



RISE OF THE REGION

Economic
Development Assessment
and Organizational Structure
2022

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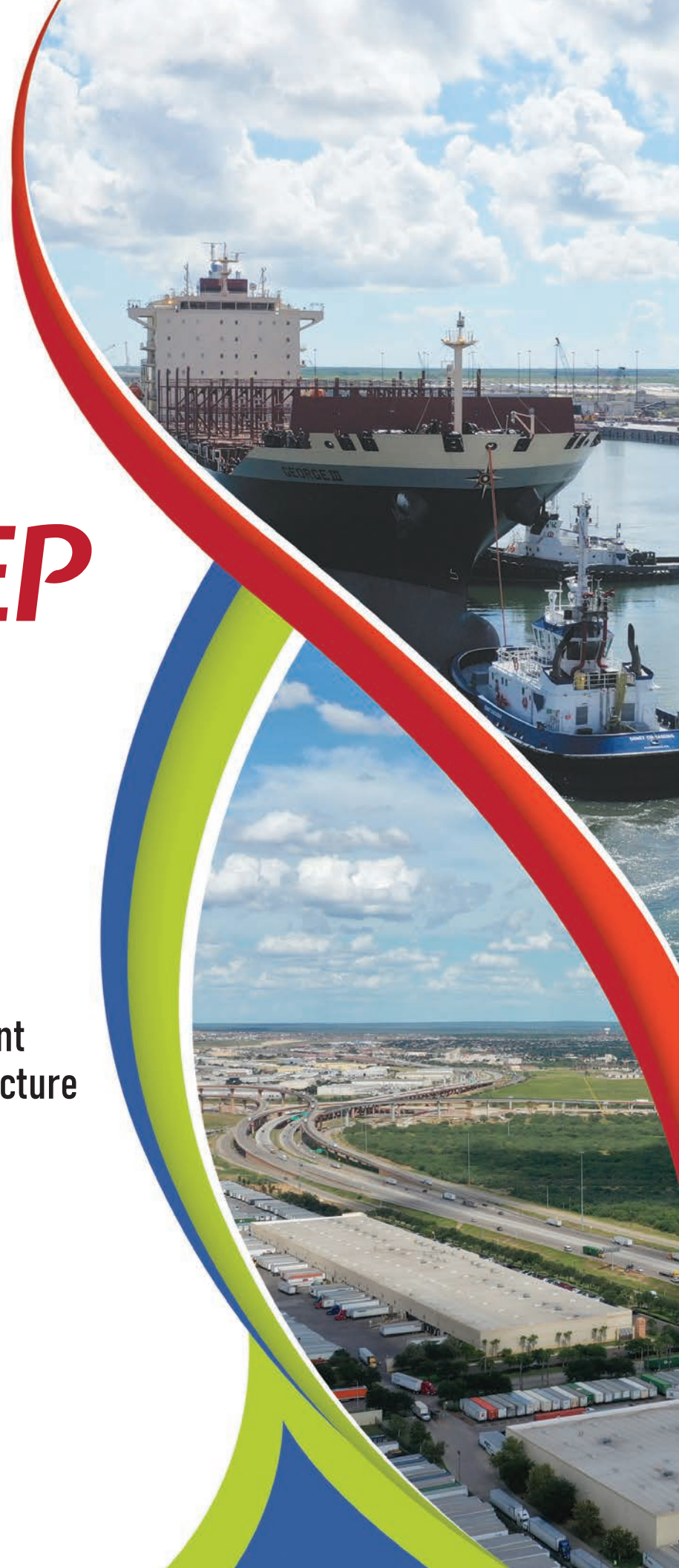


TABLE OF CONTENTS

Executive Summary	3
Why This Matters?	3
What Can Be Done?	4
How We Got Here?	5
ECONOMIC DEVELOPMENT ASSESSMENT	
SWOT Analysis	6
Data Highlights	7
Demographics	9
Population	9
Civilian Labor Force	11
Educational Attainment	12
Education	13
Income Levels	16
Household Income	17
Poverty Level and Disconnected Youth	18
Housing	19
Commuting	20
Access to Healthcare	21
Tax Environment	22
Business Overview	23
Business Predominance United States	24
Business Predominance Mexico Municipios	26
Foreign-Owned Companies	29
Major Employers	30
Business Summaries	33
Core Industries	41
ORGANIZATIONAL STRUCTURE	
Six Strategic Areas	46
Budget of the Regional Initiative	48
Private Business as the Strongest Ally	48

EXECUTIVE SUMMARY

WHY THIS MATTERS?

A Time to Pivot

The region's geographic location on the U.S.-Mexico Border as well as the Gulf of Mexico places it at the heart of the North American supply chain for a multiplicity of industries. As a region, the advantages of this strategic binational location are robust and offer significant advantages for domestic and international companies looking to expand operations. In addition to its unique location, a young and growing workforce is enabling business success.

Strengths of the region can be leveraged, but weaknesses must be overcome to achieve significant results in expanding the economy. Data reveals that while the region's businesses generate employment, the majority of businesses (predominance in retail, government, hospitality, and service) do not generate significant income or career opportunities to enable long-term, broad-based wealth creation for the region. The GDP output per capita in the target area is significantly below state and U.S. averages and must be remedied. A pivot in economic development approach is needed, to focus on primary job creation through the recruitment and expansion of high-multiplier industries.

As it stands today, core industries identified in the 7-county region through data analysis include Trade, Transportation, and Utilities; Natural Resources and Mining; Education and Health Services; Leisure and Tourism; Professional and Business Services, and Manufacturing.



With this discovery, it's important to note that today's dominant industries may not be the future catalyst for new prosperity creation and efforts to increase the presence of currently underdeveloped sectors may be necessary to facilitate a balanced, prosperous, and sustainable regional economic ecosystem.

With the recent disruption of the global supply chain due to COVID-19, an unforeseen business opportunity has become available for Rio South Texas. Near shoring, i.e. establishing operations to fill gaps in the supply chain, or create new supply chain corridors, is of significant opportunity for the 7-county region, as well as the business centers in the Mexico municipios. By offering quicker transportation times, higher supply chain resilience, and increased operational efficiency, this region's binational advantages have recently become more relevant to company executives focused on the North American market.

To successfully execute the necessary pivot towards a regionally focused economic development strategy, private industry must actively participate in its shaping, funding, and implementation.

WHAT CAN BE DONE?

COSTEP as the Changemaker

COSTEP is choosing to be a catalyst for this regional economic development initiative because collaboration in Rio South Texas in the past hasn't happened to the degree necessary to be effective at a scale necessary to induce transformational change. A regional approach to economic development that is data-driven, progressive, and untraditional requires significant financial support. In order to provide the right scale, and continuity unaffected by political whims, this support, as stated previously, should come from the private business community. Through stakeholder interviews and understanding of economic development best practices in similar organizations in Texas and throughout the U.S., the following data driven priorities have been identified and are being pursued.

COSTEP understands the importance of incorporating a collaborative effort with private industry to help shape the direction of its regional economic development initiative and is looking for input from the private sector to prioritize the following six data driven initiatives in establishing this new regional approach.

The new regional approach should pursue the following six areas of interest:

- 1 Expanding the region's primary dollar industry economic development activities, specifically domestic/foreign direct investment recruiting
- 2 Leveraging the symbiotic business relationship between the United States and Mexico
- 3 Aggregating and curating all existing business intelligence and data resources, as well as conducting new data projects
- 4 Promoting the region nationally and internationally to target industry decision makers and decision influencers through focused marketing efforts
- 5 Developing the talent pipeline
- 6 Placemaking to create vibrant spaces where talent and business want to locate

For a detailed discussion of the six initiatives, see Page 46.

HOW WE GOT HERE?

Target Area

This report is an economic development assessment of Rio South Texas, a region which includes the 7 Texas counties of Cameron, Hidalgo, Jim Hogg, Starr, Webb, Willacy, and Zapata in the United States and the 10 municipios of Camargo, Guerrero, Gustavo Diaz Ordaz, Matamoros, Mier, Miguel Aleman, Nuevo Laredo, Reynosa, Rio Bravo, and Valle Hermoso in the State of Tamaulipas in Mexico. The analysis in this report is bi-national where congruent data was available and reliable, or alternately focused on the 7 counties on the U.S. side of the region where that is not the case.

Using Data to Drive Decisions

With the interest to bolster the success of regional economic development efforts through understanding and discovery, COSTEP has engaged consultant experts to revisit legacy data points to confirm and/or challenge the validity of economic development priorities in Rio South Texas. This document is a data-driven report that follows nearly two years of quantitative and qualitative research, including market visits and significant stakeholder interactions, to identify the needs, priorities, assets, and organizations in this dynamic, binational region to better enable exponential prosperity.



The Evolution of COSTEP

For the past 50 years, COSTEP has helped local residents in the 7-county Texas portion of the region provide a better life for themselves and their families through educational initiatives such as helping fund millions of dollars in student scholarships and providing free financial literacy education programs. Today, COSTEP is advancing regional prosperity through the development of a strategic framework for regional economic development.

This framework is data-driven and market-validated, with a strong emphasis on job creation and building a regional talent pipeline, all working toward the goal of creating a virtuous circle of education and employment to drive sustainable economic growth and prosperity for the region and its citizens.

Over the past two years, COSTEP has taken an intentional approach to developing a program of work that recognizes the most significant opportunities to create the highest long term impact. Key to this approach is timely and deliberate activities performed in primary dollar industries, domestic recruitment, and foreign direct investment attraction. These recruitment and attraction efforts have been focused in industries that deliver a strong long term value proposition developing a project pipeline of future-focused companies.



ECONOMIC DEVELOPMENT ASSESSMENT

SWOT ANALYSIS

Assessing the region's strengths and weaknesses as well as its opportunities and threats provide context to make economic development, talent development, and infrastructure decisions. The SWOT summarized below is based on both stakeholder input and quantitative analysis. A typical SWOT analysis defines attributes during a single moment in time, though it should be understood that they often reflect longer-term issues of economic opportunity and competitiveness. This analysis is presented to advance economic development efforts in the region by leveraging the assets of the United States and Mexico.

Strengths

- Strategic geographic location between two countries, leveraging talent, customers, and trade agreements
- Young workforce that is growing significantly
- Land ports (including the busiest) and sea ports that enable commerce
- Available, low cost, unskilled workforce in the United States
- Available, unskilled to middle-skilled workforce in Mexican municipios
- Low cost of living
- Synergistic manufacturing cluster/process between countries
- Available land and open spaces for development
- Business-friendly environment
- No winter season

Weaknesses

- Limited collaboration among economic development partners
- Industry mix is not significantly diversified
- Talent mix is not significantly diversified
- Inconsistent availability of skilled labor in parts of region
- Business and talent clusters are located heavily in 3 of 7 counties
- Limited number of major employers on U.S. side of region
- Access to funding is inconsistent
- Distance to customers and talent is far for parts of the region
- No defined "brand" to promote nationally and internationally
- Minimal public transit in areas

Opportunities

- There's a renewed interest to align economic development efforts in the region
- Private business can be further engaged in economic development
- Increase collaboration between United States and Mexico
- Pivot towards more business expansion of key industries
- National and international marketing campaign to promote region for business expansion and location
- Further education/training program options to fill shortage of technical and trade skills
- Develop new retail and tourism strategies to draw more people across border
- Continue to address crime and perceptions of crime
- Provide more entrepreneurial support

Threats

- Historic competition between jurisdictions will make joining a regional initiative a challenge.
- Bridges between United States and Mexico can become congested, slowing commerce and customer travel
- Federal trade law uncertainty
- National competition for economic development projects, including expansions
- Changes to manufacturing and logistics industry and travel due to COVID-19 that are still developing
- More quality of life features needed for young adults
- Incredibly large and diverse region to determine common priorities and initiatives
- Challenged relationship between the United States government and the Mexico government

DATA HIGHLIGHTS

To better understand the current economic conditions of Rio South Texas, especially the 7-county U.S. portion of the region, there has been an exhaustive review of data from government and private sources. Where relevant, a comparison of the target area of the United States against the performance of the State of Texas and the United States has been presented. Below, you will find a brief summary of key metrics and a score of positive or negative as it affects private business growth and economic prosperity in the region. A more detailed presentation of information is located further in this document, noted at the end of each data set description.

Population

The target counties show a clear business advantage in median age and growth rate compared to the United States data point. A younger and faster growing population means a workforce that has additional longevity and is expanding at a higher level than the rest of the nation. *See Page 9*



Civilian Labor Force

The target counties of the United States and the target municipios of Mexico collectively represent a significant employed population of 1,606,898 individuals. The employed population is larger in Mexico, representing nearly 60% of the region's total employed population. As a region, this is a powerful employee base. *See Page 11*



Income Levels

Household income data reveals a significant gap between the national average and target counties at every income level. It is challenging to earn a level of income sufficient to sustain a household, requiring government assistance in many cases. *See Page 16*



Household Income

Median household income for the target area is about \$20,000 less than the median household income for the State of Texas. The per capita income for the target area is only half of the per capita income of the State of Texas. This significant lack of income translates to less spending in the economy and possible burdens on social services, among other challenges. *See Page 17*



Educational Attainment

Every county in the target area has a lower educational attainment than the State of Texas and the United States. This is a significant challenge to having a ready and able workforce for careers of the future. *See Page 12*



Access to Healthcare

People of all ages in the target counties are uninsured at approximately three times the national average. Employer-provided health insurance is well below the United States average in all counties within the target area. *See Page 21*



Poverty Level and Disconnected Youth

Households below the poverty level are significantly higher in the target counties compared to the State of Texas and the United States. The percentage of teens and young adults ages 16-19 who are neither working nor in school, known as disconnected youth, is also significantly higher. *See Page 18*



Housing Costs

All counties in the target area fair better than the Texas and United States averages, suggesting that housing is very affordable for residents in the target counties of the United States, with the highest affordability being in Willacy County. *See Page 19*



Education

When looking at the total degrees and certificates in the target area as compared to the State of Texas, you could infer that students are not being educated in the highest-paying industries, with proven deficiencies in the areas of Business, Management, Marketing, And Related Support Services; Engineering; and Social Sciences, compared to Texas degrees/certificates. Where the target area is high is in degrees/certificates that lead to occupations that do not lead to significant wages (such as Security and Protective Services). *See page 13*



Foreign-Owned Companies

The average weekly wage for companies that have foreign-ownership is significantly higher than companies that have domestic ownership, at nearly twice the weekly wage levels in some counties. This data point reveals the significance of foreign-owned companies in wealth creation, and the need to prioritize the recruitment of these companies and foreign direct investment. *See page 29*



Business Predominance in the United States

The predominance of business in the target communities by type reveals a significant shortcoming in industries that bring new, outside money into the economies of each county. Unlike industries such as manufacturing, technology, life sciences, and agriculture, which bring in these primary dollars, the predominant type of business in the region is in retail, professional services, government, public health services, and civic organizations. This lack of primary industry (new, outside money in) creates a significant challenge to any wealth creation for the target counties in the United States. *See page 24*

