Drink	**$239.9**	**$451.7**	**+$211.8**
441	Motor Vehicle & Parts Dealers	$46.4	$225.8	+$179.4
4411	Automobile Dealers	$37.2	$154.9	+$117.7
4412	Other Motor Vehicle Dealers	$5.1	$68.6	+$63.6
4413	Auto Parts, Accessories, & Tire Stores	$4.1	$2.3	-$1.8
442	Furniture & Home Furnishings Stores	$7.9	$2.3	-$5.5
4421	Furniture Stores	$4.5	$0.3	-$4.2
4422	Home Furnishings Stores	$3.3	$2.0	-$1.3
443	Electronics & Appliance Stores	$8.1	$0.4	-$7.7
444	Bldg. Materials, Garden Equip., & Supply Stores	$14.4	$7.8	-$6.6
4441	Bldg. Material & Supplies Dealers	$13.7	$7.8	-$5.9
4442	Lawn & Garden Equip & Supply Stores	$0.8	$0.0	-$0.8
445	Food & Beverage Stores	$38.1	$63.8	+$25.7
4451	Grocery Stores	$34.5	$63.7	+$29.2
4452	Specialty Food Stores	$1.6	$0.1	-$1.5
4453	Beer, Wine, & Liquor Stores	$2.0	$0.0	-$2.0
446,4461	Health & Personal Care Stores	$11.8	$13.1	+$1.3
447,4471	Gasoline Stations	$20.9	$17.7	-$3.2
448	Clothing & Clothing Accessories Stores	$10.2	$0.8	-$9.4
4481	Clothing Stores	$6.7	$0.0	-$6.7
4482	Shoe Stores	$1.5	$0.8	-$0.6
4483	Jewelry, Luggage, & Leather Goods Stores	$2.0	$0.0	-$2.0
451	Sporting Goods, Hobby, Book, & Music Stores	$7.7	$42.1	+$34.4
4511	Sporting Goods/Hobby/Musical Instr. Stores	$6.9	$41.8	+$34.9
4512	Book, Periodical, & Music Stores	$0.8	$0.4	-$0.4
452	General Merchandise Stores	$38.1	$41.3	+$3.2
4521	Department Stores Excluding Leased Depts.	$26.8	$38.6	+$11.8
4529	Other General Merchandise Stores	$11.3	$2.7	-$8.6
453	Miscellaneous Store Retailers	$8.4	$1.3	-$7.0
4531	Florists	$0.4	$0.2	-$0.2
4532	Office Supplies, Stationery, & Gift Stores	$1.9	$0.1	-$1.8
4533	Used Merchandise Stores	$1.5	$1.1	-$0.4
4539	Other Miscellaneous Store Retailers	$4.7	$0.0	-$4.7
454	Nonstore Retailers	$3.1	$0.4	-$2.7
4541	Electronic Shopping & Mail-Order Houses	$2.4	$0.1	-$2.2
4542	Vending Machine Operators	$0.2	$0.0	-$0.2
4543	Direct Selling Establishments	$0.6	$0.2	-$0.3
722	Food Services & Drinking Places	$24.9	$34.8	+$10.0
7223	Special Food Services	$0.3	$0.0	-$0.3
7224	Drinking Places - Alcoholic Beverages	$0.9	$0.0	-$0.9
7225	Restaurants/Other Eating Places	$23.7	$34.8	+$11.2

Source: Esri, Community Analyst.

FIGURE 54. DOWNTOWN BUDA BUSINESSES

Sources: Buda Economic Development Corporation, TIP research.

FIGURE 55. ACCOMMODATION & FOOD SERVICE,* 2010–2017

Geography	2010 ($mil)	2017 ($mil)	Net Chg. ($mil)	CAGR (%)
Kyle	$20.0	$72.1	+$52	20.1%
Pflugerville	$32.8	$89.0	+$56	15.3%
Cedar Park	$83.2	$188.0	+$105	12.3%
Bastrop	$35.5	$67.4	+$32	9.6%
New Braunfels	$142.3	$267.5	+$125	9.4%
Buda	**$24.6**	**$45.9**	**+$21**	**9.3%**
Schertz	$44.5	$78.7	+$34	8.5%
Georgetown	$78.3	$135.2	+$57	8.1%
Lockhart	$22.5	$37.0	+$15	7.4%
Round Rock	$235.1	$382.8	+$148	7.2%
San Marcos	$165.4	$254.5	+$89	6.3%

FIGURE 56. ACCOMMODATION & FOOD SERVICE* & ALL INDUSTRIES, 2017

AS SHARE OF ALL INDUSTRIES

Geography	Accommodation & Food Service ($mil)	All Industries ($mil)	Accommodation & Food Service
	$37.0	$128.7	
Kyle	$72.1	$397.5	18.1%
Cedar Park	$188.0	$1,079.8	17.4%
Bastrop	$67.4	$407.1	16.6%
New Braunfels	$267.5	$1,707.8	15.7%
Georgetown	$135.2	$951.8	14.2%
Pflugerville	$89.0	$656.0	13.6%
Schertz	$78.7	$581.3	13.5%
San Marcos	$254.5	$2,016.1	12.6%
Round Rock	$382.8	$3,346.6	11.4%
Buda	**$45.9**	**$411.5**	**11.2%**

*Amount subject to state tax.

Lockhart 28.8%

Source: (all figures) Texas Comptroller of Public Accounts.

Note: CAGR is compound annual growth rate.

FIGURE 57. ACCOMMODATION & FOOD SERVICE* GROWTH TOTAL SPENDING INDEXED TO 2010 BY GEOGRAPHY

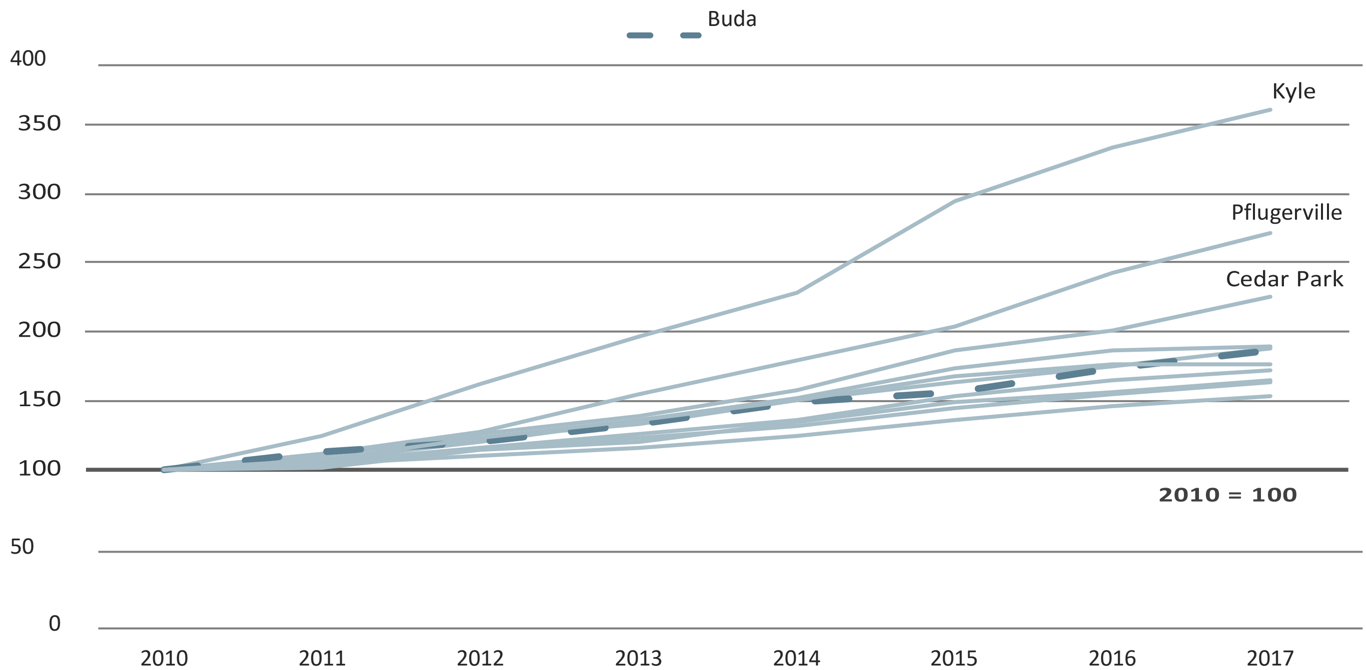


FIGURE 58. TRAVEL SPENDING, 2010–2017 AN ANALYSIS OF CITY-LEVEL DIRECT TRAVEL SPENDING

Geography	2010 ($mil)	2017 ($mil)	Net Chg. ($mil)	CAGR %
Buda	**$22.0**	**$46.0**	**+$24.0**	**11.1%**
Georgetown	$48.0	$99.0	+$51.0	10.9%
Cedar Park	$62.0	$105.0	+$43.0	7.8%
New Braunfels	$206.0	$323.0	+$117.0	6.6%
Kyle	$25.0	$39.0	+$14.0	6.6%
Bastrop	$18.0	$28.0	+$10.0	6.5%
Pflugerville	$46.0	$71.0	+$25.0	6.4%
San Marcos	$118.0	$173.0	+$55.0	5.6%
Schertz	$47.0	$68.0	+$21.0	5.4%
Round Rock	$231.0	$319.0	+$88.0	4.7%
Lockhart	$12.0	$13.0	+$1.0	1.2%

*Amount subject to state tax.

Sources: (Figure 57) Texas Comptroller of Public Accounts; (Figure 58) Dean Runyan Associates for Texas Tourism, Office of the Governor, Economic Development and Tourism, accessed July 13, 2018, at http://www.deanrunyan.com/TXTravelImpacts/TXTravelImpacts.html. Note: CAGR is compound annual growth rate.

WHAT

DOES TRAVEL SPENDING INCLUDE?

Accommodation: Spending for lodging by hotel and motel guests, campers, and vacation home users.

Air Transportation: Air passenger spending attributable to travelers in and to Texas. The spending total includes air travel spending made outside Texas for travel to Texas, purchases by Texas residents who travel outside the state, and air travel within the state.

Eating, Drinking: Businesses serving food and beverages for immediate consumption. In addition to table service restaurants, this category includes fast-food outlets and refreshment stands.

Food Stores: Grocery stores, supermarkets, fruit stands, retail bakeries, and other businesses selling food for consumption off the premises.

Ground Transport: Spending on car rentals, gasoline and other vehicle operating expenses, and on local transportation such as taxi or bus.

Other Travel: Includes resident air travel, travel arrangement and reservation services, and convention and trade show organizers.

Recreation: Spending on admissions to artistic events, entertainment, and recreation.

Retail Sales: Spending for gifts, souvenirs, and other items (excludes spending listed separately, such as food stores or recreation).

Travel: A day or overnight trip that is not of a local or commuting nature. Travel might be for business or pleasure purposes.

Travel Arrangement: Spending for fees paid to travel agents and tour operators.

WHO

GETS COUNTED AS A TRAVELER?

Campers: Travelers staying at RV parks and commercial campgrounds or at public campgrounds such as those in state or national parks.

Day Visitors: A traveler whose trip does not include an overnight stay and who travels out of his/her local area (50+ miles one way).

Hotel and Motel Guests: Travelers staying in hotels, motels, resorts, bed & breakfast establishments, and other lodging places where the transient lodging tax is collected.

Private Home Guests: Travelers staying as guests with friends or relatives.

Vacation Home Users: Travelers using their own vacation home or timeshare and those renting a vacation home or privately owned cabin where transient lodging tax is not collected.

Visitors: A person traveling to or through Texas. A visitor might be a Texas resident or a resident of another state or from another country.

Source: Dean Runyan Associates for Texas Tourism, Office of the Governor, Economic Development and Tourism. Accessed July 13, 2018, at http://www.deanrunyan.com/TXTravelImpacts/TXTravelImpacts.html.

CABELA'S MARKET AREA

FIGURE 59. MARKET AREA SURROUNDING CABELA'S RETAIL DISTRICT

0–15 AND 30–MINUTE DRIVE TIMES

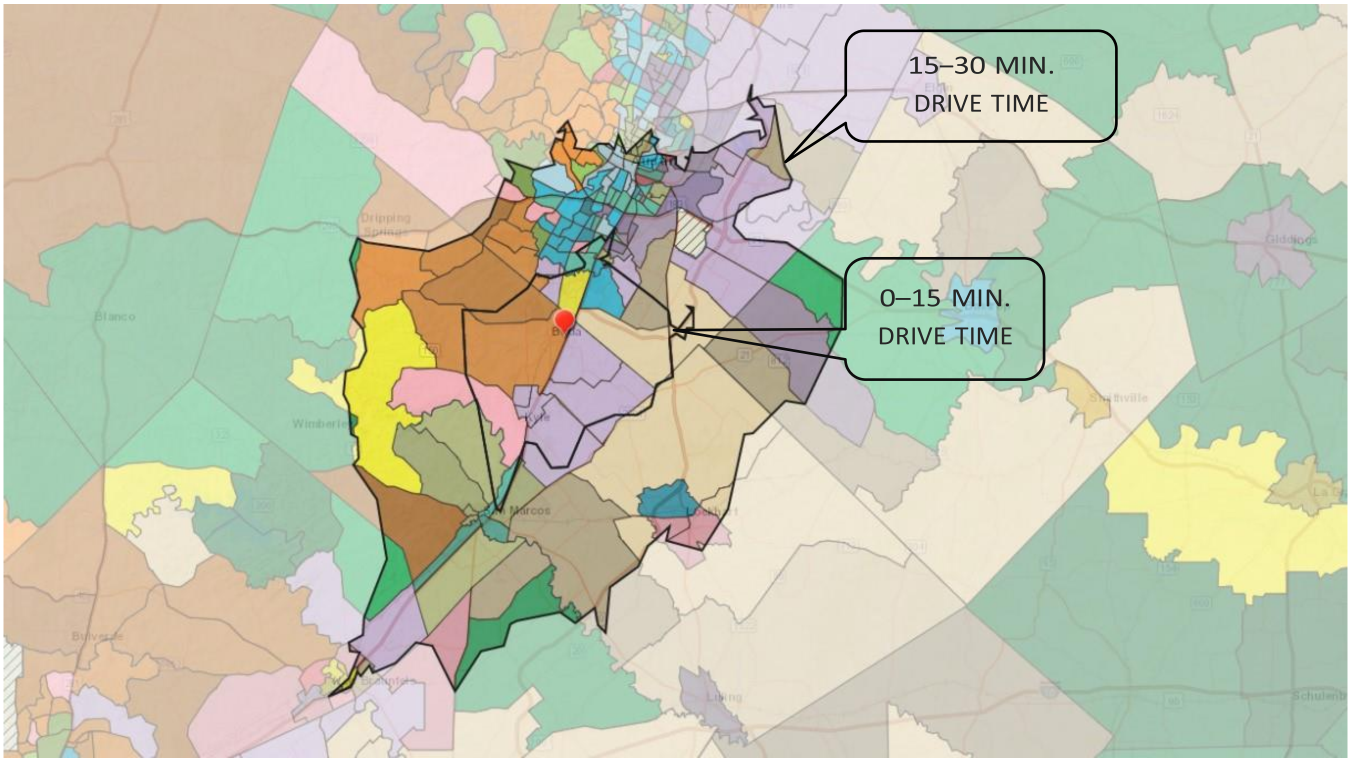


FIGURE 60. GROWTH INDICATORS

0–15 MINUTE DRIVE TIME

GROWTH INDICATOR	2018	2023	% CHG.
Population	129,186	161,273	24.8%
Median HH Income	$68,187	$75,606	10.9%
Housing Units	47,306	58,049	22.7%
Median Home Value	$199,894	$230,748	15.4%

FIGURE 62. TOP TAPESTRY SEGMENTS

0–15 MINUTE DRIVE TIME

	TAPESTRY SEGMENT	% OF HH	% OF AUSTIN MSA
1	Up and Coming Families (7A)	37.3%	12.40%
2	Bright Young Professionals (8C)	12.1%	6.30%
3	Boomburbs (1C)	5.8%	8.30%
4	Soccer Moms (4A)	5.8%	5.00%
5	Young and Restless (11B)	5.2%	7.10%

Source: (all figures) Esri, Community Analyst.

FIGURE 61. GROWTH INDICATORS

0–30 MINUTE DRIVE TIME

GROWTH INDICATOR	2018	2023	% CHG.
Population	734,058	843,042	14.8%
Median HH Income	$58,912	$66,067	12.1%
Housing Units	297,593	340,048	14.3%
Median Home Value	$231,922	$263,359	13.6%

FIGURE 63. TAPESTRY SEGMENTS

0–30 MINUTE DRIVE TIME

	TAPESTRY SEGMENT	% OF HH	% OF AUSTIN MSA
1	Up and Coming Families (7A)	10.9%	12.40%

2	Young and Restless (11B)	10.8%	7.10%
3	Metro Renters (3B)	8.6%	6.60%
4	Bright Young Professionals (8C)	7.0%	6.30%
5	Emerald City (8B)	5.6%	4.10%

FIGURE 64. RETAIL LEAKAGE, THREE-DIGIT LEVEL
0–15 MINUTE DRIVE TIME, DOLLAR VALUE IN MILLIONS

NAICS	RETAIL SECTOR	EST. RETAIL PURCHASES OF AREA RESIDENTS (DEMAND)	EST. RETAIL SALES OF AREA STORES (SUPPLY)	SURPLUS (+) /LEAKAGE (-) GAP
441	Motor Vehicle & Parts Dealers	$317.7	$545.5	+$227.8
442	Furniture & Home Furnishings Stores	$52.1	$30.0	-$22.2
443	Electronics & Appliance Stores	$54.4	$23.8	-$30.6
444	Bldg. Materials, Garden Equip. & Supply Stores	$94.4	$70.5	-$23.9
445	Food & Beverage Stores	$264.0	$215.2	-$48.8
446	Health & Personal Care Stores	$81.7	$57.5	-$24.2
447	Gasoline Stations	$147.0	$129.5	-$17.4
448	Clothing & Clothing Accessories Stores	$68.1	$26.5	-$41.6
451	Sporting Goods, Hobby, Book & Music Stores	$51.2	$58.3	+$7.0
452	General Merchandise Stores	$258.0	$308.4	+$50.5
453	Miscellaneous Store Retailers	$57.1	$52.8	-$4.3
454	Nonstore Retailers	$21.5	$4.7	-$16.8
722	Food Services & Drinking Places	$166.9	$157.2	-$9.7

FIGURE 65. RETAIL LEAKAGE, THREE-DIGIT LEVEL 0–30 MINUTE DRIVE TIME, DOLLAR VALUE IN MILLIONS

NAICS	RETAIL SECTOR	EST. RETAIL PURCHASES OF AREA RESIDENTS (DEMAND)	EST. RETAIL SALES OF AREA STORES (SUPPLY)	SURPLUS (+) /LEAKAGE (-) GAP
441	Motor Vehicle & Parts Dealers	$1,969.3	$2,453.6	+$484.4
442	Furniture & Home Furnishings Stores	$321.3	$281.4	-$39.9
443	Electronics & Appliance Stores	$338.7	$363.7	+$25.0
444	Bldg. Materials, Garden Equip. & Supply Stores	$553.8	$531.2	-$22.6
445	Food & Beverage Stores	$1,677.9	$2,358.1	+$680.2

446	Health & Personal Care Stores	$511.4	$555.9	+$44.5
447	Gasoline Stations	$921.0	$876.8	-$44.2
448	Clothing & Clothing Accessories Stores	$432.7	$722.3	+$289.6
451	Sporting Goods, Hobby, Book & Music Stores	$320.1	$373.6	+$53.5
452	General Merchandise Stores	$1,627.7	$1,408.9	-$218.8
453	Miscellaneous Store Retailers	$359.1	$643.2	+$284.1
454	Nonstore Retailers	$136.6	$211.2	+$74.5
722	Food Services & Drinking Places	$1,056.8	$1,685.0	+$628.3

Source: (all figures) ESRI, Community Analyst.

FIGURE 66. RETAIL LEAKAGE

0-15 MIN DRIVETIME, DOLLAR VALUE IN MILLLIONS

NAICS	RETAIL SECTOR	EST. RETAIL PURCHASES OF AREA RESIDENTS (DEMAND)	EST. RETAIL SALES OF AREA STORES (SUPPLY)	SURPLUS (+) /LEAKAGE (-) GAP
	Total Retail Trade and Food & Drink	**$1,634.0**	**$1,679.8**	**+$45.8**
441	Motor Vehicle & Parts Dealers	$317.7	$545.5	+$227.8
4411	Automobile Dealers	$255.8	$363.7	+$107.9
4412	Other Motor Vehicle Dealers	$34.0	$168.7	+$134.7
4413	Auto Parts, Accessories & Tire Stores	$27.9	$13.0	-$14.9
442	Furniture & Home Furnishings Stores	$52.1	$30.0	-$22.2
4421	Furniture Stores	$30.6	$14.3	-$16.3
4422	Home Furnishings Stores	$21.6	$15.7	-$5.9
443	Electronics & Appliance Stores	$54.4	$23.8	-$30.6
444	Bldg. Materials, Garden Equip. & Supply Stores	$94.4	$70.5	-$23.9
4441	Bldg. Material & Supplies Dealers	$89.3	$69.1	-$20.2
4442	Lawn & Garden Equip & Supply Stores	$5.1	$1.4	-$3.7
445	Food & Beverage Stores	$264.0	$215.2	-$48.8
4451	Grocery Stores	$239.3	$197.7	-$41.6
4452	Specialty Food Stores	$11.2	$4.1	-$7.2
4453	Beer, Wine & Liquor Stores	$13.4	$13.4	+$0.0
446	Health & Personal Care Stores	$81.7	$57.5	-$24.2
447	Gasoline Stations	$147.0	$129.5	-$17.4
448	Clothing & Clothing Accessories Stores	$68.1	$26.5	-$41.6
4481	Clothing Stores	$45.0	$15.1	-$29.9
4482	Shoe Stores	$9.7	$6.9	-$2.8
4483	Jewelry, Luggage & Leather Goods Stores	$13.4	$4.5	-$8.8

451	Sporting Goods, Hobby, Book & Music Stores	$51.2	$58.3	+$7.0
4511	Sporting Goods/Hobby/Musical Instr. Stores	$45.6	$56.1	+$10.4
4512	Book, Periodical & Music Stores	$5.6	$2.2	-$3.4
452	General Merchandise Stores	$258.0	$308.4	+$50.5
4521	Department Stores Excluding Leased Depts.	$180.2	$230.3	+$50.1
4529	Other General Merchandise Stores	$77.7	$78.1	+$0.4
453	Miscellaneous Store Retailers	$57.1	$52.8	-$4.3
4531	Florists	$2.3	$0.7	-$1.6
4532	Office Supplies, Stationery & Gift Stores	$12.6	$3.3	-$9.3
4533	Used Merchandise Stores	$10.0	$4.6	-$5.4
4539	Other Miscellaneous Store Retailers	$32.2	$44.2	+$12.1
454	Nonstore Retailers	$21.5	$4.7	-$16.8
4541	Electronic Shopping & Mail-Order Houses	$16.1	$1.1	-$15.0
4542	Vending Machine Operators	$1.3	$0.3	-$1.0
4543	Direct Selling Establishments	$4.1	$3.3	-$0.8
722	Food Services & Drinking Places	$166.9	$157.2	-$9.7
7223	Special Food Services	$2.0	$0.9	-$1.1
7224	Drinking Places - Alcoholic Beverages	$6.0	$0.8	-$5.2
7225	Restaurants/Other Eating Places	$158.9	$155.5	-$3.4

Source: Esri, Community Analyst.

