

Heart of Texas Economic Development District

Comprehensive Economic
Development Strategy: A Blueprint for
Success 2025-2030



Heart of Texas
Council of Governments



Heart of Texas
Economic
Development
District, Inc.



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About the Planning Organization

The Heart of Texas Economic Development District (HOTEDD) is designated as an Economic Development District (EDD) by the U.S. Department of Commerce, Economic Development Administration (EDA). Current members of the district include Bosque, Falls, Freestone, Hill, Limestone, and McLennan counties. As part of its mission to promote economic growth and stability, the EDA provides financial assistance to Economic Development Districts, including HOTEDD, to develop and maintain a **Comprehensive Economic Development Strategy (CEDS)**. This critical document serves as the region's economic roadmap, guiding efforts to diversify and strengthen the regional economy.

HOTEDD's Role in CEDS Planning

HOTEDD is responsible for preparing and adopting the CEDS document at least every five years, in alignment with EDA guidelines. The planning process is led by the HOTEDD CEDS Committee and supported by EDA funding, which ensures the resources necessary to develop a comprehensive and actionable strategy. HOTEDD provides the organizational structure to facilitate the CEDS process and serves as a regional coordinating body for economic development initiatives.

The CEDS is formally approved and adopted by the HOTEDD Board of Directors, which also serves as the CEDS Committee. This structure ensures that regional stakeholders are actively involved in shaping the strategic vision for economic growth.

Purpose and Importance of the CEDS

The CEDS serves multiple purposes:

- **Baseline Information:** It compiles up-to-date data on demographics, economic conditions, and potential projects within the region.
- **Strategic Framework:** It outlines economic development strategies, implementation plans, and priority projects to enhance regional competitiveness.
- **Grant Eligibility:** Maintaining an up-to-date CEDS ensures the region's continued designation as an EDD and sustains eligibility for EDA funding. Governmental entities applying for project grants under the EDA's Public Works and Economic Adjustment Programs must demonstrate how their proposals align with the regional CEDS.

A Dynamic Regional Guide

The CEDS is a living document, continuously updated to reflect the evolving economic state and trajectory of the region. It serves as a vital resource for public and private sector leaders, providing a strategic framework to guide investments, initiatives, and policies that foster sustainable economic growth across the Heart of Texas region. By leveraging EDA support and regional collaboration, HOTEDD is dedicated to driving economic development and ensuring the long-term strength of its communities.

INTRODUCTION¹

The Heart of Texas region, comprising Bosque, Falls, Freestone, Hill, Limestone, and McLennan counties, covers over 5,600 square miles with a population of approximately 374,000. The region balances rural and urban economic dynamics, supported by diverse industries, robust infrastructure, and a growing emphasis on workforce development.

Agriculture and Rural Composition

The rural counties—Bosque, Falls, Freestone, Hill, and Limestone—play a pivotal role in Texas’s agricultural economy, producing commodities such as cotton. These areas boast significant industrial capacities in government, utilities, mining, and farming, which provide a stable economic foundation. However, challenges like limited broadband access and aging infrastructure restrict opportunities for growth.

Industrial and Urban Hubs

McLennan County, with a population exceeding 261,000, serves as the industrial and commercial center of the region. Waco, its largest city, anchors the area's advanced manufacturing, healthcare, retail, and government sectors. Investments in real estate, infrastructure, and urban development have further solidified McLennan County’s status as an economic leader within the region.

Key educational institutions, including **McLennan Community College** and **Texas State Technical College (TSTC)**, play crucial roles in workforce development by offering technical, vocational, and academic training aligned with industry needs. Together with **Baylor University**, these institutions enhance innovation, research, and the talent pipeline, ensuring that the region remains competitive in advanced industries such as technology, healthcare, and renewable energy.

Infrastructure Development

Strategically located between Dallas, Houston, Austin, and San Antonio, the Heart of Texas region benefits from robust transportation networks, including major highways, rail systems, and access to airports. These assets make the area an ideal hub for logistics, warehousing, and distribution. However, rural counties face pressing infrastructure needs, particularly in expanding water, sewer, road, and broadband networks to support population growth and economic diversification.

Energy Sector Expansion & Economic Growth

The region’s energy sector is evolving, with new investments in wind and solar projects complementing its established oil, gas, and power generation industries. Each county is leveraging its available land and infrastructure to expand energy production and attract industry investment. These developments are creating jobs, increasing tax revenues, and strengthening the regional economy.

Workforce and Educational Assets

The region's educational and workforce development assets are key drivers of economic growth. McLennan Community College and Texas State Technical College provide essential technical and vocational training, preparing the workforce for high-demand fields like manufacturing, healthcare, and technology. Hill College in Hill County and Navarro College, with a substation in Limestone County, extend educational opportunities to rural communities, offering programs that enhance local workforce readiness. Texas Tech University at Waco and Tarleton State University at Waco further expand higher education access, offering bachelor's and graduate degree programs tailored to regional workforce needs. Baylor University enriches the region's intellectual and cultural capital through advanced research and leadership development initiatives. Despite these strengths, gaps in higher education attainment, particularly in rural areas, underscore the need to expand access and align training programs with the demands of emerging industries.

Strengths

- **Strategic Location:** Positioned centrally among Texas's largest metropolitan areas, ideal for trade and logistics.
- **Diverse Economy:** Growth in real estate, healthcare, retail, and renewable energy sectors.
- **Educational Institutions:** Baylor University, McLennan Community College, TSTC, Hill College and Navarro College, Texas Tech University at Waco, Tarleton State at Waco, are driving workforce development and innovation.
- **Agricultural and Industrial Stability:** Strong contributions from utilities, mining, and farming sectors.

Challenges

- **Infrastructure Deficiencies:** Broadband gaps, aging roads, and limited water/sewer capacity hinder rural development.
- **Workforce Skill Gaps:** Rural areas face educational disparities that restrict access to high-paying, skilled jobs.
- **Severe Weather Risks:** Increased risks of extreme weather events necessitate stronger infrastructure and emergency preparedness measures.

Opportunities

- **Infrastructure Expansion:** Investments in transportation, broadband, and utilities to attract and retain industries.
- **Renewable Energy Development:** Growth in wind and solar projects to diversify the energy portfolio.
- **Workforce Development:** Strengthening partnerships with educational institutions to align training with industry needs.
- **Regional Collaboration:** Expanding partnerships to address shared economic and infrastructure challenges.

Overview of Strategic Findings for 2025-2030 CEDS

The Heart of Texas region is poised for substantial growth and has many essential components to support successful economic development. With a strategic location, abundant resources, and a robust talent pipeline, the region is transitioning into a diversified economic hub.

Talent Supply

- The region boasts significant educational assets, including **Baylor University**, **McLennan Community College**, **Hill College**, **Navarro College** (with a substation in Limestone County), **Texas Tech University at Waco**, **Tarleton State at Waco**, and **Texas State Technical College (TSTC)**. These institutions provide extensive opportunities for technical, vocational, and academic training.
- Partnerships with local industries facilitate workforce development in fields like aerospace manufacturing, industrial systems, electric vehicle maintenance, and renewable energy.
- **TSTC** offers specialized programs such as industrial systems training and partners with employers like Tesla to create a skilled talent pipeline.
- The **University Center at McLennan Community College** enables students to earn undergraduate and graduate degrees through partnerships with institutions like Texas Tech University, Tarleton State University, and Midwestern State University.
- The **Baylor Research and Innovation Collaborative (BRIC)** continues to foster high-tech research, workforce development, and industry collaborations.

Economic Composition

- Transitioning from reliance on coal, oil, and gas, the region has diversified its economy. Industries now include agriculture, advanced manufacturing, renewable energy, warehousing, logistics, hospitality, and retail.
- The region's manufacturing sector is thriving, attracting companies producing everything from consumer goods to aviation components.

Retail and Entertainment Centers

- **Magnolia Market at the Silos** remains a national tourist destination, bolstering the local economy.
- The **143-acre Cottonwood Creek Market** features attractions like Cinemark Theatre, Top Golf, and a bowling center.
- The **Brazos Riverfront** project in downtown Waco is developing into a vibrant mixed-use district for entertainment, retail, and recreation.

Warehousing and Distribution

- The region's central location along I-35, I-45, and US Highway 84—combined with access to Union Pacific rail, the Port of Houston, and the BNSF Railway facility in Teague—positions it as a premier logistics hub. Union Pacific rail

provides critical east-west and north-south freight corridors, enhancing connectivity for industries across the region and enabling efficient movement of goods to national and international markets. Similarly, the BNSF facility in Teague strengthens freight mobility and supply chain efficiency through direct access to a national Class I rail network. Together, these rail assets support existing industries, attract new business investment, and reinforce the region's status as a competitive logistics and manufacturing center—particularly benefiting rural areas within the HOTCOG region.

- Facilities such as the **Amazon Fulfillment Center** and **Holt Cat** are driving job creation and expanding the region's warehousing and distribution capabilities.

Manufacturing and Production

The Heart of Texas region has become a thriving hub for manufacturing, with a diverse array of companies establishing operations across multiple industries. The region's advanced infrastructure, strategic location, and skilled workforce have attracted over 30 aviation and aviation-related companies as well as other key manufacturers, including:

- **Alco Fastening Systems**, a leading supplier of fastening solutions.
- **Allergan**, a global pharmaceutical company focusing on medical aesthetics and eye care products.
- **Cargill Foods**, specializing in food processing and agriculture products.
- **Carry-on Trailer**, manufactures utility trailers.
- **Cen Tex Trailers Ltd.**, manufacturing trailers for commercial and industrial use.
- **Central Texas Iron Works**, specializing in steel fabrication and construction materials.
- **Coca-Cola**, which continues to expand its operations in the region.
- **Domtar**, a major producer of fiber-based products.
- **Englander dZignPak**, providing custom packaging and display solutions.
- **Envases Group**, a leader in packaging solutions.
- **Fibrix**, manufactures nonwoven fiber solutions for various industries, including automotive and filtration.
- **Gate Precast Company**, manufactures precast concrete products for large-scale construction projects.
- **Hello Bello**, producing diapers and consumer goods.
- **IKO Southwest Inc**, a global leader in manufacturing roofing products.
- **Johns Manville**, manufactures premium-quality insulation, commercial roofing, and fibers for various applications.
- **Kleen-Air**, manufactures air filtration products.
- **L-3 Integrated Systems**, a leader in aviation and defense solutions.
- **Laminate Technologies**, focused on laminate panel manufacturing.
- **Merrick Engineering**, specializing in plastic injection-molded products.
- **Pilgrim's Pride** and **Sanderson Farms**, two major poultry processing companies.
- **Rogers Manufacturing Corporation**, producing prefabricated structural wood components.

- **Sherwin-Williams**, manufacturing industrial and residential paints and coatings.
- **SpaceX**, a global leader in aerospace manufacturing and technology.
- **Versalift**, a leading manufacturer of aerial lifts and truck-mounted solutions.
- **ZinkPower**, offering galvanizing and powder-coating services.

This diverse group of manufacturers represents just a small portion of the businesses driving the region's industrial success. Their presence highlights the strength of the Heart of Texas' industrial base, creating numerous employment opportunities and solidifying the region as a key player in state and national manufacturing. The region's dedication to fostering innovation and supporting manufacturing growth continues to attract companies across a wide range of industries.

Healthcare

- The region is anchored by two major hospitals: **Baylor Scott & White Medical Center – Hillcrest** and **Ascension Providence** in Waco, Texas. These facilities provide comprehensive care and serve as critical components of the local healthcare system.
- New healthcare initiatives include **New Era Partners**, a behavioral health hospital network, contributing to the region's growing medical infrastructure, in Waco Texas.
- Rural Hospitals include **Hill Regional Hospital** in Hillsboro Texas; **Goodall-Witcher Hospital** in Clifton Texas; **Limestone Medical Center** in Groesbeck Texas; **Parkview Regional Hospital** in Mexia Texas; **Falls Community Hospital** and Clinic in Marlin Texas; and **Freestone Medical Center** in Fairfield Texas.

Energy Sector Growth

- The region is leveraging its vast land and energy potential to expand power generation and infrastructure investment, including:
 - **Wind farms** like Prairie Hill Wind Farm in McLennan and Limestone counties and Engie in Limestone and McLennan counties.
 - **Solar farms** such as Cypress Creek Renewables in Robinson, Hecate Energy in Falls County, and OCI Solar Power in Falls County.

Natural Resources & Economic Impact:

- Energy projects are boosting local tax revenues, supporting schools, infrastructure, and economic growth.
- The region's abundant natural resources and strong energy sector provide economic opportunities and long-term investment potential.

Business Attraction

- Efforts to attract diverse industries have replaced jobs lost from the closure of the Big Brown Coal Plant and the departure of Manitou Group. The region is now a hub for manufacturing, logistics, and renewable energy, bolstered by relatively low labor and land costs.

Quality of Life

- The region offers an attractive lifestyle with its scenic beauty, outdoor recreation, and cultural attractions, including:
 - **Cameron Park, Cameron Park Zoo, and the Waco Mammoth Site.**
 - A variety of museums, including the **Dr Pepper Museum, Texas Sports Hall of Fame, and Baylor's Mayborn Museum.**
 - Entertainment hubs like **McLane Stadium, Magnolia Market, and the emerging Brazos Riverfront.**
 - **Meridian State Park:** A state park with a habitat mosaic centered on Lake Meridian.
 - **Lake Whitney State Park:** A 775-acre state park that offers a variety of recreational opportunities located on Lake Whitney in Hill and Bosque County.
 - **Fort Parker State Park:** Located in Limestone County along the Navasota River with recreational opportunities.
- Affordable housing, safe neighborhoods, and good schools make the region ideal for families.
- A collaborative network of foundations, nonprofits, and faith-based organizations provides a strong social support system.

The Heart of Texas region is capitalizing on its central location, rich educational assets, and growing industry base to become a model for economic diversification and sustainable growth.

Summary Background:

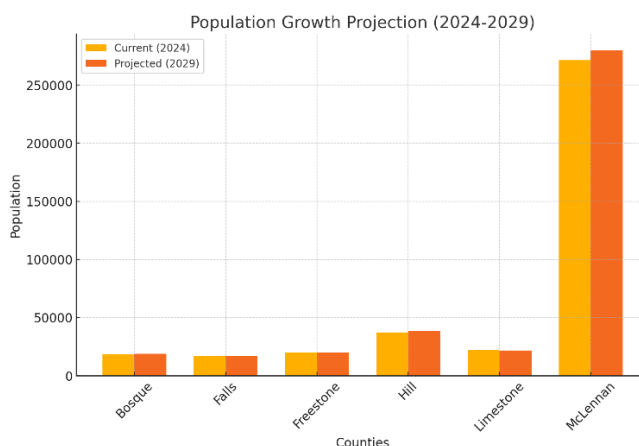
Demographic and Socioeconomic Data

Population

The Heart of Texas region's population is steadily growing, although at a slower pace compared to the State of Texas. Current population estimates for 2024 place the region's total population at **385,047**, with a projected increase to **394,910 by 2029**, representing a growth rate of **2.6% over five years**.²

While all counties within the region are experiencing some level of demographic change, growth remains predominantly concentrated in McLennan County. Population trends for individual counties are as follows:

- **Bosque County:** Current population of **18,561**, expected to grow to **18,713 by 2029** (+0.8%).
- **Falls County:** Current population of **16,899**, projected to decline slightly to **16,896 by 2029** (-0.02%).
- **Freestone County:** Current population of **19,802**, expected to increase to **20,000 by 2029** (+1%).
- **Hill County:** Current population of **37,359**, projected to grow to **38,516 by 2029** (+3.1%).
- **Limestone County:** Current population of **21,914**, anticipated to decline to **21,771 by 2029** (-0.7%).
- **McLennan County:** Current population of **271,356**, forecasted to reach **279,859 by 2029** (+3.1%).