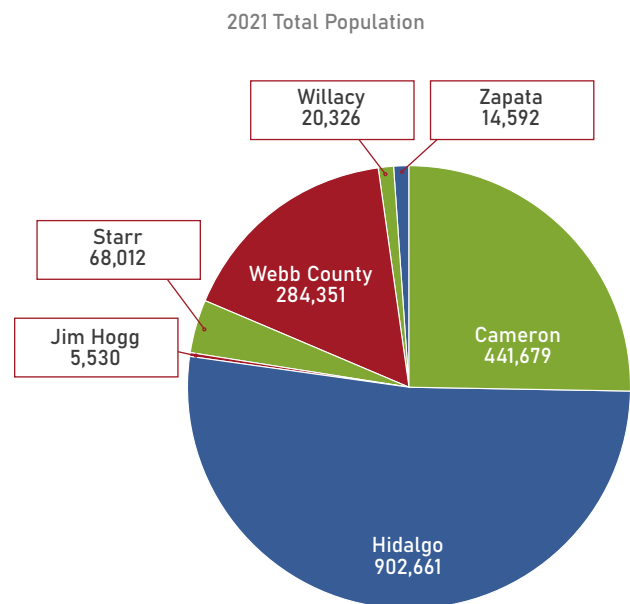
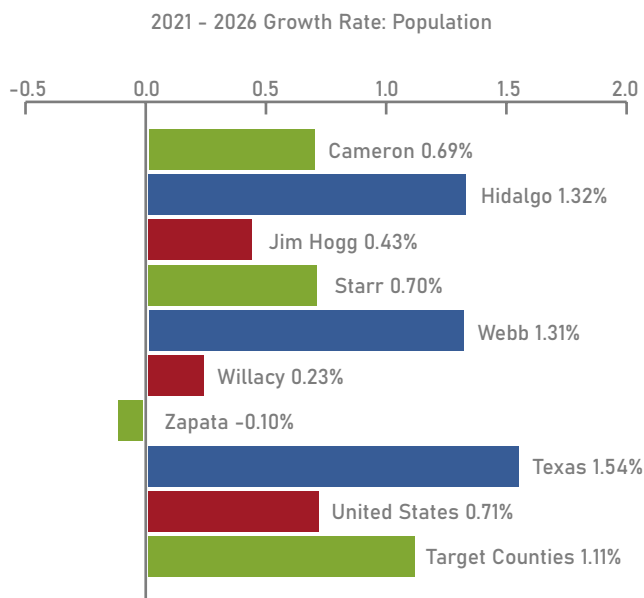


POPULATION

United States

Location	2021 Total Population	2021 Median Age	2021 - 2026 Growth Rate: Population	Foreign Born Population
Cameron	441,679	31.9	0.69%	23%
Hidalgo	902,661	29.8	1.32%	26.8%
Jim Hogg	5,530	37.5	0.43%	3.8%
Starr	68,012	30.6	0.70%	28.6%
Webb	284,351	29.5	1.31%	25.9%
Willacy	20,326	34.5	0.23%	14.9%
Zapata	14,592	30.2	-0.1%	24.5%
Texas	29,969,514	35.3	1.54%	17.0%
United States	333,331,037	38.8	0.71%	13.6%
Target Counties	1,737,151	30.3	1.11%	25.5%

Source: Esri (2021)



Insights

From a population perspective, the target counties show a clear business advantage in median age and growth rate compared to the United States data point. A younger and faster growing population means a workforce that has additional longevity and is expanding at a higher level than the rest of the nation. The foreign born data point demonstrates the cultural makeup of the target counties, again more significant than the US average. This diversity, culture alignment, and embracing of immigrants can lead to easier company to employee “fit” in business recruitment projects.

Cameron, Hidalgo, and Webb County make up 93.7% of the total population in the 7-county region. These 3 counties make up 5.5% of the total population of Texas. Every county in the target area is below the US average for median age. The lowest median age areas are Hidalgo, Webb, and Zapata counties. There is a clear potential workforce base in these areas for further development.



Mexico

Location	2020 Total Population	Median Age
Camargo	16,546	33
Guerrero	3,803	39
Gustavo Diaz Ordaz	15,677	31
Matamoros	541,979	29
Mier	6,385	38
Miguel Aleman	26,237	36
Nuevo Laredo	425,058	28
Reynosa	704,767	28
Rio Bravo	132,484	29
Valle Hermoso	60,055	31
Tamaulipas	3,541,981	30
Mexico	125,206,365	29
Target Municipios	1,932,991	N/A

Source: INEGI (2020)

Insights

Combined “mirror” regions represent significant population numbers as they comprise both United States and Mexico municipios in close proximity. These population numbers correlate to workforce numbers in the same regions.

Combined “Mirror” Regions

Mirror Cities	2020 Total Population
Cameron/Matamoros	983,658
Webb/Nuevo Laredo	709,409
Hidalgo/Reynosa	1,607,428

Source: Census (2020), INEGI (2020)

CIVILIAN LABOR FORCE

United States

Population Age 16+

Location	2021 Civilian Labor Force	2021 Employed Civilian	2021 Unemployment Rate
Cameron	174,483	159,969	8.3%
Hidalgo	375,636	341,744	9.0%
Jim Hogg	1,949	1,625	16.6%
Starr	27,060	22,843	15.6%
Webb	117,646	109,089	7.3%
Willacy	7,091	6,377	10.1%
Zapata	5,403	4,670	13.6%
Texas	14,748,950	13,812,345	6.4%
United States	167,455,314	156,999,485	6.2%
Target Counties	709,268	646,317	8.9%

Source: Esri (2021)

Unemployment Rate

Location	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022
Cameron	10.9%	10.0%	9.3%	8.7%	9.7%	8.8%	7.8%	7.3%	7.0%	6.8%	6.8%	7.6%	7.3%	6.1%
Hidalgo	12.0%	11.1%	10.5%	9.8%	10.9%	9.9%	8.8%	8.0%	7.6%	7.7%	7.8%	9.0%	8.4%	7.0%
Jim Hogg	10.7%	10.2%	9.7%	9.2%	10.3%	9.5%	8.6%	7.8%	7.7%	7.7%	7.2%	8.0%	8.2%	6.4%
Starr	19.3%	18.2%	18.0%	16.8%	18.8%	17.2%	15.3%	14.3%	13.9%	14.1%	14.6%	16.6%	15.9%	13.4%
Webb	8.5%	7.9%	7.2%	6.7%	7.6%	6.6%	5.8%	5.4%	5.3%	5.0%	4.8%	5.4%	5.3%	4.3%
Willacy	13.7%	13.1%	12.4%	11.7%	13.0%	12.0%	10.6%	9.4%	9.1%	8.9%	8.7%	9.8%	10.1%	8.4%
Zapata	14.9%	14.0%	13.2%	14.1%	15.8%	13.5%	12.0%	11.1%	10.9%	10.4%	10.4%	11.0%	10.5%	8.5%
Texas	6.6%	6.4%	6.2%	5.9%	5.9%	5.6%	5.4%	5.1%	5.0%	4.9%	4.8%	4.8%	4.7%	4.4%
United States	6.2%	6.0%	6.0%	5.8%	5.9%	5.4%	5.2%	4.7%	4.6%	4.2%	3.9%	6.4%	6.2%	6.0%

Source: BLS (2022)

Mexico

Population Age 15+

Location	Economically Active Population	Not Economically Active Population	Employed Population	Unemployed Population
Camargo	7,870	5,557	7,682	188
Guerrero	2,029	1,189	1,827	202
Gustavo Diaz Ordaz	7,196	5,247	7,064	132
Matamoros	274,021	15,450	267,394	6,627
Mier	3,201	2,289	3,151	50
Miguel Aleman	15,305	6,815	14,852	453
Nuevo Laredo	208,620	125,838	205,215	3,405
Reynosa	367,349	187,999	361,875	5,474
Rio Bravo	64,975	39,168	63,540	1,435
Valle Hermoso	28,511	19,207	27,981	530
Tamaulipas	1,737,175	1,087,400	1,700,672	36,503
Mexico	61,624,377	37,629,599	56,611,211	2,150,582
Target Municipios	271,652	550,759	960,581	18,496

Source: INEGI (2020)

EDUCATIONAL ATTAINMENT

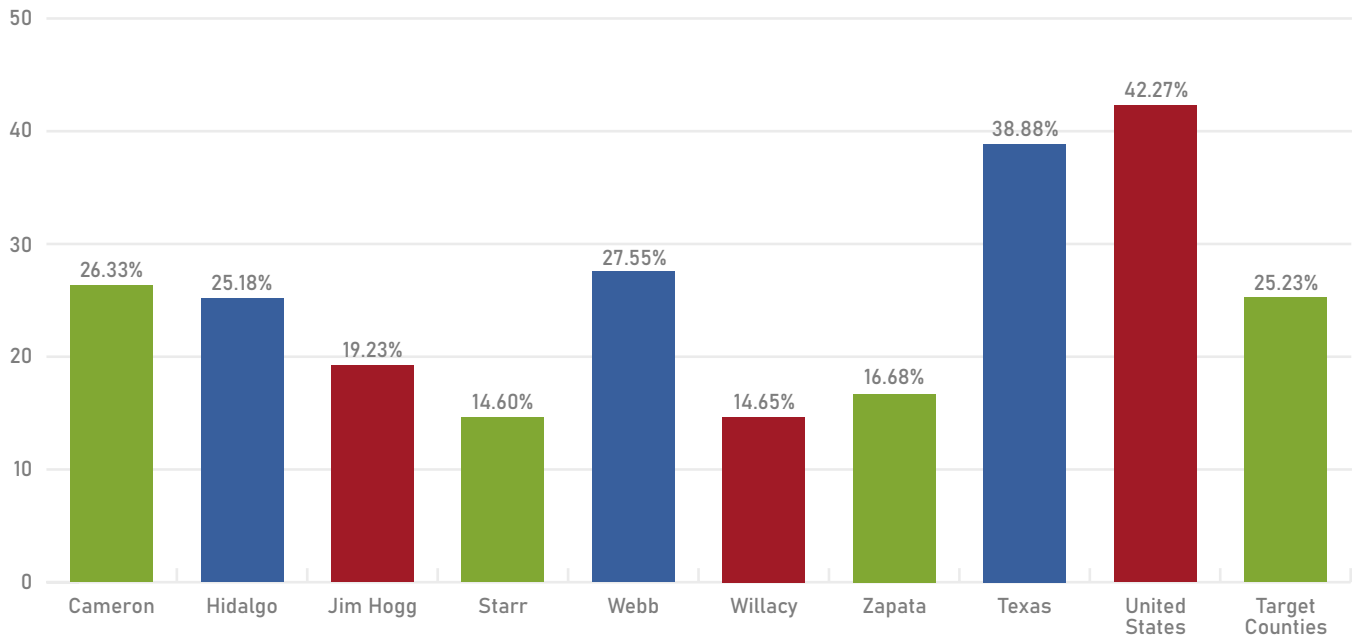
United States

2021 Population Age 25+

Location	Associates Degree or Higher	Less than 9th Grade	High School/No Diploma	High School Diploma	GED	Some College/ No Degree	Associate's Degree	Bachelor's Degree	Grad/ Professional Degree
Cameron	26.33%	17.35%	12.48%	22.78%	4.37%	16.69%	7.83%	12.85%	5.65%
Hidalgo	25.18%	19.53%	12.42%	20.35%	3.93%	18.58%	5.14%	14.07%	5.97%
Jim Hogg	19.23%	11.79%	12.45%	34.13%	4.21%	18.18%	5.26%	11.02%	2.95%
Starr	14.60%	27.29%	16.81%	24.85%	2.84%	13.60%	3.88%	7.70%	3.02%
Webb	27.55%	16.79%	13.34%	22.04%	4.03%	16.25%	7.35%	14.52%	5.68%
Willacy	14.65%	19.96%	12.07%	30.33%	6.66%	16.34%	5.15%	6.96%	2.54%
Zapata	16.68%	22.41%	13.28%	29.19%	2.91%	15.52%	4.23%	11.11%	1.34%
Texas	38.88%	7.41%	4.47%	21.00%	4.27%	21.00%	7.6%	20.29%	10.99%
United States	42.27%	4.70%	6.40%	22.87%	3.97%	19.79%	8.68%	20.60%	12.99%
Target Counties	25.23%	18.83%	12.76%	21.68%	4.04%	17.46%	6.15%	13.45%	5.63%

Source: Esri (2021)

Educational Attainment: Higher Education Rates



Insights

Every county in the target area has a lower educational attainment than the State of Texas and the United States. At 27.5%, Webb County boasts the highest percentage of the population (age 25 and over) with an Associates degree or higher. As illustrated in other data findings, Cameron, Hidalgo, and Webb counties stand above the rest of the target counties in the area of interest.



EDUCATION



United States

Number of Education Institutions

Location	Institutions	Colleges and Universities	Supplemental Colleges	Public Schools	Private Schools
Cameron	210	8	2	185	15
Hidalgo	398	17	6	352	23
Jim Hogg	3	0	0	3	0
Starr	31	0	1	29	1
Webb	106	5	3	91	7
Willacy	15	0	0	15	0
Zapata	6	0	0	6	0
Target Counties	769	30	12	681	46

Source: NCES(School Calendar 2019-2020)

Insights

Cameron, Hidalgo, and Webb County have the most educational institutions by a large margin. These three counties make up 92.5% of all K-12 Schools and 41 of the 42 Colleges/Supplemental Educational Facilities in the target area.