FIGURE 67. RETAIL LEAKAGE

0–30 MINUTE DRIVETIME, DOLLAR VALUE IN MILLIONS

NAICS	RETAIL SECTOR	EST. RETAIL PURCHASES OF AREA RESIDENTS (DEMAND)	EST. RETAIL SALES OF AREA STORES (SUPPLY)	SURPLUS (+) /LEAKAGE (-) GAP
	Total Retail Trade and Food & Drink	**$10,226.2**	**$12,464.9**	**+$2,238.7**
441	Motor Vehicle & Parts Dealers	$1,969.3	$2,453.6	+$484.4
4411	Automobile Dealers	$1,588.5	$1,949.2	+$360.6
4412	Other Motor Vehicle Dealers	$206.9	$382.0	+$175.1
4413	Auto Parts, Accessories, & Tire Stores	$173.9	$122.5	-$51.4
442	Furniture & Home Furnishings Stores	$321.3	$281.4	-$39.9
4421	Furniture Stores	$192.0	$147.0	-$45.1
4422	Home Furnishings Stores	$129.3	$134.5	+$5.2
443	Electronics & Appliance Stores	$338.7	$363.7	+$25.0
444	Bldg. Materials, Garden Equip. & Supply Stores	$553.8	$531.2	-$22.6
4441	Bldg. Material & Supplies Dealers	$522.6	$501.8	-$20.8
4442	Lawn & Garden Equip & Supply Stores	$31.2	$29.3	-$1.8
445	Food & Beverage Stores	$1,677.9	$2,358.1	+$680.2
4451	Grocery Stores	$1,519.8	$2,174.2	+$654.3
4452	Specialty Food Stores	$71.5	$59.3	-$12.1

4453	Beer, Wine & Liquor Stores	$86.6	$124.6	+$38.0
446	Health & Personal Care Stores	$511.4	$555.9	+$44.5
447	Gasoline Stations	$921.0	$876.8	-$44.2
448	Clothing & Clothing Accessories Stores	$432.7	$722.3	+$289.6
4481	Clothing Stores	$285.9	$502.9	+$217.0
4482	Shoe Stores	$60.7	$125.4	+$64.7
4483	Jewelry, Luggage & Leather Goods Stores	$86.1	$94.0	+$7.9
451	Sporting Goods, Hobby, Book & Music Stores	$320.1	$373.6	+$53.5
4511	Sporting Goods/Hobby/Musical Instr. Stores	$283.7	$319.5	+$35.8
4512	Book, Periodical & Music Stores	$36.4	$54.1	+$17.7
452	General Merchandise Stores	$1,627.7	$1,408.9	-$218.8
4521	Department Stores Excluding Leased Depts.	$1,135.5	$913.7	-$221.9
4529	Other General Merchandise Stores	$492.1	$495.2	+$3.1
453	Miscellaneous Store Retailers	$359.1	$643.2	+$284.1
4531	Florists	$14.5	$4.8	-$9.8
4532	Office Supplies, Stationery & Gift Stores	$78.3	$87.8	+$9.5
4533	Used Merchandise Stores	$63.7	$57.2	-$6.5
4539	Other Miscellaneous Store Retailers	$202.6	$493.5	+$290.9
454	Nonstore Retailers	$136.6	$211.2	+$74.5
4541	Electronic Shopping & Mail-Order Houses	$100.6	$168.1	+$67.5
4542	Vending Machine Operators	$8.4	$2.9	-$5.4
4543	Direct Selling Establishments	$27.7	$40.1	+$12.4
722	Food Services & Drinking Places	$1,056.8	$1,685.0	+$628.3
7223	Special Food Services	$12.4	$45.0	+$32.6
7224	Drinking Places - Alcoholic Beverages	$39.0	$120.1	+$81.1
7225	Restaurants/Other Eating Places	$1,005.4	$1,519.9	+$514.5

Source: Esri, Community Analyst.

FISCAL ANALYSIS

FIGURE 68. BUDA TOP FIVE MUNICIPAL REVENUE SOURCES

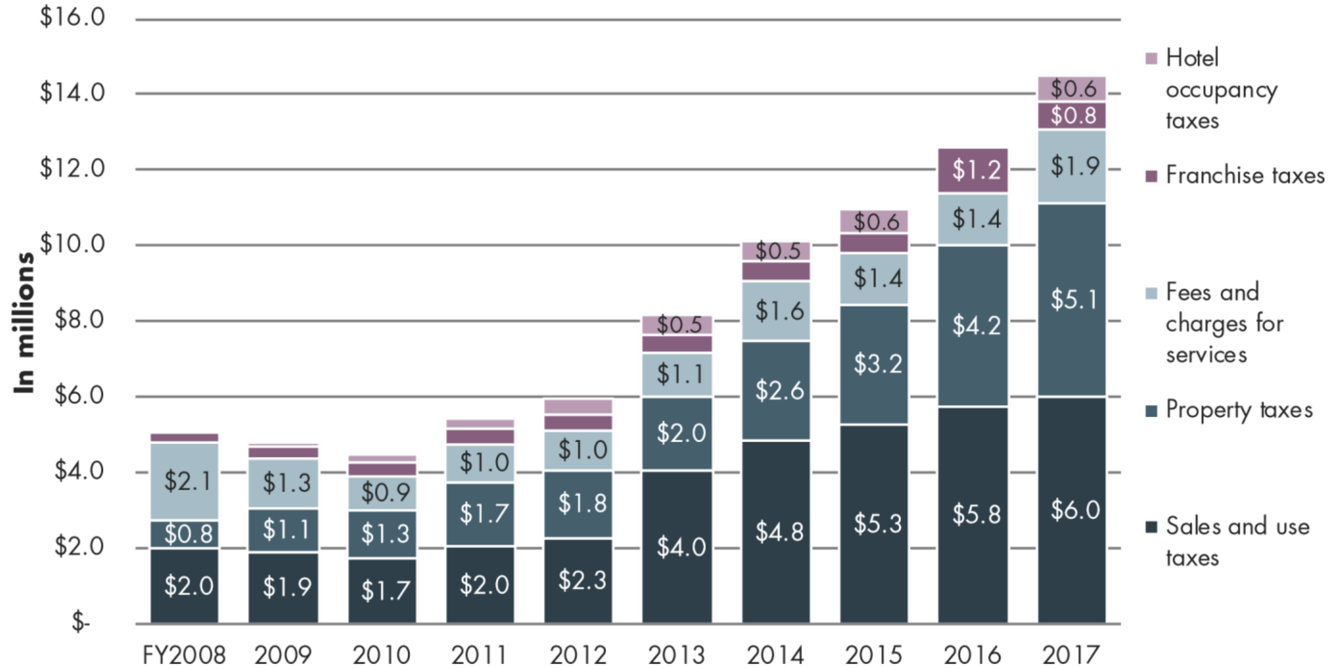
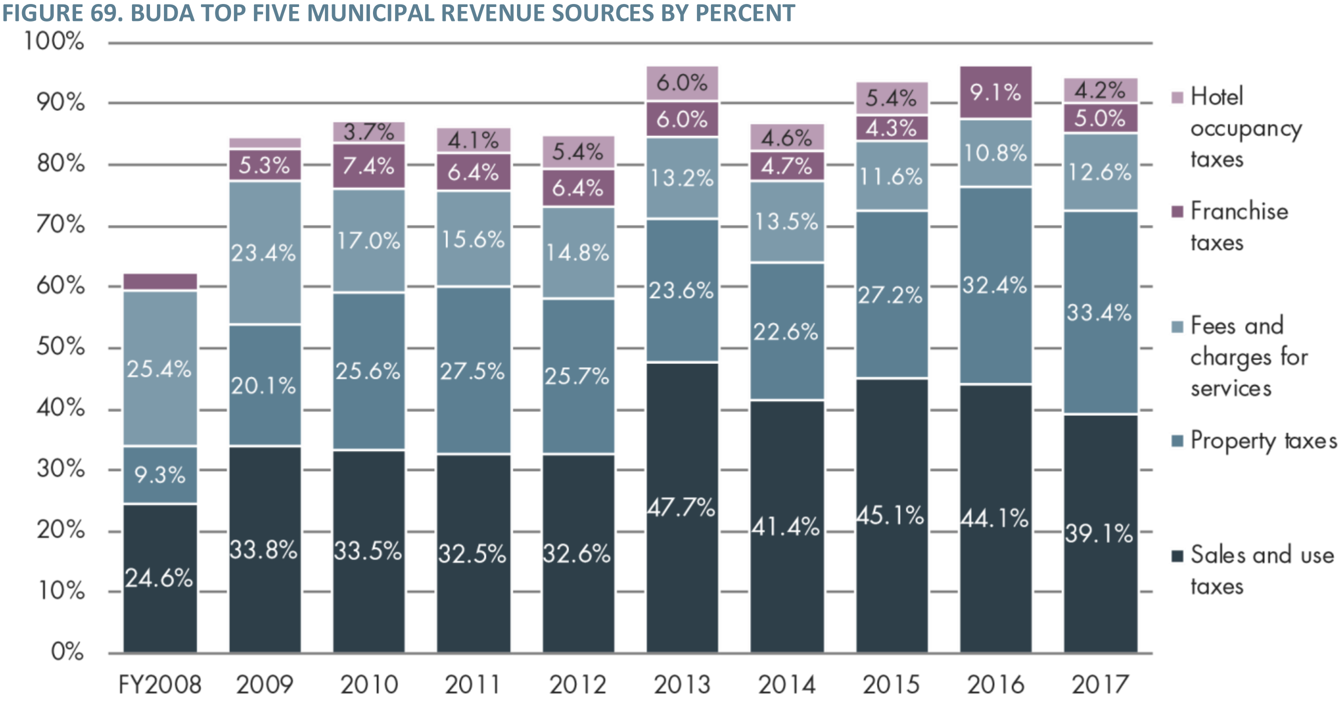


FIGURE 69. BUDA TOP FIVE MUNICIPAL REVENUE SOURCES BY PERCENT



Source: (all figures) Buda Comprehensive Annual Financial Report, FY 2017. Note: Assessed rates are $100 of assessed value.

FIGURE 70. LONG-TERM TRENDS IN BUDA PROPERTY TAX RATES AND PER-CAPITA REVENUES

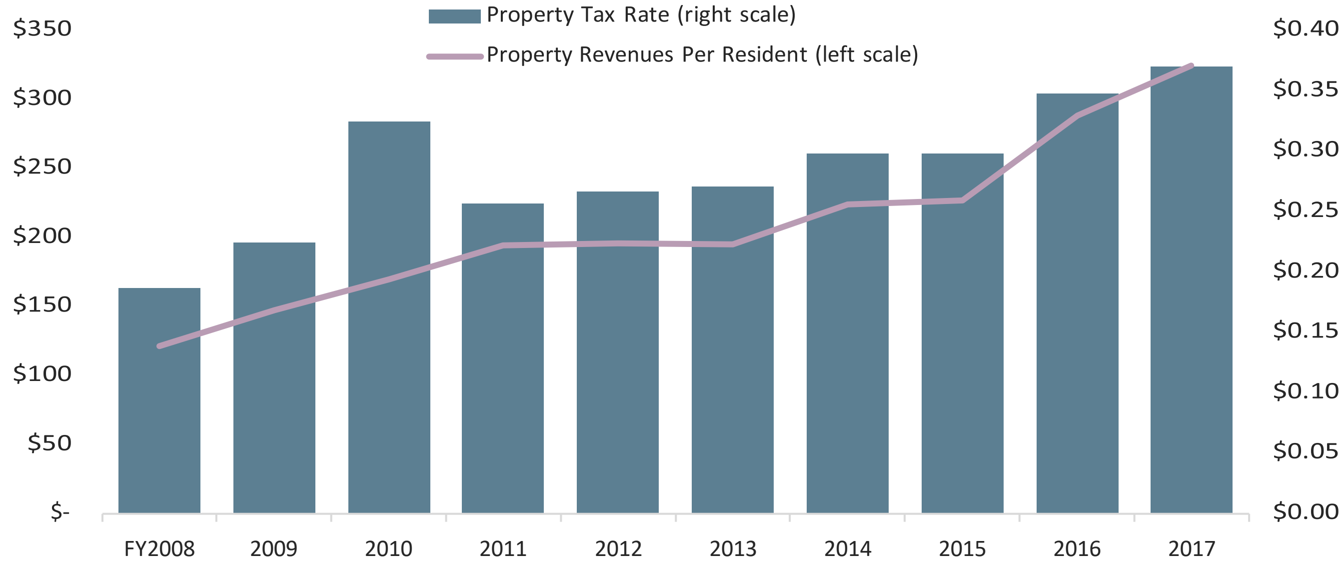
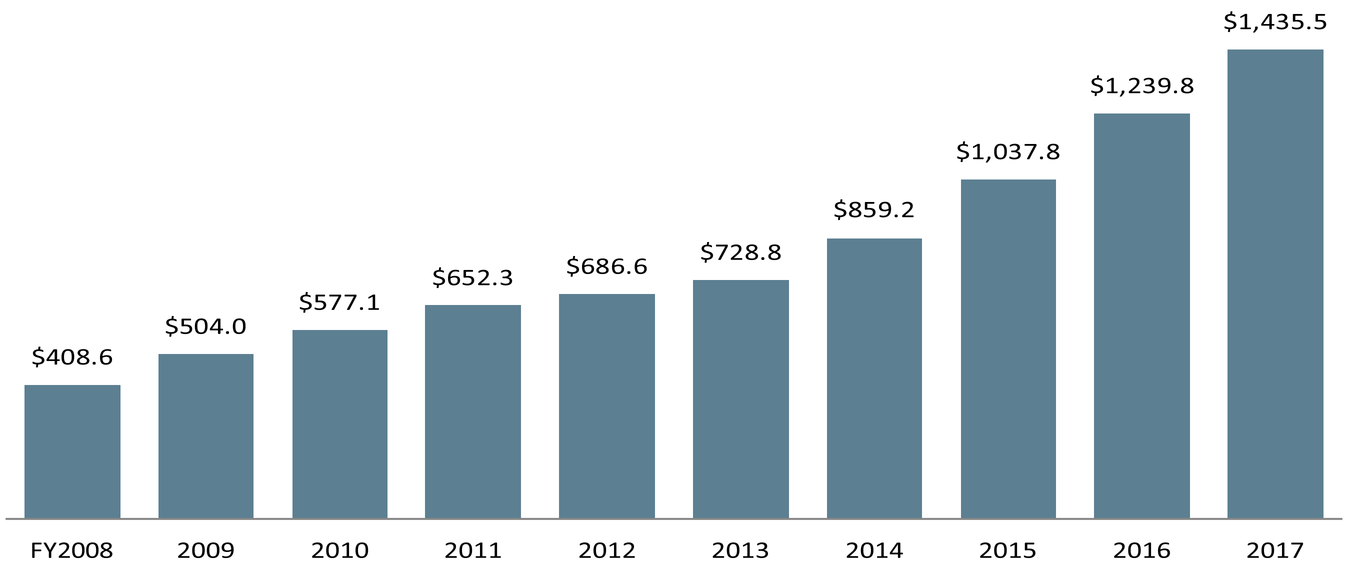


FIGURE 71. ASSESSED VALUE OF TAXABLE PROPERTY IN BUDA IN MILLIONS



Source: (all figures) Buda Comprehensive Annual Financial Report, FY 2017

Note: Assessed rates are $100 of assessed value

FIGURE 72. MAJOR PROPERTY TAXPAYERS IN BUDA, FY2010

	COMPANY	2010 TAXABLE ASSESSED VALUE	% OF ALL TAXABLE ASSESSED VALUE
1	Cabela's Retail TX LP	$20,041,679	3.5%
2	Cabela's Retail TX LP	$14,512,104	2.5%
3	Sam's East Inc.	$13,198,360	2.3%
4	Capital Excavation Inc.	$8,288,945	1.4%
5	Walmart Supercenter #4219	$8,199,106	1.4%
6	H E Butt Grocery Co LP	$7,598,458	1.3%
7	Centex Homes	$4,392,461	0.8%
8	Silverado Buda Department	$4,329,690	0.8%
9	Universal Lodging Inc.	$4,292,420	0.7%
10	Capital City Container	$3,555,636	0.6%
	Top 10 Total	**$88,408,818**	**15.3%**

FIGURE 73. MAJOR PROPERTY TAXPAYERS IN BUDA, FY 2017

	COMPANY	2017 TAXABLE ASSESSED VALUE	% OF ALL TAXABLE ASSESSED VALUE
1	Texas Lehigh Cement Co.	$86,505,563	6.0%
2	MFT - Silverado II LLC	$28,500,000	2.0%
3	Cabela's Retail TX LP	$16,768,047	1.2%
4	BES Carrington Oaks Fund XI LLC	$15,428,911	1.1%
5	Sam's East Inc.	$14,060,010	1.0%
6	Capital Excavation Inc.	$11,081,404	0.8%
7	Cabela's Retail TX LP	$11,021,397	0.8%
8	BES Carrington Oaks Fund X LLC	$10,279,583	0.7%
9	H E Butt Grocery Co LP	$8,353,090	0.6%
10	DS Buda Shop LP	$6,626,070	0.5%
	Top 10 Total	**$208,624,075**	**14.7%**

Source: (all figures) Buda Comprehensive Annual Financial Report, FY 2017.

REAL ESTATE ANALYSIS

FIGURE 74. BUDA BUILDING PERMITS BY TYPE

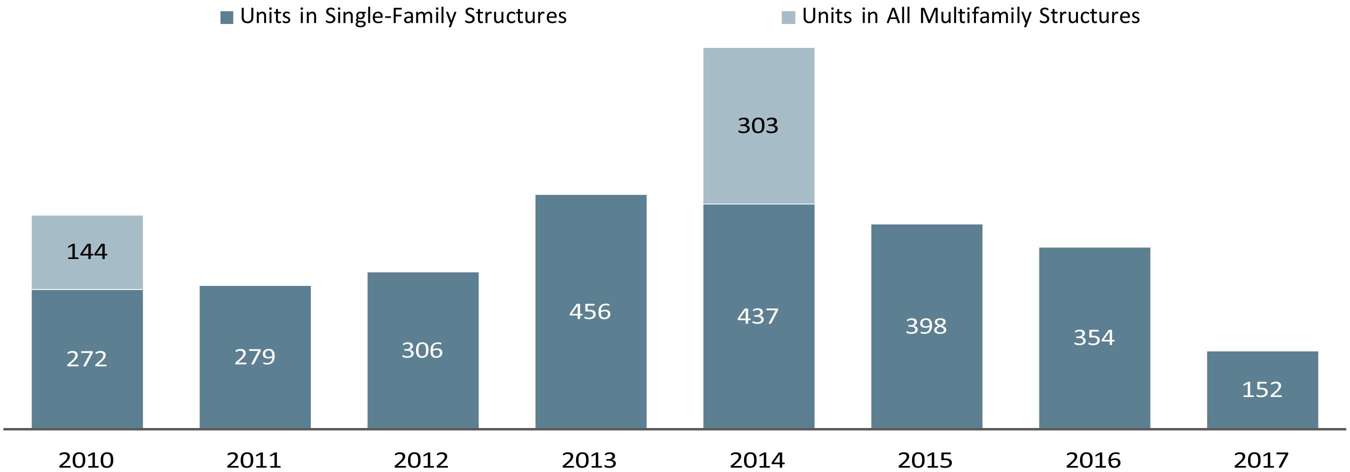
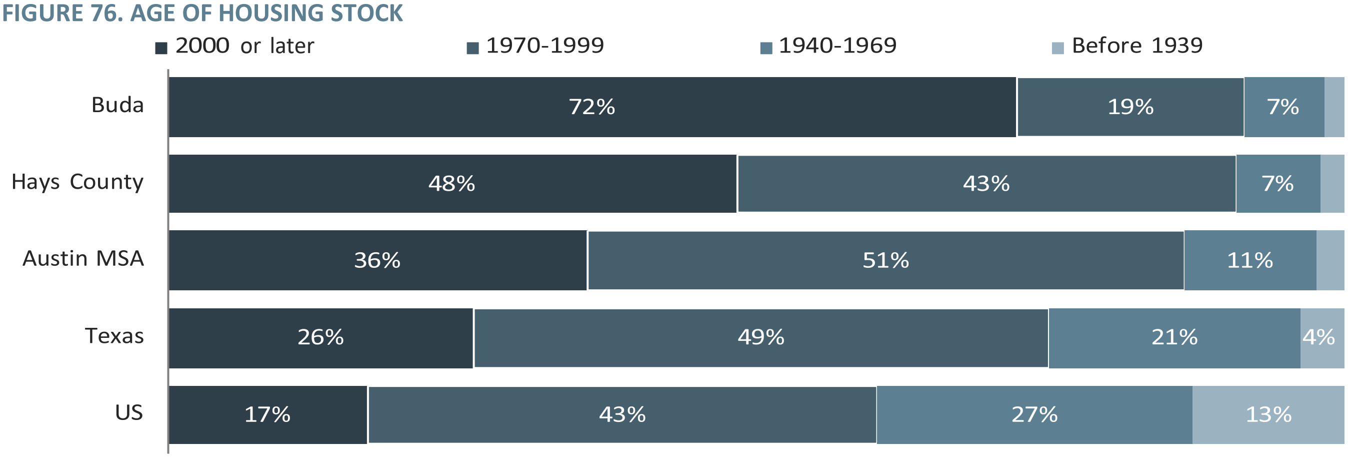


FIGURE 75. HOUSING AFFORDABILITY INDEX
RATIO OF MEDIAN HOME VALUE TO MEDIAN HH INCOME*

FIGURE 76. AGE OF HOUSING STOCK



*Can also be interpreted as the number of years of household income needed to buy a median-priced home.
Sources: (Figure 74) HUD, SOCDS; (Figure 75 and Figure 76) US Census Bureau, American Community Survey, 5-year averages for the period 2012–2016.