The region's population has grown from **366,511 in 2020** to **385,047 in 2024**, marking a growth of **5.1% over four years**. In contrast, the State of Texas continues to experience rapid population growth, increasing from **29,677,668 in 2020** to an estimated **30.3 million in 2023**,

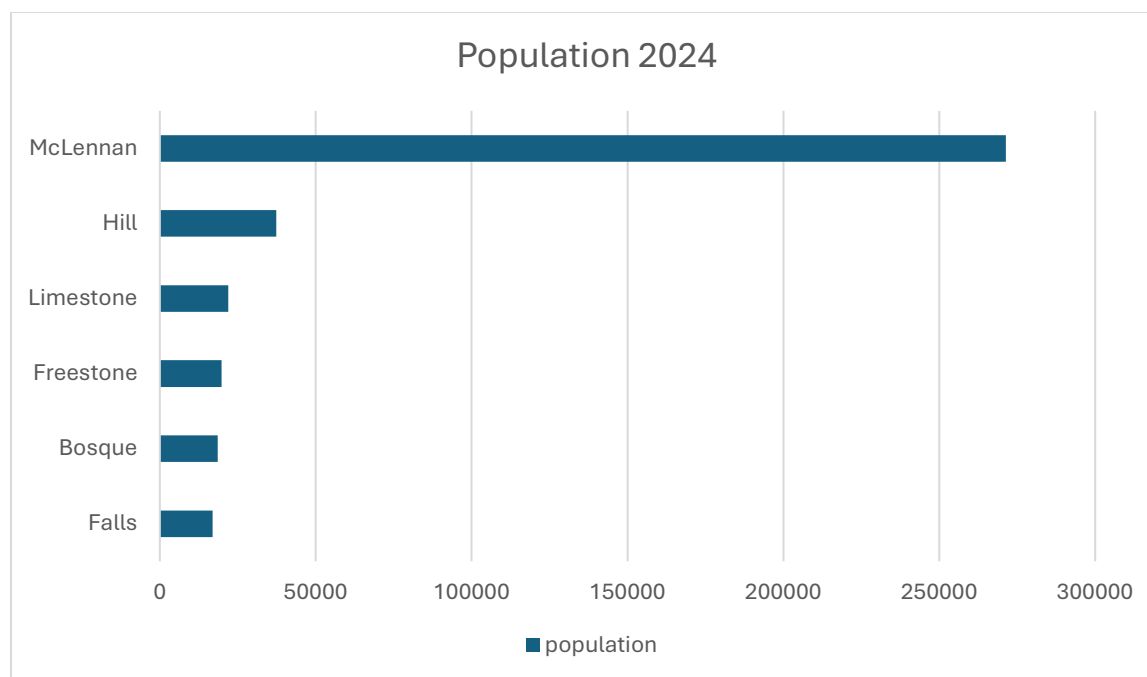
with a projected growth of **59.5% by 2050** to a population of **47,342,105**. This state-level growth is significantly faster than the national growth rate of **16.9% during the same period**.

Future Projections and Opportunities

The Texas State Demographers Office predicts that population growth in the Heart of Texas region will continue through 2050 at a rate of **+6.6%**, although the majority of this growth is expected to remain concentrated in McLennan County. Without targeted economic development initiatives, other counties may face stagnation or slight population declines.

However, the state's overall rapid growth presents significant opportunities for the region. With strategic planning and investment, the Heart of Texas region can attract a larger share of the state's expanding workforce and population. Initiatives to enhance infrastructure, diversify the economy, and improve quality of life in all counties will be essential to spreading growth more evenly across the region.

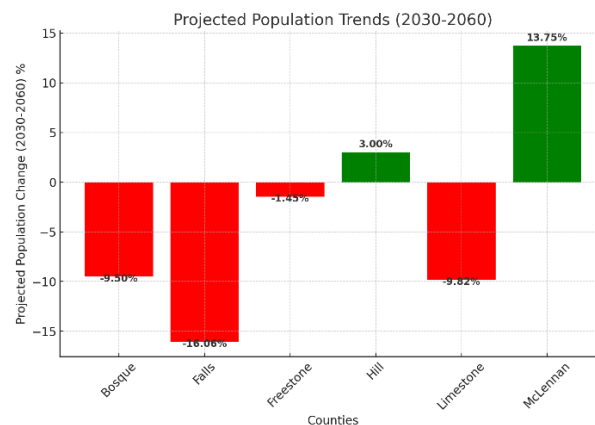
These demographic trends emphasize the need for balanced and inclusive economic development strategies to ensure sustainable growth and prosperity for the Heart of Texas region.



Here is an analysis of population trends for the counties over the decades, based on the given data:

General Trends

1. **Bosque County**
 - A steady population decline across decades.
 - The largest decline projected between 2030 and 2060 (-9.50%), indicating long-term population shrinkage.
2. **Falls County**
 - A pronounced decline in population.
 - The decrease accelerates over time, with a steep decline from 2030 to 2060 (-16.06%).
3. **Freestone County**
 - Relatively stable population compared to other counties.
 - Minimal change in recent years; a slight decline projected for 2030–2060 (-1.45%).
4. **Hill County**
 - A modest but positive growth rate projected over all decades.
 - Growth rates increase slightly from 2024 to 2060, showing potential long-term stability.
5. **Limestone County**
 - Persistent population decline.
 - Declines steepen in later decades, especially from 2030 to 2060 (-9.82%).
6. **McLennan County**
 - The only county with consistent and substantial population growth across decades.
 - The growth rate accelerates in later decades, with significant growth projected from 2030 to 2060 (+13.75%).



Decade-by-Decade Analysis

2022–2024

- Minor population changes observed across counties.
- **Growth Leaders:** McLennan County (+1.38%) and Hill County (+0.38%).
- **Decline Leaders:** Falls County (-1.14%) and Limestone County (-0.34%).

2024–2030

- McLennan County shows the highest growth (+4.22%), followed by Hill County (+0.91%).
- Significant declines in Falls (-3.11%) and Bosque (-1.54%).

2030–2060

- McLennan County exhibits robust growth (+13.75%), while Hill County (+1.13%) sustains mild growth.
- Most counties decline significantly, particularly Falls (-16.06%) and Limestone (-9.82%).

Key Observations

- **Urbanization Effect:** McLennan County, as the most urbanized, benefits from migration and economic factors.
- **Rural Challenges:** Counties like Falls and Bosque face declining populations, likely due to aging demographics and reduced economic opportunities.
- **Steady Counties:** Freestone and Hill counties maintain relative stability, indicating a balance of rural and semi-urban appeal.

Implications

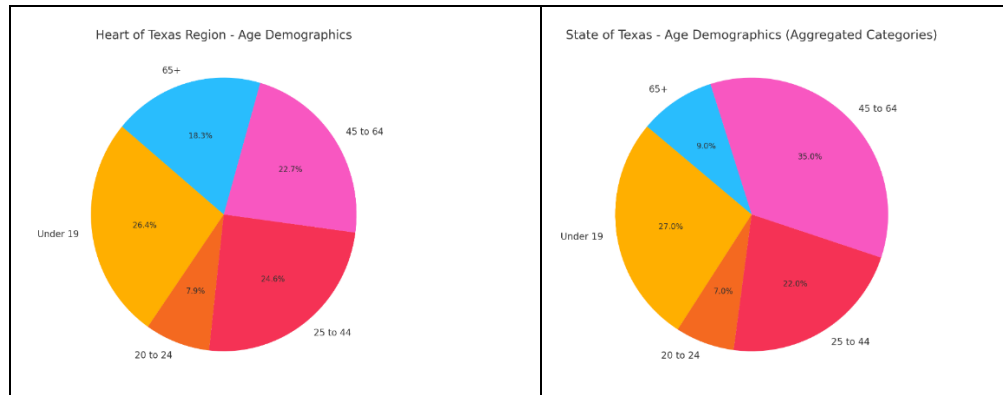
1. **Planning for Decline:** Counties with consistent population loss (e.g., Falls, Bosque) need economic revitalization or programs to attract residents.
2. **Leveraging Growth:** McLennan County's growth can be harnessed to support neighboring counties via regional economic development initiatives.
3. **Sustainability:** Hill and Freestone counties should plan for sustained stability with small-scale development initiatives.

Age, Race/Ethnicity, Sex, and Special Groups

- More than half the population of the Heart of Texas region is within working age (55.25%).
- The Heart of Texas region has a relatively older population compared to the state overall, with 18% of its residents aged 65 and older, compared to just 9% statewide.
- The 25-44 age cohort is higher than the State average (24.6 % vs 22.0%). In the 2020-2025 CEDS, the Heart of Texas region's 25-44 age cohort was slightly below the state average (24% vs. 28%), reflecting a labor force share slightly smaller than the state benchmark. However, current data shows a reversal of this trend, with the 25-44 age cohort in the region now exceeding the state average (24.6% vs. 22.0%). This shift suggests an improvement in the region's labor market perception, as more individuals in this critical working-age group are choosing to remain in or relocate to the area. The increased share of this demographic may reflect growing economic opportunities, job

availability, and improved quality of life factors that attract and retain a younger workforce. Such trends indicate a strengthening regional economy and demonstrate the effectiveness of strategies aimed at workforce development and economic diversification within the Heart of Texas region.³

- According to the Texas Demographic Center, 73.6% of the regional population are over 18, on par with the State of Texas at 73%.



White Population:

- **Heart of Texas Region:** 61.59%
- **State of Texas:** 59.14%
- **Comparison:** The Heart of Texas Region has a slightly higher percentage of White residents (+2.45 percentage points).

Black or African American Population:

- **Heart of Texas Region:** 13.29%
- **State of Texas:** 12.15%
- **Comparison:** The Heart of Texas Region has a marginally higher Black or African American population (+1.14 percentage points).

Multiracial/Two or More Races:

- **Heart of Texas Region:** 11.44%
- **State of Texas:** 15.07%
- **Comparison:** The State of Texas has a notably higher percentage of Multiracial individuals (+3.63 percentage points).

Asian Population:

- **Heart of Texas Region:** 1.6%
- **State of Texas:** 5.17%

- **Comparison:** The State of Texas has a significantly higher percentage of Asian residents (+3.57 percentage points).

American Indian/Alaska Native:

- **Heart of Texas Region:** 0.96%
- **State of Texas:** 0.58%
- **Comparison:** The Heart of Texas Region has a slightly higher percentage of American Indian/Alaska Native residents (+0.38 percentage points).

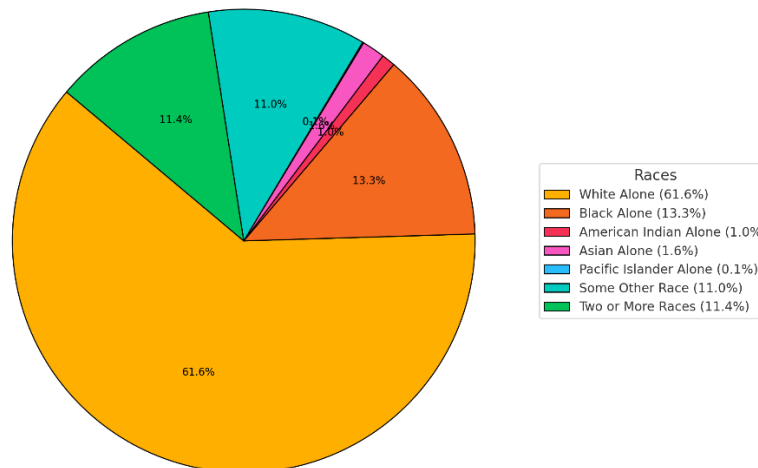
Native Hawaiian/Pacific Islander:

- **Heart of Texas Region:** 0.08%
- **State of Texas:** 0.09%
- **Comparison:** Both regions have a very small and comparable percentage of Native Hawaiian/Pacific Islander residents.

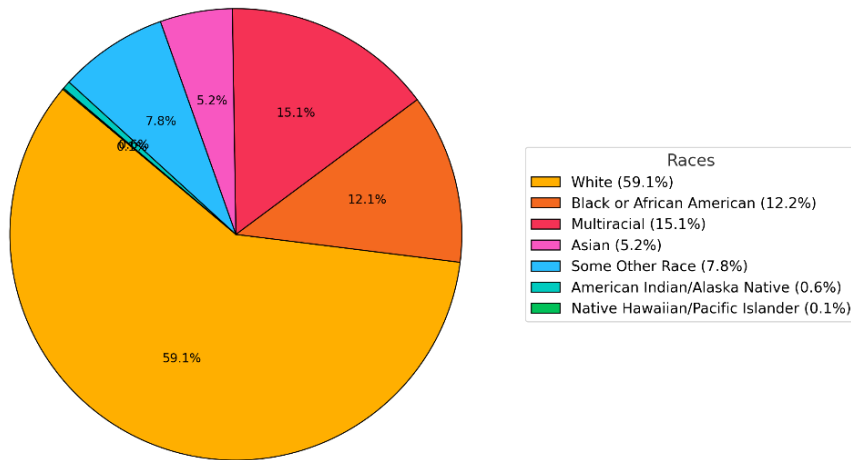
Some Other Race:

- **Heart of Texas Region:** 11.04%
- **State of Texas:** 7.80%
- **Comparison:** The Heart of Texas Region has a higher percentage of individuals identifying as "Some Other Race" (+3.24 percentage points).

Heart of Texas Region - Racial Demographics (2024)



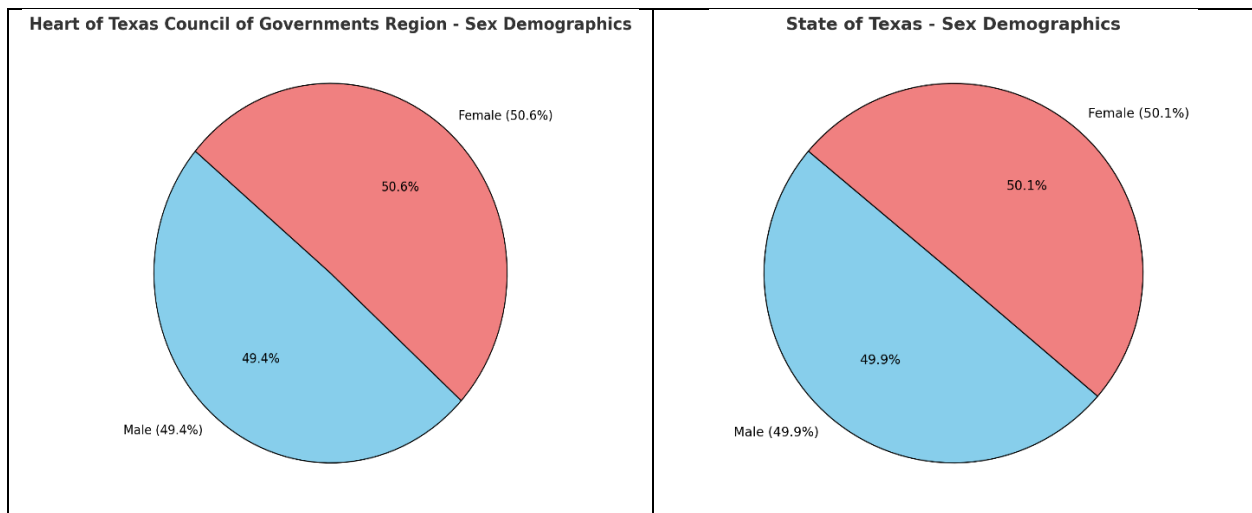
State of Texas - Racial Demographics



Regional Demographic Index:

The State of Texas shows greater racial mixture overall, as indicated by the higher representation of Asian, Multiracial, and Hispanic populations. The Heart of Texas Region, while less diverse, demonstrates opportunities for strategic engagement with underrepresented groups to support accessibility and regional growth.

Male and Female Demographics by HOTCOG Region and the State of Texas



Of the area's population, 49.4% are male and 50.6% are female, comparable to the statewide percentage of 49.9% male and 50.1% female.