Top 30 Institutions in the Region by Enrollment

Institution	City	County	Enrollment
South Texas College	McAllen	Hidalgo	31,949
The University of Texas Rio Grande Valley	Edinburg	Hidalgo	28,644
Laredo College	Laredo	Webb	10,181
Texas A&M International University	Laredo	Webb	7,884
Texas Southmost College	Brownsville	Cameron	7,130
South Texas College - Mid-Valley Campus	Weslaco	Hidalgo	2,986
South Texas College - Technology Campus	McAllen	Hidalgo	1,567
South Texas College - Starr County Campus	Rio Grande City	Starr	1,290
South Texas College - Nursing & Allied Health Campus	McAllen	Hidalgo	1,038
South Texas Vocational Technical Institute - Weslaco	Weslaco	Hidalgo	683
Rio Grande Valley College	Pharr	Hidalgo	626
South Texas Vocational Technical Institute - Brownsville	Brownsville	Cameron	491
Southern Careers Institute - Pharr	Pharr	Hidalgo	472
The College of Health Care Professions - McAllen Campus	McAllen	Hidalgo	432
Platt College - STVT - McAllen	McAllen	Hidalgo	425
Southern Careers Institute - Brownsville	Brownsville	Cameron	362
Southern Careers Institute - Harlingen	Harlingen	Cameron	333
Vogue College of Cosmetology - McAllen	McAllen	Hidalgo	317
Valley Grande Institute for Academic Studies	Weslaco	Hidalgo	249
Advanced Barber College and Hair Design	Weslaco	Hidalgo	165
UCAS University of Cosmetology Arts & Sciences - McAllen	McAllen	Hidalgo	156
Laredo Beauty College Inc	Laredo	Webb	109
UCAS University of Cosmetology Arts & Sciences - Harlingen	Harlingen	Cameron	105
GA Nails Beauty School	McAllen	Hidalgo	84
Salon & Spa Institute	Brownsville	Cameron	84
South Texas Training Center	San Benito	Cameron	75
Laredo CHI Academy Beauty School	Laredo	Webb	66
UCAS University of Cosmetology Arts & Sciences - La Joya	La Joya	Hidalgo	60
Mission Beauty Institute	Mission	Hidalgo	19
National American University - South Texas McAllen	McAllen	Hidalgo	N/A

Source: ESRI (2019), Partner Outreach, Wikipedia

Total Degrees/Certificates by Target Area as Compared to State

Major	Target Area (Total)	Target Area (%)	Texas (Total)	Texas (%)	Difference (%)
Health Professions and Related Clinical Sciences	2,840	16.33%	50,340	14.68%	1.65%
Liberal Arts and Sciences, General Studies, and Humanities	2,557	14.69%	52,680	15.36%	-0.66%
Business, Management, Marketing, and Related Support Services	1,958	11.26%	55,087	16.06%	-4.81%
Security and Protective Services	1,286	7.39%	9,750	2.84%	4.55%
Education	965	5.55%	16,500	4.81%	0.74%
Biological and Biomedical Sciences	933	5.36%	12,352	3.60%	1.76%
Psychology	785	4.51%	10,463	3.05%	1.46%
Computer and Information Sciences and Support Services	726	4.17%	14,092	4.11%	0.06%
Precision Production	681	3.91%	4,509	1.31%	2.60%
Multi/Interdisciplinary Studies	607	3.49%	13,574	3.96%	-0.47%
Public Administration and Social Service Professions	457	2.63%	5,562	1.62%	1.01%
Parks, Recreation, Leisure, and Fitness Studies	448	2.58%	7,324	2.14%	0.44%
Engineering	425	2.44%	15,601	4.55%	-2.11%
Personal and Culinary Services	336	1.93%	5,194	1.51%	0.42%
Engineering Technologies/Technicians	302	1.74%	6,318	1.84%	-0.11%
Visual and Performing Arts	284	1.63%	7,777	2.27%	-0.63%
Social Sciences	228	1.31%	8,755	2.56%	-1.24%
Communication, Journalism, and Related Programs	215	1.24%	8,007	2.33%	-1.10%
English Language and Literature/Letters	203	1.17%	3,374	0.98%	0.18%
Mechanic and Repair Technologies/Technicians	182	1.04%	4,087	1.19%	-0.15%
Family and Consumer Sciences/Human Sciences	167	0.96%	3,125	0.91%	0.05%
Mathematics and Statistics	165	0.95%	3,300	0.96%	-0.014%
Foreign Languages, Literatures, and Linguistics	138	0.79%	2,001	0.58%	0.21%
Construction Trades	135	0.78%	987	0.29%	0.49%
History	97	0.56%	2,219	0.65%	-0.09%
Physical Sciences	91	0.52%	2,912	0.85%	-0.33%
Transportation and Materials Moving	61	0.35%	1,091	0.32%	0.03%
Legal Professions and Studies	29	0.17%	3,140	0.92%	-0.75%
Natural Resources and Conservation	26	0.15%	1,373	0.40%	-0.25%
Philosophy and Religious Studies	26	0.15%	773	0.23%	-0.08%
Area, Ethnic, Cultural, and Gender Studies	17	0.09%	323	0.09%	0.00%
Architecture and Related Services	13	0.07%	1,363	0.39%	-0.32%
Agriculture, Agriculture Operations, and Related Sciences	12	0.07%	4,135	1.20%	-1.14%

Source: NCES(school calendar 2019-2020)

Insights

When compared to the State of Texas, the target area excels in the production of degrees/certificates in the Health Professions and Related Programs, as well as Liberal Arts and Sciences, General Studies, and Humanities. The third most prevalent degree and certificate type is in the Business, Management, Marketing, and Related Support Services area.

INCOME LEVELS

United States

2021 Household Income Ages 15 - 24

Location	<\$15000	\$15K - 24,999	\$25K - 34,999	\$35K - 49,999	\$50K - 74,999	\$75K - 99,999	\$100K - 149,999	\$150K - 199,999	\$200,000+
Cameron	29.65%	19.86%	12.84%	12.14%	15.86%	5.51%	3.56%	0.42%	0.16%
Hidalgo	29.84%	19.81%	12.12%	15.12%	14.83%	4.43%	3.25%	0.47%	0.12%
Jim Hogg	29.51%	21.31%	6.56%	11.48%	13.11%	11.48%	4.92%	1.64%	0.00%
Starr	35.05%	28.19%	8.26%	11.99%	10.12%	4.21%	2.02%	0.16%	0.00%
Webb	25.49%	19.85%	12.80%	12.91%	17.19%	7.59%	3.74%	0.22%	0.22%
Willacy	31.91%	19.15%	9.57%	13.30%	13.83%	10.64%	1.60%	0.00%	0.00%
Zapata	33.81%	16.67%	14.76%	13.81%	11.90%	5.71%	2.86%	0.48%	0.00%
Texas	20.35%	13.65%	13.33%	17.64%	18.37%	9.01%	5.84%	1.21%	0.60%
United States	21.16%	13.34%	12.99%	16.53%	18.62%	9.06%	6.23%	1.28%	0.79%
Target Counties	29.40%	20.07%	12.24%	13.97%	15.20%	5.23%	3.33%	0.41%	0.14%

Source: Esri (2021)

Insights

Household income data reveals a significant gap between the national average and the 7-county region at every income level. The target counties also perform well below the Texas averages, especially in household income below \$24,999. While people may be employed in the region, the level of income is frequently insufficient to sustain a household, requiring government assistance in many cases. Investing in economic development efforts to attract high-skill, high-wage jobs while upskilling the workforce has the ability to close this household income gap. One outlier to recognize is the \$75K-99,000 income bracket for Jim Hogg county, which may be a result of income earned in the Natural Resources and Mining industry, which tends to pay above the average of other industries.

Location	2021 Wealth Index
Cameron	51
Hidalgo	51
Jim Hogg	44
Starr	38
Webb	59
Willacy	41
Zapata	54
Texas	94
United States	100
Target Counties	52

Insights

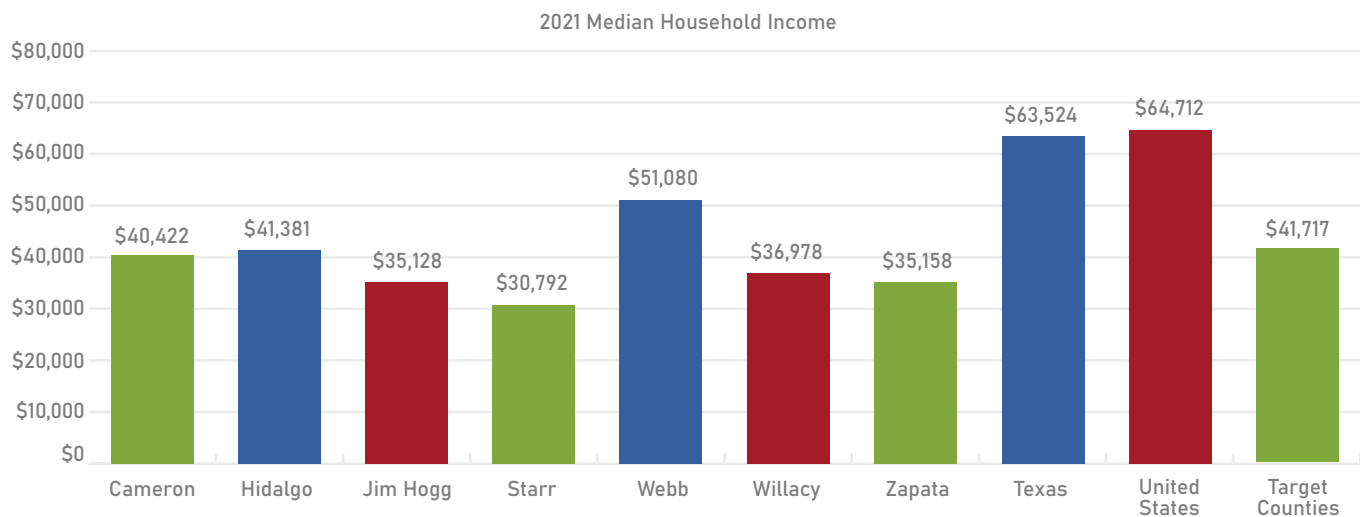
All counties in the 7-county region of study are well below the state and national average when it comes to wealth. Esri's Wealth Index is compiled from a number of indicators of affluence that include average household income and average net worth. The concept of wealth is defined by more than just above-average household income. Wealth also includes the value of material possessions and resources. The index represents the wealth of an area relative to the national level. Values exceeding 100 represent above-average wealth. When compared to the State of Texas and the United States, the target counties have significantly lower wealth level, less than half in the case of some of the counties.

HOUSEHOLD INCOME

United States

Location	2021 Median Household Income	2021 Per Capita Income	Average Annual Wage
Cameron	\$40,422	\$17,367	\$39,312
Hidalgo	\$41,381	\$16,550	\$39,572
Jim Hogg	\$35,128	\$18,821	\$41,132
Starr	\$30,792	\$13,183	\$37,024
Webb	\$51,080	\$18,343	\$40,196
Willacy	\$36,978	\$15,227	\$42,120
Zapata	\$35,158	\$17,431	\$47,996
Texas	\$63,524	\$32,007	\$63,804
United States	\$64,712	\$35,100	\$65,052
Target Counties	\$41,717	\$16,919	\$41,050

Source: Esri (2021), BLS Q3 (2021)



Insights

Median household income for the target area is about \$20,000 less than the median household income for the State of Texas. The per capita income for the target area is only half of the per capita income of the State of Texas. Businesses with the capacity to pay higher wages could potentially out-compete the current business landscape on a wage basis. Union participation is lower than both the United States and Texas averages.

Location	Member of Union
Cameron	2.75%
Hidalgo	2.66%
Jim Hogg	2.43%
Starr	2.70%
Webb	2.86%
Willacy	2.76%
Zapata	2.51%
Texas	2.88%
United States	3.36%
Target Counties	2.71%

POVERTY LEVEL AND DISCONNECTED YOUTH

United States

Location	2019 Households Inc Below Poverty Level (ACS 5-Yr)	Disconnected Youth
Cameron	27.71%	14.35%
Hidalgo	27.96%	8.89%
Jim Hogg	26.57%	N/A
Starr	35.01%	11.92%
Webb	25.52%	9.64%
Willacy	28.85%	17.42%
Zapata	32.47%	N/A
Texas	13.74%	8.00%
United States	12.93%	N/A
Target Counties	27.80%	N/A

Note: Disconnected Youth is defined as teens and young adults ages 16–19 who are neither working nor in school.

Source: Esri (2021), American Community Survey 2015–2019
Robert Wood Johnson Foundation and the University of Wisconsin
Population Health Institute 2021

Insights

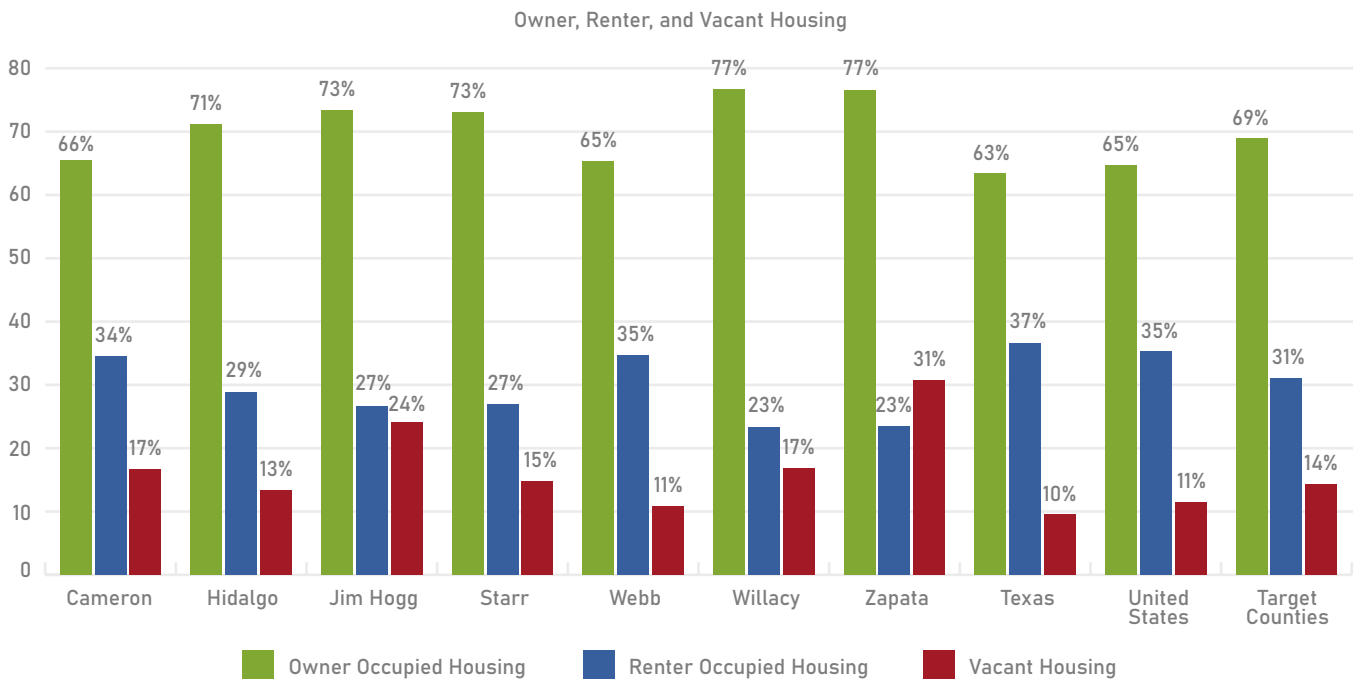
Households below the poverty level are more common in each of the seven counties compared to the State of Texas and United States averages. In addition, the percentage of teens and young adults ages 16–19 who are neither working nor in school (known as disconnected youth) is high, though a comparison figure is not available for the State of Texas or the United States. Developing the talent pipeline to advance the skills of the target area population and then attracting companies with high-skill and high-wage jobs is a remedy for this poverty situation and disconnectedness among the young people in the region.