FIGURE 77. MAJOR RESIDENTIAL, MEDICAL, AND OFFICE DEVELOPMENTS ALONG I-35 CORRIDOR, ANNOUNCED OR UNDER CONSTRUCTION SINCE JANUARY 2018

Source: Texas A&M Real Estate Center, TIP research.

FIGURE 77. MAJOR RESIDENTIAL, MEDICAL, AND OFFICE DEVELOPMENTS ALONG I-35 CORRIDOR, ANNOUNCED OR UNDER CONSTRUCTION SINCE JANUARY 2018 (CONTINUED)

	CITY	TYPE	DESCRIPTION
1	San Marcos	Medical	71,000-sf senior living facility
2	San Marcos	Medical	26,000-sf medical office building
3	Buda	Medical	Baylor Scott & White $35M full-service hospital
4	Austin	Medical	Baylor Scott & White Austin Medical Center
5	Austin	Medical	60,000-sf medical/office
6	Buda	Medical	20,000-sf Ascension Seton Health Center
7	Buda	Medical	St. David's HealthCare 24/7 Emergency Clinic
8	Kyle	Medical	Assisted living facility, 101 beds
9	Buda	Medical	Assisted living facility, 86 beds
10	San Marcos	Medical	70,000-sf medical/office
11	Austin	Office	100,000-sf office
12	San Marcos	Residential	420-acre residential
13	Seguin	Residential	Arroyo Ranch, 1,000+ homes
14	New Braunfels	Residential	Solms Landing, 98-acre mixed use
15	Dripping Springs	Residential	Blue Blazes Ranch, 35-acre mixed use center
16	Manchaca	Residential	Bear Creek Crossing
17	Austin	Residential	Enclave at Estancia
18	San Marcos	Residential	Trace Texas, 1,000 single-family & 850 multifamily
19	New Braunfels	Residential	Veramendi, 650 homes + Christus Santa Rosa Hospital
20	Buda	Residential	Rutherford Ranch North, 1,254 homes
21	Austin	Residential	Easton Park
22	Buda	Residential	Sunfield
23	Austin	Residential	Goodnight Ranch
24	San Marcos	Residential	Sunset Oaks, 2,227 homes
25	Austin	Residential	Garza Ranch
26	Austin	Office	30,000-sf office
27	Austin	Medical	37,000-sf medical office

Source: NewsTalk Texas via Texas A&M Real Estate Center.

FIGURE 78. AUSTIN'S FASTEST GROWING NEIGHBORHOODS, 2017

	Neighborhood	City	County	Housing Starts
1	Siena	Hutto	Williamson	494
2	Sonterra	Jarrell	Williamson	294
3	Sun City Texas by Del Webb	Georgetown	Williamson	267
4	Avalon	Pflugerville	Travis	263
5	Shadow Creek	Kyle	Hays	256
6	**Sunfield**	**Buda**	**Hays**	254
7	Stonewater	Manor	Travis	240
8	Santa Rita Ranch	Liberty Hill	Williamson	229
9	Teravista	Georgetown	Travis	219
10	Rancho Sienna	Liberty Hill	Williamson	200

FIGURE 79. HOUSING STATISTICS FOR SELECTED MARKETS

City	Units Sold June '18	Median Price June '18	Price Change from June '17
Lockhart	11	$208,200	23.6%
Bastrop	31	$271,000	21.0%
Cedar Park	119	$347,000	11.8%
New Braunfels	113	$262,000	9.2%
Pflugerville	136	$259,638	7.9%
Kyle	68	$219,000	4.8%
Buda	**52**	**$255,875**	**4.1%**
Round Rock	261	$279,900	1.8%
Austin	1,049	$404,000	1.0%
Schertz	52	$215,700	-0.4%
Georgetown	172	$297,382	-7.6%
San Marcos	25	$243,900	-8.0%

FIGURE 80. TOP 10 FASTEST GROWING COUNTIES, 2016–2017

County	% Growth
Falls Church County, VA	5.2%
Comal County, TX	5.1%
Wasatch County, UT	5.0%
Hays County, TX	5.0%
Kendall County, TX	4.9%
Walton County, FL	4.5%
Tooele County, UT	4.4%
Morgan County, UT	4.4%
Lumpkin County, GA	4.3%
Osceola County, FL	4.2%

Sources: (Figure 78) *Austin Business Journal* via Texas A&M Real Estate Center; (Figure 79) Clarus MarketMetrics via Texas A&M Real Estate Center; (Figure 80) US Census Bureau.

Notes: (Figure 78) Information encompasses the five-county Austin area including Travis, Williamson, Hays, Bastrop, and Caldwell Counties. Data track 1 year of activity from 1Q 2017 to 4Q 2017; (Figure 80) Includes counties with population 10,000+.

ORGANIZATIONAL ANALYSIS

FIGURE 81. ECONOMIC DEVELOPMENT STAFF FOR BENCHMARK CITIES

CITY	2017 POPULATION	2018 ECON. DEV. STAFF	STAFF PER 10,000 RESIDENTS
LOCAL ECONOMIC DEVELOPMENT ORGANIZATIONS			
Bastrop EDC	8,802	3	3.41
Buda EDC	**16,163**	**2**	**1.24**
City of Cedar Park EDC	75,704	7	0.92
Georgetown EDC	70,685	4	0.57
City of Kyle Econ. Dev. Dept.	43,480	2	0.46
Lockhart EDC	13,788	4	2.90
New Braunfels EDC	79,152	3	0.38
Pflugerville EDC	63,359	2	0.32
Round Rock Chamber of Commerce	123,678	11	0.89
Schertz EDC	40,092	4	1.00
REGIONAL ECONOMIC DEVELOPMENT ORGANIZATIONS			
Greater Austin Chamber of Commerce	2,115,827	39	0.18
Greater San Marcos Partnership	256,823	8	0.31

Sources: Census Bureau, Population Estimates Program; TIP research.

FIGURE 82. ECONOMIC DEVELOPMENT RESOURCES FOR BENCHMARK CITIES

CITY	2017 POP.	TYPE A/B	FY 18 REVENUES ($MIL)	FY 18 EXPEND. ($MIL)	FY 18 ECON. DEV. ENDING BAL. ($MIL)	ENDING BAL. PER CAPITA
LOCAL ECONOMIC DEVELOPMENT ORGANIZATIONS						
Bastrop EDC	8,802	B	$2.36	$1.42	$0.52	$59.20
Buda EDC	**16,163**	**B**	**$2.05**	**$1.12**	**$2.97**	**$183.62**
City of Cedar Park EDC	75,704	A&B	$13.39	$19.48	$15.95	$210.74
Georgetown EDC	70,685	A&B	$17.36	$15.25	$16.41	$232.16
City of Kyle Econ. Dev. Dept.	43,480	-	-	-	-	-
Lockhart EDC	13,788	B	$2.80	$1.60	$2.62	$190.05
New Braunfels EDC	79,152	B	$6.62	$8.02	$12.46	$157.39
Pflugerville EDC	63,359	B	$4.08	$2.16	$4.93	$77.81
Round Rock Chamber of Commerce	123,678	B	$30.84	$32.03	$0.00	$0.00
Schertz EDC	40,092	B	$3.75	$0.90	$15.07	$375.87

REGIONAL ECONOMIC DEVELOPMENT ORGANIZATIONS						
Greater Austin Chamber of Commerce	2,115,827	-				
Greater San Marcos Partnership	256,823	-				

Sources: Census Bureau, Population Estimates Program; Texas Comptroller of Public Accounts.

FIGURE 83. FUNCTIONAL COMPARISON (MAJOR PROGRAM AREAS)

ORGANIZATION	DATACOLLECTION& PUBLICATION	POLICY&ADVOCACY	TARGETINDUSTRY/BUSI NESSRECRUITMENT	BUSINESSRETENTION& EXPANSION(BRE)	INCENTIVES	SITESELECTION&REL OCATION	INTERNATIONALOUTREA CH	ENTREPRENEURSHIP	SMALLBUSINESSDEVEL OPMENT	TOURISM	PLACEMAKING&DEVELO PMENT	WORKFORCEDEVELOPMEN T	MEMBERSHIP,NETWORKI NG,&EVENTS	
LOCAL ECONOMIC DEVELOPMENT ORGANIZATIONS														
Buda EDC	●		●	●		●		●	●			●	●	8
Bastrop EDC	●		●	●	●	●		●	●			●		8
City of Cedar Park EDC	●			●	●									3
Georgetown EDC	●		●	●		●								4
City of Kyle Econ. Dev. Dept.	●				●				●					3
Lockhart EDC	●			●		●								3
New Braunfels EDC	●		●	●	●	●		●	●				●	8
Pflugerville EDC	●		●	●	●	●						●	●	7
Round Rock Chamber of Commerce	●		●	●	●	●							●	6
Schertz EDC	●		●	●	●	●	●					●		7
REGIONAL ECONOMIC DEVELOPMENT ORGANIZATIONS														
Greater Austin Chamber of Commerce	●	●	●	●	●	●	●	●	●	●	●	●	●	13
Greater San Marcos Partnership	●		●	●				●				●	●	6

Source: TIP research.

APPENDIX 4. TARGET INDUSTRY ANALYSIS

INTRODUCTION

The selection of target industries is traditionally based on a defined set of quantitative factors, such as workforce access, available industrial sites, and industry concentration. The data are a good starting point, but qualitative and strategic considerations are just as important.

Target industries are a reflection of which industries are important to a local or regional economy, now and in the future. The identification of target industries matters less than what a community does to actually "target" an industry. Specific strategies to grow Buda's local economy through marketing and recruitment initiatives, incentives, and policies to support growth are detailed in the Strategic Plan. However, strategies should not be applied in a haphazard manner. A successful target industry recruitment initiative must begin with a solid framework that employs quantitative, qualitative, and strategic methods to identify a narrow set of industries that represent the most promising opportunities for new investment and job growth.

THE TARGETING APPROACH

QUANTITATIVE
What do the data tell us?

QUALITATIVE
What have we learned about Buda's assets and challenges?

STRATEGIC
What larger trends and relationships will influence opportunities going forward?

In identifying target sectors, the TIP Strategies team examined detailed data to identify which industries are well-established in the Austin metro area, how they performed in recent years, and how they are expected to perform in the near term. For this analysis, TIP looked at factors including strategic assets, existing initiatives, critical mass, competitive advantage, growth prospects, and cross-sector synergies. In the first phase of this project—the economic assessment—TIP reviewed employment, using standard NAICS industry classifications. For the targeting analysis, the team took this a step further by filtering employment within an industry "cluster" framework developed by the US Economic Development Administration in conjunction with the Institute for Strategy and Competitiveness at Harvard Business School. In addition, an analysis of capital investments relies on categories defined by fDi Markets, an operating subsidiary of the *Financial Times*. Next, the analysis of entrepreneurial investment relies on categories of venture capital investment defined by PricewaterhouseCoopers.

FIGURE 84. THE TARGETING PROCESS

Source: TIP Strategies.

FIGURE 85. BUDA STRATEGIC ASSETS

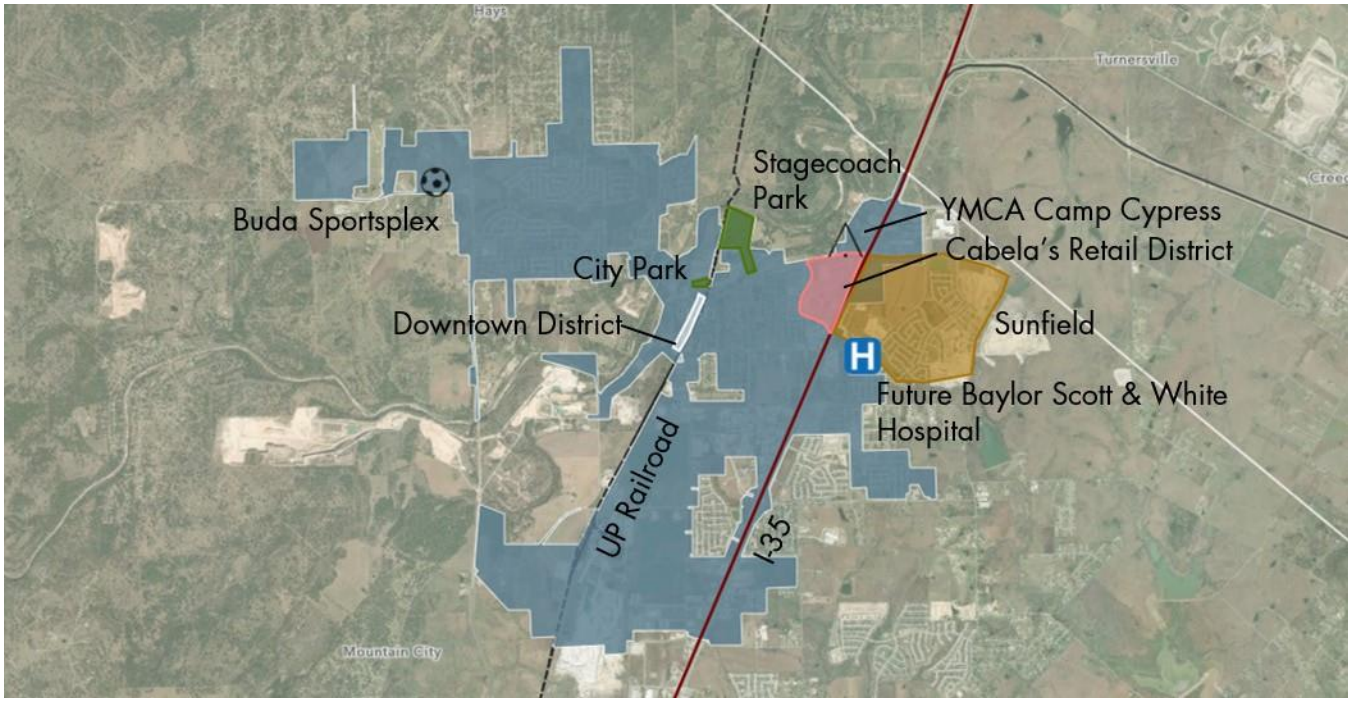
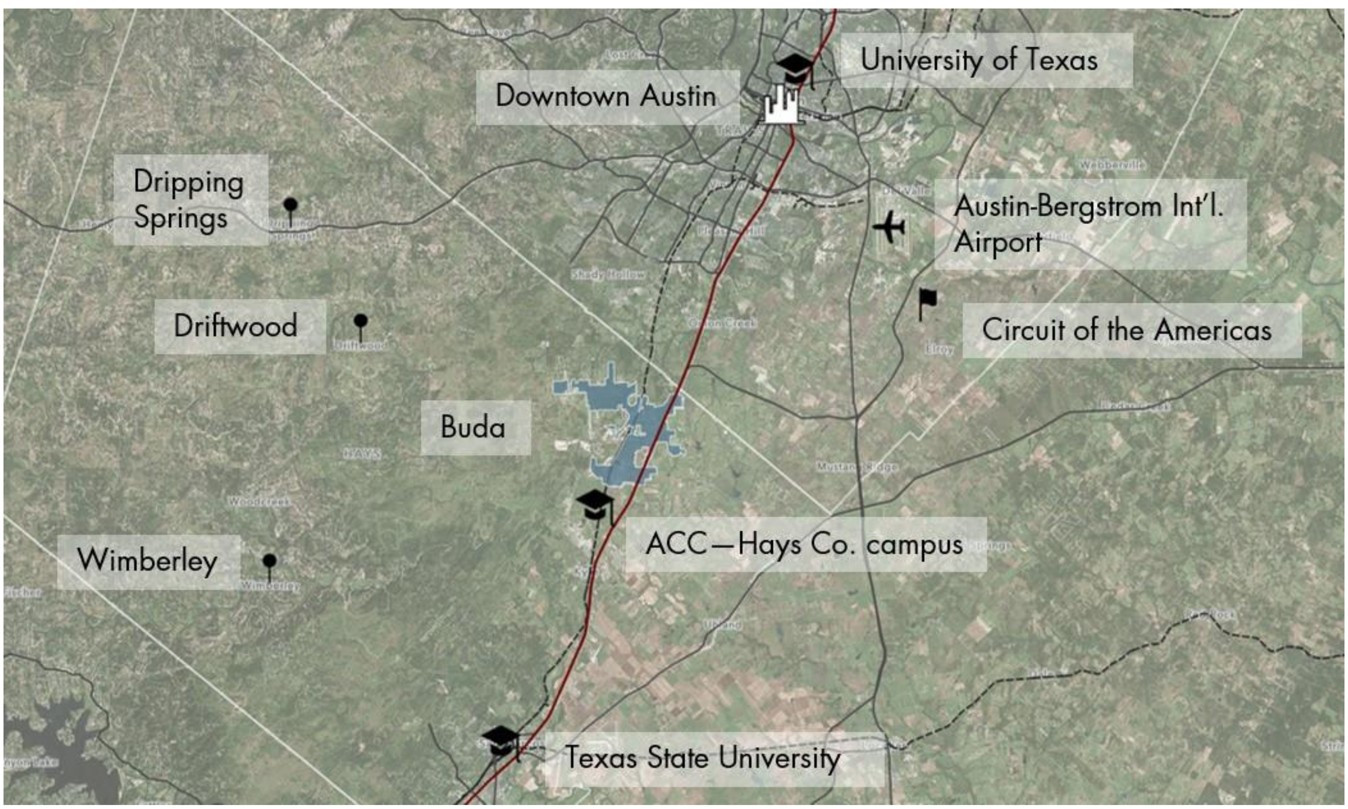


FIGURE 86. REGIONAL ASSETS



Sources: TIP Strategies, Esri ArcGIS.

FIGURE 87. EMPLOYMENT CLUSTERS: TRADED VS. LOCAL

LOCAL CLUSTERS

- Primarily serve local markets.
- Present in virtually every market.
- Location is not dependent on competitive advantage.

TRADED CLUSTERS

- Serve outside markets.
- Free to choose where they locate.
- Tend to be highly concentrated in a few regions that have specific advantage.

WHY IT MATTERS

Increasing the ratio of traded-to-local clusters is a common strategy for enhancing economic prosperity. Traded clusters are emphasized by economic developers because they include industries and firms that typically produce goods and services for customers beyond the local region. These traded activities are thus more likely to produce externally generated revenues, which can, in turn, help boost local tax coffers. As an example, a dentist office might serve local customers exclusively, while a manufacturing plant, a data center, or a hotel would typically serve paying customers beyond the local area. The ability of traded clusters to serve larger markets also presents greater opportunity for employment growth, whereas a dentist office might face more finite geographic limits to expansion.

The growth of traded clusters is important for local economic development, even if these companies do not employ local residents or provide services desired by local residents. Because traded clusters bring in external revenue from outside the local economy, they contribute positively to the local tax base. A local tax base that is supported by external spending helps keep local property taxes low, while helping to maintain and enhance the level of municipal services.

Sources: US Bureau of Labor Statistics; Emsi 2018.1–QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.
Note: The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi.

The following section (pages 86–96) includes a quantitative analysis of industry-specific employment patterns, hiring trends, and major investments in the Austin metro area. TIP focused the analysis of industry trends primarily on the five-county Austin metro area instead of more narrowly focusing on Buda or Hays County. This helps provide a relevant context for understanding the growth opportunities in the larger region surrounding Buda. A solid foundation of knowledge about the regional economy is a necessary starting point for uncovering the most promising sectors for investment and job growth in Buda.

FIGURE 88. EMPLOYMENT CLUSTERS—WEIGHT (SIZE AND CONCENTRATION) TRADED CLUSTERS EMPLOYING THE MOST WORKERS LOCALLY IN 2017

LOCATION QUOTIENTS

BELOW AVG ➡ ⬅ ABOVE AVG

	US	AUSTIN MSA	
	% of national employment	*% of local employment*	*LQ*
Business Services	5.9%	8.4%	1.42
Education & Knowledge Creation	4.2%	4.4%	1.05
Distribution & E-commerce	3.7%	4.4%	1.17
IT & Analytical Instruments	0.8%	2.8%	3.65
Hospitality & Tourism	2.1%	1.8%	0.88
Marketing, Design, & Publishing	1.1%	1.6%	1.51
Financial Services	1.3%	1.6%	1.21
Federal Government (civilian)	1.4%	0.9%	0.64
Construction Products & Services	0.6%	0.7%	1.15
Insurance Services	0.9%	0.7%	0.77
Performing Arts	0.4%	0.5%	1.37
Transport. & Logistics	1.3%	0.5%	0.40
Federal Government (military)	1.2%	0.4%	0.33
Food Processing & Mfg.	0.7%	0.3%	0.47
Oil & Gas Production & Transport.	0.4%	0.3%	0.79
OTHER TRADED CLUSTERS	7.8%	2.9%	
ALL LOCAL CLUSTERS	66.2%	67.7%	
Total	**100.0%**	**100.0%**	

WHY IT MATTERS

While local clusters (such as dentist offices) typically account for a similar share of employment across communities of varying size, the share of total employment represented by traded clusters (such as automotive assembly plants) might differ dramatically from one community to the next. Traded clusters that account for a larger-than-average share of total employment can suggest areas of competitive advantage. This figure compares the distribution of employment by cluster in the US (first column) with the local area (second column). The third column uses location quotients (LQs) to convey the intensity of employment locally relative to the US. If a traded cluster represents 1 percent of US employment and 5 percent of local employment, its LQ would be 5.0, meaning that the traded cluster in the local area is five times as large as would be expected based on national patterns.

Sources: US Bureau of Labor Statistics; Emsi 2018.1–QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.
Notes: MSA = metropolitan statistical area. The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi.