Sex Distribution by County, Region, and State (2023)⁴

Area	Population	Male Count	Male %	Female Count	Female %
Bosque County	18,834	9,202	48.86%	9,632	51.14%
Falls County	17,364	8,168	47.04%	9,196	52.96%
Freestone County	20,342	10,589	52.05%	9,753	47.95%
Hill County	38,165	19,061	49.94%	19,104	50.06%
Limestone County	22,265	11,439	51.38%	10,826	48.62%
McLennan County	262,997	128,331	48.80%	134,666	51.20%
HOTCOG	379,967	186,790	49.16%	193,177	50.84%
Texas	30,516,218	15,143,912	49.63%	15,372,306	50.37%

Vital Statistics⁵

The updated vital statistics for 2020, as reported by the Texas Department of State Health Services, highlight several changes in birth and death rates across the Heart of Texas region compared to the data from 2015:

Birth Rates:

- The Heart of Texas region recorded a total of **4,384 live births** in 2020, a slight decrease from 4,833 in 2015.
- This represents a regional birth rate of approximately **11.5 births per 1,000 persons**, calculated using the estimated 2020 population of the region. This is notably lower than the statewide birth rate of **12.9 births per 1,000 persons**, reflecting a continued trend of lower birth rates in the region compared to the state.

Death Rates:

- The region experienced a total of **4,418 deaths** in 2020, an increase from 3,472 deaths in 2015.
- This represents a death rate of approximately **11.6 deaths per 1,000 persons**, which is significantly higher than the statewide death rate of **9.1 deaths per 1,000 persons**. This suggests that mortality in the region has risen faster than in Texas as a whole.

Analysis and Implications:

- The decrease in births and the increase in deaths have resulted in a natural population change (births minus deaths) of **-34** for the Heart of Texas region in 2020. This marks a shift from the net positive natural population change reported in 2015.

- The higher death rate compared to the state average could indicate demographic factors such as an aging population or disparities in health outcomes and access to healthcare within the region.
- In contrast, the statewide numbers indicate a more favorable natural population change, with a higher birth rate and a relatively lower death rate.

This data underscores the importance of addressing public health concerns, supporting maternal and child health programs, and exploring strategies to attract younger populations to the region to sustain economic growth and demographic balance.

	2020 Births	2020 Deaths
Texas	352,376	249,267
Bosque	181	332
Falls	178	199
Freestone	166	281
Hill	387	526
Limestone	273	338
McLennan	3199	2742
HOTCOG	4384	4418

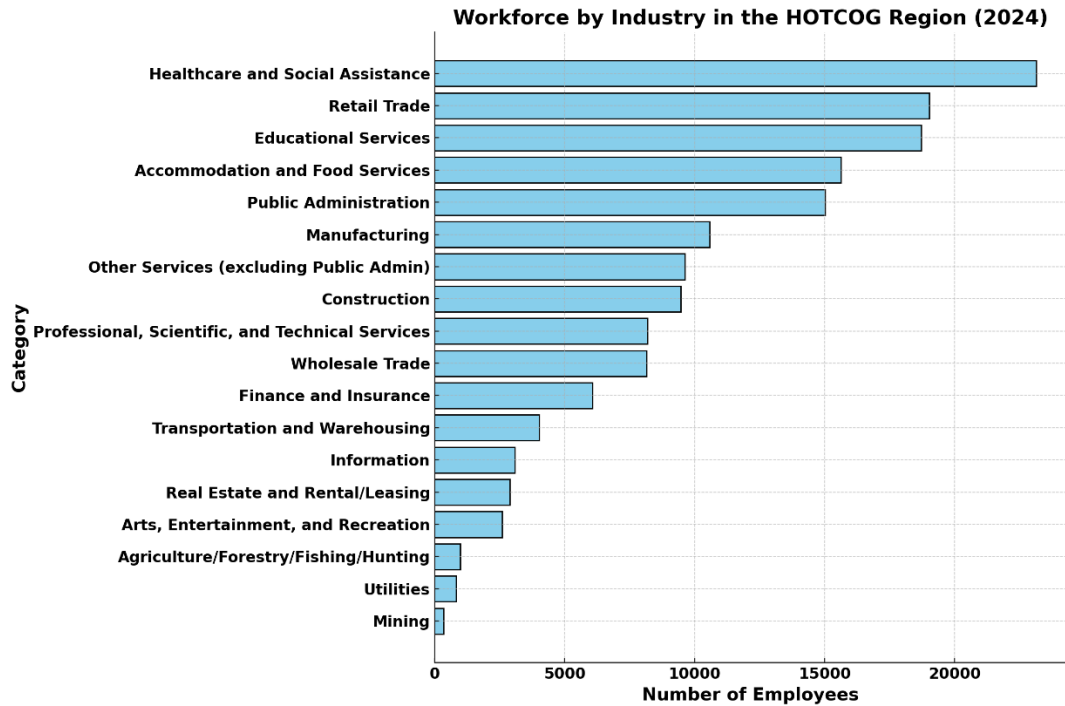
Workforce, Employment and Unemployment

The Heart of Texas region's workforce showcases extensive representation across industries, with a total of 162,883 employees as of 2024. Key sectors include **Healthcare and Social Assistance**, employing 23,140 individuals, and **Retail Trade**, which accounts for 19,017 employees. **Educational Services** also represents a major portion of the workforce with 18,704 employees, reflecting the region's investment in education as a driver for economic growth.

The **Manufacturing** sector employs 10,579 individuals, underscoring its importance as a cornerstone of the regional economy. Additionally, **Accommodation and Food Services** employ 15,624 workers, with the majority in Food Services and Drinking Places (14,030), highlighting the sector's contribution to the region's hospitality and tourism economy.

Emerging opportunities can be seen in **Professional, Scientific, and Technical Services**, which employs 8,178 workers, and **Construction**, which accounts for 9,470 employees, pointing to growth in infrastructure and technical capabilities. While smaller sectors such as **Agriculture/Forestry/Fishing/Hunting** and **Mining** employ 990 and 350 workers, respectively, they remain vital to the region's rural and resource-based communities.

This diverse workforce composition highlights the region's economic strengths in healthcare, education, manufacturing, and retail trade, while also suggesting opportunities to expand professional services, technology, and tourism to drive future growth. Continued investment in workforce development and cross-sector collaboration will ensure that the Heart of Texas region remains resilient and competitive.⁶



Veterans⁷

Veteran Population in the HOTCOG Region Compared to the State of Texas

The veteran population in the Heart of Texas Council of Governments (HOTCOG) region and the State of Texas is an important demographic that has implications for workforce development and regional services. Below is a breakdown of the data:

Region	Total Civilian Population	Veteran Population	% Veterans
Bosque County	14,646	1,327	9.1%
Falls County	13,459	1,086	8.1%
Freestone County	15,306	1,103	7.2%
Hill County	28,096	2,441	8.7%
Limestone County	17,194	1,492	8.7%
McLennan County	199,803	14,352	7.2%
HOTCOG Total	288,504	21,801	7.6%
State of Texas	22,039,680	1,408,009	6.4%

Comparison

- The veteran population in the HOTCOG region (7.6%) is notably higher than the state average (6.4%).

- Counties such as **Bosque (9.1%)** and **Hill (8.7%)** have significantly higher proportions of veterans compared to the state and regional averages.
- McLennan County, which has the largest total population in the region, has a lower percentage of veterans (7.2%) but contributes the largest number (14,352) to the regional total.

Implications for the Region

The higher proportion of veterans in the HOTCOG region highlights the need to incorporate veteran-focused initiatives for the HOTCOG region. Veterans bring a wealth of skills, discipline, and leadership to the workforce, making them an invaluable resource for economic growth.

Below are specific recommendations:

1. Regional Workforce Development

- Develop veteran-specific workforce training programs, emphasizing industries prevalent in the HOTCOG region, such as manufacturing, healthcare, construction, and professional services.
- Create partnerships with employers to provide opportunities for veterans to transition into civilian careers.

2. Veteran Entrepreneurship

- Provide resources and funding opportunities to encourage veteran-owned businesses.
- Facilitate networking events and mentorship programs tailored to veteran entrepreneurs.

3. Health and Social Services

- Address healthcare and mental health access gaps for veterans, particularly in rural counties like Bosque and Limestone, where veterans make up a higher percentage of the population.
- Expand support for housing programs targeting homeless or at-risk veterans.

4. Recognition and Outreach

- Partner with state and federal veteran organizations, such as the Texas Veterans Commission, to promote services and opportunities for veterans.
- Recognize veterans as a key demographic in public planning to attract additional state and federal resources to the region.

The HOTCOG region's higher veteran population, compared to the state, is both a strength and an opportunity. Veterans contribute significantly to the workforce and economic potential of the region. By integrating veteran-focused initiatives into the CEDS, the region can support its veteran population while promoting economic strength and development.

Disability Status⁸

According to the U.S. Census Bureau QuickFacts, the disability status of individuals under age 65 in the Heart of Texas Economic Development District (HOTEDD) reflects a higher prevalence of disabilities compared to both the national (9.1%) and Texas state (8.4%) averages. The counties within the region report the following disability rates: Bosque County at 11.8%,

Falls County at 14.3%, Freestone County at 14.3%, Hill County at 12.1%, Limestone County at 11.6%, and McLennan County at 9.3%.

This data highlights that Falls and Freestone Counties, in particular, have the highest percentage of residents under age 65 with disabilities, significantly exceeding both state and national averages. Hill, Bosque, and Limestone Counties also report disability rates notably higher than the state average, while McLennan County remains slightly above the national rate.

Incorporating this information is critical for addressing the unique challenges faced by this demographic. The strategy should prioritize:

1. **Workforce Development and Integration**

- Expand job training and placement programs for individuals with disabilities to ensure they have equitable access to employment opportunities.
- Partner with employers to create inclusive workplaces that accommodate diverse abilities.

2. **Accessibility Improvements**

- Invest in transportation, infrastructure, and housing that meet the accessibility needs of individuals with disabilities.
- Ensure compliance with the Americans with Disabilities Act (ADA) in both public and private facilities across the region.

3. **Healthcare and Support Services**

- Enhance access to affordable healthcare, rehabilitation services, and support programs for residents with disabilities.
- Promote partnerships with nonprofit organizations and local agencies to provide targeted assistance.

4. **Community Engagement**

- Foster initiatives that integrate residents with disabilities into community planning and decision-making processes.
- Raise awareness and reduce stigma surrounding disabilities to build a more inclusive region.

By addressing the higher prevalence of disabilities in the HOTEDD region, the CEDS can foster a more inclusive economy that values and supports all residents, enhancing the overall resilience and competitiveness of the region.

County Migration⁹

County	2010 Population	2020 Population	2024 Population	Growth/Loss 2010-2024	% of Growth/Loss
Bosque	18,212	18,235	18,561	349	1.92
Falls	17,866	17,341	16,899	-967	-5.41
Freestone	19,816	20,032	19,802	-14	-0.07
Hill	35,089	36,649	37,359	2,270	6.47
Limestone	23,384	23,384	21,914	-1,470	-6.29
McLennan	234,906	260,579	271,356	36,450	15.52

The migration data for the Heart of Texas Council of Governments (HOTCOG) region reflects diverse trends across the counties, highlighting both growth and decline over the 14-year period.

1. Notable Growth in Urban Centers:

- **McLennan County** continues to drive the region's population growth, with an increase of **36,450 residents** (14.83%) from 2010 to 2024. This growth underscores the county's status as the region's economic and population hub, likely driven by Waco's expanding economy, educational institutions, and healthcare services.
- **Hill County** also experienced a significant population increase, adding **2,270 residents** (6.47%). Its strategic location along the I-35 corridor likely contributes to its steady growth, benefiting from proximity to larger metropolitan areas and improved accessibility.

2. Stability with Minimal Growth:

- **Bosque County** showed modest growth, adding **349 residents** (1.92%) over the 14 years. This suggests relative stability but limited economic drivers for substantial population increases.

3. Population Declines in Rural Counties:

- **Falls County** experienced significant percentage decline, losing **967 residents** (-5.41%). This reflects ongoing challenges such as limited job opportunities, aging populations, and possible out-migration.
- **Limestone County** experienced the largest numeric decline, losing **1,470 residents** (-6.29%), indicating similar challenges in retaining residents.
- **Freestone County**, while relatively stable, experienced a slight decline of **14 residents** (-0.07%), suggesting stagnation in economic or population growth.

Conclusion

The population data reflects a dynamic pattern of growth and decline in the HOTCOG region. Urban counties like McLennan and Hill are thriving, while rural counties face stagnation or population loss. HOTCOG should prioritize balanced development by leveraging the strengths of growing urban centers while addressing the challenges faced by rural counties. This approach will ensure a more equitable and resilient regional economy.

Economic Stress Criteria as of 2024¹⁰

County	24-month unemployment	% of National Rate	Per Capita Income	% of National Average
Bosque	3.54%	94.31%	\$52,462	80.13%
Falls	4.10%	109.21%	\$42,198	64.45%
Freestone	5.08%	135.25%	\$44,999	68.73%
Hill	4.08%	108.57%	\$49,859	76.16%
Limestone	4.23%	112.48%	\$46,998	71.79%
McLennan	3.69%	98.22%	\$50,284	76.80%

1. Unemployment Rates:

- **Bosque County** maintains a low unemployment rate of 3.54%, which is below the national average of 3.76%.
- **Freestone County** continues to face the highest unemployment rate in the region at 5.08% (135.25% of the national average), indicating significant economic distress.
- Other counties such as **Falls** (4.10%) and **Limestone** (4.23%) also report higher-than-average unemployment rates.

2. Per Capita Income:

- **Bosque County** shows a strong per capita income at \$52,462, which is **80.13% of the national average**, the highest in the region.
- **McLennan County**, with its \$50,284 per capita income (76.80% of the national average), continues to be a significant economic hub.
- Rural counties, such as **Falls, Freestone, and Limestone**, report significantly lower per capita incomes ranging from 64.45% to 71.79% of the national average, highlighting income disparities.

3. Regional Disparities:

- Bosque and McLennan Counties are relatively stronger economically compared to rural counties like Falls and Freestone, which face lower incomes and higher unemployment.
- The income disparity between urban and rural counties in the region remains a critical challenge.

Workforce, Employment by Industry, Wages, and Fast-growing industries:¹¹

The data from the **Heart of Texas Workforce Development Area (HOTWDA)** highlights critical economic and workforce trends in the region.

1. Workforce Overview

• Labor Force:

- The civilian labor force in the region reached **185,385** in December 2024, reflecting a **6,363 increase** over the previous year. This indicates sustained labor market participation growth.
- The regional unemployment rate stands at **3.4%**, slightly below the state average of **3.7%** and the national average of **3.8%**, signaling a relatively healthy labor market.

2. Employment by Industry

• Top Industries by Employment:

- **Education and Health Services:** Largest industry, accounting for **26.4%** of total employment. This emphasizes the region's dependence on healthcare and educational institutions as economic drivers.
- **Trade, Transportation, and Utilities:** The second-largest sector at **19.7%**, showcasing the importance of logistics and retail industries.

- **Manufacturing:** Significant at **12.1%**, reinforcing its role as a key contributor to the regional economy.
 - **Leisure and Hospitality:** Represents **11.1%**, reflecting the growing role of tourism and service-oriented businesses.
- **Smaller but Notable Sectors:**
 - **Professional and Business Services:** Accounts for **9.2%**, indicating a developing professional workforce.
 - **Construction:** At **7.2%**, highlights infrastructure and development activities in the region.
- **Natural Resources and Mining:** The smallest sector at **1.6%**, indicating minimal reliance on resource-based industries.

3. Wages

- **Regional Weekly Wage:**
 - The average weekly wage in the region during Q2 2024 was **\$1,106**, lower than the state average of **\$1,381** and the national average of **\$1,390**.
 - The yearly increase of **\$44** reflects modest wage growth, signaling the need for efforts to improve wages to attract and retain talent.

4. Fastest-Growing Industries

The projected fastest-growing industries (2022-2032) reflect the diversification of the region's economy:

- **Individual and Family Services:** Expected to grow by **41%**, driven by demand for healthcare and social services.
- **Warehousing and Storage:** Growth of **38.2%**, aligning with the rise of logistics and e-commerce.
- **Specialty Trade Contractors:** Growth of **35.3%**, indicating robust construction activities.
- **Technical and Management Consulting Services:** Growth of **34.4%**, highlighting the region's focus on professional services.