HOUSING

United States

Location	Total Population	Housing Affordability Index	Owner Occupied HUs	Renter Occupied HUs	Vacant Housing Units
Cameron	441,679	192	65.55%	34.45%	16.72%
Hidalgo	902,661	189	71.15%	28.85%	13.31%
Jim Hogg	5,530	202	73.37%	26.63%	24.04%
Starr	68,012	199	73.02%	26.98%	14.76%
Webb	284,351	133	65.38%	34.62%	10.89%
Willacy	20,326	276	76.63%	23.37%	16.78%
Zapata	14,592	233	76.56%	23.44%	30.70%
Texas	29,969,514	131	63.37%	36.63%	9.53%
United States	333,331,037	127	64.76%	35.24%	11.47%
Target Counties	1,737,151	176	68.96%	31.04%	14.23%

Source: Esri (2021)



Insights

Esri's Housing Affordability Index (HAI) measures the financial ability of a typical household to purchase an existing home in an area. A HAI of 100 represents an area that on average has sufficient household income to qualify for a loan on a home valued at the median home price. An index greater than 100 suggests homes are easily afforded by the average area resident. All counties in the target area fair better than the Texas and United States averages, suggesting that housing is very affordable for residents in the 7-county region, with the highest affordability being in Willacy County. This data point can be used in marketing the region as housing has become expensive in many markets, preventing companies to expand or relocate there. Employees will have an easy time finding affordable housing in the region, though this doesn't address the type of housing (single family, apartment, townhouse, condominium, other).

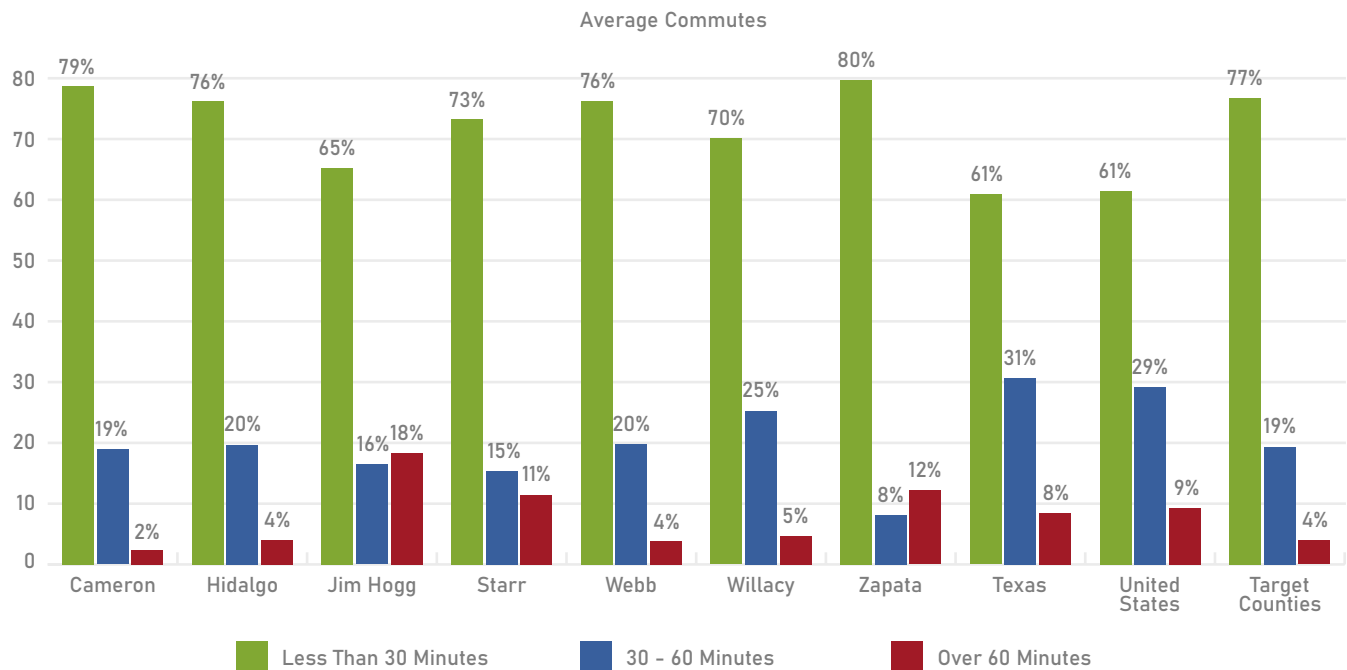
COMMUTING

United States

2021 Employed Civilians Age 16+

Location	2021 Employed Civilians	2021 Total Businesses (SIC)	Less Than 30 Minutes	30 - 60 Minutes	Over 60 Minutes
Cameron County	159,969	10,396	78.74%	18.91%	2.34%
Hidalgo County	341,744	20,249	76.21%	19.70%	4.09%
Jim Hogg County	1,625	143	65.21%	16.44%	18.35%
Starr County	22,843	1,259	73.23%	15.34%	11.42%
Webb County	109,089	7,957	76.27%	19.89%	3.83%
Willacy County	6,377	384	70.08%	25.30%	4.61%
Zapata County	4,670	310	79.71%	8.09%	12.17%
Texas	13,812,345	988,897	60.87%	30.64%	8.48%
United States	156,999,485	11,989,629	61.45%	29.18%	9.35%
Target Counties	646,317	40,698	76.69%	19.35%	3.94%

Source: Esri (2021)



Insights

Every county in the target area has a higher percentage of workers commuting under 30 minutes compared to the averages of Texas and the United States. Only 4% of workers in the target area have a commute to work over 60 minutes, which is half the rate of workers in Texas and the United states. An outlier is Jim Hogg County with 18% of workers commuting over 60 minutes, and still somewhat significant, Zapata County at 12% and Starr County at 11% of workers commuting over 60 minutes.

ACCESS TO HEALTHCARE



United States

Health Insurance Coverage of All Ages

Location	1 Type of Health Insurance	2 Types of Health Insurance	No Health Insurance	Employer Provided Ages 19 - 64
Cameron	60.70%	10.90%	28.40%	27.30%
Hidalgo	59.21%	10.45%	30.33%	24.54%
Jim Hogg	64.89%	13.59%	21.49%	24.60%
Starr	53.83%	11.42%	34.76%	18.37%
Webb	62.84%	9.48%	27.69%	29.84%
Willacy	58.49%	13.93%	27.57%	23.55%
Zapata	59.56%	11.92%	28.51%	25.29%
Texas	70.26%	12.50%	17.24%	44.47%
United States	74.80%	16.34%	8.85%	46.31%
Target Counties	60.00%	10.52%	29.49%	25.88%

Source: Esri (2021)

Insights

People of all ages in the target counties are uninsured at approximately three times the national average. Employer-provided health insurance is well below the United States average in all counties within the target area. To help transform this dramatic shortfall, business recruitment activities should focus on companies that have policies/traditions and a track record of providing quality health insurance coverage to their employees.

TAX ENVIRONMENT

2021 State Business Tax Climate Index Ranks and Component Tax Ranks

State	Overall Rank	Corporate Tax Rank	Individual Income Tax Rank	Sales Tax Rank	Property Tax Rank	Unemployment Insurance Tax Rank
Wyoming	1	1	1	6	35	31
South Dakota	2	1	1	34	18	38
Alaska	3	28	1	5	24	43
Florida	4	7	1	21	12	2
Montana	5	22	24	3	29	19
New Hampshire	6	41	9	1	46	44
Nevada	7	25	5	44	5	45
Tennessee	8	26	6	46	33	20
Indiana	9	11	15	19	1	25
Utah	10	14	10	22	7	17
North Carolina	11	4	16	20	13	12
Michigan	12	20	12	10	21	7
Missouri	13	3	21	25	8	4
Texas	14	47	7	36	37	14
Washington	15	39	7	49	20	24
Delaware	16	50	44	2	4	3
Idaho	17	29	20	9	3	47
Kentucky	18	15	17	13	21	49
North Dakota	19	9	26	30	10	9
Colorado	20	6	14	38	34	41
West Virginia	21	18	28	18	9	26
Oregon	22	49	42	4	17	39
Arizona	23	23	18	40	11	11
Kansas	24	21	22	27	31	16
Virginia	25	16	32	11	26	42

Note: A rank of 1 is best, 50 is worst. D.C.'s score and rank do not affect other states. The report shows tax systems as of July 1, 2021 (the beginning of Fiscal Year 2022).

Source: Tax Foundation (2022)

Insights

From a tax climate perspective, the State of Texas ranks 14th overall. For significant business recruitment opportunities with a spectrum of tax implications at the corporate, individual, and property tax levels, a compelling value proposition can be leveraged against less friendly states competing for a potential investment.

BUSINESS OVERVIEW

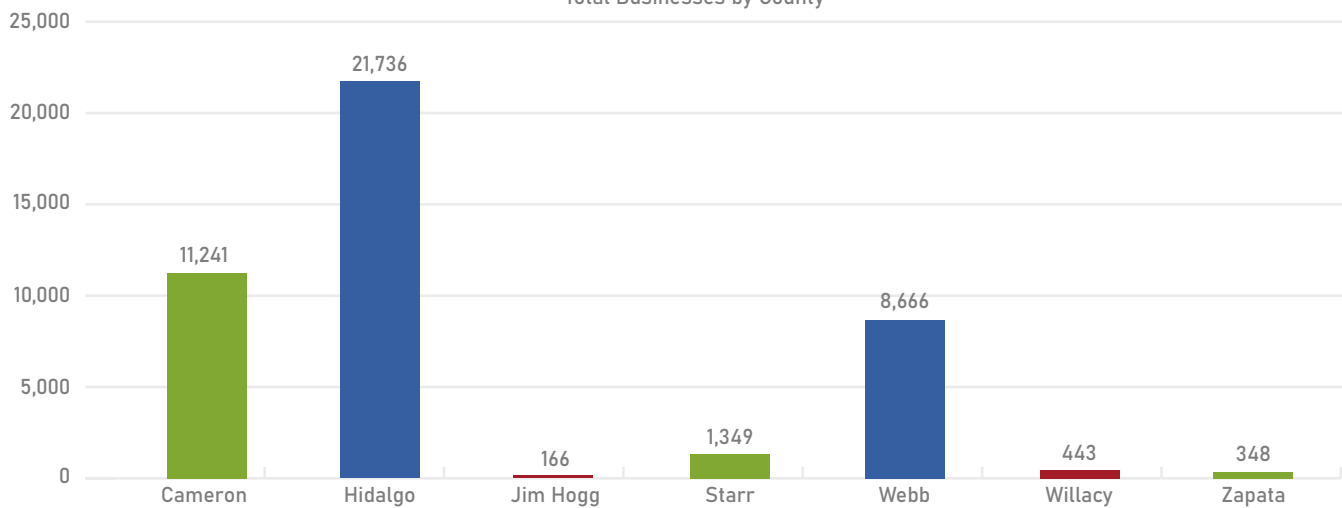
United States

Number of Businesses by Employee Count

Location	0 - 50 Employees	51 - 100 Employees	Over 100 Employees	All businesses
Cameron	10,885	223	133	11,241
Hidalgo	21,003	499	234	21,736
Jim Hogg	164	1	1	166
Starr	1,309	26	14	1,349
Webb	8,402	163	101	8,666
Willacy	425	12	6	443
Zapata	339	7	2	348
Target Counties	42,527	931	491	43,949

Source: Esri 2021 (Data Axle)

Total Businesses by County



Mexico

Location	All Businesses
Camargo	844
Guerrero	216
Gustavo Diaz Ordaz	821
Matamoros	20,980
Mier	301
Miguel Aleman	1,932
Nuevo Laredo	15,108
Reynosa	22,502
Rio Bravo	5,359
Valle Hermoso	3,767
Tamaulipas	132,936
Target Municipios	71,830

Source: Esri 2021 (Data Axle)

Insights

Cameron, Hidalgo, and Webb counties account for 94.7% of all businesses in the 7-county region. Hidalgo County alone accounts for 49.4% of all businesses in the U.S. side of the region. The 10 municipios combined are home to almost two-thirds (62%) of all the businesses in the Mexico side of the region. Further, the 10 municipios combined account for 54% of all businesses in Tamaulipas, while the 7 U.S. counties account for 4.4% of businesses in Texas. It's important to note that the southern riverbank has twice the number of businesses in this binational region, with a strong concentration of these businesses in 3 main municipios. It's anticipated that new opportunities for the region will occur in these strong business markets as infrastructure and talent are dominant here, compared to other markets in the region.

BUSINESS PREDOMINANCE UNITED STATES

Cameron

Type of Business	Total Count
Food Services and Drinking Places	960
Professional, Scientific, and Technical Services	834
Unclassified	802
Ambulatory Health Care Services	713
Credit Intermediation and Related Activities	668
Real Estate	424
Personal and Laundry Services	422
Religious, Grantmaking, Civic, Professional, and Similar Organizations	387
Educational Services	370
Motor Vehicle and Parts Dealers	352

Source: Esri (2021)

Jim Hogg

Type of Business	Total Count
Credit Intermediation and Related Activities	15
Food Services and Drinking Places	15
Executive, Legislative, and Other General Government Support	14
Religious, Grantmaking, Civic, Professional, and Similar Organizations	9
Specialty Trade Contractors	7
Food and Beverage Stores	7
Ambulatory Health Care Services	6
Motor Vehicle and Parts Dealers	5
Animal Production and Aquaculture	4
Merchant Wholesalers, Nondurable Goods	4

Source: Esri (2021)

Hidalgo

Type of Business	Total Count
Food Services and Drinking Places	1,746
Professional, Scientific, and Technical Services	1,696
Unclassified	1,679
Ambulatory Health Care Services	1,585
Credit Intermediation and Related Activities	1,059
Personal and Laundry Services	833
Motor Vehicle and Parts Dealers	700
Food and Beverage Stores	663
Religious, Grantmaking, Civic, Professional, and Similar Organizations	662
Real Estate	646

Source: Esri (2021)

Starr

Type of Business	Total Count
Food Services and Drinking Places	141
Ambulatory Health Care Services	98
Credit Intermediation and Related Activities	83
Professional, Scientific, and Technical Services	83
Executive, Legislative, and Other General Government Support	56
Food and Beverage Stores	55
Religious, Grantmaking, Civic, Professional, and Similar Organizations	54
Unclassified	54
Personal and Laundry Services	53
Motor Vehicle and Parts Dealers	47

Source: Esri (2021)

Webb

Type of Business	Total Count
Professional, Scientific, and Technical Services	882
Food Services and Drinking Places	646
Unclassified	646
Support Activities for Transportation	466
Credit Intermediation and Related Activities	411
Ambulatory Health Care Services	396
Truck Transportation	364
Merchant Wholesalers, Durable Goods	270
Personal and Laundry Services	268
Motor Vehicle and Parts Dealers	257

Source: Esri (2021)

Zapata

Type of Business	Total Count
Food Services and Drinking Places	33
Credit Intermediation and Related Activities	29
Ambulatory Health Care Services	20
Executive, Legislative, and Other General Government Support	20
Food and Beverage Stores	18
Specialty Trade Contractors	15
Educational Services	14
Repair and Maintenance	13
Unclassified	13
General Merchandise Stores	12

Source: Esri (2021)

Willacy

Type of Business	Total Count
Credit Intermediation and Related Activities	34
Religious, Grantmaking, Civic, Professional, and Similar Organizations	31
Food Services and Drinking Places	29
Executive, Legislative, and Other General Government Support	29
Professional, Scientific, and Technical Services	28
Unclassified	23
Food and Beverage Stores	17
Ambulatory Health Care Services	17
Educational Services	16
Social Assistance	13

Source: Esri (2021)

Insights

With a predominance of retail and service businesses, the target area is merely recirculating the same money within the 7-county region and not bringing in significant money through primary industries.