FIGURE 89. EMPLOYMENT CLUSTERS—PROJECTED GROWTH

TRADED CLUSTERS WITH PROJECTED LOCAL JOB GAINS OF 25 OR MORE, 2017–2022

	US	AUSTIN MSA	
	5-year % change in national employment	*5-year % change in local employment*	*net gain*
Business Services	10.4%	22.8%	+20,726
Distribution & E-commerce	7.6%	10.3%	+4,875
Financial Services	6.3%	22.2%	+3,865
Hospitality & Tourism	6.8%	18.7%	+3,702
Marketing, Design, & Publishing	8.1%	20.3%	+3,590
Construction Products & Services	12.9%	29.1%	+2,082
Performing Arts	6.4%	17.9%	+1,063
IT & Analytical Instruments	4.0%	3.0%	+908
Transport. & Logistics	4.5%	16.0%	+890
Food Processing & Mfg.	6.9%	20.4%	+737
Education & Knowledge Creation	7.4%	1.5%	+724
Video Production & Distribution	12.2%	25.2%	+688
Federal Government (military)	1.0%	10.8%	+487
Oil & Gas Production & Transport.	1.7%	12.7%	+422
Federal Government (civilian)	-0.8%	3.7%	+364
Plastics	0.1%	16.8%	+251
Agricultural Inputs & Services	1.9%	12.1%	+249
Furniture	-0.3%	11.6%	+241
ALL TRADED CLUSTERS	5.5%	13.3%	+46,407
ALL LOCAL CLUSTERS	6.1%	13.8%	+101,044
Total	**5.9%**	**13.6%**	

WHY IT MATTERS
Understanding anticipated job growth in traded clusters is an essential element of the targeting process. This figure compares projected net job gains in percentage terms over a 5-year horizon for the US (first column) and the local area (second column). The column on the far right shows projections (in numeric terms) for local net job gains in traded clusters in descending order. The last three rows of the figure—showing projected job growth aggregated for traded clusters, local clusters, and total employment—can help inform strategic discussions and refine goals for the future.

Sources: US Bureau of Labor Statistics; Emsi 2018.1–QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.
Note: The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi.

FIGURE 90. TALENT DEMAND INDICATORS
ANALYSIS OF UNIQUE LOCAL JOB POSTINGS DURING CALENDAR YEAR 2017

INTENSITY OF JOB POSTINGS RELATIVE TO US

BELOW AVG ➡ ⬅ ABOVE AVG

HIGH-DEMAND LOCAL OCCUPATIONS	*location quotient*	HIGH-DEMAND LOCAL SKILLS	*location quotient*
Software Developers, Applications	2.40	Bilingual Spanish	5.79
Web Developers	2.13	Microsoft Office	3.20
Computer Occupations, All Other	1.93	Software As A Service	2.92
Network & Computer Systems Administrators	1.70	Scrum Agile Methodology	2.58
Sales Reps., Wholesale & Mfg., Technical & Sci. Products	1.67	Python	2.49
Management Analysts	1.62	Javascript	2.41
Sales Representatives, Services, All Other	1.58	Agile Software Development	2.29
Marketing Managers	1.57	Web Services	2.28
Computer Systems Analysts	1.57	Linux	2.28
Sales Managers	1.46	Java	2.25
Computer User Support Specialists	1.40	Hypertext Markup Language	2.07
Registered Nurses	1.30	Salesforce CRM SFDC	2.06
First-Line Supervisors of Office & Admin. Support Workers	1.21	Systems Development Life Cycle	2.05
Customer Service Representatives	1.18	Structured Query Language	1.73
Maintenance & Repair Workers, General	1.08	Customer Relationship Management	1.58
Accountants & Auditors	1.04	Quality Control	1.44
First-Line Supervisors of Retail Sales Workers	0.99	Technical Support	1.44

First-Line Supervisors of Food Prep. & Serving Workers	0.98	Quality Assurance	1.29
Retail Salespersons	0.88	Pediatrics	1.21
Heavy & Tractor-Trailer Truck Drivers	0.13	Preventive Maintenance	1.05

WHY IT MATTERS

An analysis of job postings can help reframe our understanding of the local job market from the employer's perspective rather than simply through the lens of government statistics. This back-of-the-envelope analysis uses job postings from the prior calendar year to identify the most sought-out occupations (first column) and the most frequently occurring words and phrases (second column). LQs are used to approximate the local intensity of recruiting efforts and illustrate employer demand for specific "hard skills." A help wanted ad that appears locally at 5 times the relative rate as the US would have an LQ of 5.0; likewise, a specific skill that appears more frequently in local postings than the national average would have an LQ greater than 1.0, suggesting higher demand in the local market. The results should prompt strategic questions about the alignment of the region's talent pipeline with the needs of employers and with target (traded) clusters.

Source: CEB Talent Neuron.

FIGURE 91. INBOUND FIXED CAPITAL INVESTMENT

FOREIGN AND OUT-OF-STATE INVESTMENT 2008–2017

LOCATION QUOTIENTS

BELOW AVG ➡ ⬅ ABOVE AVG

	US: *% of national inbound investment*	AUSTIN MSA: *% of local inbound investment*	*LQ*
Semiconductors	2.5%	43.7%	17.35
Real Estate	7.3%	13.6%	1.88
Software & IT services	5.2%	8.3%	1.59
Communications	7.4%	5.0%	0.67
Hotels & Tourism	2.3%	4.8%	2.09
Business Services	2.8%	4.3%	1.55
Alternative/Renewable energy	8.8%	4.0%	0.46
Financial Services	3.6%	3.3%	0.92
Business Machines & Equipment	0.3%	2.5%	9.95
Healthcare	0.9%	1.5%	1.63
Other Sectors	59.0%	9.0%	

Total	100.0%	100.0%

WHY IT MATTERS

Industry analysis often focuses heavily, sometimes exclusively, on employment patterns. For a fuller understanding of local industry trends, a review of capital investment flows is useful. This figure compares the distribution (in percentage terms) of inbound investment by industry at the national and local levels. The first column shows cross-state and foreign investment in the US. The second column shows inbound investment into the local area from companies based out-of-state (including foreign investment), sorted in descending order. The column on the far right uses LQs to convey the intensity of capital investment in these sectors locally relative to the US. While the cluster definitions differ slightly from the EDA framework, the concepts are similar.

Sources: fDi Markets, TIP Strategies.

FIGURE 92. LEADING LOCAL JOB RECRUITERS IN TRADED SECTORS OF THE ECONOMY

ANALYSIS OF UNIQUE JOB POSTINGS IN BUDA AND AUSTIN MSA DURING CALENDAR YEAR 2017

BUDA

RECRUITER	# OF JOB POSTINGS
Cabela's Inc.	136
Tuff Shed Inc.	57
Sunstate Equipment	39
Builders FirstSource	35
AHI Supply	32
Austin Recovery Family House	31
Hersha Hospitality	29

AUSTIN

RECRUITER	# OF JOB POSTINGS
HCA—The Healthcare Company	6,829
Dell	5,791
Ascension Health	4,946
The University of Texas System	3,711
IBM	3,047
City of Austin, Texas	2,980
Oracle	2,544

H-E-B	29
Best Version Media	28
Stripes Convenience Stores	27
Instacart	23
Rush Enterprises, Inc.	21
Texas Disposal Systems	21
The Dollar General	20
Comfort Suites Buda-Austin South	18
Commercial Metals Company	18
Cracker Barrel	17
Chili’s	17
Hersha Hospitality Management (HHM)	16
Susser Holdings	15
Altitude Business Group	14
Brinker International	14
Pizza Hut	13
Celadon	13
McDonald's Corporation	12

Accenture	2,206
Goodwill Industries	2,184
Spectrum	2,072
Austin Independent School District	2,023
Deloitte	1,910
Seton Health	1,893
Baylor Health Care System	1,749
Texas Dept. of Health Services	1,699
Austin Medical Center	1,630
Apple Inc.	1,579
Omni Hotels	1,450
Virtual Computing Environment Company LLC	1,421
Baylor Scott & White Health	1,309
H-E-B	1,280
Health One	1,276
Compass Group	1,245
US Army	1,224
Greensheet	1,102

Source: CEB TalentNeuron.

FIGURE 93. ENTREPRENEURIAL INVESTMENT

LEADING VENTURE EQUITY RECIPIENTS IN AUSTIN MSA DURING THE 2008–2017 PERIOD

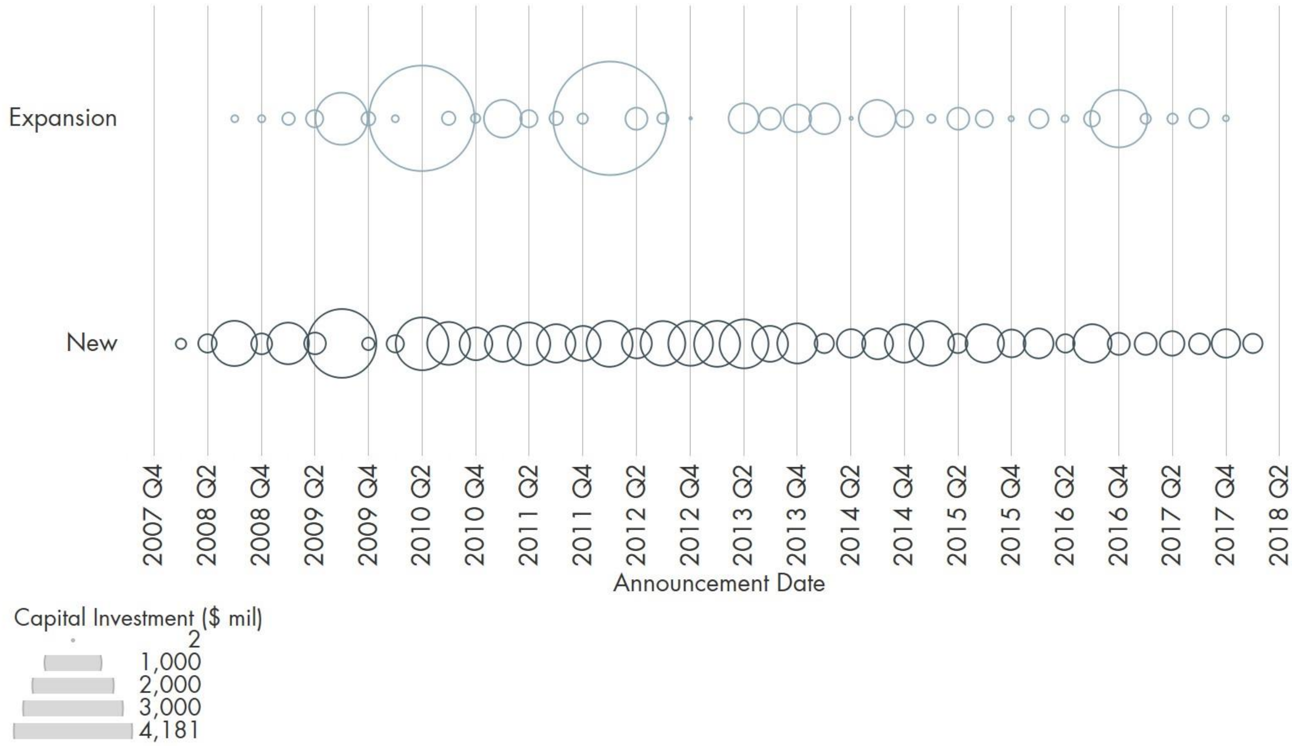
COMPANY	VC* (In millions)	DESCRIPTION
Mozido	$307.2	Mozido is a global provider of digital commerce and payment solutions for both unbanked and developed markets.
HomeAway	$258.3	HomeAway offers a platform where travelers can book vacation homes, and rental owners can advertise and manage bookings.
Pivot3	$206.0	Pivot3 is the world's leading provider of dynamic hyperconverged solutions.
BigCommerce	$155.0	BigCommerce is a SaaS provider for merchants running online businesses.
Snap Kitchen	$154.2	Snap Kitchen is dedicated to bringing customers flavorful, handcrafted food.
RetailMeNot	$149.5	RetailMeNot is a marketplace for online coupons and deals that operates a portfolio of coupon and deal websites.
Spredfast	$138.1	Spredfast gives marketers solutions to manage their brands and connect with consumers in an increasingly social world.
Apollo Endosurgery	$113.3	Apollo Endosurgery develops medical devices for the diagnosis and treatment of gastrointestinal diseases.
SolarBridge Technologies	$101.0	SolarBridge Technologies commercializes power electronics technologies created at the University of Illinois.
Spiceworks	$98.0	Spiceworks is the professional network for the IT industry.
GreenRoad Technologies	$96.0	GreenRoad is delivering the backbone for the future of vehicle safety in the new era of intelligent mobility.
Fallbrook Technologies	$94.5	Fallbrook Technologies develops and manufactures the NuVinci CVP transmission technology and related products.
Xeris Pharmaceuticals	$85.5	Xeris Pharmaceuticals develops patient-friendly injectables for indications in diabetes, epilepsy, and immunology.
Kinnser Software	$79.9	Kinnser Software develops and distributes Web-based software and support solutions for the home health industry.
Phunware, Inc.	$79.7	Phunware is a multiscreen platform and solution provider.
GFI Software	$78.0	GFI Software develops solutions that enable IT administrators to efficiently discover, manage, and secure their business networks.
Mirna Therapeutics	$77.8	Mirna Therapeutics researches and develops miRNA-directed human oncology therapies.
Illumitex	$74.5	Illumitex manufactures precision LEDs, LED lights, and LED grow lights.
Civitas Learning	$63.9	Civitas is making the most of the world's learning data to graduate a million more students per year, by 2025.
The Zebra	$63.0	The Zebra is an auto insurance comparison marketplace, enabling users to find the right coverage at the best price.

*VC = cumulative venture capital.
Sources: PricewaterhouseCoopers, Crunchbase, TIP Strategies.

FIGURE 94. OUT-OF-STATE DIRECT INVESTMENT IN THE CENTRAL TEXAS I-35 CORRIDOR* DIRECT INVESTMENT BY DESTINATION CITY SINCE 2008

*The Central Texas I-35 corridor includes five counties: Travis, Hays, Comal, Guadalupe, and Bexar.
Sources: fDi Markets, TIP Strategies.
Note: Does not include direct investments by companies headquartered in Texas.

FIGURE 95. OUT-OF-STATE DIRECT INVESTMENT IN THE CENTRAL TEXAS I-35 CORRIDOR* DIRECT INVESTMENT BY TYPE OF FACILITY SINCE 2008

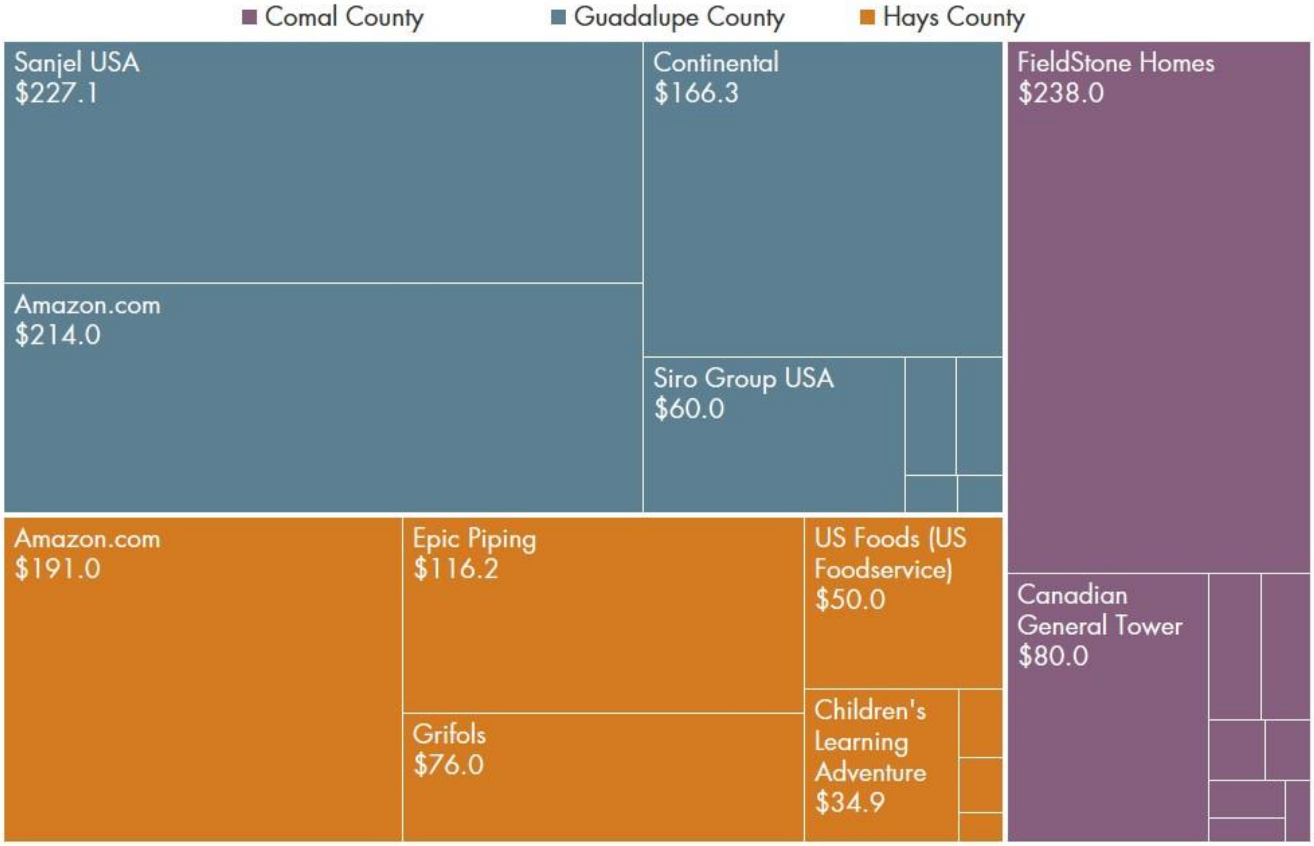


*The Central Texas I-35 corridor includes five counties: Travis, Hays, Comal, Guadalupe, and Bexar.

Sources: fDi Markets, TIP Strategies.

Note: Does not include direct investments by companies headquartered in Texas.

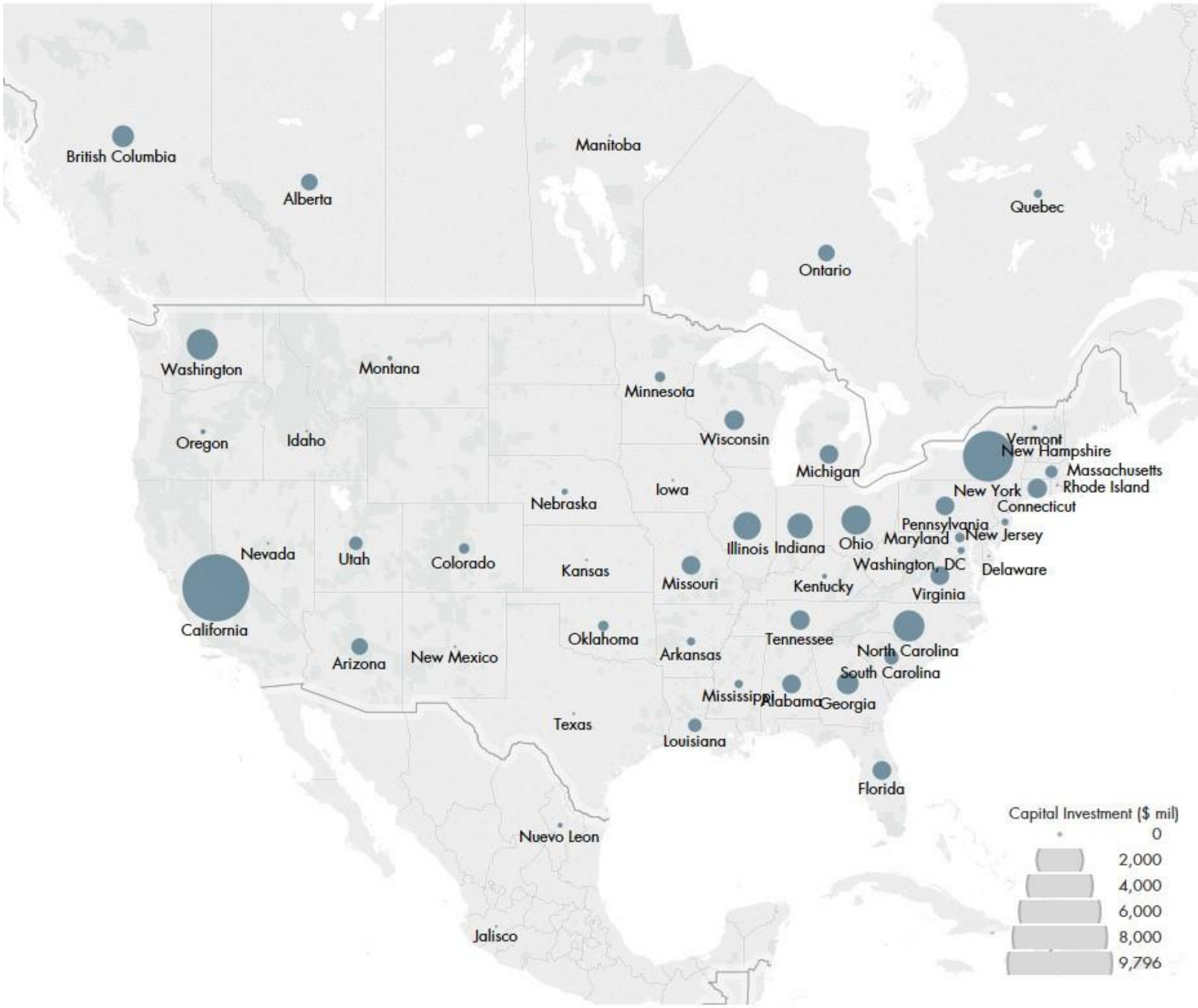
FIGURE 96. OUT-OF-STATE DIRECT INVESTMENT IN THE CENTRAL TEXAS I-35 CORRIDOR* DIRECT INVESTMENT BY COMPANY SINCE 2008



*The Central Texas I-35 corridor includes three counties: Hays, Comal, and Guadalupe. Sources: fDi Markets, TIP Strategies.

Notes: Does not include direct investments by companies headquartered in Texas. For cases where capital investment and job creation were not provided at the time of the announcement, the values shown might be estimated based on similar projects. Travis and Bexar Counties excluded for clarity.

FIGURE 97. OUT-OF-STATE DIRECT INVESTMENT IN THE CENTRAL TEXAS I-35 CORRIDOR* DIRECT INVESTMENT BY COMPANY SINCE 2008



*The Central Texas I-35 corridor includes three counties: Hays, Comal, and Guadalupe. Sources: fDi Markets, TIP Strategies.