5. Employer Trends

- **Employment by Business Size:**
 - Small businesses dominate, with **38.4% of employment in establishments with fewer than 50 employees**.
 - Large employers (1,000+ employees) account for **17.8% of employment**, showcasing the importance of major employers like Baylor University and regional healthcare systems.
- **Employment by Ownership:**
 - **82.4%** of employment is in the private sector, reflecting a strong business-driven economy.

- Local government employment accounts for **12.4%**, while state and federal government roles remain limited.

Major Employers

Leading employers in the Waco/McLennan County area as provided for by the Greater Waco Chamber.¹²

Company	Number of Employees	Type of Employer
Baylor University	5,698	Education
Ascension Providence	2,518	Healthcare
Waco ISD	2,373	Education
Baylor Scott & White Hillcrest Hospital	2,283	Healthcare
HEB Stores	2,000	Retail
City of Waco	1,522	Government
Midway ISD	1,302	Education
Sanderson Farms, Inc. (Waco Production)	1,200	Manufacturing
WAL-MART	1,174	Retail
McLennan County	1,088	Government
Veterans Administration Medical Center	886	Healthcare
Mars Wrigley Confectionery	885	Manufacturing
L3Harris	843	Manufacturing
Dept of Veterans Affairs Regional Office	796	Professional Services
AbbVie	747	Manufacturing
S2G Support Services, LTD	715	Professional Services
Aramark Higher Education	696	Professional Services
American Income Life Insurance	693	Professional Services
McLennan Community College	679	Education
Versalift - A Time Manufacturing Company	638	Manufacturing
Clayton Homes #932	620	Manufacturing
Big Creek Construction	617	Construction
Cargill Value Added Meats	603	Manufacturing
Space X	590	Aerospace
Tractor Supply Distribution Center	585	Distribution
Waco Family Medicine	581	Healthcare
Pilgrim's	571	Manufacturing
Texas State Technical College	553	Education
Magnolia Market	549	Retail
Texas Department of Human Services	549	Government

Company	Number of Employees	Type of Employer
Connally ISD	481	Education
La Vega ISD	477	Education
Howmet Fastening Systems	463	Manufacturing
Brazos Masonry, Inc.	450	Construction
Coca-Cola North America	450	Manufacturing
Heart of Texas Region MHMR Center	438	Non-Profit
Sherwin Williams	400	Distribution

The presence of diverse and significant employers in McLennan County reflects the economic strengths and opportunities in the region.

1. Economic Strengths

- **Education and Healthcare Dominate:**
 - **Baylor University** (5,698 employees), **Waco ISD** (2,373), and **McLennan Community College** (679) highlight the region's focus on education as a major employer and economic driver.
 - **Ascension Providence** (2,518), **Baylor Scott & White Hillcrest Hospital** (2,283), and **Waco Family Medicine** (581) underscore the importance of healthcare to the local economy.
- **Diverse Manufacturing Base:**
 - Employers such as **Mars Wrigley Confectionery** (885), **L3Harris** (843), **AbbVie** (747), **Versalift** (638), and **SpaceX** (590) demonstrate a strong and diverse manufacturing sector, spanning confectionery, aerospace, pharmaceuticals, and industrial equipment.
- **Retail and Government Sectors:**
 - **HEB Stores** (2,000), **Walmart** (1,174), and **Magnolia Market** (549) indicate a robust retail sector, benefiting from local and regional demand.
 - **City of Waco** (1,522) and **McLennan County** (1,088) emphasize the importance of government jobs in providing stable employment.

2. Key Challenges

- **Economic Dependency on Core Sectors:**
 - The concentration in healthcare, education, and manufacturing poses potential risks in the event of industry-specific economic downturns.
- **Attracting and Retaining Talent:**
 - While McLennan County has a strong employment base, maintaining a skilled workforce to meet the needs of diverse industries is critical for sustained growth.
- **Geographic Disparities:**
 - Employment opportunities are centered in urban areas like Waco, while neighboring rural counties in the HOTCOG region may not experience the same economic benefits.

Environmental, Geographic, Climatic, and Cultural Resources¹³

Environmental & Geographic Resources

1. Natural Resources & Land Use:

- The HOTEDD region consists of diverse natural landscapes, including rivers, lakes, forests, and agricultural land. These resources contribute to local economies through agriculture, tourism, and recreation.
- The counties within HOTCOG, particularly Freestone and Limestone, have significant coal and mining operations, which play a role in employment but also pose environmental challenges.

2. Infrastructure & Water Resources:

- Water bodies such as Lake Waco and the Brazos River serve as key water sources for residential and industrial use. Ensuring sustainable water management is critical for long-term economic growth.
- Infrastructure development needs include improved roads and broadband expansion to accommodate growth in rural areas.

Weather-Related Hazards & Disaster Preparedness

3. Severe Weather Risks & Disaster Preparedness:

- The region is prone to severe weather events, including flooding, tornadoes, and droughts. Counties such as Hill and Limestone have experienced multiple federally -declared disasters in the past decade.
- Enhancing disaster preparedness and emergency response planning should be integrated into future development strategies to reduce economic disruptions caused by extreme weather events

4. Energy & Economic Development:

- While the region has a strong foundation in traditional energy industries like coal and oil extraction, there is growing potential for energy sector expansion, including natural gas production and grid modernization..
- Investments in energy infrastructure and technology will help strengthen economic growth, create jobs, and improve regional energy reliability.

Cultural & Historical Assets

5. Tourism & Heritage Sites:

- The region is home to several historical landmarks.
- Promoting heritage tourism can contribute to economic diversification, leveraging local assets for cultural and recreational activities.

6. Agritourism & Outdoor Recreation:

- Outdoor recreation, including hunting, fishing, and state parks, contributes significantly to the region's tourism economy.
- Counties such as Bosque and Falls have opportunities to expand agritourism initiatives, supporting local farmers and attracting visitors.

Infrastructure Assets¹⁴

The **Heart of Texas Council of Governments (HOTCOG)** region's infrastructure plays a vital role in economic development, supporting industries, workforce mobility, and quality of life.

1. Transportation and Logistics

- **Interstate Connectivity to Major Metro Areas:**
 - The HOTCOG region benefits from **Interstate 35 (I-35) and Interstate 45 (I-45)**, which provide **critical transportation corridors** connecting the region to **Dallas-Fort Worth, Houston, Austin, and San Antonio**.
 - These highways **support regional commerce, freight movement, and workforce mobility**, making the area attractive for logistics and distribution industries.
 - **Recommendation:** Leverage **interstate access to attract industries**, develop **logistics hubs**, and improve **highway infrastructure to support increased freight traffic**.
- **Airport and Port Accessibility:**
 - The distance to the nearest airport has improved across all counties, enhancing regional connectivity.
 - However, access to **water ports remains a challenge**, impacting logistics-heavy industries.
 - **Recommendation:** Improve **transportation corridors**, invest in **intermodal logistics centers**, and explore partnerships for **freight distribution**.

2. Energy and Utilities

- **Electricity Reliability Concerns:**
 - Several counties, including Falls, Freestone, and Limestone, have **declining electricity reliability**, highlighting potential risks for businesses and residents.
 - McLennan County has the **highest electricity affordability**, while other counties experience fluctuations in energy costs.
 - **Recommendation:** Invest in **grid modernization and alternative energy sources** (solar/wind) to increase reliability and sustainability.

3. Broadband and Digital Connectivity

- **Expanding Internet Access:**
 - **McLennan County** has the highest overall internet access, while rural counties like Freestone and Falls lag behind.
 - **Recommendation:** Expand **broadband infrastructure** to underserved areas, particularly in rural counties, to support business growth and remote work.

4. Environmental and Land Use Considerations

- **Superfund and Brownfield Sites:**

- Falls, Freestone, and McLennan Counties have **higher percentages of land classified as Superfund sites**, limiting development potential. “Superfund sites are **contaminated locations** in the United States that require **federal government intervention** for cleanup due to hazardous waste pollution. These sites are designated and managed under the **Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA)** of 1980, commonly known as the **Superfund Program**.”
- **Recommendation:** Prioritize **environmental remediation programs** and develop economic reuse plans for brownfield sites.
- **Water Resources and Green Spaces:**
 - Self-supplied water usage is high in many counties, with notable water management needs in rural areas.
 - **Recommendation:** Implement **water conservation strategies** and expand access to **green infrastructure projects**.

5. Economic Resilience and Infrastructure Investments

- **Infrastructure Gaps and Regional Development:**
 - The urban core (**McLennan County, Waco**) has **strong infrastructure assets**, while rural counties face **challenges in energy, broadband, and transportation**.
 - **Recommendation:** Foster **regional collaboration** to extend infrastructure investments **beyond Waco** to support rural development.

Local Transit:

- **Waco Transit System (WTS):** Offers single rides to the general public for \$1.50, unlimited fixed route rides for the duration of the calendar day during normal operating hours for only \$3, and 31 Day Pass for \$40.
- **WTS** offers on demand micro transit service, “Micro Dash”, Monday-Saturday, 7:00 am -7:00 pm. The fare structure mirrors the fixed-route.
- **McLennan County Rural Transit District (MCRTD):** Offers Commuter Route Service from China Spring to Waco, Monday-Saturday 9:15 am – 10:15 am and 2:15 pm – 3:15 pm.
- **MCRTD** offers Commuter Route Service from Crawford/McGregor, Monday-Saturday, 7:45 am – 9:15 am and 12:45 pm – 2:00 pm.¹⁵
- **Heart of Texas Rural Transit District (HOTRTD)** provides affordable, demand-response transportation for the general public in Bosque, Falls, Freestone, Hill, and Limestone counties. Service operates Monday through Friday, with fares set at \$1 for trips within the county and \$2 for trips across county lines. Riders schedule trips in advance, with service availability based on demand. Transportation is provided using a fleet of ADA-accessible vans, ensuring mobility for all passengers.¹⁶

Rail¹⁷

The **Heart of Texas Council of Governments (HOTCOG)** region is well-positioned with both **passenger and freight rail infrastructure**, which supports regional connectivity, economic development, and supply chain logistics. Rail services in the region play a critical role in moving people and goods efficiently, reducing highway congestion, and providing essential transportation for industries such as manufacturing, agriculture, and distribution.

1. Passenger Rail Services

- Amtrak – McGregor Station (McLennan County)
 - Location: 1 Amtrak Boulevard, McGregor, TX 76657
 - Route: Part of the Texas Eagle, which connects Chicago to San Antonio, with some trains continuing to Los Angeles.
 - Proximity: 16 miles west of Waco, making it the closest Amtrak station for Waco residents.
 - Facilities: Waiting areas and parking are available, but the station is unstaffed, and passengers must purchase tickets in advance.

2. Freight Rail Services

Freight rail is a key economic asset in the HOTCOG region, supporting industries such as manufacturing, agriculture, logistics, and retail distribution.

- Union Pacific Railroad
 - Operates major north-south freight routes in McLennan, Hill, and other counties, providing vital connections for regional and national supply chains.
- Burlington Northern Santa Fe (BNSF) Railway
 - Offers freight rail services in Freestone, Hill, and McLennan Counties, supporting industries and improving goods movement.

County-Specific Rail Infrastructure

- Bosque County: Historically served by the Santa Fe Railroad, which played a major role in the county's development.
 - Recent investment: The U.S. Department of Transportation's Federal Railroad Administration has provided funding for a rail project in Clifton to improve highway-rail crossings and enhance safety.
- Hill County:
 - Union Pacific & BNSF rail lines traverse the county, supporting agriculture, manufacturing, and distribution.
 - These rail lines are critical freight corridors, helping move raw materials and finished goods efficiently.
- Freestone County:
 - Served by BNSF Railway, utilizing historical Trinity and Brazos Valley (T&BV) rail routes to support local industries and freight movement.

Airports¹⁸

Several airports serve as vital infrastructure assets, supporting economic development and connectivity.

McLennan County:

- Waco Regional Airport (ACT): Located in Waco, this airport offers commercial flights, primarily connecting to Dallas/Fort Worth International Airport, facilitating both passenger travel and cargo services.
- TSTC Waco Airport: Operated by the Texas State Technical College, this facility serves as a general aviation airport and supports aviation training programs.
- McGregor Executive Airport (PWG): Located near McGregor, this general aviation airport provides services for private and corporate aircraft, contributing to local business activities.

Hill County:

- Hillsboro Municipal Airport (INJ): Situated near Hillsboro, this general aviation airport provides services for private and corporate aircraft, contributing to local business activities.

Bosque County:

- Clifton Municipal Airport (7F7): Located in Clifton, this airport supports general aviation and serves the needs of local pilots and businesses.

Falls County:

- Marlin Airport (T15): Serving the Marlin area, this general aviation airport accommodates private flights and agricultural aviation services.

Freestone County:

- Teague Municipal Airport (68F): Located near Teague, this facility supports general aviation activities within the county.

Limestone County:

- Mexia-Limestone County Airport (LXY): Situated near Mexia, this airport provides general aviation services and supports local industries.

These airports enhance the region's transportation infrastructure, offering critical support for business operations, emergency services, and personal travel.

Industrial Parks

Texas Central Industrial Park in Southwest Waco is a 3,700-acre master-planned business park designed to support industrial growth, logistics, and manufacturing in the Heart of Texas region. With nine remaining development sites totaling 830 acres, the park offers industrial-grade infrastructure, including 12.5 kV and 138 kV Oncor electric options, Atmos Energy natural gas service, and City of Waco water, gray water, and wastewater services. Businesses benefit from protective covenants on select sites and a double Freeport tax exemption, making it an attractive location for warehousing, logistics, and manufacturing. Strategically positioned 90 miles south of Dallas-Fort Worth, 90 miles north of Austin, and 180 miles northwest of Houston and San Antonio, the park offers prime connectivity for regional and national distribution networks.¹⁹

Robinson Industrial Park in Robinson, Texas, is a 635-acre master-planned industrial and commercial development strategically positioned along Interstate 35 and South Loop 340. The park consists of 460 acres designated for industrial use and 175 acres for commercial development, offering divisible lot sizes to accommodate a variety of business needs. Protective development covenants ensure long-term sustainability and high-quality development standards. The park is equipped with robust infrastructure, including 12.5 kV and 135 kV Oncor electricity, 12" and 20" Atmos Energy natural gas lines, and extensive water and wastewater services through the City of Waco, including 16" and 18" water lines, a 20" WMARSS reclaimed water line, and a 36" WMARSS sewer line. With direct frontage along Interstate 35 and located just 2.5 miles from Highway 84, the site offers strong connectivity for logistics and distribution. Additionally, its location within the City of Robinson provides businesses with the benefit of a Triple Freeport Exemption, offering tax advantages for warehousing and manufacturing.²⁰

Waco International Aviation Industrial Park is a 1,100-acre master-planned business park, with 304 acres still available for development, designed to support aviation, manufacturing, distribution, and heavy commercial industries. Strategically located near Texas State Technical College (TSTC) and Waco Regional Airport, the park offers sites ranging from 5 acres to 254 acres with robust infrastructure, including a 12.5 KV Oncor electricity distribution line, 4" HIP Atmos Energy gas, 16" City of Waco water, and 8-24" City of Waco sewer services. Additional site features include a regional detention pond and an upgraded Tirey Road (*partially funded by EDA and City of Bellmead*) for improved access and stormwater management. Positioned along U.S. Highway 84, approximately two miles east of Interstate 35, the park provides easy connectivity to major transportation routes. It also benefits from a Triple Freeport Exemption and Foreign Trade Zone #246, making it attractive for businesses seeking tax advantages. Current tenants include Sherwin-Williams, Sanderson Farms, Dr Pepper Bottling, and L-3.²¹

Fairfield Industrial Park is a prime business development asset in Fairfield, Texas, strategically located just off Interstate 45, offering excellent transportation access for industries requiring efficient logistics and distribution. The Fairfield Industrial Park North consists of 45 acres of developed industrial land, already home to industry-leading companies such as Norwesco, Archrock, Custom Hose, Baker Hughes, Windstream Communications, and Chris Christensen Systems. To further support business expansion, the Fairfield Industrial Park South has been completed, adding 64 acres of shovel-ready sites available for immediate development.