To grow the economy, there must be a focus on recruiting and expanding companies that bring new revenue into the target area, including those in manufacturing, technology, life sciences, and other primary industries.

BUSINESS PREDOMINANCE MEXICO MUNICIPIOS

Camargo

Type of Business	Total Count
Food and Beverage Preparation Services	99
Retail Trade of Groceries, Food, Beverages, Ice, and Tobacco	97
Repair and Maintenance Services	96
Retail Trade of Household Goods, Computers, Interior Decorative Articles, and Used Goods	46
Fishing, Hunting, and Trapping	44
Personal Services	43
Outpatient Medical Services and Related Services	42
Legislative, Governmental, and Justice Administration Activities	37
Retail Trade of Textiles, Jewelry, Clothing Accessories, and Footwear	35
Associations and Organizations	29

Source: DENUE 2020

Gustavo Diaz Ordaz

Type of Business	Total Count
Repair and Maintenance Services	105
Retail Trade of Groceries, Food, Beverages, Ice, and Tobacco	103
Food and Beverage Preparation Services	98
Retail Trade in Self-Service Shops, and Department Stores	46
Retail Trade of Textiles, Jewelry, Clothing Accessories, and Footwear	41
Personal Services	38
Associations and Organizations	38
Legislative, Governmental, and Justice Administration Activities	37
Retail Trade of Household Goods, Computers, Interior Decorative Articles, and Used Goods	30
Retail Trade of Stationery Supplies, Recreational, and Other Personal Goods	22

Source: DENUE 2020

Guerrero

Type of Business	Total Count
Fishing, Hunting, and Trapping	40
Food and Beverage Preparation Services	26
Retail Trade of Groceries, Food, Beverages, Ice, and Tobacco	22
Repair and Maintenance Services	22
Associations and Organizations	10
Legislative, Governmental, and Justice Administration Activities	10
Personal Services	8
Retail Trade in Self-Service Shops, and Department Stores	7
Retail Trade of Textiles, Jewelry, Clothing Accessories, and Footwear	6
Educational Services	6

Source: DENUE 2020

Matamoros

Type of Business	Total Count
Retail Trade of Groceries, Food, Beverages, Ice, and Tobacco	2,634
Repair and Maintenance Services	2,458
Food and Beverage Preparation Services	2,338
Retail Trade of Household Goods, Computers, Interior Decorative Articles, and Used Goods	1,578
Personal Services	1,475
Outpatient Medical Services and Related Services	889
Associations and Organizations	855
Retail Trade of Textiles, Jewelry, Clothing Accessories, and Footwear	744
Retail Trade in Self-Service Shops, and Department Stores	684
Retail Trade of Stationery Supplies, Recreational, and Other Personal Goods	684

Source: DENUE 2020

Mier

Type of Business	Total Count
Retail Trade of Groceries, Food, Beverages, Ice, and Tobacco	61
Food and Beverage Preparation Services	39
Repair and Maintenance Services	34
Legislative, Governmental, and Justice Administration Activities	21
Personal Services	14
Associations and Organizations	12
Retail Trade of Stationery Supplies, Recreational, and Other Personal Goods	10
Retail Trade of Textiles, Jewelry, Clothing Accessories, and Footwear	8
Retail Trade of Household Goods, Computers, Interior Decorative Articles, and Used Goods	8
Educational Services	8

Source: DENUE 2020

Nuevo Laredo

Type of Business	Total Count
Retail Trade of Groceries, Food, Beverages, Ice, and Tobacco	1,870
Food and Beverage Preparation Services	1,692
Repair and Maintenance Services	1,589
Personal Services	1,086
Retail Trade of Household Goods, Computers, Interior Decorative Articles, and Used Goods	949
Associations and Organizations	613
Retail Trade of Stationery Supplies, Recreational, and Other Personal Goods	612
Retail Trade of Textiles, Jewelry, Clothing Accessories, and Footwear	601
Outpatient Medical Services and Related Services	555
Educational Services	469

Source: DENUE 2020

Miguel Aleman

Type of Business	Total Count
Retail Trade of Groceries, Food, Beverages, Ice, and Tobacco	267
Repair and Maintenance Services	211
Food and Beverage Preparation Services	205
Retail Trade of Household Goods, Computers, Interior Decorative Articles, and Used Goods	197
Personal Services	115
Outpatient Medical Services and Related Services	112
Retail Trade of Stationery Supplies, Recreational, and Other Personal Goods	82
Retail Trade of Textiles, Jewelry, Clothing Accessories, and Footwear	76
Retail Trade in Self-Service Shops, and Department Stores	63
Retail Trade of Motor Vehicles, Parts, Fuels, and Lubricants	62

Source: DENUE 2020

Reynosa

Type of Business	Total Count
Retail Trade of Groceries, Food, Beverages, Ice, and Tobacco	2,980
Repair and Maintenance Services	2,122
Retail Trade of Household Goods, Computers, Interior Decorative Articles, and Used Goods	1,869
Food and Beverage Preparation Services	1,857
Personal Services	1,603
Retail Trade in Self-Service Shops, and Department Stores	1,189
Retail Trade of Textiles, Jewelry, Clothing Accessories, and Footwear	1,060
Retail Trade of Stationery Supplies, Recreational, and Other Personal Goods	949
Outpatient Medical Services and Related Services	870
Credit and Financial Intermediation Institutions, Non-Stock Exchange	867

Source: DENUE 2020

Rio Bravo

Type of Business	Total Count
Retail Trade of Groceries, Food, Beverages, Ice, and Tobacco	631
Repair and Maintenance Services	612
Food and Beverage Preparation Services	504
Retail Trade of Household Goods, Computers, Interior Decorative Articles, and Used Goods	394
Personal Services	333
Retail Trade in Self-Service Shops, and Department Stores	311
Outpatient Medical Services and Related Services	279
Associations and Organizations	275
Retail Trade of Stationery Supplies, Recreational, and Other Personal Goods	209
Retail Trade of Textiles, Jewelry, Clothing Accessories, and Footwear	195

Source: DENUE 2020

Valle Hermoso

Type of Business	Total Count
Repair and Maintenance Services	540
Retail Trade of Groceries, Food, Beverages, Ice, and Tobacco	428
Retail Trade of Household Goods, Computers, Interior Decorative Articles, and Used Goods	397
Food and Beverage Preparation Services	373
Personal Services	196
Retail Trade in Self-Service Shops, and Department Stores	188
Associations and Organizations	147
Food Industry	122
Retail Trade of Stationery Supplies, Recreational, and Other Personal Goods	110
Retail Trade of Textiles, Jewelry, Clothing Accessories, and Footwear	107

Source: DENUE 2020

Insights

While the category descriptions are different than those used in Standard Industrial Classification codes, what can be discovered is a similar predominance of retail and service-based businesses, and a shortage of production-based and knowledge-based businesses. It can be inferred that money is being moved throughout the municipios for the most part, with less money coming in from outside of this target area in Mexico, based on this data.



FOREIGN-OWNED COMPANIES

Cameron, Hidalgo, and Webb County

Location	Average Annual Employment	Establishments with Foreign-Ownership		Establishments with Domestic-Ownership	
		Average Annual Employment	Average Weekly Wage	Average Annual Employment	Average Weekly Wage
Cameron	99,468	2,486	\$970	2,550,281	\$506
Hidalgo	175,766	4,384	\$962	4,651,669	\$522
Webb	69,563	1,650	\$853	1,976,636	\$560
Texas	8,964,789	478,699	\$1,710	8,486,090	\$952
United States	110,645,869	5,517,202	\$1,441	105,128,667	\$920

Source: U.S. Bureau of Labor Statistics, 2012

Insights

Cameron, Hidalgo, and Webb are the only counties in the target area listed in the Bureau of Labor Statistics' 2012 summary of Foreign Direct Investment by county study. It should be noted that foreign-owned businesses have significantly higher wage rates than domestic-owned businesses in the three counties analyzed.

State of Tamaulipas - Foreign Direct Investment

In 2017, Tamaulipas received 1.3 billion dollars in Foreign Direct Investment, mainly in the manufacturing industries.

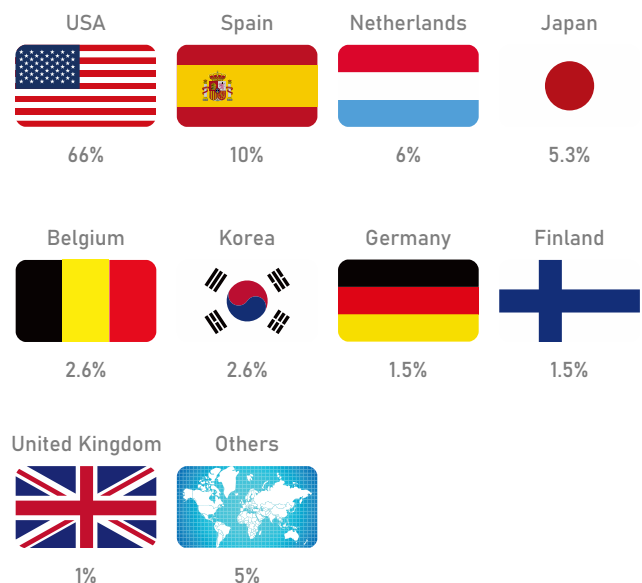
Industrial Main Sectors

The strategic sectors of the state of Tamaulipas are:

1. Electrical - Electronic
2. Automotive
3. Chemical - Petrochemical
4. Aerospace

Country	Percentage Investment
USA	66%
Spain	10%
Netherlands	6%
Japan	5.3%
Belgium	2.6%
Korea	2.6%
Germany	1.5%
Finland	1.5%
United Kingdom	1%
Others	5%

Source: www.mexicoindustrialmaps.com



MAJOR EMPLOYERS

Significant Businesses Excluding Retail, Medical Facilities, Education, and Government Entities

Cameron

Name	Employee Count	Description
Worldwide Digital	700	Computer and Electronic Product Manufacturing
ORC Industries	450	Apparel Manufacturing
Solar Turbines	400	Machinery Manufacturing
CUMSA Corp Distribution	400	Merchant Wholesalers, Durable Goods
Texas Pack Inc	300	Warehousing and Storage
Rich Products Corp	263	Food Manufacturing
IBC - Brownsville	250	Credit Intermediation and Related Activities
United Launch Alliance LLC	240	Religious, Grantmaking, Civic, Professional, and Similar Organizations
Teleperformance USA	229	Administrative and Support Services
Isla Grand Beach Resort	210	Accommodation

Source: Esri 2021 (Data Axle)

Hidalgo

Name	Employee Count	Description
Vantage Bank Texas	1,000	Credit Intermediation and Related Activities
Ticketmaster	400	Administrative and Support Services
PNC	400	Credit Intermediation and Related Activities
Wood Crafters Home Prods LLC	400	Furniture and Related Product Manufacturing
Lineage Logistics	350	Professional, Scientific, and Technical Services
Wells Manufacturing de Mexico	300	Miscellaneous Manufacturing
J & D Produce Inc	275	Merchant Wholesalers, Nondurable Goods
AIM Media Texas LLC	251	Professional, Scientific, and Technical Services
Limon Masonry LLC	250	Specialty Trade Contractors
IBC Bank	230	Credit Intermediation and Related Activities

Source: Esri 2021 (Data Axle)

Jim Hogg

Name	Employee Count	Description
KATCO Vacuum Truck Service Inc	35	Specialty Trade Contractors
Lone Star Industries	25	Specialty Trade Contractors
First National Bank - Hebbronville	24	Credit Intermediation and Related Activities
Coastal Chemical Co	20	Merchant Wholesalers, Nondurable Goods
Kinder Morgan Inc	20	Pipeline Transportation
Wright Materials Inc	18	Merchant Wholesalers, Durable Goods
American Tower Corp	12	Computer and Electronic Product Manufacturing
Funeraria del Angel	12	Personal and Laundry Services
Multi-Chem Group	11	Chemical Manufacturing
Molina R Waterwell SVC	10	Heavy and Civil Engineering Construction

Source: Esri 2021 (Data Axle)

Starr

Name	Employee Count	Description
Starr Camargo Bridge	55	Support Activities for Transportation
Starr Feed Yards Inc	55	Animal Production and Aquaculture
Bio-Pappel International	54	Paper Manufacturing
Smart Start Ignition Interlock	31	Repair and Maintenance
Citizens State Bank	30	Credit Intermediation and Related Activities
LFD Home Furnishings	30	Furniture and Home Furnishings Stores
Texas Migrant Counsel Inc Roma	25	Religious, Grantmaking, Civic, Professional, and Similar Organizations
La Popular Material	23	Building Material and Garden Equipment and Supplies Dealers
Key Energy Services	21	Support Activities for Mining
PNC	20	Credit Intermediation and Related Activities

Source: Esri 2021 (Data Axle)

Webb

Name	Employee Count	Description
Vantage Bank Texas	1,000	Credit Intermediation and Related Activities
Modine Manufacturing Co	788	Fabricated Metal Product Manufacturing
American National Insurance Co	330	Insurance Carriers and Related Activities
International Bank of Commerce	250	Credit Intermediation and Related Activities
Tanjore Corp LTD	250	Merchant Wholesalers, Durable Goods
Anderson Columbia Co Inc	200	Heavy and Civil Engineering Construction
General Cable	188	Electrical Equipment, Appliance, and Component Manufacturing
International Freight Forwarding	150	Support Activities for Transportation
Border Well Services	110	Support Activities for Mining
TYCO Simplex Grinnell	100	Machinery Manufacturing

Source: Esri 2021 (Data Axle)

Willacy

Name	Employee Count	Description
Wetegrove Charles	200	Crop Production
VTCl	200	Specialty Trade Contractors
VTX Broadband	150	Professional, Scientific, and Technical Services
Texas Boll Weevil	40	Religious, Grantmaking, Civic, Professional, and Similar Organizations
Swanberg Farms PTN	30	Crop Production
Willacy Cooperative	30	Merchant Wholesalers, Nondurable Goods
Anaqua Farms	22	Crop Production
Warrington Brothers	22	Crop Production
JAP Farms Inc	22	Crop Production
Magnolia Farms	22	Crop Production

Source: Esri 2021 (Data Axle)

Zapata

Name	Employee Count	Description
Key Energy	30	Specialty Trade Contractors
International Bank Of Commerce	22	Credit Intermediation and Related Activities
Zapata National Bank	21	Credit Intermediation and Related Activities
Roth Construction	20	Construction of Buildings
Zapata Bancshares Inc	20	Management of Companies and Enterprises
Waste Management	20	Waste Management and Remediation Services
Rapidhaul LLC	15	Administrative and Support Services
Triple J High Pressure Inc	12	Truck Transportation
Intocable LLC	12	Performing Arts, Spectator Sports, and Related Industries
C&D Productions	11	Specialty Trade Contractors

Source: Esri 2021 (Data Axle)

Insights

Data was pulled for each county for the largest businesses, with an immediate discovery revealing that most large businesses in each county are in the Retail, Medical Facilities, Education, and Government industries. There are few significant businesses with large employee counts in primary industries in the 7-county region. To grow the economy, the talent pipeline must be upskilled and companies in primary industries must be recruited.