Note: Does not include direct investments by companies headquartered in Texas. For cases where capital investment and job creation were not provided at the time of the announcement, the values shown might be estimated based on similar projects. Travis and Bexar Counties excluded for clarity. Not shown: Alaska ($3 million).

FIGURE 98. OUT-OF-STATE DIRECT INVESTMENT BY COMPANY IN HAYS COUNTY, SINCE 2008

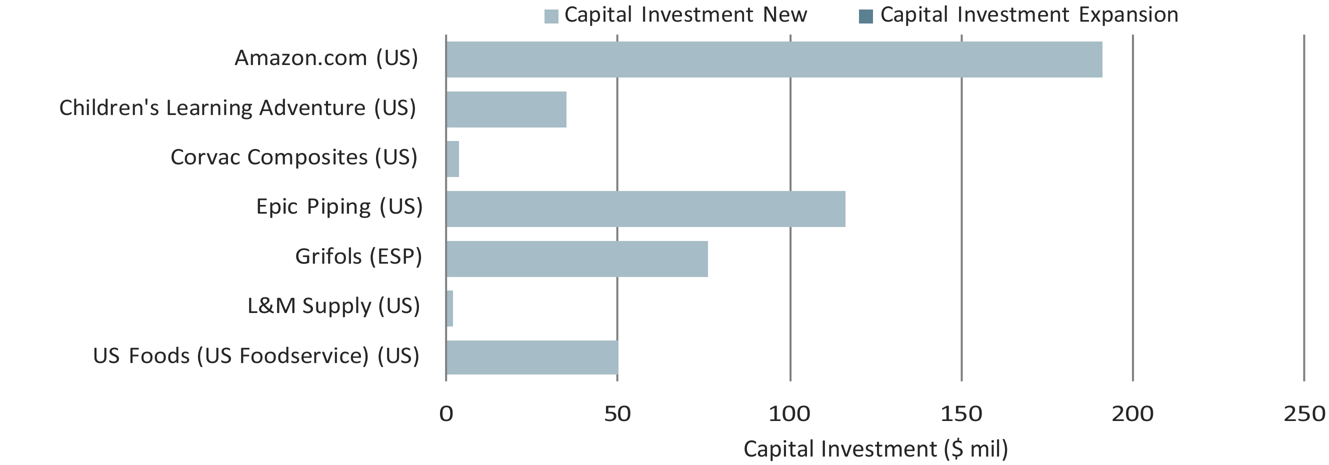


FIGURE 99. OUT-OF-STATE DIRECT INVESTMENT BY COMPANY IN GUADALUPE COUNTY, SINCE 2008

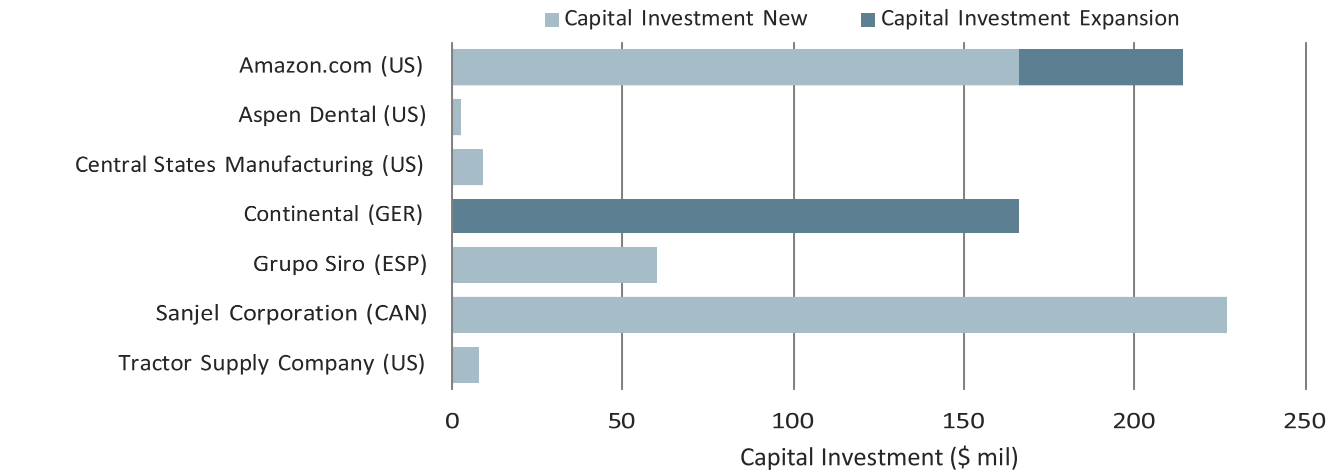
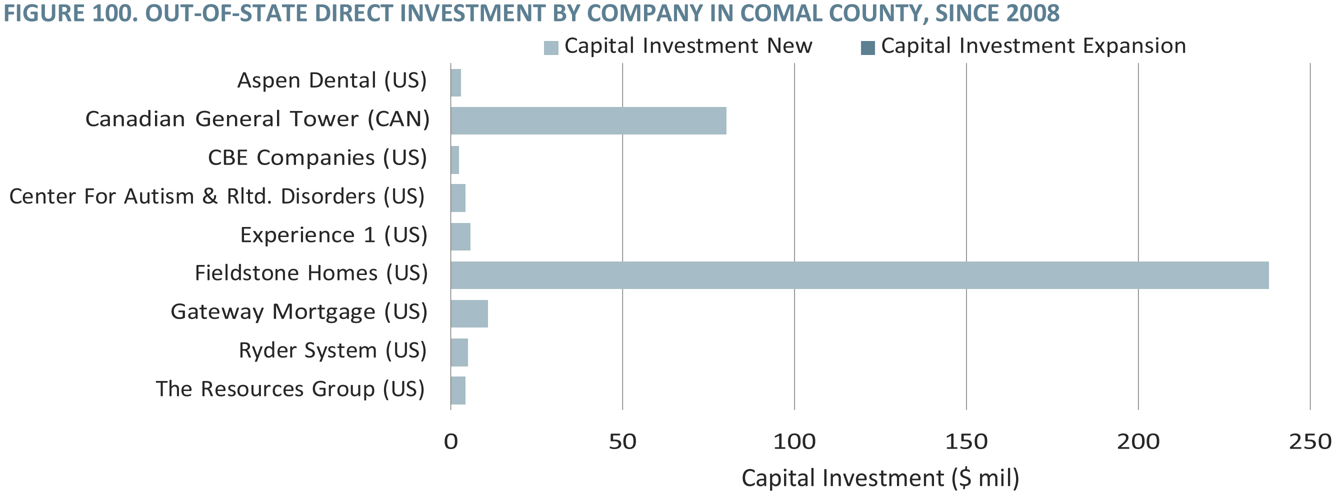


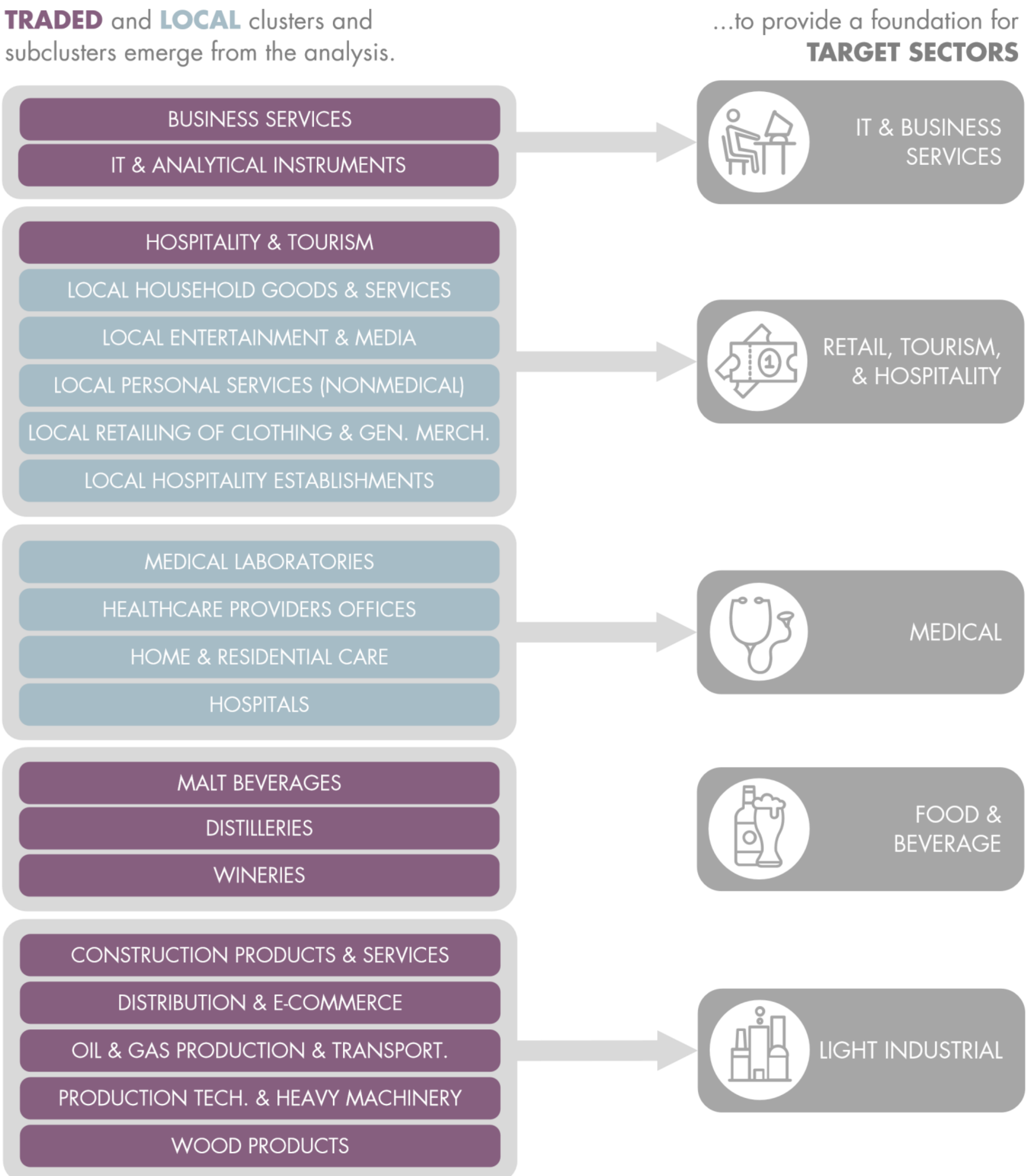
FIGURE 100. OUT-OF-STATE DIRECT INVESTMENT BY COMPANY IN COMAL COUNTY, SINCE 2008



*The Central Texas I-35 corridor includes three counties: Hays, Comal, and Guadalupe. Sources: fDi Markets, TIP Strategies.

Notes: Does not include direct investments by companies headquartered in Texas. For cases where capital investment and job creation were not provided at the time of the announcement, the values shown might be estimated based on similar projects. Travis and Bexar Counties excluded for clarity.

FIGURE 101. TARGETING FRAMEWORK



Sources: US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.

Buda’s 2013 economic development strategic plan identified four target industries for the community to focus its marketing and business development efforts.

- Hospitality and tourism
- Office space
- Retail and entertainment
- Light industrial

While the original targets are a good starting point for discussion, TIP’s target industry recommendations for Buda are based on a more in-depth analysis of the factors influencing growth opportunities in the City of Buda and the surrounding Austin and San Antonio region. This target industry analysis provides an in-depth understanding of Buda’s best opportunities for business growth, using a three-pronged quantitative, qualitative, and strategic approach.

Using TIP’s three-phase targeting framework, a set of target industries has been identified for new business creation, expansion, relocation, and recruitment in Buda over the next 10 years. The recommended target industries for Buda include the following.

- Light industrial
- Retail, tourism, and hospitality
- Medical
- Food and beverage
- IT and business services

Each of these targets are described in further detail on the following pages. For each target, there is a discussion of the opportunities for business recruitment and investment within the sector, supported by a combination of qualitative and quantitative information. In addition, there is a summary of the market opportunities (regional/national trends and strategic considerations affecting future growth in the industry) and Buda’s advantages (local assets and strengths that position the City for growth) for each target industry.

IT AND BUSINESS SERVICES

Austin is no longer a small outpost in the tech and corporate world. The metro area has emerged as one of the premier technology hubs in the US. Two decades ago, a reliance on tech companies for economic growth was widely viewed as a risk. The dot-com bubble and subsequent bust in the late 1990s and early 2000s supported this view, with significant job losses in tech hubs like Austin and Silicon Valley. However, the US economy has changed in important ways over the last 15 years. Tech is no longer an isolated industry. IT and software are critical underpinnings for virtually all industries. During the recent Great Recession, Austin and Silicon Valley lost fewer jobs than during the previous recession, despite much steeper job losses throughout the US as a whole. The stronger economic performance of tech hubs in comparison with other metro areas during and after the recent recession is an indication of the increasing role that innovation and technologically skilled workers now play in the success of the overall economy.

The Austin metro area is home to 93 companies listed on the Inc. 5000, a national ranking of the fastest-growing private companies. The ranking is similar to the Fortune 500 (which ranks corporations based on annual revenue) with two distinctions: (1) it ranks firms by year-over-year revenue growth; and (2) it only includes privately held firms, not publicly held corporations. These companies span a broad range of industries from software to food and beverages, but the majority can be defined as "tech companies" given their focus on technology solutions and innovations. Of the 93 Austin area Inc. 5000 firms, 81 are located in Austin and the remaining 12 firms are in suburban communities surrounding Austin. Only two are located in Hays County, both in Dripping Springs. Nearly 75 percent of these firms are less than a dozen years old, making them an easier target for expansion compared to companies with long-standing roots in their home base.

Given Buda's central location in the Austin metro area, the community is well-positioned to capitalize on the region's growing IT and business services cluster. A promising recent trend of the Austin area shows tech companies establishing dual offices in downtown Austin and in the region's "second downtown" centered on The Domain development in far North Austin (Indeed, HomeAway, Facebook). This is a sign that IT and business services firms are spreading their footprints to better access the region's workforce. Another opportunity is the relocation of the state of Texas office complexes to privately owned office campuses in Buda, away from expensive central Austin real estate.

MARKET OPPORTUNITIES	BUDA'S ADVANTAGES
• High concentrations of employment in IT and analytical instruments (LQ of 3.65) and business services (1.42) in Austin metro area • Projected job growth of 18 percent in IT and business services in Austin metro area over next 5 years • 93 Inc. 5000 firms based in Austin metro area (none in Buda and two in Hays County) • Long-term potential for a regional corporate and tech hub at the I-35 and SH 45 interchange • State of Texas offices located in expensive urban core locations could relocate to Buda	• Relatively affordable real estate compared to central Austin • Access to Austin-Bergstrom International Airport • Access to a large, rapidly growing skilled workforce within a 45-minute drive time of Buda • Texas State University's ongoing investments in new science, technology, engineering, and math (STEM) programs and its recent designation as an emerging research university

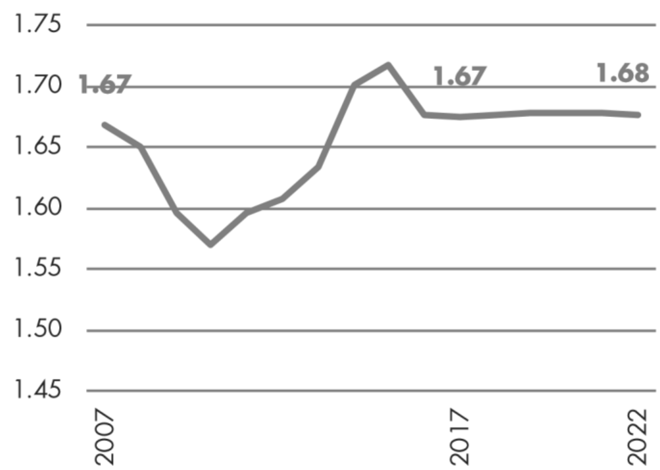
FIGURE 102. TARGET SNAPSHOT

MARATHON COUNTY	TOTAL	TARGET
2017 Payrolled Business Locations	57,045	7,463
2017 Employment	1,082,263	121,399
Net Chg., 2007-2017	+237,918	+35,919
Pct. Chg., 2007-2017	+28.2%	+42.0%

FIGURE 103. EMPLOYMENT OUTLOOK

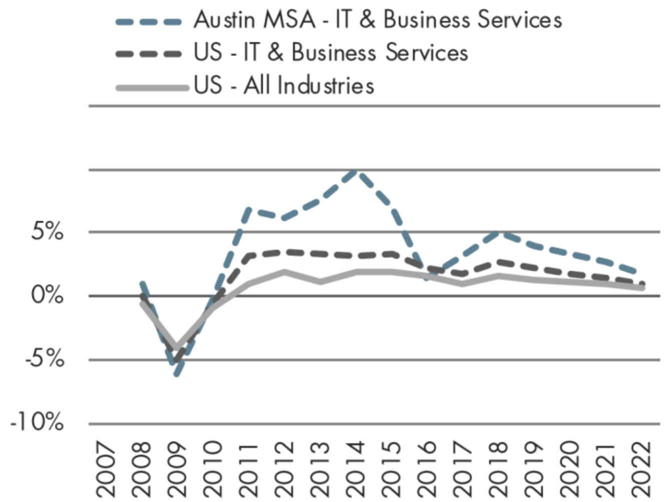
US OVERALL	TOTAL	TARGET
Net Chg., 2017-2022	+9,474,185	+1,034,933
Pct. Chg., 2017-2022	+5.9%	+9.6%
AUSTIN MSA	**TOTAL**	**TARGET**
Net Chg., 2017-2022	+147,404	+21,634
Pct. Chg., 2017-2022	+13.6%	+17.8%

FIGURE 105. TARGET CONCENTRATION



LOCATION QUOTIENT TREND

FIGURE 106. TARGET GROWTH



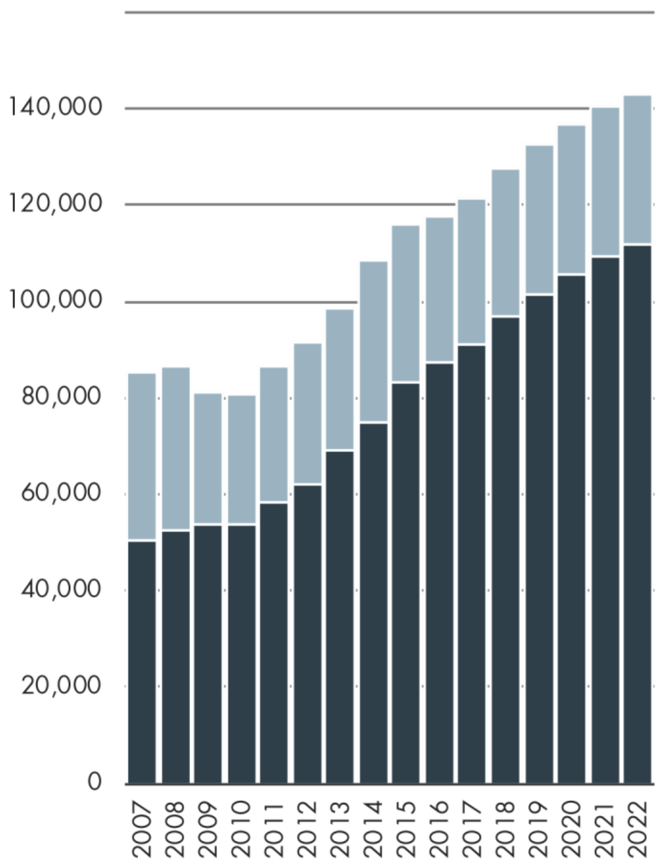


FIGURE 107. KEY FOCUS AREAS

NAICS	DESCRIPTION
334111	Electronic Computer Manufacturing
334413	Semiconductor & Related Device Manufacturing
511210	Software Publishers
541511	Custom Computer Programming Services
541512	Computer Systems Design Services
551114	Corp., Subsidiary, & Region. Managing Offices
561422	Telemarketing Bureaus & Other Contact Centers

FIGURE 104. TARGET COMPONENTS ANNUAL % CHANGE IN EMPLOYMENT ANNUAL EMPLOYMENT

■ Information Technology & Analytical Instruments Business

■ Services

160,000

15%

10%

Sources: US Bureau of Labor Statistics; Emsi 2018.2–QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.
Note: The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi.