In addition, the region has 300 more acres designated for future industrial growth, positioning it as a key site for long-term economic development. Businesses locating in Fairfield Industrial Park can leverage tailored incentive plans offered by the Fairfield Economic Development Corporation, helping offset investment and operating costs. The park's strategic location along I-45 provides direct access to major markets, making it an ideal site for manufacturing, logistics, and distribution industries.²²

Mexia Industrial Park is a 600-acre industrial site strategically positioned near State Highway 14 and U.S. Highway 84, with direct access to Interstate 45 and proximity to Interstate 35, making it an attractive location for industrial development. In February 2017, the Mexia Economic Development Corporation (MEDC) was awarded a \$1.2 million grant from the U.S. Department of Commerce's Economic Development Administration (EDA) to enhance roadway infrastructure and expand the park's capacity. The \$2.7 million project included resurfacing and upgrading Industrial Boulevard and constructing a new road to connect MEDC-owned property along Highway 14, significantly improving access to available industrial land. The park is fully equipped with on-site natural gas, water, sewer, fiber-optic connectivity, and telecom services, providing essential utilities for prospective businesses. With 600 acres of available land and ideal construction sites that are shovel-ready, Mexia Industrial Park is well-positioned to attract new industries seeking affordable and accessible industrial space. Its location 18 miles from the nearest Interstate 45 exit and 91 miles from Dallas Love Field International Airport further enhances its logistics and transportation capabilities.²³

Groesbeck Industrial Park offers 108 acres of available land, with 20 acres having direct utility access, making it a prime location for industrial, manufacturing, and distribution businesses. Located north of Groesbeck along TX Highway 14, the park provides direct highway access and is strategically positioned 35 minutes from Interstate 35 and Interstate 45, ensuring efficient transportation and logistics. The site consists of undeveloped greenfield space, allowing for build-to-suit opportunities, with industrial-level access to water, sewer, and 3-phase electric service. The park is already home to established industrial businesses, including SRM Concrete, Ellison Steel, and Kleen-Air - representing industries such as concrete and construction materials, steel fabrication, and fiber filtration manufacturing. Available plots within the park are flexible and can be combined or divided based on project requirements, offering customized solutions for businesses seeking expansion.²⁴

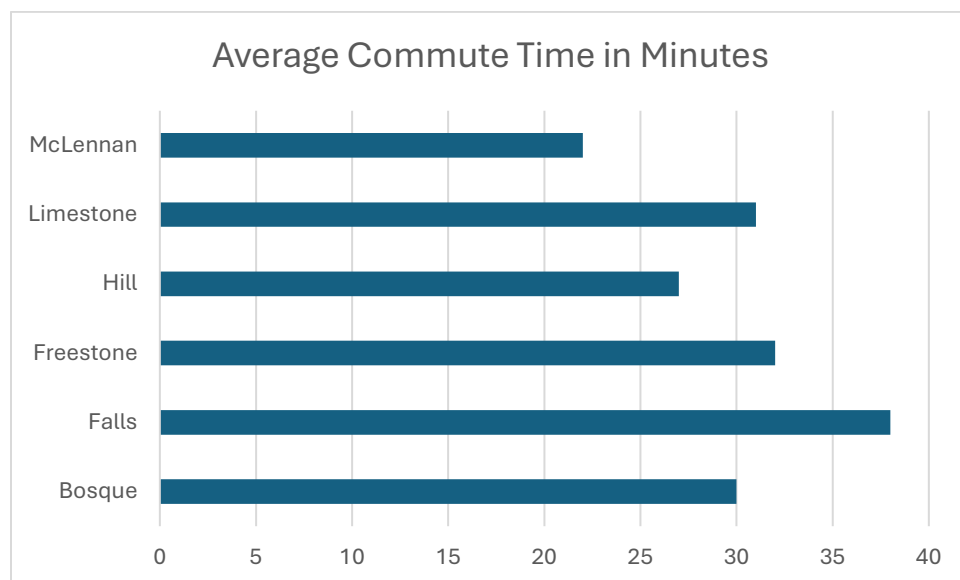
Hillsboro Industrial Park: The Hillsboro Industrial Park features 14 manufacturers that employ anywhere from 30 to over 300 local residents. They include Johns Manville (roof board) and Clayton Supply (warehouse, windows, trusses, wall board), both Berkshire Hathaway companies, IKO (shingles), Skeeter Emergency Vehicles (brush fire trucks), Frontier Supply Logistics (FSL) (trucking, FTZ), Gate Precast (precast concrete), L.B. Foster (precast concrete), Wisenbaker (cabinets) and more. The park is rail-served on a Hillsboro Economic Development Corporation (HEDC)-owned rail spur that is serviced by Union Pacific. The park is zoned heavy industrial with heavy power and water. Over 200 acres of land is currently available in the park. FSL took steps to create a Foreign Trade Zone (FTZ) for its company several years ago. When created, the company not only included its 200 acres in the industrial park, but encompassed all of Hill County, covering nearly 1,000 square miles. As such, any company moving to Hillsboro and Hill County can apply for an FTZ designation. The HEDC is in the process of creating a second industrial park

in north Hillsboro. It will include approximately 1,000 acres, with the HEDC owning 295 of those acres. A 16” water line serves the property and Oncor, the local electric provider, is in the preliminary phases of locating a substation in the development to provide heavy power.²⁵

Water:²⁶

The Heart of Texas Council of Governments (HOTCOG) region, encompassing Bosque, Falls, Freestone, Hill, Limestone, and McLennan counties, relies on a combination of surface water and groundwater resources to meet its water needs. Major surface water bodies in the area include the Brazos River and its tributaries, such as the Bosque and Leon Rivers, as well as reservoirs like Lake Waco and Lake Limestone. Groundwater is sourced from aquifers like the Trinity and Edwards aquifers, which are vital for municipal, agricultural, and industrial uses. Assessing the sufficiency of the water supply involves analyzing current resources against projected demands. According to the Texas Water Development Board's 2022 State Water Plan, the region is expected to experience population growth, leading to increased water demand over the next decade. For instance, McLennan County, which includes Waco, is projected to see a rise in water demand due to both population growth and economic development. Similarly, other counties in the HOTCOG region are anticipated to face varying degrees of increased water demand. To address these challenges, regional water planning groups have developed strategies to ensure a reliable water supply. These strategies include water conservation measures, infrastructure improvements, and the development of new water sources. For example, the Brazos G Regional Water Planning Group, which covers much of the HOTCOG area, has outlined plans to meet future water demands through a combination of conservation and the development of additional water supplies. In summary, while the HOTCOG region currently has access to significant water resources, proactive planning and management are essential to meet the anticipated increase in water demand over the next decade. Implementing recommended strategies will be crucial to ensuring a sustainable and sufficient water supply for the region's future.²⁷

Commuting to Work:



The Heart of Texas Council of Governments (HOTCOG) region presents a diverse range of commuting patterns that highlight both local workforce trends and regional transportation needs. Based on the most recent data²⁸, commute times vary significantly across counties, reflecting differences in employment centers, infrastructure, and workforce mobility.

Key Commute Trends:

1. Majority of Workers Commute by Car:
 - Across all six counties, the vast majority of employees drive alone to work, with a small percentage carpooling or working remotely.
 - McLennan County, home to Waco and a larger urban workforce, has shorter commute times compared to more rural counties like Falls and Freestone, where workers often travel longer distances for employment.
2. Average Commute Times:
 - The average commute across the HOTCOG region is approximately 25-30 minutes, with variations based on proximity to employment centers.
 - McLennan County has a higher share of short commutes (under 20 minutes) due to greater job availability in Waco.
 - In contrast, Falls, Freestone, and Limestone Counties see a higher percentage of commutes exceeding 30 minutes, indicating that many residents travel outside their home counties for work.
3. Long-Distance Commuting:
 - A significant portion of workers in Falls, Freestone, and Limestone Counties commute 45 minutes or longer, suggesting a reliance on jobs in Waco, Bryan-College Station, or even Dallas-Fort Worth.
 - Between 5-10% of workers in rural counties commute over 60 minutes, presenting transportation and workforce retention challenges.
4. Remote Work Trends:
 - While most workers commute in personal vehicles, there has been a slight increase in remote work, with approximately 5-7% of workers working from home, particularly in McLennan County.

Factors Directly Affecting Economic Performance:

Texas State Incentives:

Source: Office of the Texas Governor – Texas Economic Development & Tourism

The State of Texas offers a variety of economic development incentives designed to attract new businesses, encourage investment, and support job creation. These programs provide financial assistance, tax benefits, and other incentives to businesses and communities across the state.

Texas Enterprise Fund (TEF)

The Texas Enterprise Fund is a performance-based financial incentive designed to attract major capital investment and job creation. It provides deal-closing grants to companies considering Texas as a location for a new project when competing with out-of-state sites.

Event Trust Funds Program

The Event Trust Funds Program includes:

- Events Trust Fund (ETF)
- Major Events Reimbursement Program (MERP)
- Motor Sports Racing Trust Fund (MSRTF)

These funds help Texas communities offset event-related costs by covering allowable expenses through projected local and state tax revenue gains.

Texas Enterprise Zone Program (EZP)

The Enterprise Zone Program is a state sales and use tax refund program aimed at encouraging private investment and job creation in economically distressed areas.

Texas Small Business Credit Initiative (TSBCI)

The TSBCI Program supports small business growth by improving access to funding, particularly for traditionally marginalized businesses and those affected by the COVID-19 pandemic. It is administered by the Economic Development Finance Division within the Office of the Governor.

Industrial Revenue Bonds (IRBs)

Industrial Revenue Bonds provide tax-exempt or taxable bond financing for projects that encourage business expansion, job creation, and economic growth. These bonds are issued by Industrial Development Corporations and passed on to private businesses for debt service payments.

Spaceport Trust Fund (STF)

The Spaceport Trust Fund supports the development of spaceport infrastructure in Texas. Funds are available to spaceport development corporations that secure viable business entities capable of launching and landing reusable vehicles or spacecraft.

Economic Development & Diversification In-State Tuition for Employees

This program allows employees—and their family members—of qualifying businesses relocating or expanding in Texas to receive in-state tuition at public universities without first establishing residency.

Texas Jobs, Energy, Technology & Innovation (JETI) Act

Established under House Bill 5 (88th Legislature, Regular Session), the JETI Act is a competitive economic incentive program aimed at attracting large, capital-intensive projects that bring new investment and high-paying jobs to Texas communities.

Texas Semiconductor Innovation Fund (TSIF)

Created under the Texas CHIPS Act (House Bill 5174, June 2023), the TSIF supports Texas' leadership in semiconductor research, design, and manufacturing. With \$698.3 million in funding, TSIF:

- Provides grants to state entities and higher education institutions for semiconductor-related projects.
- Awards grants to businesses with an established presence in Texas to promote semiconductor innovation and economic development.

Product Development and Small Business Incubator Fund (PDSBI):

- The PDSBI is a revolving loan program financed through original bond issuances. The primary objective of the program is to aid in the development, production, and commercialization of new or improved products and to foster and stimulate small business in the State of Texas.

Region Incentives:²⁹

Waco-McLennan County Economic Development Corporation (WMCEDC):

- Cash grant program for new job creation and capital investment in support of existing industry expansion and new business attraction.

Waco Industrial Foundation:

- Non-profit real estate development foundation that works with economic development partners for the qualified project. Purchases land and develops infrastructure in industrial areas.

Tax Abatements from City, County, Community College:

- Real and/or personal property tax abatements for value-added investment and job creation in new facilities and business expansion.

Business Grant Program from City and County:

- Grant program for qualified projects based on location, capital investment, and job creation. The program provides grants for value-added real and/or personal property investments in an amount equal to all or a portion of the increased taxable value.

Freeport Tax Exemption from City, County, School Districts:

- Inventory tax exemption available to companies for products that leave the state of Texas within 175 days of manufacture or entry into Texas. McLennan County, the cities of Waco, McGregor, Beverly Hills, and Bellmead, and five area school districts (Bosqueville, LaVega, McGregor, Moody, and Waco) offer tax exemption to companies within these jurisdictions. Aircraft components are eligible for 670 days from exemption for qualifying components that leave the state.

Regional Economic Development Corporations:

- Regional economic development corporations and municipalities outside of Waco work in partnership with the Greater Waco Chamber to support business growth within their jurisdictions. EDCs can provide incentives in the form of grants, loans, and development assistance.

Historic Preservation Tax Credit:

- Municipal tax credit on locally designated or recognized historic property that undergoes rehabilitation.

Owner-Occupied Renovations and Development Tax Abatement:

- Encourages redevelopment/renovation of substandard structures that create mixed-use facilities associated with the Brazos River Corridor and the Public Improvement District.

Tax-Exempt Bond Financing:

- The program offers businesses the opportunity to apply for facility bonds. Bonds are used to finance property development at lower interest rates than conventional financing.

Tax Increment Financing:

- Three designated incentive zones within Waco’s central city for revitalization and development projects.

Taxes³⁰

Personal Taxes

- There are no personal income taxes in the State of Texas.

Corporate Taxes

- There are no corporate taxes in the State of Texas. There is however a Franchise Tax as follows.

Franchise Tax

- The Texas franchise tax is a privilege tax imposed on each taxable entity chartered/organized in Texas or doing business in Texas. Please see the following website for more information. www.comptroller.texas.gov/taxinfo/franchise

Ad-Valorem Tax Rates – Local

Inventory Taxes

- Inventory would be taxed at the same rates as noted above. Qualifying businesses can apply for Freeport Tax Exemption and Goods-in-Transit Exemption in some cases.

Sales and Use Tax Rates

Following are the sales and use tax rates for the proposed location:

- City General Fund – 1.5%
- City EDC – .5%
- State of Texas – 6.25%

Other Factors Related to Economic Performance³¹

Strengths

- **Close-Knit Communities:** The HOTCOG region continues to benefit from small-town values, fostering strong neighborly relationships and community engagement.
- **Affordability:** Housing costs in counties like Falls and Freestone remain below national averages, making the region attractive for new residents and businesses.

- **Industry Stability:** Key industries such as mining, quarrying, oil and gas extraction, utilities, and government services provide economic stability in counties like Limestone and Freestone.
- **Rural Workforce:** The region still maintains a strong agricultural presence, with farm employment being a major employer in multiple counties, ensuring job opportunities in traditional sectors.
- **Infrastructure Growth Potential:** Some counties, like Hill and McLennan, have moderate to elevated financial and industry capacities, which can help attract future investments.

Challenges

- **Limited Infrastructure & Connectivity:** Several counties, including Freestone, Falls, and Limestone, have limited infrastructure capacity, which hinders economic growth potential.
- **Workforce Development & Human Capital:** The percent of the population with higher education degrees remains below national averages in many counties, leading to workforce shortages in specialized sectors.
- **Broadband Access Issues:** Some counties exhibit low Internet Access Index values, indicating a need for broadband expansion to support remote work, education, and business development.
- **Transportation & Walkability:** The majority of residents rely on private vehicles for commuting, with little to no public transportation usage in most counties.
- **Economic Distress & Poverty:** Persistent poverty is still a concern in counties like Falls (15%) and Limestone (21%), impacting economic mobility and quality of life.
- **Workforce Demographics & Labor Market Trends:** Some counties have a growing Hispanic and African American population, while the region remains predominantly White, influencing labor market dynamics and workforce availability.