BUSINESS SUMMARIES

7 U.S. Counties in Rio South Texas				All Texas Counties				All United States Counties				Employees Percent Difference	
Total Businesses: 40,698 Total Employees: 456,049 Total Residential Population: 1,737,151 Employee/Residential Population Ratio (per 100 Residents): 26				Total Businesses: 988,897 Total Employees: 11,723,194 Total Residential Population: 29,969,514 Employee/Residential Population Ratio (per 100 Residents): 39				Total Businesses: 12,013,469 Total Employees: 150,287,786 Total Residential Population: 333,934,112 Employee/Residential Population Ratio (per 100 Residents): 45					
Businesses		Employees		Businesses		Employees		Businesses		Employees		Rio South Texas vs Texas	Rio South Texas vs U.S.
Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent		
459	1.1%	4,040	0.9%	23,037	2.3%	343,666	2.9%	268,916	2.2%	2,286,821	1.5%	-2.0%	-0.6%
1,462	3.6%	11,955	2.6%	60,455	6.1%	572,009	4.9%	757,259	6.3%	6,193,538	4.1%	-2.3%	-1.5%
813	2.0%	13,822	3.0%	27,420	2.8%	769,072	6.6%	371,562	3.1%	11,798,484	7.9%	-3.6%	-4.9%
2,163	5.3%	22,952	5.0%	28,191	2.9%	367,621	3.1%	326,914	2.7%	4,366,266	2.9%	1.9%	2.1%
543	1.3%	3,888	0.9%	9,417	1.0%	95,635	0.8%	101,837	0.8%	1,296,595	0.9%	0.1%	0.0%
110	0.3%	1,723	0.4%	3,734	0.4%	80,762	0.7%	41,409	0.3%	888,613	0.6%	-0.3%	-0.2%
1,597	3.9%	15,094	3.3%	32,522	3.3%	498,901	4.3%	391,967	3.3%	6,032,766	4.0%	-1.0%	-0.7%
10,934	26.9%	129,810	28.5%	217,172	22.0%	2,674,198	22.8%	2,488,714	20.7%	30,642,976	20.4%	5.7%	8.1%
373	0.9%	5,062	1.1%	10,848	1.1%	148,799	1.3%	141,189	1.2%	1,966,178	1.3%	-0.2%	-0.2%
611	1.5%	19,661	4.3%	9,643	1.0%	298,839	2.5%	100,305	0.8%	3,143,681	2.1%	1.8%	2.2%
1,430	3.5%	18,011	3.9%	24,231	2.5%	312,254	2.7%	271,628	2.3%	4,173,387	2.8%	1.2%	1.1%
1,466	3.6%	13,372	2.9%	28,615	2.9%	308,305	2.6%	290,399	2.4%	3,239,323	2.2%	0.3%	0.7%
707	1.7%	6,196	1.4%	12,904	1.3%	97,918	0.8%	141,651	1.2%	1,222,120	0.8%	0.6%	0.6%
408	1.0%	4,434	1.0%	12,307	1.2%	120,043	1.0%	159,328	1.3%	1,471,700	1.0%	0.0%	0.0%
3,457	8.5%	49,050	10.8%	65,158	6.6%	1,029,589	8.8%	736,374	6.1%	10,931,797	7.3%	2.0%	3.5%
2,482	6.1%	14,024	3.1%	53,466	5.4%	358,451	3.1%	647,840	5.4%	4,494,790	3.0%	0.0%	0.1%
3,787	9.3%	26,333	5.8%	98,986	10.0%	759,655	6.5%	1,151,055	9.6%	10,314,083	6.9%	-0.7%	-1.1%
1,164	2.9%	13,203	2.9%	20,835	2.1%	197,308	1.7%	236,783	2.0%	2,446,175	1.6%	1.2%	1.3%
355	0.9%	1,263	0.3%	13,089	1.3%	93,035	0.8%	150,049	1.2%	1,360,068	0.9%	-0.5%	-0.6%
942	2.3%	4,336	1.0%	19,605	2.0%	143,960	1.2%	212,748	1.8%	2,296,886	1.5%	-0.2%	-0.5%
1,326	3.3%	7,531	1.7%	45,457	4.6%	325,352	2.8%	551,475	4.6%	4,210,954	2.8%	-1.1%	-1.1%
14,616	35.9%	198,926	43.6%	370,814	37.5%	4,951,469	42.2%	4,753,501	39.6%	66,345,275	44.1%	1.4%	-0.5%
398	1.0%	4,830	1.1%	9,743	1.0%	161,040	1.4%	113,020	0.9%	2,507,644	1.7%	-0.3%	-0.6%
1,091	2.7%	4,568	1.0%	28,136	2.8%	162,006	1.4%	336,649	2.8%	1,838,335	1.2%	-0.4%	-0.2%
876	2.2%	6,161	1.4%	23,523	2.4%	202,776	1.7%	318,819	2.7%	3,979,133	2.6%	-0.3%	-1.2%
2,863	7.0%	51,350	11.3%	60,840	6.2%	1,278,017	10.9%	771,077	6.4%	17,822,657	11.9%	0.4%	-0.6%
818	2.0%	3,673	0.8%	20,192	2.0%	131,108	1.1%	245,045	2.0%	1,776,426	1.2%	-0.3%	-0.4%
1,170	2.9%	77,181	16.9%	21,488	2.2%	1,100,405	9.4%	273,152	2.3%	12,903,113	8.6%	7.5%	8.3%
7,400	18.2%	51,163	11.2%	206,892	20.9%	1,916,117	16.3%	2,695,739	22.4%	25,517,967	17.0%	-5.1%	-5.8%
1,159	2.8%	24,859	5.5%	23,190	2.3%	547,367	4.7%	368,346	3.1%	9,146,329	6.1%	0.8%	-0.6%
3,055	7.5%	2,647	0.6%	93,959	9.5%	62,839	0.5%	991,989	8.3%	976,040	0.6%	0.1%	0.0%
40,698	100.0%	456,049	100.0%	988,897	100.0%	11,723,194	100.0%	12,013,469	100.0%	150,287,786	100.0%	0.0%	0.0%

Source: Copyright 2021 Data Axle, Inc. All rights reserved. Esri Total Residential Population forecasts for 2021.
Date Note: Data on the Business Summary report is calculated using Esri's Data allocation method which uses census block groups to allocate business summary data to custom areas.

Insights

At the target area level, the composition of industry predominance illustrates the abundance of retail and service businesses and the lack of goods-producing and thought leadership businesses who create significant wealth in a community. It's imperative to recruit and expand businesses that bring new, outside-of-target-area money to the target area.

Cameron County

Total Businesses: 10,396

Total Residential Population: 441,679

Total Employees: 114,692

Employee/Residential Population Ratio (per 100 Residents): 26

By SIC Codes	Businesses		Employees		Employee % Difference	
	Number	Percent	Number	Percent	vs Texas	vs U.S.
Agriculture & Mining	108	1.0%	763	0.7%	-2.2%	-0.8%
Construction	374	3.6%	2,573	2.2%	-2.7%	-1.9%
Manufacturing	225	2.2%	5,670	4.9%	-1.7%	-3.0%
Transportation	369	3.5%	4,236	3.7%	0.6%	0.8%
Communication	134	1.3%	714	0.6%	-0.2%	-0.3%
Utility	27	0.3%	590	0.5%	-0.2%	-0.1%
Wholesale Trade	375	3.6%	3,520	3.1%	-1.2%	-0.9%
Retail Trade Summary	2,744	26.4%	31,863	27.8%	5.0%	7.4%
Home Improvement	97	0.9%	1,252	1.1%	-0.2%	-0.2%
General Merchandise Stores	150	1.4%	4,881	4.3%	1.8%	2.2%
Food Stores	321	3.1%	3,558	3.1%	0.4%	0.3%
Auto Dealers, Gas Stations, Auto Aftermarket	364	3.5%	3,250	2.8%	0.2%	0.6%
Apparel & Accessory Stores	157	1.5%	1,106	1.0%	0.2%	0.2%
Furniture & Home Furnishings	93	0.9%	807	0.7%	-0.3%	-0.3%
Eating & Drinking Places	932	9.0%	13,487	11.8%	3.0%	4.5%
Miscellaneous Retail	630	6.1%	3,522	3.1%	0.0%	0.1%
Finance, Insurance, Real Estate Summary	1,077	10.4%	6,446	5.6%	-0.9%	-1.3%
Banks, Savings & Lending Institutions	304	2.9%	2,325	2.0%	0.3%	0.4%
Securities Brokers	79	0.8%	273	0.2%	-0.6%	-0.7%
Insurance Carriers & Agents	265	2.5%	1,221	1.1%	-0.1%	-0.4%
Real Estate, Holding, Other Investment Offices	429	4.1%	2,627	2.3%	-0.5%	-0.5%
Services Summary	3,840	36.9%	50,455	44.0%	1.8%	-0.1%
Hotels & Lodging	147	1.4%	1,762	1.5%	0.1%	-0.2%
Automotive Services	257	2.5%	967	0.8%	-0.6%	-0.4%
Motion Pictures & Amusements	253	2.4%	1,902	1.7%	0.0%	-0.9%
Health Services	736	7.1%	13,361	11.6%	0.7%	-0.3%
Legal Services	209	2.0%	863	0.8%	-0.3%	-0.4%
Education Institutions & Libraries	320	3.1%	17,737	15.5%	6.1%	6.9%
Other Services	1,918	18.4%	13,863	12.1%	-4.2%	-4.9%
Government	350	3.4%	6,354	5.5%	0.8%	-0.6%
Unclassified Establishments	773	7.4%	1,508	1.3%	0.8%	0.7%
Totals	10,396	100.0%	114,692	100.0%	0.0%	0.0%

Source: Copyright 2021 Data Axle, Inc. All rights reserved. Esri Total Residential Population forecasts for 2021.

Date Note: Data on the Business Summary report is calculated using Esri's Data allocation method which uses census block groups to allocate business summary data to custom areas.

Hidalgo County

Total Businesses: 20,249

Total Employees: 233,838

Total Residential Population: 902,661

Employee/Residential Population Ratio (per 100 Residents): 26

By SIC Codes	Businesses		Employees		Employee % Difference	
	Number	Percent	Number	Percent	vs Texas	vs U.S.
Agriculture & Mining	206	1.0%	1,580	0.7%	-2.2%	-0.8%
Construction	771	3.8%	6,434	2.8%	-2.1%	-1.3%
Manufacturing	397	2.0%	5,604	2.4%	-4.2%	-5.5%
Transportation	698	3.4%	7,760	3.3%	0.2%	0.4%
Communication	296	1.5%	2,243	1.0%	0.2%	0.1%
Utility	43	0.2%	822	0.4%	-0.3%	-0.2%
Wholesale Trade	837	4.1%	8,454	3.6%	-0.7%	-0.4%
Retail Trade Summary	5,548	27.4%	67,922	29.0%	6.2%	8.6%
Home Improvement	197	1.0%	2,818	1.2%	-0.1%	-0.1%
General Merchandise Stores	309	1.5%	10,625	4.5%	2.0%	2.4%
Food Stores	786	3.9%	10,364	4.4%	1.7%	1.6%
Auto Dealers, Gas Stations, Auto Aftermarket	738	3.6%	6,525	2.8%	0.2%	0.6%
Apparel & Accessory Stores	367	1.8%	3,351	1.4%	0.6%	0.6%
Furniture & Home Furnishings	212	1.0%	2,703	1.2%	0.2%	0.2%
Eating & Drinking Places	1,686	8.3%	24,115	10.3%	1.5%	3.0%
Miscellaneous Retail	1,253	6.2%	7,421	3.2%	0.1%	0.2%
Finance, Insurance, Real Estate Summary	1,910	9.4%	13,741	5.9%	-0.6%	-1.0%
Banks, Savings & Lending Institutions	578	2.9%	7,602	3.3%	1.6%	1.7%
Securities Brokers	207	1.0%	721	0.3%	-0.5%	-0.6%
Insurance Carriers & Agents	487	2.4%	2,034	0.9%	-0.3%	-0.6%
Real Estate, Holding, Other Investment Offices	638	3.2%	3,384	1.4%	-1.4%	-1.4%
Services Summary	7,499	37.0%	107,703	46.1%	3.9%	2.0%
Hotels & Lodging	179	0.9%	2,088	0.9%	-0.5%	-0.8%
Automotive Services	572	2.8%	2,335	1.0%	-0.4%	-0.2%
Motion Pictures & Amusements	432	2.1%	3,148	1.3%	-0.4%	-1.3%
Health Services	1,594	7.9%	30,099	12.9%	2.0%	1.0%
Legal Services	443	2.2%	2,170	0.9%	-0.2%	-0.3%
Education Institutions & Libraries	582	2.9%	41,535	17.8%	8.4%	9.2%
Other Services	3,697	18.3%	26,328	11.3%	-5.0%	-5.7%
Government	450	2.2%	10,762	4.6%	-0.1%	-1.5%
Unclassified Establishments	1,594	7.9%	813	0.3%	-0.2%	-0.3%
Totals	20,249	100.0%	233,838	100.0%	0.0%	0.0%

Source: Copyright 2021 Data Axle, Inc. All rights reserved. Esri Total Residential Population forecasts for 2021.

Date Note: Data on the Business Summary report is calculated using Esri's Data allocation method which uses census block groups to allocate business summary data to custom areas.