FIGURE 108. INC. 5000 FIRMS LOCATED IN THE AUSTIN METRO AREA, 2018

RANK	COMPANY	3-YR. REVENUE GROWTH	2016 REVENUE ($M)	INDUSTRY	LOCATION	YEAR FOUNDED	WORK-FORCE SIZE
138	Favor	2917%	$29.2	Logistics & Transportation	Austin	2013	136
140	Student Loan Hero	2916%	$11.2	Financial Services	Austin	2012	25-49
207	Wells Solar	2205%	$9.6	Energy	Austin	2014	41
233	Axzon	2040%	$4.4	IT System Development	Austin	2006	20
287	Maggie Louise Confections	1703%	$2.2	Food & Beverage	Austin	2014	43
358	Texas Beauty Labs	1411%	$6.8	Consumer Products & Serv.	Austin	2007	85
390	HookBang	1264%	$2.9	Software	Austin	2012	17
414	Simple Booth	1210%	$3.3	Business Products & Serv.	Austin	2013	23
472	June & January	1070%	$3.7	Retail	Georgetown	2011	13
582	The Cobalt Companies	860%	$4.7	Construction	Austin	2002	3
801	Under30Experiences	627%	$2.5	Travel & Hospitality	Austin	2012	18
814	MKS2	620%	$5.4	Government Services	Austin	2008	60
906	Flux7	547%	$3.3	IT System Development	Austin	2013	40
997	Proximity Learning	494%	$5-10	Education	Austin	2009	150
1026	Capstone Tile	479%	$2.8	Real Estate	Austin	2013	20
1058	Jacaruso Enterprises	465%	$7.6	Travel & Hospitality	Round Rock	2008	11
1094	Pathway Vet Alliance	450%	$160.1	Health	Austin	2003	2,700
1105	Aptitude Media	447%	$6.2	Advertising & Marketing	Austin	2014	6
1158	Threshold/Carve	423%	$5.8	Advertising & Marketing	Austin	2013	22
1206	Flix Brewhouse	401%	$34.6	Food & Beverage	Round Rock	2011	686
1207	NurturMe	400%	$3.1	Food & Beverage	Dripping Springs	2011	10
1223	Camp Gladiator	395%	$42.2	Consumer Products & Serv.	Austin	2008	75
1334	ReviewPush	361%	$2.1	Software	Austin	2011	10
1373	Becker Wright Consultants	344%	$3.4	Human Resource	Austin	2003	23
1406	Texan Allergy Sinus Center	337%	$18.9	Health	Austin	2013	137
1479	Local Web Leads	317%	$6.4	Advertising & Marketing	Austin	2013	12
1593	Growth Institute	293%	$2.1	Education	Austin	2012	13
1624	Fifteen Five	285%	$7.3	Business Products & Serv.	Leander	2010	254
1670	F&S By Farrah	275%	$2.1	Consumer Products & Serv.	Austin	2010	9
1746	Capitol Home Health	260%	$19.0	Health	Austin	1998	35
1788	The ASK Method Co.	252%	$6.3	Education	Georgetown	2009	37
1795	9Gauge Partners	251%	$7.7	Financial Services	Austin	2011	44
1835	Status Labs	245%	$10.4	Advertising & Marketing	Austin	2012	40
860	Pioneer Bank	241%	$47.8	Financial Services	Austin	2007	236
1873	Patriot Pool and Spa	240%	$2.5	Consumer Products & Serv.	Austin	2006	26
1885	Praetorian	237%	$9.5	Security	Austin	2010	25-49
2023	Netgate	221%	$12.5	Software	Austin	2004	42
2058	ESO Solutions	217%	$21.4	Software	Austin	2004	133
2140	AustinRealEstate.com	208%	$4.1	Real Estate	Austin	2007	36
2184	Jackrabbit Mobile	203%	$2.8	Business Products & Serv.	Austin	2012	28

2219	Higher State Technology	199%	$2.2	IT Management	Round Rock	2004	20
2244	AMMD	196%	$6.4	Health	Bee Cave	2010	20
2261	Square Cow Moovers	195%	$13.7	Logistics & Transportation	Austin	2008	268
2284	Service Direct	192%	$5.1	Advertising & Marketing	Austin	2006	18
2348	Culhane Premier Properties	185%	$4.5	Real Estate	Cedar Park	2011	35
2453	AffiniPay	176%	$35.6	Financial Services	Austin	2005	103
2470	Busch Global	175%	$13.0	Business Products & Serv.	Austin	2012	250
2499	EBQuickstart	172%	$12.8	Business Products & Serv.	Austin	2006	178
2529	ProEquity Asset Mgmt.	169%	$3.2	Real Estate	Austin	2011	28
2534	Bilt Rite Scaffold	169%	$6.8	Construction	Austin	2006	80

Continued, next page.

FIGURE 108. INC. 5000 FIRMS LOCATED IN THE AUSTIN METRO AREA, 2018 (CONTINUED)

RANK	COMPANY	3-YR. REVENUE GROWTH	2016 REVENUE ($M)	INDUSTRY	LOCATION	YEAR FOUNDED	WORK-FORCE SIZE
2558	HumanN	167%	$35.9	Health	Austin	2010	25-49
2562	Momentum Factor	166%	$3.3	Software	Austin	2009	13
2570	Erben Associates	166%	$4.3	Financial Services	Austin	1993	10
2596	ECR I Equitable Commercial Realty	164%	$5.7	Real Estate	Austin	2010	22
2606	INK Communications	163%	$4.9	Advertising & Marketing	Austin	2004	33
2665	Open Lending	158%	$32.5	Financial Services	Austin	2000	46
2863	Mission Critical Facilities	144%	$13.0	IT Management	Austin	2010	14
2871	Einstein Moving Company	143%	$4.5	Logistics & Transportation	Austin	2012	110
3031	HomeCity Real Estate	133%	$15.2	Real Estate	Austin	2001	172
3032	Talroo	133%	$55.5	Human Resource	Austin	2010	86
3068	The Hay Legal Group PLLC	131%	$5.3	Business Products & Serv.	Austin	2010	28
3078	Agile Velocity	130%	$6.3	Business Products & Serv.	Austin	2010	15
3123	Retail Solutions (Austin, TX)	127%	$8.5	Real Estate	Austin	2009	84
3193	Interplay Learning	123%	$2.1	Education	Austin	2011	19
3203	SecureLink	123%	$10.8	Software	Austin	2003	41
3228	Kidd Roofing	122%	$38.8	Construction	Austin	1982	50
3289	Austin Capital Bank	119%	$7.0	Financial Services	Austin	2006	17
3308	The Heyl Group at Keller Williams	118%	$4.0	Real Estate	Austin	2010	8
3403	The Gober Group	113%	$2.3	Business Products & Serv.	Austin	2011	8
3437	Peddle	111%	$65.6	Consumer Products & Serv.	Austin	2011	50-99
3441	SourceMatch	111%	$2.1	Human Resource	Austin	1994	23
3445	Workhorse Marketing	111%	$2.6	Advertising & Marketing	Austin	2003	17
3599	SKG	104%	$31.4	Real Estate	Austin	1997	48
3607	Praxent	103%	$5.2	Software	Austin	2000	17
3611	Zinda Law Group, PLLC	103%	$8.6	Business Products & Serv.	Austin	2008	52
3834	NSS Labs	94%	$20.2	Security	Austin	2007	90
3868	Georgetown Mortgage	92%	$884.2	Financial Services	Georgetown	2001	329
3866	Whim Hospitality	92%	$10.6	Food & Beverage	Dripping Springs	2012	180
4048	Alpha Paving Industries	87%	$16.1	Construction	Round Rock	2012	60
4056	KBMax	86%	$2.3	Software	Austin	2009	25

4110	Optizmo Technologies	85%	$3.0	Software	Austin	2009	14
4113	MeetEdgar	84%	$3.8	Software	Austin	2014	24
4190	Urban Betty	82%	$2.6	Retail	Austin	2005	41
4428	Watters International Realty	74%	$4.3	Real Estate	Austin	2010	45
4441	CyberTex	74%	$5.6	Education	Austin	1999	50
4475	milk + honey	73%	$16.3	Consumer Products & Serv.	Austin	2006	350
4511	MyITpros	72%	$5.7	IT Management	Austin	1993	38
4549	TengoInternet	71%	$8.8	Telecommunications	Austin	2002	36
4597	Hayes Software Systems	70%	$9.6	Software	Austin	1990	46
4604	VirTex Enterprises	70%	$69.2	Manufacturing	Austin	1999	237
4618	Antonelli's Cheese Shop	69%	$2.4	Retail	Austin	2010	21
4666	Magnitude Software	67%	$61.5	Software	Austin	2014	412
4732	Clear Measure	65%	$6.2	Software	Austin	2013	33

Source: Inc. 5000.

FIGURE 109. INC. 5000 FIRMS IN AUSTIN METRO AREA BY INDUSTRY, 2018

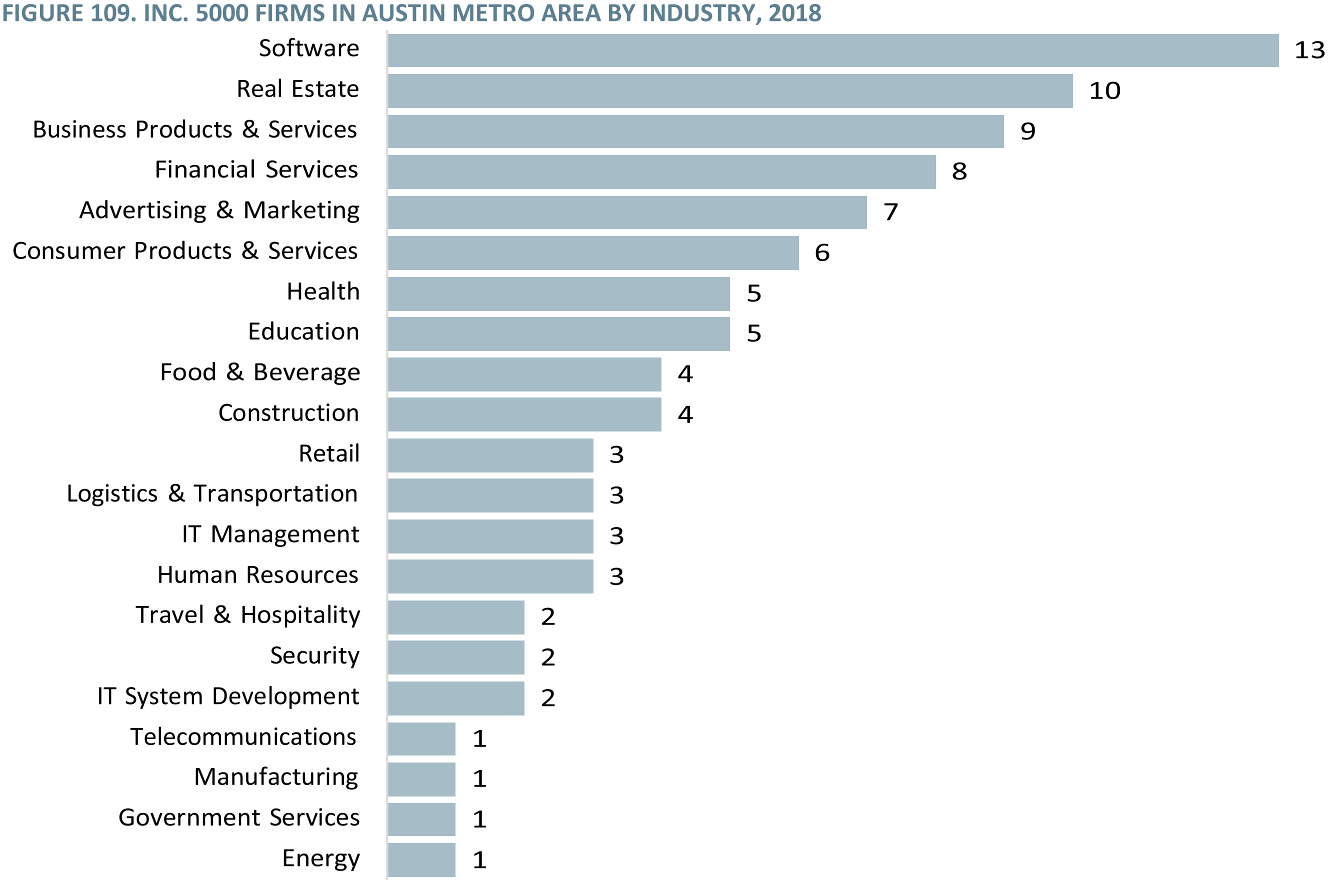


FIGURE 110. NUMBER OF INC. 5000 FIRMS IN AUSTIN METRO AREA BY CITY, 2018

Source: Inc. 5000.

FIGURE 111. INDUSTRY INTELLIGENCE: IT AND BUSINESS SERVICES

IT AND BUSINESS SERVICES	
TRADE ASSOCIATIONS	
Texas Association of Business (TAB)	www.txbiz.org
American Bar Association	www.americanbar.org
Institute of Management Consultants USA	www.imcusa.org
American Management Association	www.amanet.org
American Marketing Association (AMA)	www.ama.org
Society for Marketing Professional Services (SMPS)	www.smps.org
American Financial Services Association (AFSA)	www.afsaonline.org
Association for Financial Professionals (AFP)	www.afponline.org
American Insurance Association (AIA)	www.aiadc.org
CompTIA	www.comptia.org
Association of Information Technology Professionals (AITP)	www.aitp.org
IEEE	www.ieee.org
Information Technology Industry Council	www.itic.org
National Association of Corporate Directors (NACD)	www.nacdonline.org
Association for Corporate Growth (ACG)	www.acg.org
Association of Software Professionals (ASP)	asp-software.org
RELEVANT CONFERENCES/EVENTS	

Consult-Con		
5-7 October 2018	*San Diego, CA*	imcusaconference.org
2018 CompTIA Tech Summit		
17-18 October 2018	*National Harbor, MD*	www.comptia.org/events/view/2018-comptia-state-tech-summit
AFP 2019		
20-23 October 2018	*Chicago, IL*	conference.afponline.org
International Conference for High Performance Computing, Networking, Storage, and Analysis (SC18)		
11-16 November 2018	*Dallas, TX*	sc18.supercomputing.org
CompTIA AITP TechTurnout Central		
14 November 2018	*Dallas, TX*	www.comptia.org/events/view/comptia-aitp-techturnout-central
2019 TAB Annual Meeting & Policy Conference		
7 February 2019	*Austin, TX*	www.txbiz.org/events
2019 AMA Winter Academic Conference		
22-24 February 2019	*Austin, TX*	www.ama.org/eventsConference.aspx -training/Conferences/Pages/Winter- Academic-
TRADE PUBLICATIONS		
Wall Street Journal	www.wsj.com	
Marketers	www.smps.org/resourcesmarketer	
Journal of Marketing	www.ama.org/publications/JournalOfMarketing/Pages/Current-Issue.aspx	
Consulting	www.consultingmag.com	
CompTIAWorld Magazine	www.comptia.org/about-us/newsroom/comptiaworld-magazine	
Exchange	www.afponline.org/publications-data-tools/publications/afp-exchange-magazine	
Business Process Management Journal	www.emeraldgrouppublishing.com/bpmj.htm	

Source: TIP Strategies.

RETAIL, TOURISM, AND HOSPITALITY

The retail industry is undergoing a once-in-a-generation disruption (thanks in large part to the growth of e-commerce) affecting traditional department stores and other big box retailers. Nonetheless, growing markets like the Austin metro area continue to experience strong demand for new retail stores, restaurants, and hotels due to an expanding population and employment base. Buda is already a significant retail destination, with Cabela's anchoring the City's retail district. The attraction of additional "destination retail" stores—like Cabela's or IKEA that draw visitors from a large trade area—is a viable option for Buda. A similar opportunity exists to recruit major entertainment destinations such as Topgolf, Great Wolf Lodge, or Alamo Drafthouse Cinema. Beyond the potential for large-scale retail and entertainment projects, growth in and around Buda will continue to drive demand for a diverse mix of new retailers, restaurants, and hotels, including national chains and locally owned independent businesses. Future growth of Buda's retail sector is especially important because it directly supports the community's economic development program by funding the Buda EDC, a Type B sales tax corporation.

While tourism is not a traditional focus of business recruitment programs, this target can yield direct and indirect benefits. From an economic development standpoint, tourism and associated activities draw in dollars from outside the area, making it an attractive source of revenue. From a workforce perspective, tourism is often seen as a source of low-wage jobs with few benefits and little security. However, this view ignores the important role that tourism can play with regard to talent recruitment. A successful tourism strategy provides a mechanism for introducing new people to an area who might later become residents, establish businesses, or invest in local real estate. Hotel development is another exciting possibility for Buda, especially given the community's frontage on I-35 and its proximity to Austin-Bergstrom International Airport and the Circuit of the Americas (COTA) racetrack, which hosts Formula One (F1) and other major events. A full-service hotel along the I-35 corridor between South Austin and San Marcos currently does not exist. A full-service hotel could be developed in Buda to fill this gap, along with meeting facilities to accommodate larger groups to draw in additional visitors for trade shows and conferences.

MARKET OPPORTUNITIES	BUDA'S ADVANTAGES
• Additional retail development, including potential for "destination retail" and entertainment venues to serve the entire Austin–San Antonio market • Potential for additional hotel development, including a large full-service hotel with an on-site conference/convention center • Ongoing investments in parks (Buda City Park) and destinations (YMCA Camp Cypress, Main Street) will make Buda more attractive to visitors • Austin's status as a premier visitor destination thanks to major events such as SXSW Interactive, ACL Music Festival, and F1 • Growth of existing events/festivals in Buda and creation of new events that draw in visitors	• Location on I-35 corridor between Austin and San Antonio • Rapidly growing local population in Buda and within a 30-minute drive time with high income levels and above average spending power • Multiple sites with I-35 frontage large enough for a major new retail/entertainment destination • Growing cluster of hotels • Proximity to Austin-Bergstrom International Airport and COTA racetrack complex • Historic Main Street district with dozens of authentic local businesses • Buda Mill & Grain development on Main Street

FIGURE 112. TARGET SNAPSHOT

MARATHON COUNTY	TOTAL	TARGET
2017 Payrolled Business Locations	57,045	12,277
2017 Employment	1,082,263	210,249
Net Chg., 2007-2017	+237,918	+64,316
Pct. Chg., 2007-2017	+28.2%	+44.1%

FIGURE 113. EMPLOYMENT OUTLOOK

US OVERALL	TOTAL	TARGET
Net Chg., 2017-2022	+9,474,185	+1,735,344
Pct. Chg., 2017-2022	+5.9%	+6.2%
AUSTIN MSA	**TOTAL**	**TARGET**
Net Chg., 2017-2022	+147,404	+32,724
Pct. Chg., 2017-2022	+13.6%	+15.6%

FIGURE 115. TARGET CONCENTRATION

LOCATION QUOTIENT TREND

FIGURE 114. TARGET COMPONENTS ANNUAL EMPLOYMENT

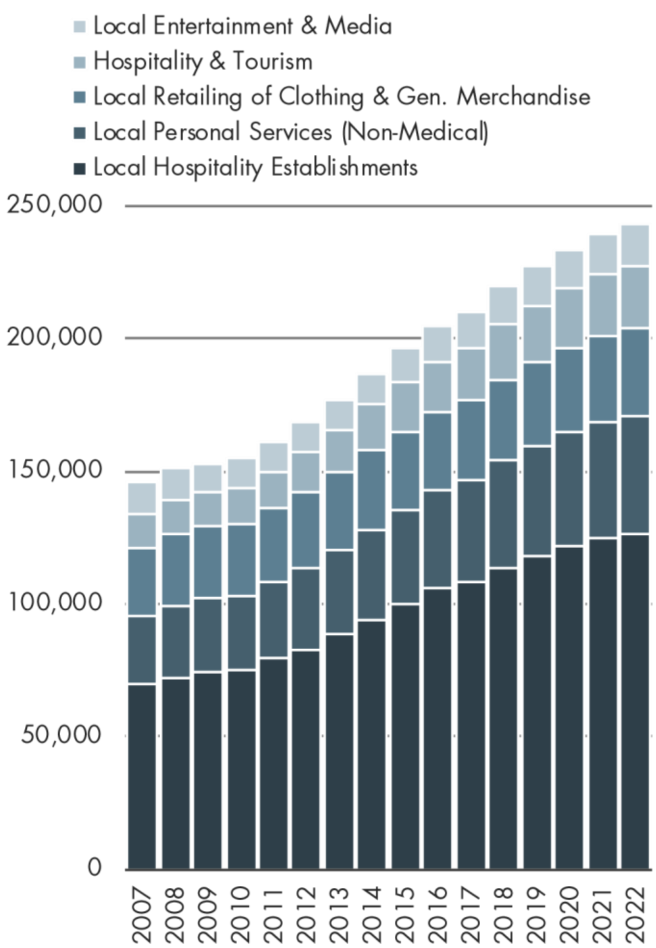


FIGURE 116. TARGET GROWTH ANNUAL % CHANGE IN EMPLOYMENT

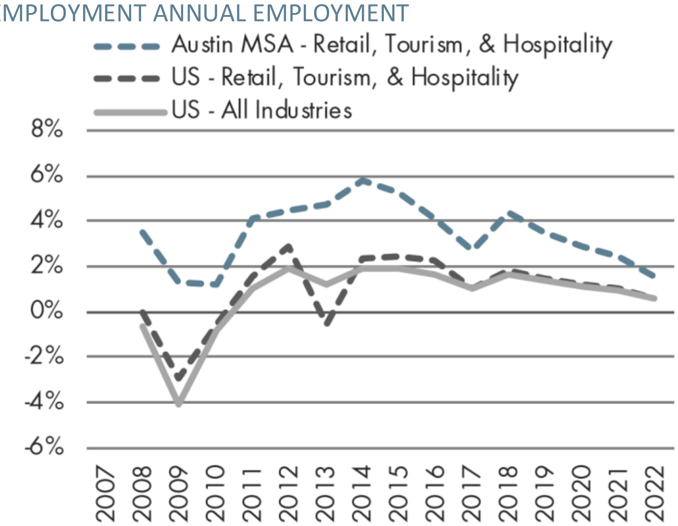


FIGURE 117. KEY FOCUS AREAS

NAICS	DESCRIPTION
451110	Sporting Goods Stores
452311	Warehouse Clubs & Supercenters
611620	Sports & Recreation Instruction
721110	Hotels (except Casino Hotels) & Motels
722511	Full-Service Restaurants
452210	Department Stores
451110	Sporting Goods Stores

Sources: US Bureau of Labor Statistics; Emsi 2018.2–QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.

Note: The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi

FIGURE 118. AUSTIN'S LARGEST EVENTS

EVENT	2017 ATTENDANCE	2018 DATES	LOCATION
Austin City Limits Music Festival	450,000	Oct. 5-7 & 12-14	Zilker Park
South by Southwest (SXSW) Conference & Festivals	421,900	March 9-18	Austin Convention Center
Trail of Lights	400,000	December	Zilker Park
Formula 1 United States Grand Prix	269,889*	Oct. 19-21	Circuit of the Americas (COTA)
Rodeo Austin	263,000	March 10-24	Travis County Expo Center
Austin Symphony July 4th Concert & Fireworks	100,000	July 4	Vic Mathias Shores
The Pecan Street Festival	100,000	May 5-6 & Sep. 29-30	6th Street (downtown)
RTX Austin - Animation & Gaming Experience	62,000	Aug. 3-5	Austin Convention Center, JW Marriott, Hilton, Fairmont
Texas Book Festival	50,000	Oct. 27-28	State Capitol and downtown Austin
Armadillo Christmas Bazaar	40,000	Dec. 13-24	Palmer Events Center
East Austin Studio Tour	40,000	Nov. 10-11 & 17-18	Various east Austin locations
Republic of Texas Biker Rally	30,000	June 7-10	Travis County Expo Center
Statesman Capitol 10K	21,390	April 8	Austin-American Statesman/Vic Mathias Shores
Bat Fest	20,000	August 18	Ann Richards Congress Ave. Bridge and *Austin American-Statesman* (downtown)
ThunderCloud Subs Turkey Trot	20,000	Thanksgiving Day	The Long Center (downtown)
Moontower Comedy Festival	19,262	April 18-21	Paramount Theatre/downtown
Old Settler's Music Festival	16,000	April 19-22	Tilmon, TX
A Christmas Affair	15,000	Nov. 14-18	Palmer Events Center
Austin Marathon	15,000	Feb. 18	Austin
Austin Film Festival	10,000	Oct. 25-Nov. 1	Various locations
BP MS 150 Bike Marathon	9,000	April 28-29	COTA
Austin Fashion Week	7,500	March 29–April 7	Various retailers and salons
Classic Game Fest	6,000	July 28-29	Palmer Events Center
Austin Food + Wine Festival	5,000	April 27-29	Auditorium Shores
Eeyore's Birthday Party	5,000	April 27	Pease District Park
ABC Zilker Kite Festival	rained out	March 3	Zilker Park

*Reflects 2016 attendance.
Source: Austin Business Journal.