Emerging Issues

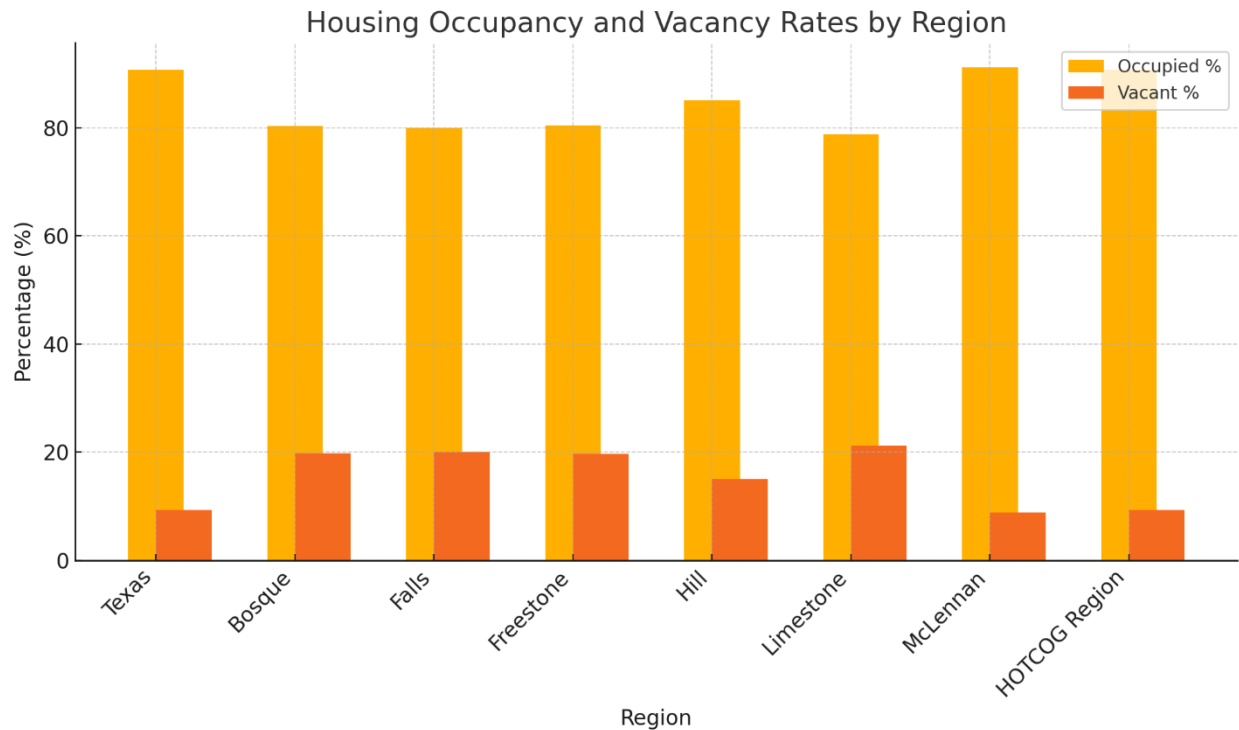
- **Severe Weather & Disaster Risks:** The risk of severe storms, flooding, and extreme heat days is increasing, potentially impacting infrastructure and economic stability in the region.
- **Aging Population:** Counties like Hill and Limestone have an aging population (20% or more over the age of 65), indicating potential workforce shortages in the coming years.

Opportunities

- **Economic Diversification:** Programs like the Texas Semiconductor Innovation Fund (TSIF) and Texas Jobs, Energy, Technology and Innovation (JETI) Act could attract new technology-based industries.
- **Rural Business Growth:** The Texas Enterprise Zone Program (EZP) and Small Business Credit Initiative (TSBCI) can provide financial incentives for businesses to invest in rural areas.
- **Infrastructure Investments:** Expanding broadband, road maintenance, and public transportation systems can help mitigate connectivity and mobility issues.

Housing:³²

The Heart of Texas Region has a high percentage of vacant housing in some areas compared to the State of Texas as a whole:



Housing availability and affordability are increasingly critical concerns across the HOTCOG region, which includes Bosque, Falls, Freestone, Hill, Limestone, and McLennan counties. The total vacancy rate in the region stands at **11.99%**, exceeding the **Texas state average of 9.3%** by **2.69 percentage points**.

Housing Trends and Challenges

- **Higher Vacancy Rates:** While the region's higher-than-average vacancy rate may indicate potential housing availability, it does not necessarily equate to accessibility or affordability. Many vacant units may be uninhabitable, in disrepair, or not located where demand is highest.
- **Rising Housing Costs:** Increasing property values and rental prices, particularly in McLennan County and surrounding areas, are making affordable housing less accessible to lower- and middle-income households.
- **Limited Housing Stock in Rural Areas:** While McLennan County, home to Waco, has seen significant housing development, rural counties face challenges in attracting new housing investments. The availability of quality housing in these areas remains limited.

- **Aging Housing Stock:** Many homes in the region were built decades ago, with some in need of modernization or rehabilitation. This can impact both affordability and livability.
- **Growing Demand:** As urban centers in Texas continue to experience population growth and rising housing costs, the HOTCOG region has the opportunity to attract new residents in search of more affordable housing options. However, ensuring that housing development aligns with infrastructure, workforce, and community needs is essential.

Affordable Housing: A Growing Concern

Affordable housing is becoming a more pressing issue in the HOTCOG region, particularly for low- and moderate-income households. Rising home prices, increasing rental costs, and limited new development in rural areas contribute to housing instability. As demand grows, particularly in McLennan County, strategies to promote affordable housing—including incentives for developers, infrastructure investments, and workforce housing programs—will be critical to maintaining economic and community stability.

Efforts to address housing challenges in the region should focus on:

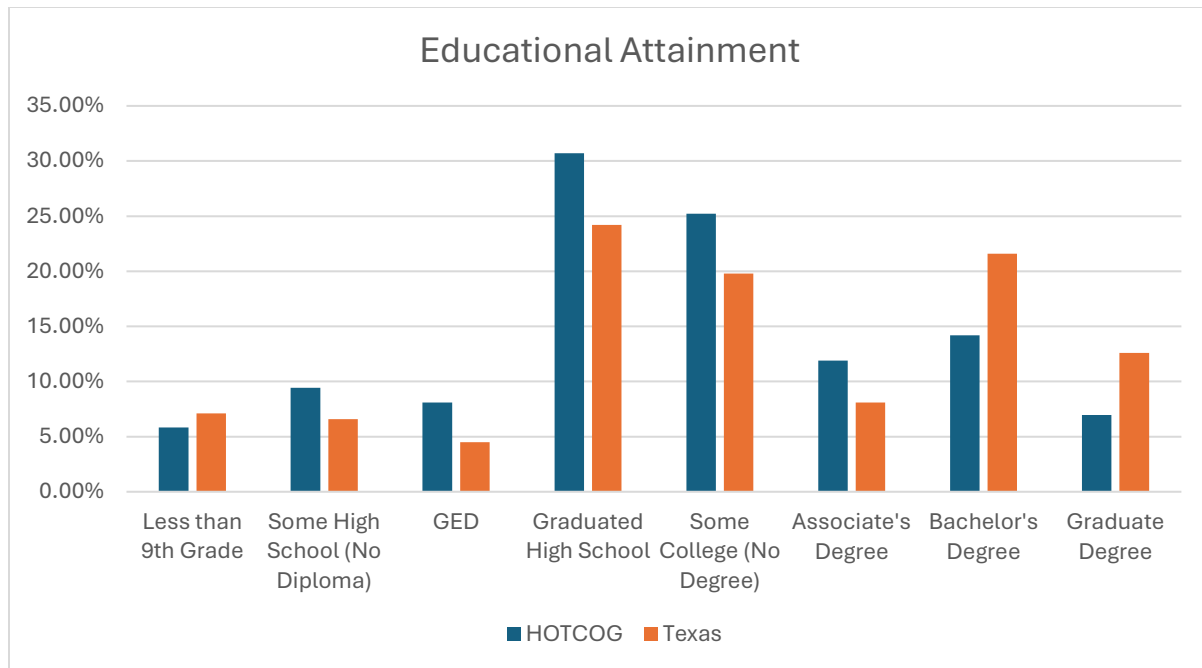
- Encouraging **new residential development** to meet growing demand.
- Supporting **rehabilitation and modernization** of existing housing stock.
- Expanding access to **affordable and workforce housing** programs.
- Strengthening **infrastructure and public services** to support sustainable housing growth.

Addressing housing challenges in the HOTCOG region will require regional collaboration and strategic planning to ensure that housing remains accessible and affordable for current and future residents.

Education:

Educational Attainment:³³

There is an education gap when comparing the Heart of Texas Region to the State of Texas.



Based on data from Esri and the Census Bureau, the Heart of Texas Council of Governments (HOTCOG) region exhibits distinct trends in educational attainment compared to the state of Texas.

The HOTCOG region has a higher proportion of residents (30.72%) with a high school diploma as their highest level of education compared to Texas (24.2%). Similarly, a larger percentage of HOTCOG residents (25.23%) have attended some college but did not earn a degree, surpassing the state average (19.8%). These trends indicate a strong foundation of secondary education participation, but a gap in postsecondary degree completion.

In contrast, the HOTCOG region lags behind the state in higher education attainment. Only 14.19% of residents hold a bachelor's degree, compared to 21.6% statewide, and 6.97% have a graduate or professional degree, far below the state's 12.6%. This educational gap may impact workforce readiness, particularly in industries requiring specialized skills and advanced qualifications.

The HOTCOG region also has slightly higher percentages of residents without a high school diploma (5.83% with less than a 9th-grade education and 9.42% with some high school but no diploma), compared to Texas at 7.1% and 6.6%, respectively. These figures suggest a need for targeted efforts in adult education, GED completion programs, and workforce development initiatives to enhance employment opportunities and economic mobility.

Implications:

- **Expand Access to Postsecondary Education and Training:** Strengthen partnerships with local colleges, technical schools, and workforce programs to improve degree and certification completion rates.
- **Enhance Workforce Development Programs:** Align training initiatives with in-demand jobs in the region to close skill gaps and promote higher-paying employment opportunities.
- **Support Adult Education and GED Programs:** Increase outreach and resources for adults lacking a high school diploma to improve educational attainment and workforce readiness.
- **Promote Higher Education Awareness:** Encourage pathways to four-year degrees through dual credit programs, scholarships, and employer-supported tuition initiatives.

Heart of Texas Regional Pathways Collaborative: Pathways to a stronger Future³⁴:
www.hrtxpathways.com

HRTX Pathways Strategic Plan (2025-2029)

The Heart of Texas Tri-Agency Regional Convener Strategic Plan outlines a regional strategy for developing high-quality career and education pathways that align with workforce needs in Bosque, Falls, Freestone, Hill, Limestone, and McLennan counties. The plan is a collaboration between the Heart of Texas Workforce Development Board, the Texas Regional Pathways Network (TRPN), and regional educational institutions, supporting Governor Abbott’s Tri-Agency Workforce Initiative.

Key Goals & Strategic Focus Areas

The plan is centered around four key domains:

1. **Work-Based Learning** – Strengthening career exploration and training through apprenticeships, internships, and industry partnerships.
2. **Employer & Stakeholder Engagement** – Partnering with businesses to enhance career pathways.
3. **Data Management** – Developing a centralized system to track and support career and technical education (CTE) programs.
4. **Communications Strategy** – Improving awareness and engagement in education and workforce initiatives.

Strategic Goals:

1. **Expand CTE Programs** – Increase participation and completion rates in career-focused education programs.
2. **Develop a Regional Data System** – Improve tracking of student progress, work-based learning, and dual-credit programs.
3. **Enhance Rural Collaboration** – Support Rural Pathways of Excellence Programs (R-PEPs) to connect education and industry in rural communities.

Regional Workforce & Economic Overview

- The Heart of Texas region has a population of 373,806, with McLennan County as the most populous.
- Targeted Industries include healthcare, manufacturing, and construction, all showing job growth potential.
- The region has five institutions of higher education and 45 independent school districts (ISDs).
- Workforce Challenges: A 6% lower bachelor's degree attainment rate than the Texas average, but a higher completion rate in CTE programs.

Key Workforce Statistics (2022-2027 Projections):

- Healthcare: 9% job growth, \$59,804 avg. annual earnings
- Manufacturing: 9% job growth, \$84,682 avg. annual earnings
- Construction: 7% job growth, \$57,826 avg. annual earnings

Major Initiatives & Programs

- Work-Based Learning Expansion – Connecting high school students to internships, apprenticeships, and employer partnerships.
- Employer Engagement – Businesses play an active role in career pathway development and workforce training.
- Rural Education & Industry Collaboration – Expanding CTE and workforce programs to rural communities.
- Data & Communication Strategy – Creating a central website and data hub for workforce and education information.

The next five years will focus on strengthening career and education pathways to support economic growth and workforce readiness in the Heart of Texas region. hrtxpathways.com

SWOT Analysis³⁵

This SWOT Analysis also incorporates resilience to economic and disaster threats:

This SWOT analysis synthesizes the key findings from survey data and resiliency notes to assess the region's Strengths, Weaknesses, Opportunities, and Threats for economic development and resiliency. It also includes key considerations for workforce development, infrastructure, water resources, and mental health services, which are critical for the region's long-term stability.

Strengths

1. Diverse & Growing Economic Base
 - Presence of major employers (e.g., Baylor University, Mars Wrigley, SpaceX, L3Harris, Ascension Providence).
 - Strong manufacturing sector with opportunities in advanced robotics and renewable energy.
 - Expanding retail and tourism industries (e.g., Magnolia Market, HEB, Walmart).
2. Workforce & Education Strengths
 - Access to higher education institutions like Texas State Technical College (TSTC), McLennan Community College (MCC), and Hill College for workforce training.
 - Educated and skilled workforce, with programs focused on healthcare, manufacturing, and technical skills.
 - Strong partnerships between businesses and educational institutions to drive innovation.
3. Infrastructure & Connectivity
 - Strategic location along Interstate 35 & 45 enhances logistics and manufacturing opportunities.
 - Expanding freight rail access and intermodal transport hubs.
 - Increasing investment in broadband expansion for rural communities.
4. Community & Government Engagement
 - Strong governance and regional cooperation across HOTCOG counties.
 - High levels of volunteerism, community engagement, and local business support.
5. Natural & Recreational Assets
 - Agricultural strength, supporting regional food production.
 - Expanding outdoor recreation and tourism opportunities.
 - Growing focus on sustainable development and resource stewardship.

Weaknesses

1. Workforce & Employment Challenges
 - Skill gaps in high-demand industries (e.g., healthcare, technology, manufacturing).
 - Limited job opportunities in rural counties, leading to long commutes.
 - Brain drain – Loss of young talent to larger metropolitan areas.
2. Housing & Infrastructure Constraints

- Housing affordability and availability remain concerns for growing populations.
 - Aging water infrastructure threatens long-term economic development.
 - Limited public transportation and rural road connectivity hinder workforce mobility.
3. Healthcare & Mental Health Services Gaps
 - Limited access to mental health resources, particularly in rural areas.
 - Insufficient social services for vulnerable populations, including those experiencing substance abuse and homelessness.
 - Healthcare facility accessibility issues, especially in underserved counties.
 4. Business & Economic Barriers
 - Barriers to small business growth, including regulatory challenges and limited funding.
 - Lack of business retention strategies to prevent large employers from relocating.
 - Unequal economic development across the region, with rural counties lagging behind urban centers.

Opportunities

1. Workforce Development & Economic Diversification
 - Strengthen technical and trade training programs to meet industry needs.
 - Expand entrepreneurship support programs, leveraging Waco's growing business scene.
 - Promote remote and hybrid work models by enhancing rural broadband access.
2. Infrastructure & Water Resource Investments
 - Improve water conservation strategies to ensure long-term sustainability.
 - Continue investment in highways, bridges, and rural road upgrades.
 - Expand renewable energy projects (e.g., solar and wind energy development).
3. Technology & Innovation Expansion
 - Increase access to high-speed internet for rural businesses and residents.
 - Leverage SpaceX and other tech-driven companies to build innovation hubs.
4. Tourism & Cultural Growth
 - Promote historical and outdoor tourism initiatives to drive regional economic activity.
 - Expand hospitality and leisure services to support increased visitor traffic.
5. Resilience & Disaster Preparedness
 - Strengthen emergency preparedness programs, focusing on weather-related risks (floods, droughts, tornadoes, and fire events).
 - Enhance regional collaboration for disaster response and recovery.