Jim Hogg County

Total Businesses: 143

Total Residential Population: 5,530

Total Employees: 1,255

Employee/Residential Population Ratio (per 100 Residents): 23

By SIC Codes	Businesses		Employees		Employee % Difference	
	Number	Percent	Number	Percent	vs Texas	vs U.S.
Agriculture & Mining	7	4.9%	90	7.2%	4.3%	5.7%
Construction	6	4.2%	29	2.3%	-2.6%	-1.8%
Manufacturing	5	3.5%	33	2.6%	-4.0%	-5.3%
Transportation	7	4.9%	58	4.6%	1.5%	1.7%
Communication	0	0.0%	0	0.0%	-0.8%	-0.9%
Utility	1	0.7%	9	0.7%	0.0%	0.1%
Wholesale Trade	6	4.2%	47	3.7%	-0.6%	-0.3%
Retail Trade Summary	41	28.7%	281	22.4%	-0.4%	2.0%
Home Improvement	3	2.1%	18	1.4%	0.1%	0.1%
General Merchandise Stores	2	1.4%	11	0.9%	-1.6%	-1.2%
Food Stores	7	4.9%	63	5.0%	2.3%	2.2%
Auto Dealers, Gas Stations, Auto Aftermarket	7	4.9%	47	3.7%	1.1%	1.5%
Apparel & Accessory Stores	1	0.7%	2	0.2%	-0.6%	-0.6%
Furniture & Home Furnishings	1	0.7%	3	0.2%	-0.8%	-0.8%
Eating & Drinking Places	13	9.1%	124	9.9%	1.1%	2.6%
Miscellaneous Retail	7	4.9%	13	1.0%	-2.1%	-2.0%
Finance, Insurance, Real Estate Summary	12	8.4%	56	4.5%	-2.0%	-2.4%
Banks, Savings & Lending Institutions	7	4.9%	46	3.7%	2.0%	2.1%
Securities Brokers	0	0.0%	0	0.0%	-0.8%	-0.9%
Insurance Carriers & Agents	3	2.1%	7	0.6%	-0.6%	-0.9%
Real Estate, Holding, Other Investment Offices	2	1.4%	3	0.2%	-2.6%	-2.6%
Services Summary	38	26.6%	499	39.8%	-2.4%	-4.3%
Hotels & Lodging	4	2.8%	17	1.4%	0.0%	-0.3%
Automotive Services	3	2.1%	5	0.4%	-1.0%	-0.8%
Motion Pictures & Amusements	1	0.7%	0	0.0%	-1.7%	-2.6%
Health Services	8	5.6%	140	11.2%	0.3%	-0.7%
Legal Services	0	0.0%	0	0.0%	-1.1%	-1.2%
Education Institutions & Libraries	4	2.8%	249	19.8%	10.4%	11.2%
Other Services	18	12.6%	88	7.0%	-9.3%	-10.0%
Government	18	12.6%	153	12.2%	7.5%	6.1%
Unclassified Establishments	2	1.4%	0	0.0%	-0.5%	-0.6%
Totals	143	100.0%	1,255	100.0%	0.0%	0.0%

Source: Copyright 2021 Data Axle, Inc. All rights reserved. Esri Total Residential Population forecasts for 2021.

Date Note: Data on the Business Summary report is calculated using Esri's Data allocation method which uses census block groups to allocate business summary data to custom areas.

Starr County

Total Businesses: 1,259

Total Residential Population: 68,012

Total Employees: 11,602

Employee/Residential Population Ratio (per 100 Residents): 17

By SIC Codes	Businesses		Employees		Employee % Difference	
	Number	Percent	Number	Percent	vs Texas	vs U.S.
Agriculture & Mining	12	1.0%	108	0.9%	-2.0%	-0.6%
Construction	23	1.8%	85	0.7%	-4.2%	-3.4%
Manufacturing	14	1.1%	103	0.9%	-5.7%	-7.0%
Transportation	58	4.6%	322	2.8%	-0.3%	-0.1%
Communication	23	1.8%	92	0.8%	0.0%	-0.1%
Utility	13	1.0%	92	0.8%	0.1%	0.2%
Wholesale Trade	40	3.2%	167	1.4%	-2.9%	-2.6%
Retail Trade Summary	392	31.1%	3,181	27.4%	4.6%	7.0%
Home Improvement	13	1.0%	118	1.0%	-0.3%	-0.3%
General Merchandise Stores	26	2.1%	546	4.7%	2.2%	2.6%
Food Stores	54	4.3%	476	4.1%	1.4%	1.3%
Auto Dealers, Gas Stations, Auto Aftermarket	58	4.6%	383	3.3%	0.7%	1.1%
Apparel & Accessory Stores	10	0.8%	50	0.4%	-0.4%	-0.4%
Furniture & Home Furnishings	11	0.9%	61	0.5%	-0.5%	-0.5%
Eating & Drinking Places	138	11.0%	1,196	10.3%	1.5%	3.0%
Miscellaneous Retail	82	6.5%	351	3.0%	-0.1%	0.0%
Finance, Insurance, Real Estate Summary	101	8.0%	460	4.0%	-2.5%	-2.9%
Banks, Savings & Lending Institutions	55	4.4%	297	2.6%	0.9%	1.0%
Securities Brokers	3	0.2%	11	0.1%	-0.7%	-0.8%
Insurance Carriers & Agents	25	2.0%	84	0.7%	-0.5%	-0.8%
Real Estate, Holding, Other Investment Offices	18	1.4%	68	0.6%	-2.2%	-2.2%
Services Summary	458	36.4%	5,990	51.6%	9.4%	7.5%
Hotels & Lodging	7	0.6%	41	0.4%	-1.0%	-1.3%
Automotive Services	33	2.6%	79	0.7%	-0.7%	-0.5%
Motion Pictures & Amusements	20	1.6%	127	1.1%	-0.6%	-1.5%
Health Services	99	7.9%	1,259	10.9%	0.0%	-1.0%
Legal Services	23	1.8%	84	0.7%	-0.4%	-0.5%
Education Institutions & Libraries	47	3.7%	3,131	27.0%	17.6%	18.4%
Other Services	229	18.2%	1,269	10.9%	-5.4%	-6.1%
Government	78	6.2%	972	8.4%	3.7%	2.3%
Unclassified Establishments	47	3.7%	30	0.3%	-0.2%	-0.3%
Totals	1,259	100.0%	11,602	100.0%	0.0%	0.0%

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Webb County

Total Businesses: 7,957

Total Residential Population: 284,351

Total Employees: 87,466

Employee/Residential Population Ratio (per 100 Residents): 31

By SIC Codes	Businesses		Employees		Employee % Difference	
	Number	Percent	Number	Percent	vs Texas	vs U.S.
Agriculture & Mining	92	1.2%	895	1.0%	-1.9%	-0.5%
Construction	273	3.4%	2,566	2.9%	-2.0%	-1.2%
Manufacturing	159	2.0%	2,356	2.7%	-3.9%	-5.2%
Transportation	1,003	12.6%	10,454	12.0%	8.9%	9.1%
Communication	83	1.0%	601	0.7%	-0.1%	-0.2%
Utility	20	0.3%	151	0.2%	-0.5%	-0.4%
Wholesale Trade	324	4.1%	2,761	3.2%	-1.1%	-0.8%
Retail Trade Summary	2,020	25.4%	25,225	28.8%	6.0%	8.4%
Home Improvement	56	0.7%	820	0.9%	-0.4%	-0.4%
General Merchandise Stores	111	1.4%	3,522	4.0%	1.5%	1.9%
Food Stores	226	2.8%	3,217	3.7%	1.0%	0.9%
Auto Dealers, Gas Stations, Auto Aftermarket	280	3.5%	3,049	3.5%	0.9%	1.3%
Apparel & Accessory Stores	162	2.0%	1,664	1.9%	1.1%	1.1%
Furniture & Home Furnishings	85	1.1%	838	1.0%	0.0%	0.0%
Eating & Drinking Places	628	7.9%	9,513	10.9%	2.1%	3.6%
Miscellaneous Retail	472	5.9%	2,602	3.0%	-0.1%	0.0%
Finance, Insurance, Real Estate Summary	626	7.9%	5,346	6.1%	-0.4%	-0.8%
Banks, Savings & Lending Institutions	191	2.4%	2,758	3.2%	1.5%	1.6%
Securities Brokers	65	0.8%	255	0.3%	-0.5%	-0.6%
Insurance Carriers & Agents	146	1.8%	938	1.1%	-0.1%	-0.4%
Real Estate, Holding, Other Investment Offices	224	2.8%	1,395	1.6%	-1.2%	-1.2%
Services Summary	2,539	31.9%	31,017	35.5%	-6.7%	-8.6%
Hotels & Lodging	45	0.6%	839	1.0%	-0.4%	-0.7%
Automotive Services	204	2.6%	1,131	1.3%	-0.1%	0.1%
Motion Pictures & Amusements	154	1.9%	931	1.1%	-0.6%	-1.5%
Health Services	387	4.9%	6,022	6.9%	-4.0%	-5.0%
Legal Services	139	1.7%	550	0.6%	-0.5%	-0.6%
Education Institutions & Libraries	184	2.3%	12,863	14.7%	5.3%	6.1%
Other Services	1,426	17.9%	8,681	9.9%	-6.4%	-7.1%
Government	207	2.6%	5,810	6.6%	1.9%	0.5%
Unclassified Establishments	611	7.7%	284	0.3%	-0.2%	-0.3%
Totals	7,957	100.0%	87,466	100.0%	0.0%	0.0%

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Willacy County

Total Businesses: 384

Total Residential Population: 20,326

Total Employees: 4,459

Employee/Residential Population Ratio (per 100 Residents): 22

By SIC Codes	Businesses		Employees		Employee % Difference	
	Number	Percent	Number	Percent	vs Texas	vs U.S.
Agriculture & Mining	22	5.7%	364	8.2%	5.3%	6.7%
Construction	5	1.3%	222	5.0%	0.1%	0.9%
Manufacturing	10	2.6%	52	1.2%	-5.4%	-6.7%
Transportation	14	3.6%	57	1.3%	-1.8%	-1.6%
Communication	5	1.3%	234	5.2%	4.4%	4.3%
Utility	1	0.3%	5	0.1%	-0.6%	-0.5%
Wholesale Trade	8	2.1%	106	2.4%	-1.9%	-1.6%
Retail Trade Summary	94	24.5%	723	16.2%	-6.6%	-4.2%
Home Improvement	3	0.8%	16	0.4%	-0.9%	-0.9%
General Merchandise Stores	5	1.3%	33	0.7%	-1.8%	-1.4%
Food Stores	18	4.7%	182	4.1%	1.4%	1.3%
Auto Dealers, Gas Stations, Auto Aftermarket	11	2.9%	74	1.7%	-0.9%	-0.5%
Apparel & Accessory Stores	6	1.6%	14	0.3%	-0.5%	-0.5%
Furniture & Home Furnishings	2	0.5%	9	0.2%	-0.8%	-0.8%
Eating & Drinking Places	27	7.0%	319	7.2%	-1.6%	-0.1%
Miscellaneous Retail	22	5.7%	76	1.7%	-1.4%	-1.3%
Finance, Insurance, Real Estate Summary	35	9.1%	144	3.2%	-3.3%	-3.7%
Banks, Savings & Lending Institutions	15	3.9%	82	1.8%	0.1%	0.2%
Securities Brokers	0	0.0%	0	0.0%	-0.8%	-0.9%
Insurance Carriers & Agents	10	2.6%	35	0.8%	-0.4%	-0.7%
Real Estate, Holding, Other Investment Offices	10	2.6%	27	0.6%	-2.2%	-2.2%
Services Summary	141	36.7%	2,091	46.9%	4.7%	2.8%
Hotels & Lodging	9	2.3%	61	1.4%	0.0%	-0.3%
Automotive Services	12	3.1%	22	0.5%	-0.9%	-0.7%
Motion Pictures & Amusements	8	2.1%	25	0.6%	-1.1%	-2.0%
Health Services	15	3.9%	279	6.3%	-4.6%	-5.6%
Legal Services	3	0.8%	5	0.1%	-1.0%	-1.1%
Education Institutions & Libraries	18	4.7%	909	20.4%	11.0%	11.8%
Other Services	76	19.8%	790	17.7%	1.4%	0.7%
Government	33	8.6%	449	10.1%	5.4%	4.0%
Unclassified Establishments	16	4.2%	12	0.3%	-0.2%	-0.3%
Totals	384	100.0%	4,459	100.0%	0.0%	0.0%

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Zapata County

Total Businesses: 310

Total Residential Population: 14,592

Total Employees: 2,737

Employee/Residential Population Ratio (per 100 Residents): 19

By SIC Codes	Businesses		Employees		Employee % Difference	
	Number	Percent	Number	Percent	vs Texas	vs U.S.
Agriculture & Mining	12	3.9%	240	8.8%	5.9%	7.3%
Construction	10	3.2%	46	1.7%	-3.2%	-2.4%
Manufacturing	3	1.0%	4	0.1%	-6.5%	-7.8%
Transportation	14	4.5%	65	2.4%	-0.7%	-0.5%
Communication	2	0.6%	4	0.1%	-0.7%	-0.8%
Utility	5	1.6%	54	2.0%	1.3%	1.4%
Wholesale Trade	7	2.3%	39	1.4%	-2.9%	-2.6%
Retail Trade Summary	95	30.6%	615	22.5%	-0.3%	2.1%
Home Improvement	4	1.3%	20	0.7%	-0.6%	-0.6%
General Merchandise Stores	8	2.6%	43	1.6%	-0.9%	-0.5%
Food Stores	18	5.8%	151	5.5%	2.8%	2.7%
Auto Dealers, Gas Stations, Auto Aftermarket	8	2.6%	44	1.6%	-1.0%	-0.6%
Apparel & Accessory Stores	4	1.3%	9	0.3%	-0.5%	-0.5%
Furniture & Home Furnishings	4	1.3%	13	0.5%	-0.5%	-0.5%
Eating & Drinking Places	33	10.6%	296	10.8%	2.0%	3.5%
Miscellaneous Retail	16	5.2%	39	1.4%	-1.7%	-1.6%
Finance, Insurance, Real Estate Summary	26	8.4%	140	5.1%	-1.4%	-1.8%
Banks, Savings & Lending Institutions	14	4.5%	93	3.4%	1.7%	1.8%
Securities Brokers	1	0.3%	3	0.1%	-0.7%	-0.8%
Insurance Carriers & Agents	6	1.9%	17	0.6%	-0.6%	-0.9%
Real Estate, Holding, Other Investment Offices	5	1.6%	27	1.0%	-1.8%	-1.8%
Services Summary	101	32.6%	1,171	42.8%	0.6%	-1.3%
Hotels & Lodging	7	2.3%	22	0.8%	-0.6%	-0.9%
Automotive Services	10	3.2%	29	1.1%	-0.3%	-0.1%
Motion Pictures & Amusements	8	2.6%	28	1.0%	-0.7%	-1.6%
Health Services	24	7.7%	190	6.9%	-4.0%	-5.0%
Legal Services	1	0.3%	1	0.0%	-1.1%	-1.2%
Education Institutions & Libraries	15	4.8%	757	27.7%	18.3%	19.1%
Other Services	36	11.6%	144	5.3%	-11.0%	-11.7%
Government	23	7.4%	359	13.1%	8.4%	7.0%
Unclassified Establishments	12	3.9%	0	0.0%	-0.5%	-0.6%
Totals	310	100.0%	2,737	100.0%	0.0%	0.0%

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CORE INDUSTRIES

Introduction

As part of this economic assessment, core industries were identified that can be further supported with binational collaboration, regional partner alignment, talent development, infrastructure investment, and business services support. Choosing to target these specific industries for business retention and expansion, business recruitment, entrepreneurial development, and foreign direct investment is a significant way to maximize business development efforts. The determination of core industries is a result of analyzing business data, labor data, and interviewing stakeholders in the region who interact with businesses on a daily basis. By identifying the following target market industries, we are providing guidance how resources can be allocated in business development, talent development, and infrastructure. Also, this information can be used to better align partners in the ecosystem to avoid duplication of services and amplify results when the sharing of information/data is permissible. Though not an industry per se, it is important to include entrepreneurs and innovators among target recommendations. The health of the innovation ecosystem is important in influencing the success of all industries in the region.