FIGURE 119. INDUSTRY INTELLIGENCE: RETAIL, TOURISM, & HOSPITALITY

RETAIL, TOURISM, & HOSPITALITY		
TRADE ASSOCIATIONS		
US Travel Association		www.ustravel.org
American Hotel & Lodging Association (AHLA)		www.ahla.com
Hospitality Financial & Technology Professionals (HFTP)		www.hftp.org
Hospitality Sales and Marketing Association International (HSMAI)		www.hsmai.org
National Restaurant Association		www.restaurant.org
Retail Industry Leaders Association (RILA)		www.rila.org
National Retail Federation (NRF)		nrf.com
International Council of Shopping Centers (ICSC)		www.icsc.org
World Federation of the Sporting Goods Industry (WFSGI)		www.wfsgi.org
National Sporting Goods Association (NSGA)		www.nsga.org
Texas Hotel & Lodging Association		texaslodging.com
Austin Hotel & Lodging Association		www.austinlodging.org
Texas Retailers Association		txretailers.org
Texas Travel Industry Association (TTIA)		www.ttia.org
Texas Association of Fairs & Events (TAFE)		texasfairs.com
International Music & Entertainment Association (IMEA)		imeaonline.com
International Live Events Association (ILEA)		www.ileahub.com
International Festivals & Events Association (IFEA)		www.ifea.com
Event Service Professionals Association (ESPA)		espaonline.org
Themed Entertainment Association (TEA)		www.teaconnect.org
International Association of Exhibitions and Events (IAEE)		www.iaee.com
RELEVANT CONFERENCES/EVENTS		
Texas Travel Summit		
24-26 September 2018	*Galveston, TX*	www.ttiasummit.com
63rd Annual IFEA Convention, Expo & Retreat		
1-3 October 2018	*San Diego, CA*	www.ifea.com/p/convention-and-expo/annualconvention

Retail Law Conference 2018		
10-12 October 2018	*Austin, TX*	www.rila.org/rlaw
Southeast Conference & Deal Making		
23-24 October 2018	*Atlanta, GA*	www.icsc.org/attend-and-learn/events
Research Connections Conference		
28-30 October 2018	*Los Angeles, CA*	www.icsc.org/attend-and-learn/events
Asset Management Symposium		
1 November 2018	*Dallas, TX*	www.icsc.org/attend-and-learn/events
Restaurant Innovation Summit		
7-8 November 2018	*Dallas, TX*	restaurant.org/ris
IAEE Annual Meeting & Convention: Expo! Expo!		
11-13 December 2018	*New Orleans, LA*	www.myexpoexpo.com/expoexpo2018
Red River States Conference & Deal Making (Texas Conference)		
9-11 January 2019	*Fort Worth, TX*	www.icsc.org/attend-and-learn/events

Continued, next page.

FIGURE 119. INDUSTRY INTELLIGENCE: RETAIL, TOURISM, & HOSPITALITY (CONTINUED)

RELEVANT CONFERENCES/EVENTS		
2019 TAFE Convention & Trade Show		
10-13 January 2019	*Galveston, TX*	texasfairs.com/p/327
ESPA Annual Conference		
11-13 January 2019	*Charlotte, NC*	espaonline.org/conference
NRF 2019: Retail's Big Show		
13-15 January 2019	*New York City, NY*	nrfbigshow.nrf.com
OAC Summit		
27 February-1 March 2019	*Austin, TX*	cbpa.com/event/icsc-2019-oac-summit/
2019 Texas Retailers Lobby Day		
20 March 2019	*Austin, TX*	txretailers.org/lobby-day
National Travel and Tourism Week		
5-11 May 2019	*Nationwide, US*	www.ustravel.org/events/national-travel-and-tourism-week
55th Annual NSGA Management Conference & 21st Team Dealer Summit		
19-21 May 2019	*Braselton, GA*	www.nsga.org/events
RECon		
19-22 May 2019	*Las Vegas, NV*	www.icsc.org/attend-and-learn/events/details/2019recon
IPW		
1-5 June 2019	*Anaheim, CA*	www.ipw.com
ESTO (Educational Seminar for Tourism Organizations)		
17-20 August 2019	*Austin, TX*	esto.ustravel.org

TRADE PUBLICATIONS	
Journal of Tourism & Hospitality	www.omicsonline.org/tourism-hospitality.php
InPark Magazine	www.inparkmagazine.com
Food Travel Monitor	www.worldfoodtravel.org/cpages/food-travel-monitor
STORES	stores.org
NGSA NOW	www.nsga.org/news/publications/NSGA_Now
ie Magazine	www.ifea.com/p/resources/iemagazine
Journal of Retailing	www.journals.elsevier.com/journal-of-retailing
International Journal of Event and Festival Management	www.emeraldinsight.com/journal/ijefm

Source: TIP Strategies.

MEDICAL

In a very short timeframe, Buda is transitioning from a City with no significant medical institutions to a major destination for medical development in the Austin area. Three new healthcare facilities are currently under construction: a full-service Baylor Scott & White hospital, an Ascension Seton Health Center, and a St. David's HealthCare Emergency Center. Baylor Scott & White is the largest nonprofit healthcare system in Texas, and this will be its first hospital in Hays County. Collectively, these facilities will bring hundreds of new jobs into the community. They will also provide a much-needed boost to Buda's "daytime population," which is critical for supporting the growth of existing and new retailers and restaurants.

With the development of multiple new medical facilities in Buda, there is an opportunity to brand and promote a "Buda Medical District" centered on the new Baylor Scott & White hospital. In addition to the new medical facilities under construction, the district can also support the development of complementary uses, including office space for healthcare providers and professional services firms, new hotels, retail/restaurants, and mixed-use development with residential components. Opportunities for new development and investment in Buda's medical industry include a range of establishments, including physicians' offices (general practitioners and specialties), testing laboratories, hospitals, and long-term care facilities. New and expanded partnerships between Austin Community College (Hays Campus), Texas State University, and Hays Consolidated Independent School District (CISD) can help provide a pipeline of local talent to support Buda's growing medical cluster.

MARKET OPPORTUNITIES

- Continued growth of medical industry nationally
- Projected job growth of more than 20 percent in medical industry in Austin metro area over next 5 years
- Potential creation of a "Buda Medical District" centered on the new Baylor Scott & White hospital
- Recruitment and development of medical specialties to serve Buda, South Austin, and Hays County residents
- Emerging role of Austin area as a hub for medical innovation thanks to the Dell Medical School at UT-Austin and newly recruited companies like AthenaHealth and Merck

BUDA'S ADVANTAGES

- New Baylor Scott & White hospital under construction to include full-service hospital functions, primary care, and an integrated multispecialty medical clinic
- New Ascension Seton Health Center and St. David's HealthCare Emergency Center
- Rapidly growing population in Buda and surrounding portions of South Austin and Hays County will fuel demand for additional medical services
- Relatively low LQs for healthcare employment in Buda (0.35), Hays County (0.64), and Austin metro area (0.73) indicate unmet local and regional demand for medical services
- Texas State University, ACC, and Hays CISD healthcare programs

FIGURE 120. TARGET SNAPSHOT

MARATHON COUNTY	TOTAL	TARGET
2017 Payrolled Business Locations	57,045	4,113
2017 Employment	1,082,263	84,430
Net Chg., 2007-2017	+237,918	+29,136
Pct. Chg., 2007-2017	+28.2%	+52.7%

FIGURE 121. EMPLOYMENT OUTLOOK

US OVERALL	TOTAL	TARGET
Net Chg., 2017-2022	+9,474,185	+1,999,188
Pct. Chg., 2017-2022	+5.9%	+11.9%
AUSTIN MSA	**TOTAL**	**TARGET**
Net Chg., 2017-2022	+147,404	+17,188
Pct. Chg., 2017-2022	+13.6%	+20.4%

FIGURE 122. TARGET COMPONENTS
ANNUAL EMPLOYMENT

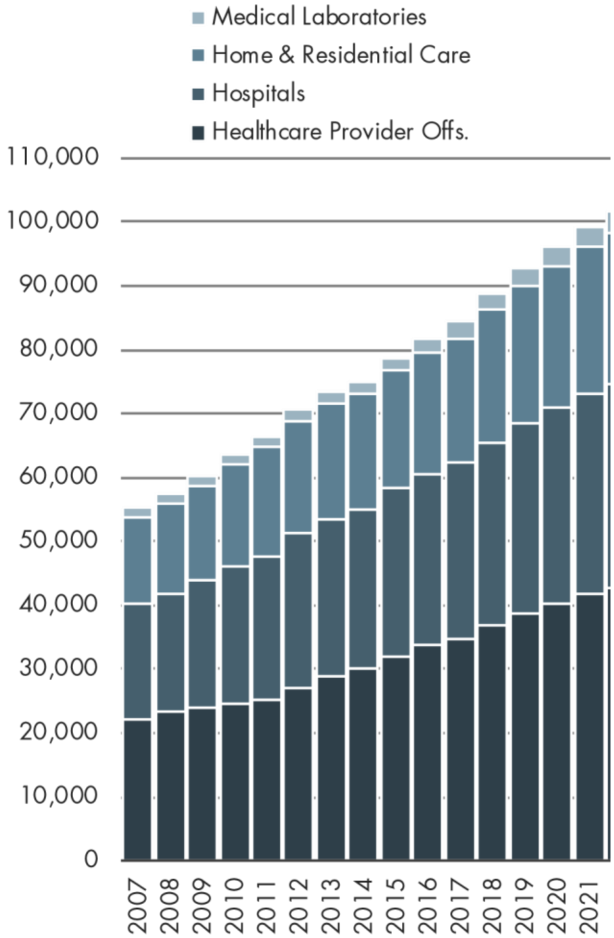


FIGURE 123. TARGET CONCENTRATION
LOCATION QUOTIENT TREND

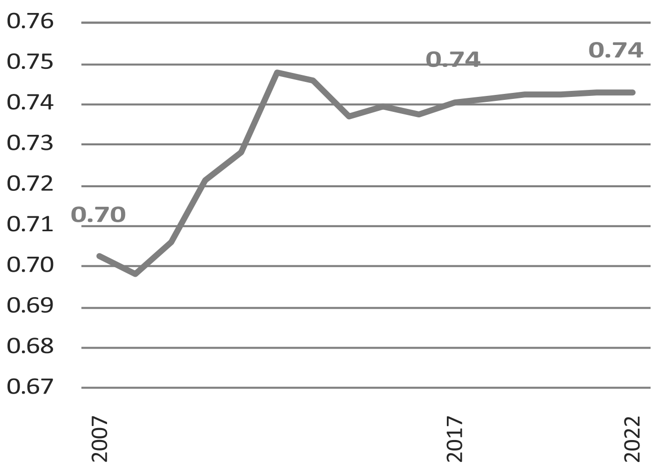


FIGURE 124. TARGET GROWTH
ANNUAL % CHANGE IN EMPLOYMENT

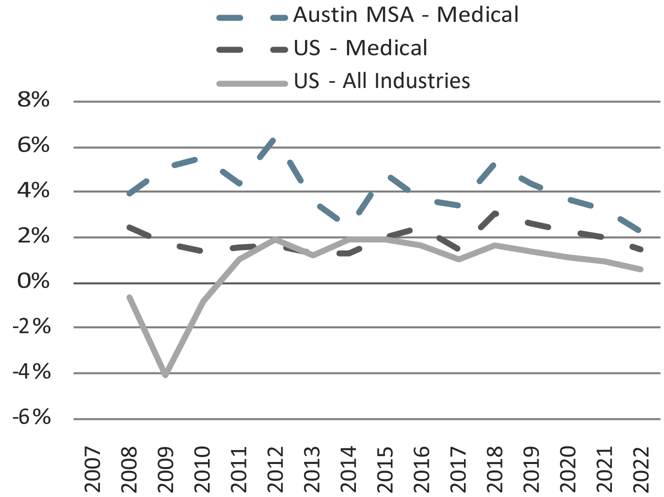
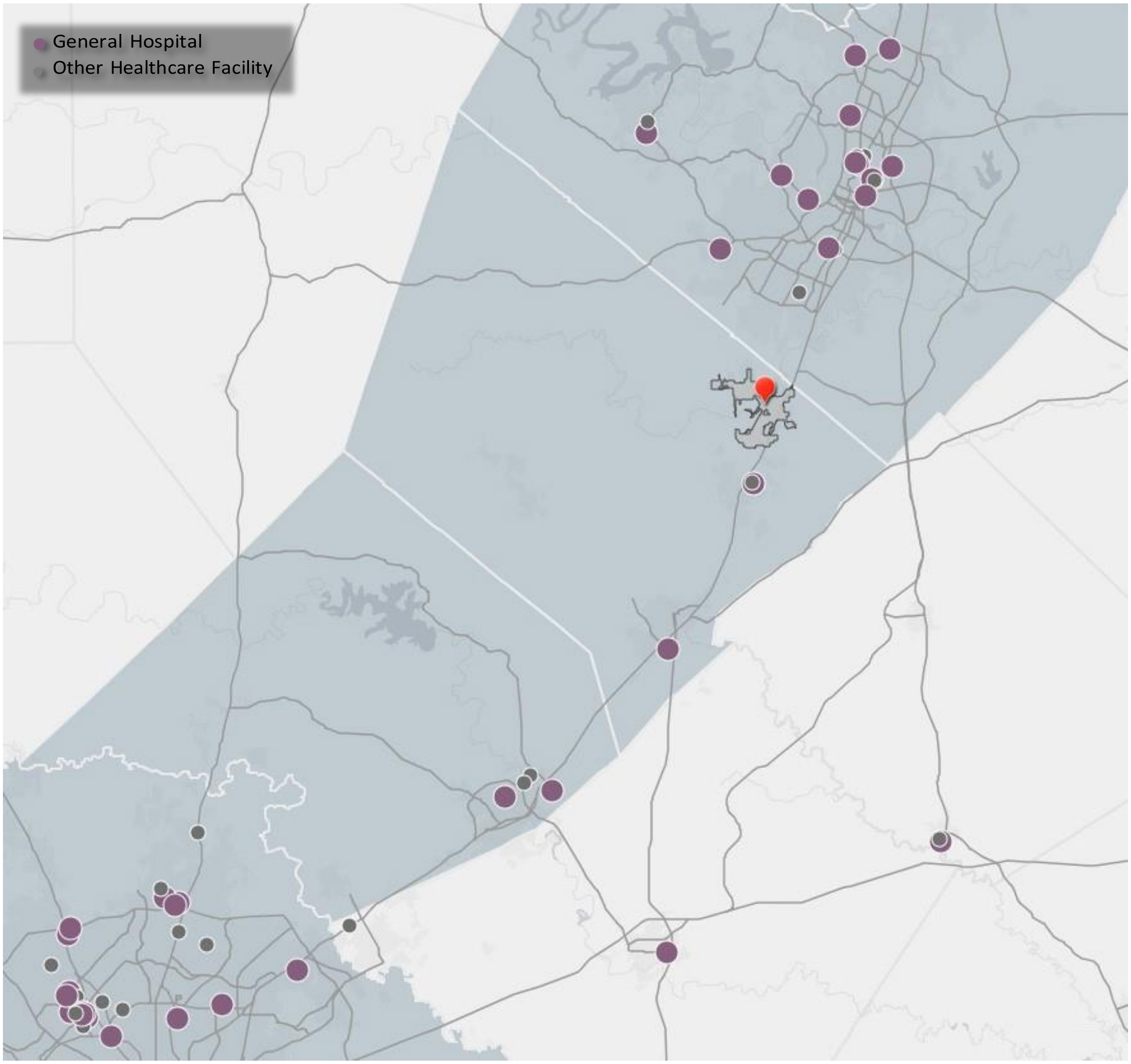


FIGURE 125. KEY FOCUS AREAS

NAICS	DESCRIPTION
621111	Offs. of Physicians (excl. Mental Health Specialists)
621210	Offices of Dentists
621610	Home Health Care Services
623210	Res. Intellectual & Develop. Disability Facilities
623220	Res. Mental Health & Substance Abuse Facilities
623990	Other Residential Care Facilities
622110	General Medical & Surgical Hospitals
623110	Nursing Care Facilities (Skilled Nursing Facilities)
623312	Assisted Living Facilities for the Elderly

Sources: US Bureau of Labor Statistics; Emsi 2018.2–QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.
Note: The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi

FIGURE 126. GENERAL HOSPITALS IN THE I-35 CORRIDOR



Source: American Hospital Directory (2014) via Esri Online.

FIGURE 127. INDUSTRY INTELLIGENCE: MEDICAL

MEDICAL		
TRADE ASSOCIATIONS		
American Health Care Association		www.ahcancal.org
American Medical Association		www.ama-assn.org
American Hospital Association (AHA)		www.aha.org
American Board of Medical Specialties (ABMS)		www.abms.org
American Association of Physician Specialists (AAPS)		www.aapsus.org
Southern Medical Association (SMA)		sma.org
Texas Medical Association (TMA)		www.texmed.org
Texas Health Care Association (THCA)		txhca.org
Texas Hospital Association		www.tha.org
Texas Healthcare & Bioscience Institute (THBI)		www.thbi.com
Texas Association of Healthcare Facilities Management (TAHFM)		www.tahfm.org
Texas Association of Community Health Centers (TACHC)		www.tachc.org
RELEVANT CONFERENCES/EVENTS		
ABMS Conference 2018		
24-26 September 2018	*Las Vegas, NV*	www.abms.org/news-events/events
69th Annual AHCA/NCAL Convention & Expo		
7-10 October 2018	*San Diego, CA*	www.eventscribe.com/2018/AHCANCAL
2018 THCA Annual Convention & Trade Show		
29 October-1 November 2018	*Dallas, TX*	txhca.org/2018-thca-annual-convention-trade-show
SMA Annual Scientific Assembly & Special Joint Symposium		
29 October-2 November 2018	*Charleston, SC*	sma.org/education-sma/events/assembly
Interlink 2019		
31 March-3 April 2019	*Houston, TX*	www.tahfm.org/page/2019savethedate
AHA Annual Membership Meeting		
7-10 April 2019	*Washington, DC*	www.aha.org/education-events/aha-annual-membership-meeting-0
AAPS House of Delegates & Annual Scientific Meeting		
21-26 June 2019	*Orlando, FL*	www.aapsus.org/annual-meeting
TRADE PUBLICATIONS		
The American Journal of Medicine		www.amjmed.com
Journal of the American Medical Association		jamanetwork.com/journals/jama/currentissue
Southern Medical Journal		sma.org/smj-home
Texas Hospitals		www.tha.org/TexasHospitalsMagazine
Texas Family Physician		www.tafp.org/news/tfp

Provider	www.providermagazine.com

Source: TIP Strategies.

FOOD AND BEVERAGE

Buda is home to long-standing food and beverage production companies like Jardine Foods and Night Hawk Frozen Foods, and recent additions to the local economy such as Deep Eddy Vodka. Buda is well-positioned to develop and recruit new businesses within the multitrillion-dollar global food and beverage sector. This sector includes activities such as handling, processing, packaging, storage, transportation, and marketing of food and non-food-related agricultural products. The supply chain in the food and beverage industry encompasses a wide array of companies, including suppliers of machinery, seeds, chemicals, tests and vaccines, food processors, and data providers for precision agriculture.

Within the larger food and beverage industry, the craft beverages segment continues to experience rapid growth. Craft beverages include craft breweries, distilleries, and wineries. The opportunity for economic development around craft beverages is to build a legitimate industry cluster beyond the tourism and talent attraction benefits often associated with craft breweries. Innovative approaches to growing industry clusters around craft beverages include target industry marketing campaigns, supply chain recruitment, and workforce development/talent attraction. Asheville has done this with breweries, Kentucky has done it with distilleries, and the Finger Lakes region of Upstate New York is doing it with wineries. The Austin metro area ranks among the top 20 markets in the US for employment growth in breweries since 2010 and has the sixth fastest-growing employment in distilleries in the US.

There is an opportunity to link the production and tourism aspects of craft beverages with the establishment of a wine-tasting room or similar craft beverage/food shops on Main Street. Communities across the country benefit from downtown wine-tasting shops. Downtown Buda could support multiple tasting rooms/shops that bring visitors to Main Street while also promoting greater awareness of area breweries, distilleries, and Hill Country wineries.