Threats

1. Economic Risks & Market Volatility
 - Recession and inflation affecting business stability and household financial security.
 - Rising costs of goods and services, impacting affordability for residents.
2. Natural Disaster & Infrastructure Challenges

- Increasing frequency of severe weather events (e.g., tornadoes, floods, droughts).
- Water scarcity and infrastructure degradation due to population growth, aging systems, and increased demand.
- 3. Workforce & Demographic Shifts
 - Aging population leading to increased healthcare and service demands.
 - Out-migration of younger talent due to limited high-wage job opportunities.
- 4. Public Health & Social Stability Concerns
 - Mental health crises and substance abuse issues growing across the region.
 - Rising homelessness rates due to lack of affordable housing and job opportunities.
 - Crime and public safety challenges in certain areas.
- 5. Infrastructure & Funding Constraints
 - Limited funding for long-term infrastructure improvements in rural counties.
 - Challenges in securing state and federal grants for key projects.

Key Strategic Direction/Action Plan:

1. Workforce & Business Development

- Expand workforce training in high-demand sectors (healthcare, tech, skilled trades).
- Attract new industries by offering business incentives and regional partnerships.
- Strengthen small business support programs through grants and funding initiatives.
- Develop targeted strategies to retain young professionals in the region.

2. Infrastructure & Water Sustainability

- Prioritize water infrastructure upgrades to address long-term sustainability concerns.
- Invest in broadband expansion to enhance digital access for rural businesses and residents.
- Upgrade road and rail infrastructure to support economic growth and logistics.
- Expand renewable energy projects to reduce reliance on traditional power sources.
- Improve wastewater infrastructure by upgrading aging systems and expanding treatment capacity to accommodate regional growth.
- Enhance stormwater management systems to prevent flooding and protect water quality.

3. Mental Health & Social Services Enhancement

- Increase funding for mental health services, particularly in rural areas.
- Expand social programs to address homelessness and substance abuse.
- Develop community-based health initiatives to improve regional well-being.

4. Economic Stability & Disaster Preparedness

- Enhance regional collaboration on disaster recovery and emergency planning.
- Strengthen financial preparedness programs for businesses and households.

- Expand emergency management infrastructure to respond to severe weather events and natural disasters.

Conclusion

- The Heart of Texas region has strong economic, educational, and infrastructure assets but must address workforce gaps, water and wastewater infrastructure sustainability, mental health accessibility, and business retention challenges to ensure long-term resilience.
- By expanding workforce development, investing in critical infrastructure (including water and wastewater upgrades), improving public health resources, and strengthening disaster preparedness, will create a stronger, more sustainable economy for the region.

Strategic Direction/Action Plan

Guiding Principle

Grow the Economy: Foster economic prosperity for all by enhancing regional investment, expanding the workforce, and advancing infrastructure development.

Vision

The Heart of Texas Economic Development District (HOTEDD) envisions a resilient and sustainable regional economy driven by strong workforce development, strategic infrastructure investment, and business expansion. Through collaborative partnerships, innovation, and forward-thinking economic strategies, we aim to create vibrant communities where businesses thrive, opportunities grow, and residents enjoy a high quality of life in a rapidly evolving economic landscape.

Strategic Direction

The Heart of Texas region is transforming into a dynamic hub where traditional industries and emerging economic sectors coexist, fostering innovation, manufacturing, logistics, and entrepreneurship. The 2025-2030 strategy is designed to enhance workforce development, modernize infrastructure, strengthen economic resilience, and promote sustainability. The goals and KPIs outlined provide a structured approach to achieving these regional priorities.

Goals/Objectives

Goal 1: Strengthen Workforce & Business Development

Objective: Expand workforce training programs, retain skilled talent, and foster entrepreneurship.

- KPI 1: Increase job placement rates for workforce training programs to 25% by 2030.
- KPI 2: Grow small business survival rate to 60% five years after startup.

- KPI 3: Expand apprenticeships and internships by 50% through partnerships with major employers.
- KPI 4: Develop targeted remote work and digital workforce training to boost remote employment by 20%.
- KPI 5: Provide financial and resource support for entrepreneurship incubation programs.

Goal 2: Enhance Infrastructure, Water, and Wastewater Sustainability

Objective: Upgrade regional infrastructure to support business growth and ecosystem stability.

- KPI 1: Increase broadband access to 95% of the region's households.
- KPI 2: Expand investment in water infrastructure with a goal of \$100M in funding by 2030.
- KPI 3: Improve wastewater treatment capacity by 20% in high-growth areas.
- KPI 4: Upgrade stormwater management systems, completing at least 5 major projects.
- KPI 5: Expand high-tech energy options by 5%.

Goal 3: Expand Mental Health & Social Services

Objective: Improve mental health and substance abuse support systems to enhance workforce resilience.

- KPI 1: Ensure 50% of the population has access to affordable mental health services.
- KPI 2: Reduce crisis response times for mental health emergencies to under 30 minutes.
- KPI 3: Establish 3 new regional substance abuse and mental health treatment centers.
- KPI 4: Increase telehealth adoption for mental health services by 40%.
- KPI 5: Reduce homelessness rates by 25% through targeted intervention programs.

Goal 4: Strengthen Economic Resilience & Disaster Preparedness

Objective: Improve regional readiness to withstand economic downturns and natural disasters.

- KPI 1: Ensure that 70% of small businesses have continuity plans for economic disruptions.
- KPI 2: Secure \$50M in emergency funds for businesses and local recovery programs.
- KPI 3: Improve the regional drought & water supply index by 15%.
- KPI 4: Increase public engagement in disaster preparedness programs by 30%.

Goal 5: Improve Transportation & Rail Infrastructure

Objective: Expand regional logistics capacity, reduce congestion, and enhance public transit.

- KPI 1: Increase freight rail utilization by 20% to reduce highway congestion.
- KPI 2: Upgrade rural highways and bridges, improving connectivity by 10%.
- KPI 3: Launch 3 new public transit routes in key workforce commuting corridors.

Goal 6: Expand Housing & Community Development

Objective: Promote affordable housing and improve regional quality of life.

- KPI 1: Develop 2,000 new affordable housing units.
- KPI 2: Increase the homeownership rate by 10%.
- KPI 3: Expand public transportation accessibility to 80% of the urban population.
- KPI 4: Increase community engagement in economic development programs by 25%.

Goal 7: Strengthen Regional Infrastructure & Hazard Mitigation

- KPI 1: Develop and implement regional hazard mitigation strategies to reduce the impact of weather related disasters.
- KPI 2: Support businesses in adopting disaster preparedness measures, including continuity planning and risk management.
- KPI 3: Expand investments in storm-resistant infrastructure, flood control, and emergency response systems.
- KPI 4: Improve water management systems and infrastructure reliability to reduce disruptions from extreme weather.

Survey of Economic Development Resources in The Heart of Texas Region

Economic Development Partners

State, County, and City Economic Development Agencies

State:

- Texas Economic Development Corporation
- Texas Governor's Office of Economic Development and Tourism
- The Texas Film Commission
- The Texas Music Office
- Travel Texas
- The Texas Workforce Investment Council
- The Texas Rural Health and Economic Development Advisory Council
- Texas Economic Development Council
- Texas Downtown Association
- Texas Travel Industry Association
- Heart of Texas Economic Development District, Inc

Bosque County

- Clifton Economic Development Corporation
- Meridian Economic Development Corporation

Falls County

- Rosebud Economic Development Corporation
- Marlin Economic Development Corporation

Freestone County

- Fairfield Economic Development Corporation
- The Economic Development Corporation of Teague, Inc.
- Wortham Economic Development Corporation

Hill County

- Hillsboro Texas Economic Development Corporation
- Hubbard Economic Development Corporation
- Itasca Economic Development Corporation
- Malone Economic Development Corporation

Limestone County

- Groesbeck Economic Development
- Mexia Economic Development Corp
- Kosse Economic Development Committee

McLennan County

- Bellmead Economic Development Corporation
- McGregor Economic Development Corporation
- Moody Economic Development Corp
- City of Robinson Economic Development
- City of Hewitt
- Lorena Economic Development Corporation
- West Economic Development Corporation

Chambers of Commerce

- Bosque County Chambers of Commerce

- Clifton Chamber of Commerce
- Meridian Chamber of Commerce
- Cranfills Gap Chamber of Commerce
- Falls County Chambers of Commerce
- Marlin Chamber of Commerce
- Rosebud Chamber of Commerce
- Freestone County Chambers of Commerce
- Fairfield Chamber of Commerce
- Teague Chamber of Commerce
- Hill County Chambers of Commerce
- Hillsboro Chamber of Commerce
- Hubbard Chamber of Commerce
- Lake Whitney Chamber of Commerce
- Limestone County Chambers of Commerce
- Groesbeck Chamber of Commerce
- Mexia Chamber of Commerce
- Thornton Chamber of Commerce
- McLennan County Chambers of Commerce
 - Bellmead Chamber of Commerce
 - Cen-Tex African American Chamber of Commerce
 - Cen-Tex Hispanic Chamber of Commerce
 - Hewitt Chamber of Commerce
 - Greater Lacy Lakeview Chamber of Commerce
 - Lorena Chamber of Commerce
 - Mart Chamber of Commerce
 - McGregor Chamber of Commerce
 - Greater Robinson Chamber of Commerce
 - Greater Waco Chamber of Commerce
 - West Chamber of Commerce

USDA

- Marlin Office
- Hillsboro Office
- Waco Office

Rural Economic and Community Development

- Marlin Office
- Fairfield Office
- Hillsboro Office
- Groesbeck Office

Other Associations

- Waco Convention & Visitors Bureau
- Waco Downtown Neighborhood Association

U.S. Small Business Administration Small Business Development Centers

- McLennan SBDC at McLennan Community College
- Navarro SBDC, Fairfield Satellite
- Navarro SBDC, Mexia Satellite

U.S. Economic Development Administration

Disaster Preparedness and Resilience³⁶

The Heart of Texas region faces various natural and economic challenges that require strategic disaster preparedness and resilience planning. Given the region's vulnerability to tornadoes, droughts, floods, and winter storms, alongside economic fluctuations, a comprehensive resilience framework is essential for ensuring long-term sustainability and stability.

Key Disaster Resilience Challenges

- **Frequent Natural Disasters** – The region experiences severe weather events, including tornadoes, flooding, droughts, winter storms, and high winds, which pose risks to infrastructure, businesses, and public safety.
- **Aging Infrastructure** – Several counties report moderate to limited infrastructure capacity, affecting disaster response and recovery efforts.
- **Economic Vulnerabilities** – The region has pockets of economic distress, with limited financial capacity in some counties, impacting their ability to recover from economic and natural disasters.

- Housing and Energy Resilience – Housing affordability and energy reliability remain concerns, requiring improved planning to ensure sustainable disaster recovery.
- Limited Access to Emergency Services – Rural areas in the region often lack adequate emergency response infrastructure, which can delay disaster recovery efforts.

Strategic Goals for Disaster Preparedness and Resilience

1. Improve Emergency Preparedness

- Develop a Regional Emergency Response Plan that includes coordination between counties, municipalities, and state agencies.
- Expand public awareness campaigns on disaster preparedness, including emergency savings, insurance, and crisis response training.
- Strengthen collaboration with local businesses, hospitals, and educational institutions to enhance emergency preparedness initiatives.

2. Enhance Critical Infrastructure and Resiliency Planning

- Invest in storm-resistant infrastructure, flood control systems, and power grid upgrades to reduce vulnerabilities.
- Prioritize broadband expansion in rural areas to improve emergency communication.
- Support water conservation initiatives to address long-term drought risks.
- Develop Smart Infrastructure Plans that incorporate renewable energy, disaster-resistant construction, and sustainable water management.

3. Strengthen Economic Resilience

- Establish a regional business continuity task force to support economic recovery post-disaster.
- Provide grants and low-interest loans to businesses affected by disasters.
- Encourage economic diversification to reduce dependency on vulnerable industries.

4. Expand Workforce Training for Disaster Response

- Work with Texas State Technical College (TSTC), McLennan Community College (MCC), and industry partners to develop emergency response and disaster management training programs.
- Support the creation of workforce development programs in construction, energy, and public safety to ensure the region has skilled workers for rebuilding efforts.

5. Leverage Regional & Federal Resources

- Secure state and federal funding for infrastructure improvements, emergency response enhancements, and resilience projects.
- Improve partnerships with regional agencies, non-profits, and emergency management coalitions to strengthen response capabilities.

Long-Term Vision for Resilience

By strengthening infrastructure, workforce preparedness, and economic stability, the HOTCOG region can mitigate disaster impacts and accelerate recovery efforts. This comprehensive disaster resilience strategy will ensure that businesses, communities, and local governments can withstand and recover from both natural and economic crises while fostering long-term regional sustainability.

Evaluation Framework

The Evaluation Framework for the 2025-2030 Comprehensive Economic Development Strategy (CEDS) provides a structured approach to measuring the region's economic progress, stability, and effectiveness of strategic initiatives. The framework relies on quantitative and qualitative data from multiple sources, ensuring a data-driven approach to regional economic planning and development.

Key Data Sources for Evaluation

To assess economic conditions, workforce trends, and infrastructure development, the evaluation framework integrates data from the following sources:

National & State-Level Data Sources:

- U.S. Census Bureau – Population demographics, business patterns, housing data.
- American Community Survey (ACS) – Socioeconomic data, poverty rates, commuting trends.
- Bureau of Labor Statistics (BLS) – Employment and wage data, industry growth trends.
- Texas Workforce Commission (TWC) – Workforce availability, job demand, unemployment rates.
- Texas Demographic Center – Population projections, migration patterns, housing trends.

Regional & Local Economic Data Sources:

- NERDE (National Economic Resilience Data Explorer) – Economic distress indicators, GDP, employment trends.
- StatsAmerica – Innovation indexes, industry clusters, economic development potential.
- Heart of Texas Economic Development District (HOTEDD) – Economic strategies, regional growth targets, industry reports.
- Local Economic Development Corporations (EDCs) & Municipalities – Business retention data, infrastructure projects, housing initiatives.

Evaluation Methods & Reporting

Annual Performance Reports:

- HOTEDD will make annual reports to EDA.
- Staff and CEDS committee will review each year and make any changes necessary.
- Community data will automatically adjust every year with ESRI on mapping device of website.

The Evaluation Framework ensures the CEDS remains a dynamic, data-driven strategy for the Heart of Texas region. By leveraging national, state, and local data sources, regularly monitoring economic indicators, and engaging stakeholders, the region can adapt to changing economic conditions and promote long-term prosperity.