The Use of Location Quotient Data in Determination of Core Industries

Primary industries that represent significant tax-generating opportunities were identified using business predominance, talent predominance, income data, and location/wage location quotients. Location quotients compare the concentration of an industry within a specific area to the concentration of that industry nationwide. These quotients are ratios that allow an area's distribution of employment by industry, ownership, and size class to be compared to a reference area's distribution. The U.S. is used as the reference area for all LQs in the following data sets. If an LQ is equal to 1, then the industry has the same share of its area employment as it does in the nation. An LQ greater than 1 indicates an industry with a greater share of the local area employment than is the case nationwide. To further validate target industry opportunities, year-to-year employment growth was analyzed at the county level to determine growth levels over the state average.



Trade, Transportation, and Utilities

Location	Establishments	Employment	Average Weekly Wages	Employment LQ	Total Wage LQ
Cameron	1,678	24,584	\$698	0.9	0.92
Hidalgo	3,679	51,591	\$744	1.03	1.24
Jim Hogg	25	238	\$621	0.79	0.7
Starr	170	2,076	\$604	0.78	0.76
Webb	2,459	30,667	\$757	1.63	1.91
Willacy	50	471	\$700	0.63	0.67
Zapata	38	357	\$950	0.72	0.82

The trade, transportation, and utilities supersector consists of these sectors: the Wholesale Trade sector, the Retail Trade sector, the Transportation and Warehousing sector, and the Utilities sector. The Wholesale Trade sector comprises establishments engaged in wholesaling merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. The merchandise described in this sector includes the outputs of agriculture, mining, manufacturing, and certain information industries, such as publishing.

The wholesaling process is an intermediate step in the distribution of merchandise. Wholesalers are organized to sell or arrange the purchase or sale of (a) goods for resale, (b) capital or durable non-consumer goods, and (c) raw and intermediate materials and supplies used in production. Wholesalers sell merchandise to other businesses and normally operate from a warehouse or office.

The Retail Trade sector comprises establishments engaged in retailing merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. The retailing process is the final step in the distribution of merchandise; retailers are, therefore, organized to sell merchandise in small quantities to the general public.

This sector comprises two main types of retailers: store and non-store retailers.

The Transportation and Warehousing sector includes industries providing transportation of passengers and cargo, warehousing and storage for goods, scenic and sightseeing transportation, and support activities related to modes of transportation. Establishments in these industries use transportation equipment or transportation related facilities as a productive asset. The type of equipment depends on the mode of transportation. The modes of transportation are air, rail, water, road, and pipeline.

The Utilities sector comprises establishments engaged in the provision of the following utility services: electric power, natural gas, steam supply, water supply, and sewage removal. Within this sector, the specific activities associated with the utility services provided vary by utility: electric power includes generation, transmission, and distribution; natural gas includes distribution; steam supply includes provision and/or distribution; water supply includes treatment and distribution; and sewage removal includes collection, treatment, and disposal of waste through sewer systems and sewage treatment facilities.

Manufacturing

Location	Establishments	Employment	Average Weekly Wages	Employment LQ	Total Wage LQ
Cameron	221	6,376	\$1,005	0.52	0.62
Hidalgo	332	6,595	\$868	0.29	0.31
Jim Hogg	5	39	\$599	0.29	0.19
Starr	11	57	\$489	0.05	0.03
Webb	86	770	\$756	0.09	0.08
Willacy	7	73	\$1,124	0.22	0.27
Zapata	5	13	\$1,221	0.06	0.06

The Manufacturing sector comprises establishments engaged in the mechanical, physical, or chemical transformation of materials, substances, or components into new products. Establishments in the Manufacturing sector are often described as plants, factories, or mills, and characteristically use power-driven machines and materials-handling equipment. However, establishments that transform materials or substances into new products by hand or in the worker's home and those engaged in selling to the general public products made on the same premises from which they are sold, such as bakeries, candy stores, and custom tailors, may also be included in this sector. Manufacturing establishments may process materials or may contract with other establishments to process their materials for them. Both types of establishments are included in manufacturing.

Education and Health Services

Location	Establishments	Employment	Average Weekly Wages	Employment LQ	Total Wage LQ
Cameron	1,106	41,549	\$608	1.84	1.71
Hidalgo	2,371	79,723	\$595	1.92	1.77
Jim Hogg	9	451	\$335	1.82	0.82
Starr	106	4,600	\$330	2.09	1.07
Webb	567	16,715	\$589	1.08	0.94
Willacy	30	606	\$723	0.97	1.04
Zapata	20	306	\$439	0.75	0.37

The education and health services supersector consists of the Educational Services sector and Health Care and Social Assistance sector. The Educational Services sector comprises establishments that provide instruction and training in a wide variety of subjects. This instruction and training is provided by specialized establishments, such as schools, colleges, universities, and training centers. These establishments may be privately owned and operated for profit or not for profit, or they may be publicly owned and operated.

The Health Care and Social Assistance sector comprises establishments providing health care and social assistance for individuals. The sector includes both health care and social assistance because it is sometimes difficult to distinguish between the boundaries of these two activities.

Leisure and Hospitality

Location	Establishments	Employment	Average Weekly Wages	Employment LQ	Total Wage LQ
Cameron	820	16,478	\$365	1.12	1.32
Hidalgo	1,296	26,105	\$354	0.97	1.13
Jim Hogg	15	88	\$285	0.55	0.43
Starr	64	933	\$313	0.65	0.67
Webb	499	10,860	\$342	1.07	1.14
Willacy	35	426	\$280	1.05	0.89
Zapata	22	199	\$276	0.75	0.52

The leisure and hospitality consists of the Arts, Entertainment, and Recreation sector and the Accommodation and Food Services sector. The Arts, Entertainment, and Recreation sector includes a wide range of establishments that operate facilities or provide services to meet varied cultural, entertainment, and recreational interests of their patrons. This sector comprises (1) Establishments that are involved in producing, promoting, or participating in live performances, events, or exhibits intended for public viewing (2) Establishments that preserve and exhibit objects and sites of historical, cultural, or educational interest (3) Establishments that operate facilities or provide services that enable patrons to participate in recreational activities or pursue amusement, hobby, and leisure-time interests.

Natural Resources and Mining

Location	Establishments	Employment	Average Weekly Wages	Employment LQ	Total Wage LQ
Cameron	158	577	\$586	0.31	0.28
Hidalgo	329	3,143	\$888	0.93	1.37
Jim Hogg	20	77	\$1,411	3.81	7.46
Starr	23	161	\$1,129	0.9	1.59
Webb	93	1,369	\$1,542	1.08	2.36
Willacy	64	286	\$721	5.64	6.09
Zapata	19	420	\$2,085	12.61	30.02

The natural resources and mining supersector consists of the Agriculture, Forestry, Fishing, and Hunting sector as well as the Mining sector. The Agriculture, Forestry, Fishing, and Hunting sector comprises establishments primarily engaged in growing crops, raising animals, harvesting timber, and harvesting fish and other animals from a farm, ranch, or their natural habitats. The establishments in this sector are often described as farms, ranches, dairies, greenhouses, nurseries, orchards, or hatcheries.

Professional and Business Services

Location	Establishments	Employment	Average Weekly Wages	Employment LQ	Total Wage LQ
Cameron	839	15,852	\$795	0.75	0.62
Hidalgo	1,660	20,124	\$689	0.52	0.38
Jim Hogg	53	250	\$628	0.12	0.08
Starr	701	9,231	\$623	0.64	0.4
Webb	27	637	\$739	1.09	0.81
Willacy	11	29	\$735	0.08	0.04
Zapata	22	199	\$276	0.75	0.52

The professional and business services sector consists of these sectors the Professional, Scientific, and Technical Services sector, the Management of Companies and Enterprises sector, and the Administrative and Support and Waste Management and Remediation Services sector. The Professional, Scientific, and Technical Services sector comprises establishments that specialize in performing professional, scientific, and technical activities for others. These activities require a high degree of expertise and training. Activities performed include: legal advice and representation; accounting, bookkeeping, and payroll services; architectural, engineering, and specialized design services; computer services; consulting services; research services; advertising services; photographic services; translation and interpretation services; veterinary services; and other professional, scientific, and technical services.

The Management of Companies and Enterprises sector comprises (1) Establishments that hold the securities of (or other equity interests in) companies and enterprises for the purpose of owning a controlling interest or influencing management decisions (2) Establishments (except government establishments) that administer, oversee, and manage establishments of the company or enterprise and that normally undertake the strategic or organizational planning and decision making role of the company or enterprise.

The Administrative and Support, Waste Management, and Remediation Services sector comprises establishments performing routine support activities for the day-to-day operations of other organizations. Activities performed include: office administration, hiring and placing of personnel, document preparation and similar clerical services, solicitation, collection, security and surveillance services, cleaning, and waste disposal services.

ORGANIZATIONAL STRUCTURE

Six Areas of Interest to Pursue in the New Regional Approach

The following initiatives should be considered and prioritized by sponsors from the private business community. This set of initiatives is a result of data analysis, interviews with economic development leaders, and private businesses in the region, and are being further validated for time and financial support.

1. Expand business development activities, specifically domestic/international recruiting

Through strategic work done by organizations over the past years, the Rio South Texas region has established awareness on the international stage through outbound business delegation trips and inbound visits from international countries and companies. This recruitment effort should continue, and be amplified through additional resources, both in staff and in marketing and data. Leadership should focus efforts on international recruitment while support staff should be allocated and hired to facilitate data gathering, domestic recruitment, and in time, local business expansion when it is of benefit to local partners.

2. Leverage the symbiotic business relationship between United States and Mexico

As described earlier, increased collaboration between the United States and Mexico is the single most significant regional opportunity, resulting in this being identified as the capstone initiative.

As one EDC in the region pioneered 35 years ago, attracting companies to the region by promoting the high-value manufacturing opportunity in Mexico still delivers an incredible value proposition that should be leveraged, promoted and furthered. Working together for cross-border benefit is the most unique and most significant opportunity to pursue. Note that the complexity of business processes, current political environment and ongoing crime concerns in Mexico should result in additional diligence in this pursuit of new opportunities.

3. Aggregate all existing business intelligence and resources, conduct new data projects

It's clear that the resources available to the region, including resources for business development, workforce development, talent pipeline creation, entrepreneurial growth, access to capital, and other significant information isn't easy to find and is not being used to advance the region. In addition to managing this information, new data projects can be performed that are unbiased to help regional economic partners be more effective in their work.

4. National and international marketing

The region has an incredible story to tell, but unfortunately, it is not being shared significantly with the target markets that would benefit from knowing of the opportunities available. A national and international marketing campaign is needed to promote the region's advantages. This coordinated campaign should highlight the assets of the region as a collective of people and places, and should be funded by the region. In addition to an outward facing campaign, there should be an internal communications campaign that highlights the many assets of the region, including infrastructure, that are available to all jurisdictions for local and regional advantage.

5. Talent pipeline development

Economic development has become talent development in recent years, and the ability to grow or recruit new business is dependent on the success of meeting the needs of current employers and forecasting what will be needed in the future, then delivering upon that need. Partners all agreed that talent development initiatives should be better coordinated within the region to create better communication pathways between businesses and education/training partners to ensure a growing workforce with relevant talents and skills.

6. Placemaking

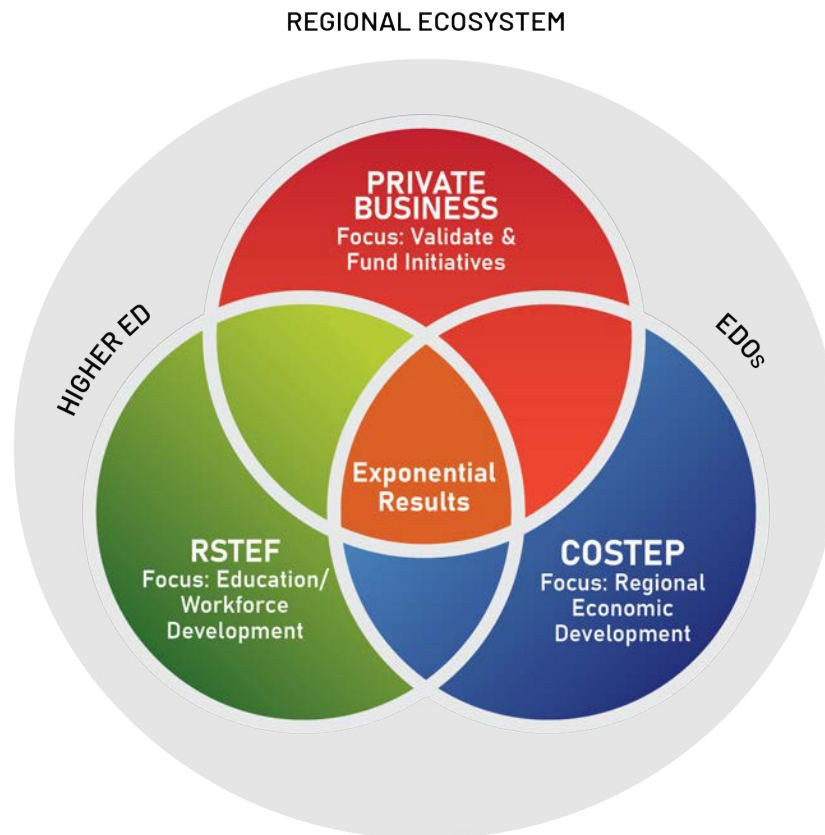
A consistent theme throughout conversations with economic development leaders and private businesses throughout the region included the need to facilitate the creation of places that are vibrant, walkable, and exciting, in order to retain talent and recruit new talent to the region. Competition for talent is ever increasing, and quality of life features have become imperative in keeping and attracting the workforce needed to expand and relocate companies to any region. In addition to improvement opportunities within each community, it was conveyed that the region would benefit from a new attraction of international stature and significance.



Budget of the Regional Initiative

A thorough review of regional economic development organizations has been performed to discover the ideal structure, economic priorities and sponsor value proposition. Regional organizations such as the Border Alliance, Houston Partnership, greater:SATX Regional Economic Partnership, and others were studied and it was discovered, an organization that is collaborative between public and private entities, yet led by private business leaders is shown to be the most effective in achieving results. In addition to COSTEP becoming a programmatic and project-based organization, it should act as a hub for communication across the region.

Based on research, best practices, and defining the opportunities/challenges in the region, the new economic development effort is projected to need a budget of \$1,800,000+ per year at full deployment of all strategies, based on the timing of their deployment aligned to the interests of the private sector sponsors. The six initiatives can be implemented incrementally or “ramped up” based on priority and sponsor commitment.



Private Business as the Strongest Ally

To be successful, we have recognized stakeholder groups in addition to economic development partners that can work collectively from the top down and bottom up in an organized effort. It's imperative that work done is in the best interest of the entire region, with a long-term planning perspective of 30, 40 and perhaps even 50 years. Of all stakeholder groups, private business is most critical in the strategic validation and implementation of the regional economic development plan. This group lives the day-to-day opportunity and challenge of working as a region and should be the most predominant ally in the effort.

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Participating Organizations:

Datastory

- Matt Felton, President
- Colin McNamara, GIS Specialist & Production Assistant

Marketing Alliance

- David Petr, President
- Mark Kitchens, Vice President, Creative Services



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