MARKET OPPORTUNITIES	BUDA'S ADVANTAGES

- Projected job growth of more than 20 percent in food processing and manufacturing in Austin metro area over next 5 years
- Rapid growth of breweries and distilleries in Austin metro area, with hundreds of new jobs created in each sector since 2010
- Rapidly growing demand for organic and craft food products across the US and globally
- Potential for tasting rooms and boutique food/beverage establishments, especially along Main Street, to promote local breweries, distilleries, wineries, and craft food producers
- Specialty foods (salsas, organic foods) and beverages (craft breweries, distilleries, and wineries)

- Several Buda employers in craft foods (Jardine's, Night Hawk Frozen Foods) and craft beverages (Deep Eddy Vodka, Two Wheel Brewing)
- Proximity to craft brewery/distillery/winery cluster in Dripping Springs, Driftwood, and surrounding Hill Country communities
- Access to large urban markets with growing demand for organic and natural food products, and craft foods and beverages, including Austin, San Antonio, Houston, and Dallas-Fort Worth
- Transportation infrastructure (especially I-35 and SH 45) provides easy access to external markets for food and beverage production companies
- Sufficient water/wastewater capacity in Buda to support recruitment of small- and mid-size food and beverage companies from surrounding areas

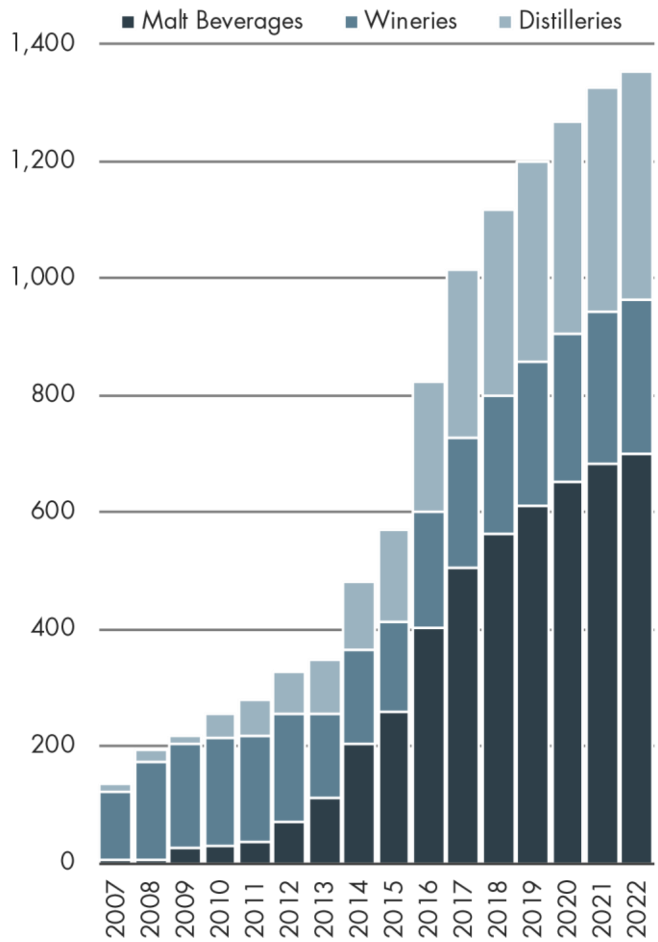
FIGURE 128. TARGET SNAPSHOT

MARATHON COUNTY	TOTAL	TARGET
2017 Payrolled Business Locations	57,045	71
2017 Employment	1,082,263	1,014
Net Chg., 2007-2017	+237,918	+879
Pct. Chg., 2007-2017	+28.2%	+651.5%

FIGURE 129. EMPLOYMENT OUTLOOK

US OVERALL	TOTAL	TARGET
Net Chg., 2017-2022	+9,474,185	+26,126
Pct. Chg., 2017-2022	+5.9%	+17.9%
AUSTIN MSA	**TOTAL**	**TARGET**
Net Chg., 2017-2022	+147,404	+341
Pct. Chg., 2017-2022	+13.6%	+33.6%

FIGURE 130. TARGET COMPONENTS



ANNUAL EMPLOYMENT

FIGURE 131. TARGET CONCENTRATION

LOCATION QUOTIENT TREND

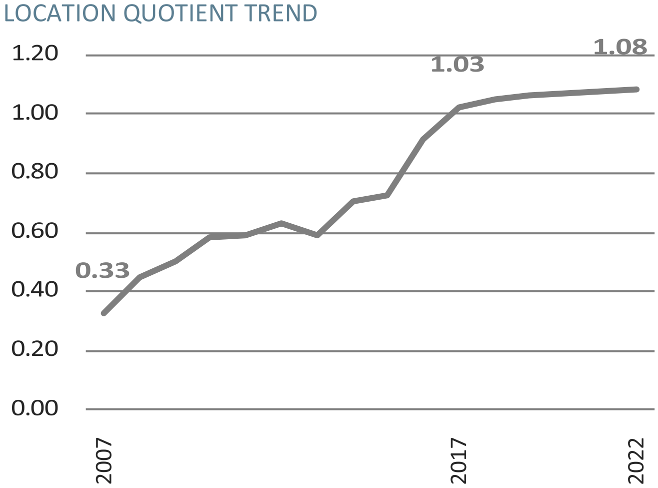
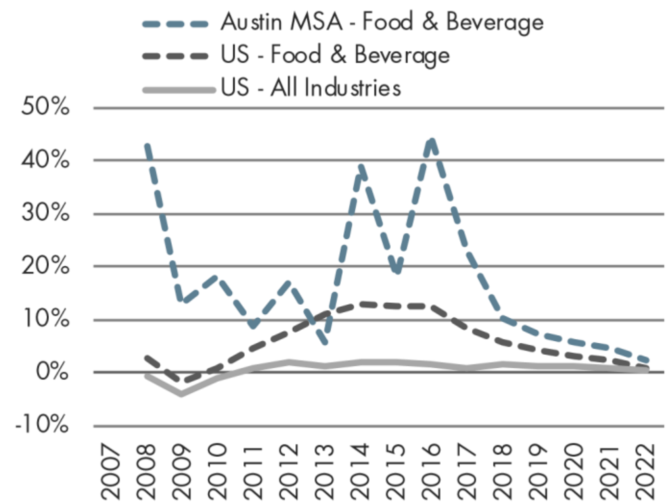


FIGURE 132. TARGET GROWTH



ANNUAL % CHANGE IN EMPLOYMENT

FIGURE 133. KEY FOCUS AREAS

NAICS	DESCRIPTION
311213	Malt Manufacturing
312120	Breweries
312130	Wineries
312140	Distilleries

Sources: US Bureau of Labor Statistics; Emsi 2018.2–QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.

Note: The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi

FIGURE 134. TOP 25 METRO AREAS RANKED BY NET CHANGE OF EMPLOYMENT IN BREWERIES, 2010–2017

RANK	METRO AREA	JOBS		20102017 NET CHANGE	2010-2017 % CHANGE	2017 LQ	2017 ESTABLISH-MENTS
		2010	2017				
1	San Diego-Carlsbad, CA	335	2,289	1,954	583%	3.13	81
2	Los Angeles-Long Beach-Anaheim, CA	1,137	2,466	1,329	117%	0.84	93
3	Boston-Cambridge-Newton, MA-NH	285	1,583	1,298	455%	1.26	57
4	Chicago-Naperville-Elgin, IL-IN-WI	168	1,449	1,281	764%	0.69	92
5	Minneapolis-St. Paul-Bloomington, MN-WI	123	1,280	1,157	942%	1.43	58
6	Asheville, NC	76	989	913	1205%	10.84	32
7	San Francisco-Oakland-Hayward, CA	105	1,011	906	864%	0.88	43
8	Portland-Vancouver-Hillsboro, OR-WA	226	1,040	814	360%	1.86	84
9	Denver-Aurora-Lakewood, CO	1,960	2,690	730	37%	3.92	104
10	Grand Rapids-Wyoming, MI	14	744	730	5154%	2.90	18
11	Washington-Arlington-Alexandria, DC-VA-MD-WV	81	791	711	883%	0.53	69
12	Seattle-Tacoma-Bellevue, WA	322	1,018	696	216%	1.09	102
13	Detroit-Warren-Dearborn, MI	47	739	692	1472%	0.84	32
14	Charlotte-Concord-Gastonia, NC-SC	150	826	676	449%	1.51	38
15	Indianapolis-Carmel-Anderson, IN	23	697	674	2915%	1.49	34
16	New York-Newark-Jersey City, NY-NJ-PA	668	1,323	655	98%	0.30	78
17	Cincinnati, OH-KY-IN	667	1,225	558	84%	2.53	31
18	Boulder, CO	174	712	538	309%	8.11	32
19	Santa Rosa, CA	94	623	530	566%	6.17	15
20	**Austin-Round Rock, TX**	**30**	**550**	**520**	**1716%**	**1.18**	**32**
21	Houston-The Woodlands-Sugar Land, TX	766	1,275	509	66%	0.92	31
22	Fort Collins, CO	929	1,396	467	50%	18.09	33
23	Bend-Redmond, OR	145	612	467	323%	15.68	15
24	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	163	621	458	281%	0.48	39
25	Allentown-Bethlehem-Easton, PA-NJ	227	652	425	187%	3.93	11

Source: Emsi 2018.3–QCEW Employees, Non-QCEW Employees, and Self-Employed.

FIGURE 135. TOP 25 METRO AREAS RANKED BY NET CHANGE OF EMPLOYMENT IN DISTILLERIES, 2010-2017

RANK	METRO AREA	JOBS		20102017 NET CHANGE	2010-2017 % CHANGE	2017 LQ	2017 ESTABLISH-MENTS
		2010	2017				
1	Owensboro, KY	200	679	479	239%	132.64	2
2	Sevierville, TN	26	385	359	1377%	87.30	9
3	Tullahoma-Manchester, TN	351	690	339	97%	176.85	2
4	Bardstown, KY	763	1,060	297	39%	689.41	8
5	Dallas-Fort Worth-Arlington, TX	0	267	267	N/A	0.80	15
6	**Austin-Round Rock, TX**	**44**	**292**	**248**	**568%**	**3.06**	**17**
7	Chicago-Naperville-Elgin, IL-IN-WI	222	434	213	96%	1.02	18
8	Minneapolis-St. Paul-Bloomington, MN-WI	104	311	206	198%	1.71	13
9	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	73	263	190	262%	0.99	13
10	Frankfort, KY	569	737	169	30%	215.06	6
11	Louisville/Jefferson County, KY-IN	1,294	1,453	159	12%	24.04	16
12	Rochester, NY	0	157	157	N/A	3.30	5
13	Seattle-Tacoma-Bellevue, WA	5	162	157	3134%	0.85	29
14	Kansas City, MO-KS	141	283	142	101%	2.84	6
15	Clarksville, TN-KY	0	132	132	N/A	12.22	2
16	Denver-Aurora-Lakewood, CO	16	140	124	788%	1.00	17
17	Riverside-San Bernardino-Ontario, CA	0	121	121	N/A	0.84	1
18	New York-Newark-Jersey City, NY-NJ-PA	354	461	107	30%	0.52	26
19	Portland-Vancouver-Hillsboro, OR-WA	29	127	99	344%	1.12	14
20	Nashville-Davidson--Murfreesboro--Franklin, TN	0	92	92	N/A	1.01	8
21	Washington-Arlington-Alexandria, DC-VA-MD-WV	5	92	87	1740%	0.30	22
22	Los Angeles-Long Beach-Anaheim, CA	18	96	78	434%	0.16	7
23	Niles-Benton Harbor, MI	0	76	76	N/A	12.59	1
24	Indianapolis-Carmel-Anderson, IN	0	73	73	N/A	0.77	3
25	Miami-Fort Lauderdale-West Palm Beach, FL	5	78	73	1451%	0.31	5

Source: Emsi 2018.3–QCEW Employees, Non-QCEW Employees, and Self-Employed.

FIGURE 136. INDUSTRY INTELLIGENCE: FOOD AND BEVERAGE

FOOD AND BEVERAGE		
TRADE ASSOCIATIONS		
Grocery Manufacturers Association (GMA)		www.gmaonline.org
American Beverage Association		www.ameribev.org
Specialty Food Association		www.specialtyfood.com
Distilled Spirits Council		www.distilledspirits.org
American Institute of Wine & Food (AIWF)		www.aiwf.org
Wine & Spirits Wholesalers of America (WSWA)		www.wswa.org
Brewers Association		www.brewersassociation.org
Master Brewers Association of the Americas (MBAA)		www.mbaa.com
Texas Craft Brewers Guild		texascraftbrewersguild.org
The Texas Food Processors Association		www.tfpa.org
The Beer Alliance of Texas		www.beeralliance.com
RELEVANT CONFERENCES/EVENTS		
NOSH Live Winter 2018		
29-30 November 2018	*Santa Monica, CA*	www.projectnosh.com/events/noshlivewinter18
BevNET Live Winter 2018		
3-4 December 2018	*Santa Monica, CA*	www.bevnet.com/events/bevnetlivewinter18
Beverage Digest Future Smarts		
7 December 2018	*New York City, NY*	www.zenithglobal.com/events/234/Beverage Digest Future Smarts
Winter Fancy Food Show		
13-15 January 2019	*San Francisco, CA*	www.specialtyfood.com/shows-events/winter-fancy-food-show
GMA Science Forum		
26-27 March 2019	*Washington, DC*	www.gmaonline.org/forms/meeting/Microsite/scienceforum19
ProFood Tech		
26-28 March 2019	*Chicago, IL*	www.profoodtech.com
WSWA 76th Annual Convention & Exposition		
31 March-3 April 2019	*Orlando, FL*	www.wswaconvention.org
2019 TFPA Annual Conference		
15-17 May 2019	*San Antonio, TX*	www.tfpa.org/newsevents/news-events-3
TRADE PUBLICATIONS		
Beverage Industry		www.bevindustry.com
Beverage Digest		www.beverage-digest.com
Technical Quarterly		www.mbaa.com/publications/tq/Pages/default.aspx
Specialty Food Magazine		www.specialtyfood.com/digital-edition

Journal of Food Processing & Preservation	onlinelibrary.wiley.com/journal/17454549

Source: TIP Strategies.

LIGHT INDUSTRIAL

Light industrial is not so much a single industry, but rather describes a category of companies and sectors that tend to occupy light industrial buildings, including flex space, in a business/industrial park setting. This category includes a high concentration of middle-skill, middle-wage jobs in a range of sectors, including e-commerce and distribution, construction products and services, production technologies, and light manufacturing facilities.

As central portions of Austin continue to experience an influx of investment for the conversion of former light industrial space to high-density, mixed-use projects, the cost pressures facing light industrial companies will push these firms to seek new locations outside the urban core. The “industrial gentrification” of Austin is a natural consequence of the city’s successful transformation of the downtown district and surrounding neighborhoods into a dynamic urban destination where new development comes primarily in the form of Class A office space, luxury apartment/condo buildings, and high-rise hotels. The existing industrial or “blue collar” companies, such as construction contractors, transportation and warehousing operations, and light manufacturing companies, can no longer afford to remain and grow in central Austin. This is the story of how many of Buda’s largest employers (US Foods, Fat Quarter Shop, and Ampersand Art Supply, among others) ended up in the community.

Buda offers several advantages to light industrial businesses: more affordable real estate than Austin proper, a robust transportation infrastructure network (I-35 and SH 45, in particular), and a less complicated permitting and development review process than the City of Austin. Buda is especially attractive for light industrial development— even more so than Kyle, San Marcos, and other communities surrounding Austin—because of its close location to central, south, and east Austin. The community’s central location within the region allows for light industrial companies to relocate their facilities while retaining their existing workforce.

MARKET OPPORTUNITIES	BUDA’S ADVANTAGES

- Projected job growth of nearly 30 percent in construction products and services and 10 percent in distribution and e-commerce in Austin metro area over next 5 years
- Rapidly growing regional economy in Austin and San Antonio provides opportunities for additional light industrial, warehousing, and manufacturing facilities
- Growing demand for US-made products, along with increased demands on transportation (just-in-time supply chain management) driving growth of domestic manufacturing and light industrial firms

- Proximity to Austin makes it relatively easy for light industrial companies to access their workforce, suppliers, and customers
- Transportation infrastructure (especially I-35 and SH 45) provides easy access to the surrounding Austin–San Antonio region and beyond for light industrial companies
- More “business-friendly” development review and permitting process than the City of Austin
- Numerous recent business expansion projects (CHiP Semiconductor, US Foods, SpeedTech Lights) in the light industrial category

FIGURE 137. TARGET SNAPSHOT

MARATHON COUNTY	TOTAL	TARGET
2017 Payrolled Business Locations	57,045	3,478
2017 Employment	1,082,263	60,828
Net Chg., 2007-2017	+237,918	+9,102
Pct. Chg., 2007-2017	+28.2%	+17.6%

FIGURE 138. EMPLOYMENT OUTLOOK

US OVERALL	TOTAL	TARGET
Net Chg., 2017-2022	+9,474,185	+614,280
Pct. Chg., 2017-2022	+5.9%	+7.0%
AUSTIN MSA	**TOTAL**	**TARGET**
Net Chg., 2017-2022	+147,404	+7,370
Pct. Chg., 2017-2022	+13.6%	+12.1%

FIGURE 139. TARGET COMPONENTS ANNUAL EMPLOYMENT

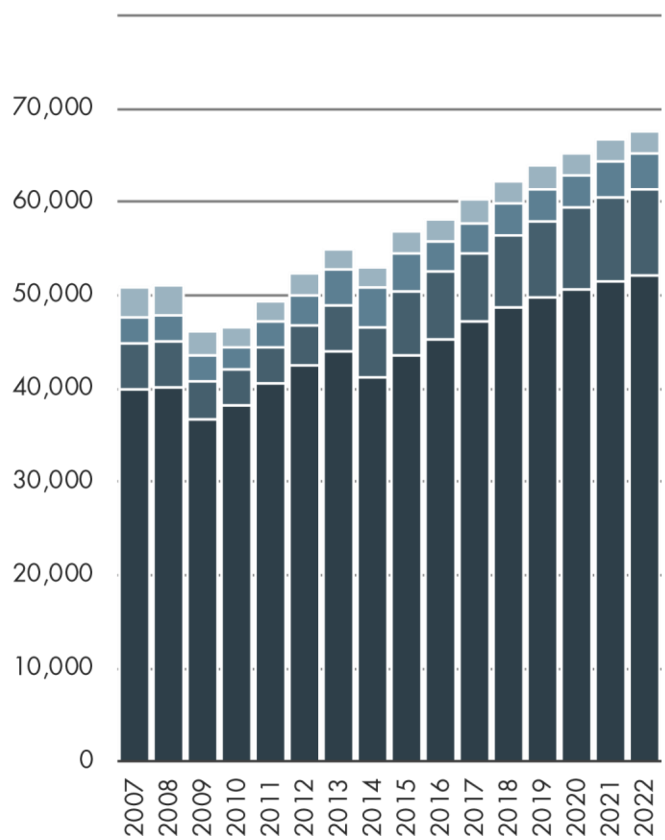


FIGURE 140. TARGET CONCENTRATION
LOCATION QUOTIENT TREND

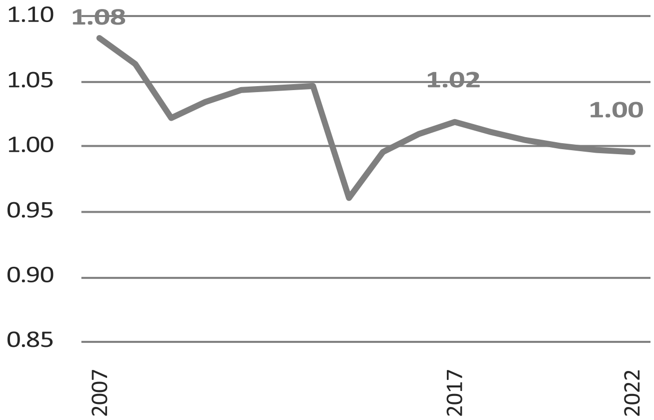


FIGURE 141. TARGET GROWTH
ANNUAL % CHANGE IN EMPLOYMENT

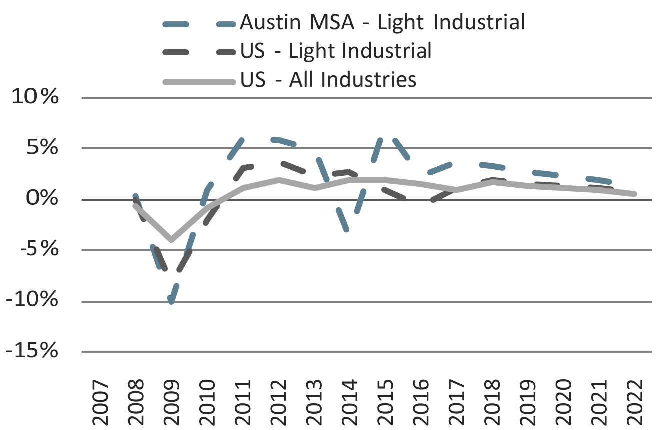


FIGURE 142. KEY FOCUS AREAS

NAICS	DESCRIPTION
211120	Crude Petroleum Extraction
213112	Support Activities for Oil & Gas Operations
237130	Power & Comm. Line & Related Structures Constr.
333249	Other Industrial Machinery Manufacturing
423430	Computer & Peripheral Equip. & Software Merchant Whlslrs.
423610	Electrical Apparatus & Equip., Wiring Supplies, & Related Equip. Merchant Whlslrs.
423690	Other Electronic Parts & Equip. Merchant Whlslrs.
423830	Industrial Machinery & Equip. Merchant Whlslrs.
425120	Wholesale Trade Agents & Brokers
454110	Electronic Shopping & Mail-Order Houses
493110	General Warehousing & Storage
561499	All Other Business Support Services

Sources: US Bureau of Labor Statistics; Emsi 2018.2–QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.
Note: The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the six-digit NAICS classifications used by Emsi

FIGURE 143. INDUSTRY INTELLIGENCE: LIGHT INDUSTRIAL

LIGHT INDUSTRIAL	
TRADE ASSOCIATIONS	
Texas Association of Builders	www.texasbuilders.org
International Facility Management Association (IFMA)	www.ifma.org
Association for Facilities Engineering (AFE)	www.afe.org
Worldwide ERC	www.worldwideerc.org
Texas Relocation Network (TRN)	www.texasrelocationnetwork.org
Construction Industry Institute	www.construction-institute.org
Texas Construction Association	www.texcon.org
American Council of Engineering Companies (ACEC)	www.acec.org

National Electrical Contractors Association (NECA)		www.necanet.org
Associated Builders and Contractors (ABC)		www.abc.org
Associated Builders and Contractors of Texas		www.abctexas.org
Plumbing-Heating-Cooling Contractors Association (PHCC)		www.phccweb.org
American Society of Plumbing Engineers (ASPE)		www.aspe.org
Building Owners and Managers Association (BOMA)		www.boma.org
Precast Concrete Manufacturers Association (PCMA)		www.pcmatexas.org
RELEVANT CONFERENCES/EVENTS		
NECA 2018		
14-17 September 2019	*Las Vegas, NV*	www.necaconvention.org
CONNECT 2018		
10-12 October 2018	*Albuquerque, NM*	eweb.phccweb.org/eweb/DynamicPage.aspx?webcode=EventInfo&Reg_vt_key=211e740b-d677-4156-a5a6-943ccedba107 e
METALCON 2018		
16-18 October 2019	*Pittsburgh, PA*	www.metalcon.com/metalcon18
Facility Fusion 2019		
8-10 April 2019	*Atlanta, GA*	facilityfusion.ifma.org
ACEC Annual Convention and Legislative Summit		
5-8 May 2019	*Washington, DC*	www.acec.org/conferences/annual-convention
BOMA 2019 International Conference & Expo		
22-25 June 2019	*Salt Lake City, UT*	www.bomaconvention.org/BOMA2019
TRADE PUBLICATIONS		
Buildings	www.buildings.com/magazine	
Electrical Contractor	www.ecmag.com	
Solutions	www.phccweb.org/solutions	
Constructech	constructech.com/magazine	
FMJ	www.ifma.org/publications/fmj-magazine	
Infrastructure	infrastructure.agctx.org/magazine	
Texas Merit Shop Journal	www.abctexas.org	
Engineering Inc.	www.acec.org/publications/engineering-inc	

Source: TIP Strategies.