Appendix

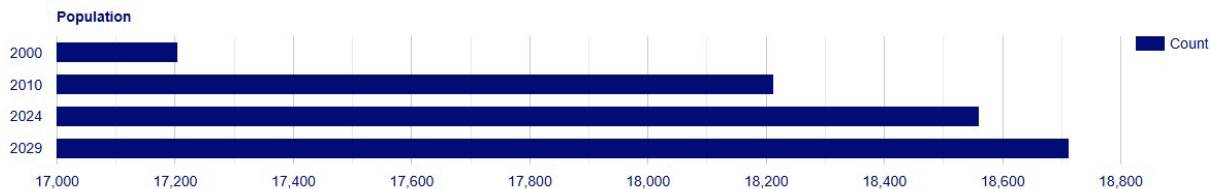
County-Level SWOT



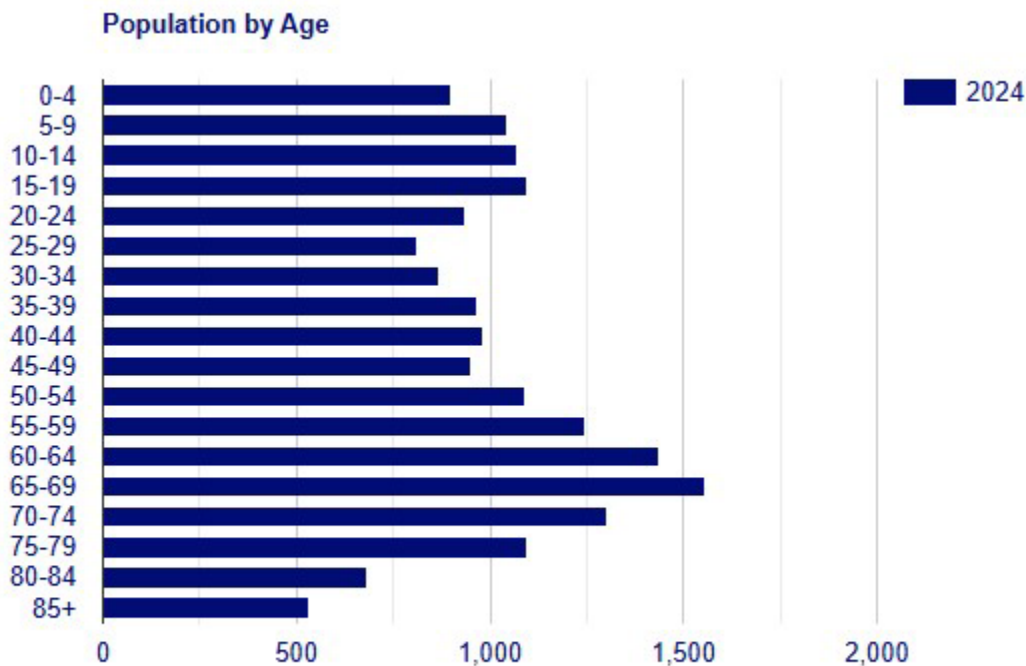
Bosque County SWOT Analysis & Economic Overview

POPULATION

Population	2000	2010	2024	2029
Bosque County	17,204	18,212	18,561	18,713



Source: ESRI, 2024-09-27

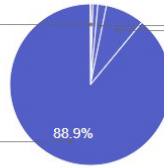


POPULATION BY RACE

Bosque County	2024
Total	18,561.00
White Alone	77.65%
Black Alone	1.71%
American Indian Alone	0.98%
Asian Alone	0.5%
Pacific Islander Alone	0.06%
Some Other Race	7.8%
Two or More Races	11.31%
Hispanic Origin	19.78%
Diversity Index	57.50

Population by Race (Numbers may be rounded)

Other
0.1%



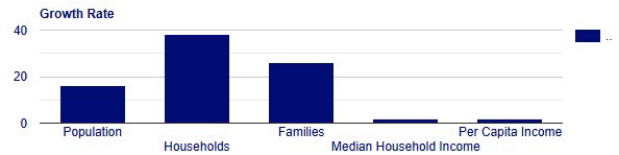
Black Alone
1.7%

Some Other Race
7.8%

Source: ESRI, 2024-09-27

GROWTH RATE

Bosque County	2024 - 2029
Population	0.16%
Households	0.38%
Families	0.26%
Median Household Income	2%
Per Capita Income	2%

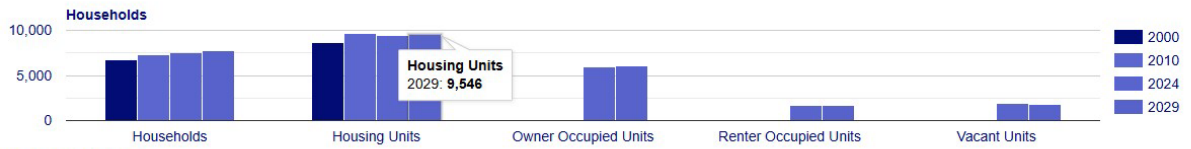


Source: ESRI, 2024-09-27

HOUSING

HOUSEHOLDS

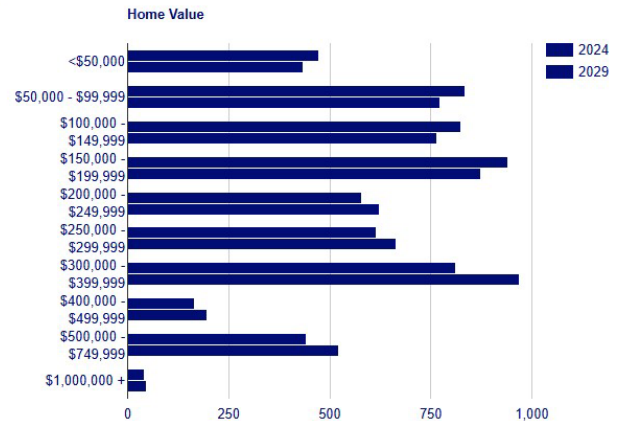
Population	2000	2010	2024	2029
Households	6,726	7,254	7,577	7,722
Housing Units	8,644	9,623	9,442	9,546
Owner Occupied Units			5,908	6,085
Renter Occupied Units			1,669	1,637
Vacant Units			1,865	1,824



Source: ESRI, 2024-09-27

HOME VALUE

Bosque County	2024	2029
Median Home Value	\$193,783	\$215,665
Average Home Value	\$267,887	\$288,028
<\$50,000	473	435
\$50,000 - \$99,999	834	773
\$100,000 - \$149,999	823	765
\$150,000 - \$199,999	941	874
\$200,000 - \$249,999	579	624
\$250,000 - \$299,999	616	665
\$300,000 - \$399,999	812	970
\$400,000 - \$499,999	165	196
\$500,000 - \$749,999	441	522
\$1,000,000 +	41	47

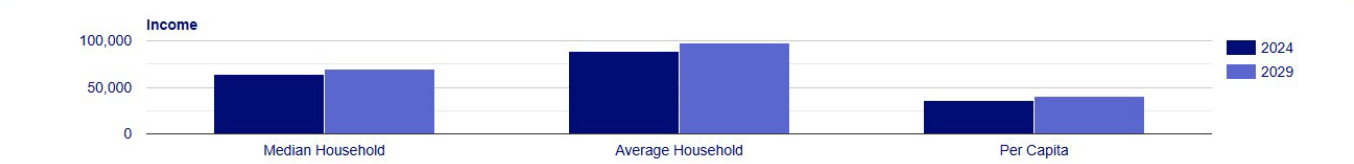


Source: ESRI, 2024-09-27

INCOME

INCOME

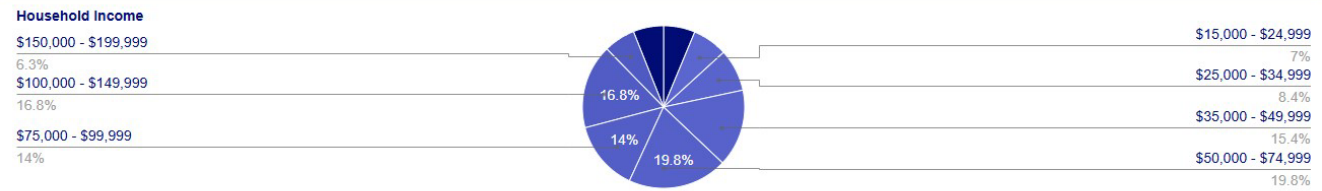
Bosque County	2024	2029
Median Household	\$63,978	\$69,869
Average Household	\$88,987	\$98,003
Per Capita	\$36,347	\$40,462



Source: ESRI, 2024-09-27

HOUSEHOLD INCOME

Bosque County	2024
<\$15,000	476
\$15,000 - \$24,999	528
\$25,000 - \$34,999	637
\$35,000 - \$49,999	1,167
\$50,000 - \$74,999	1,503
\$75,000 - \$99,999	1,060
\$100,000 - \$149,999	1,272
\$150,000 - \$199,999	476
\$200,000+	458



Source: ESRI, 2024-09-27

Commute

Walked

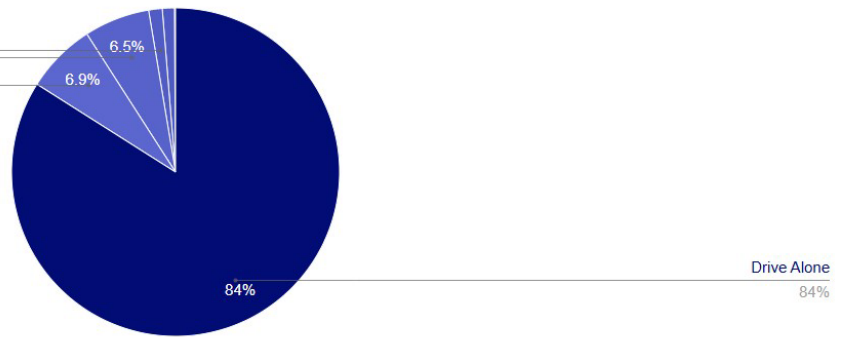
1.3%

Work at Home

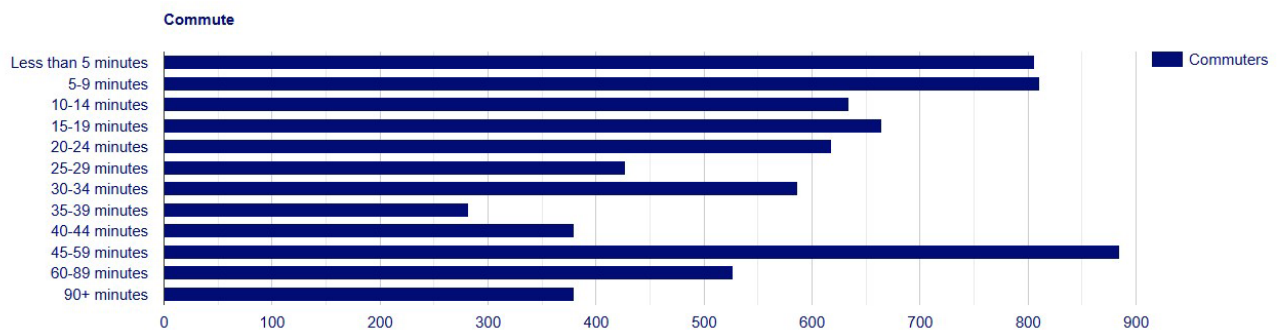
6.5%

Carpooled

6.9%



Source: ESRI, 2024-09-27



EMPLOYEES BY NAICS

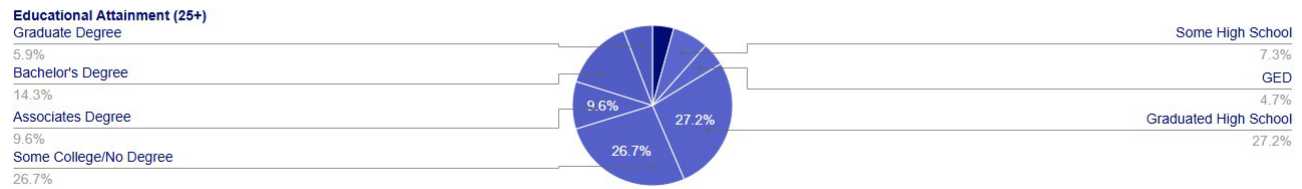
Category	Number
TOTAL EMPLOYEES	5,761
Agr/Forestry/Fish/Hunt	52
Mining	11
Utilities	104
Construction	315
Manufacturing	153
Wholesale Trade	311

Retail Trade	561
Motor Veh/Parts Dealers	74
Furn & Home Furnish Str	7
Electronics & Appl Store	2
Bldg Matl/Garden Equip	33
Food & Beverage Stores	256
Health/Pers Care Stores	31
Gasoline Stations	52
Clothing/Accessory Store	7
Sports/Hobby/Book/Music	49
General Merchandise Str	50
Transportation/Warehouse	58
Information	45
Finance & Insurance	158
Cntrl Bank/Crdt Intrmdtn	110
Sec/Cmdty Cntrct/Oth Inv	12
Insur/Funds/Trusts/Other	36
Real Estate/Rent/Leasing	72
Prof/Scientific/Tech Srv	278
Legal Services	40
Mgmt of Comp/Enterprises	25
Admin/Support/Waste Mgmt	20
Educational Services	1,281
HealthCare/Social Assist	956
Arts/Entertainment/Rec	42
Accommodation/Food Svcs	301
Accommodation	68
Food Srv/Drinking Places	233
Other Srv excl Pub Admin	388
Auto Repair/Maintenance	24
Public Administration Emp	589

Source: ESRI, 2024-09-27

EDUCATIONAL ATTAINMENT (25+)

Bosque County	2024
<9th Grade	579
Some High School	984
GED	640
Graduated High School	3,681
Some College/No Degree	3,613
Associates Degree	1,295
Bachelor's Degree	1,930
Graduate Degree	794



Source: ESRI, 2024-09-27

BUSINESSES

BUSINESSES BY NAICS

Category	Number
TOTAL BUSINESSES	657
Agr/Forestry/Fish/Hunt Bus	18
Mining Bus	2
Utilities Bus	7
Construction Bus	36
Manufacturing Bus	12
Wholesale Trade Bus	23

Retail Trade Bus	104
Motor Veh/Parts Dealers Bus	14
Furn & Home Furnish Str Bus	3
Electronics & Appl Store Bus	1
Bldg Matl/Garden Equip Bus	5
Food & Beverage Stores Bus	32
Health/Pers Care Stores Bus	5
Gasoline Stations Bus	11
Clothing/Accessory Store Bus	4
Sports/Hobby/Book/Music Bus	17
General Merchandise Str Bus	12
Transportation/Warehouse Bus	13
Information Bus	13
Finance & Insurance Bus	36
Cntrl Bank/Crdt Intrmdtn Bus	18
Sec/Cmdty Cntrct/Oth Inv Bus	6
Insur/Funds/Trusts/Other Bus	12
Real Estate/Rent/Leasing Bus	26
Prof/Scientific/Tech Srv Bus	36
Legal Services Bus	10
Mgmt of Comp/Enterprises Bus	2
Admin/Support/Waste Mgmt Bus	8
Educational Services Bus	30
HealthCare/Social Assist Bus	39
Arts/Entertainment/Rec Bus	11
Accommodation/Food Svcs Bus	52
Accommodation Bus	15
Food Srv/Drinking Places Bus	37
Other Srv excl Pub Admin Bus	87
Auto Repair/Maintenance Bus	9
Public Administration Bus	74

Source: ESRI, 2024-09-27

Summary

Demographic Summary

- Population: 18,561 projected to reach 18,713 by 2029
- Age Distribution:
 - 24.89% of the population is 65 or older (higher than the national average)
 - 20.91% is under 18
- Racial/Ethnic Composition:
 - White: 75.53%
 - Hispanic or Latino: 19.63%
 - Black or African American: 1.86%
 - Other/Mixed: 3.02%
- Education Levels:
 - High school graduate: 23.14%
 - Some college or associate's degree: 39.56%
 - Bachelor's degree or higher: 13.68%

Economic Summary

- Per Capita Income (Census): \$32,990
- Per Capita Income (BEA): \$52,462
- Poverty Rate: 11%
- Top Industries by GDP Contribution:
 - Utilities: \$286.5 million
 - Government & public enterprises: \$107.4 million
 - Real estate & rental leasing: \$100.3 million
 - Construction: \$42 million
 - Durable goods manufacturing: \$38.8 million
- Top Industries by Employment:
 - Farm employment: 1,497 jobs
 - Government & public enterprises: 1,336 jobs
 - Construction: 731 jobs
 - Retail trade: 716 jobs
 - Manufacturing: 612 jobs

Sources of Economic Growth

- Agriculture & Farming – Largest employment sector, benefiting from rural land availability and demand for agricultural products.
- Utilities & Energy – Highest GDP-contributing industry, providing stable revenue and employment.
- Real Estate & Construction – Growth in homeownership and rising property values offer opportunities for development.
- Tourism & Arts – Clifton is an emerging artistic and cultural hub, drawing visitors and retirees.

- Government Employment – Significant employer, providing stability to the local economy.

Sources of Economic Challenges

- Aging Population – A quarter of the population is 65+, which may limit workforce availability.
- Limited Workforce Development – Fewer college graduates compared to state averages, impacting labor supply for specialized jobs.
- Infrastructure Needs – Broadband access and transportation improvements are required to attract new businesses.
- Retail & Small Business Constraints – While retail provides jobs, small businesses face challenges in scaling due to limited customer bases.

Needs & Priorities

- Infrastructure Investment – Improvements in broadband, road networks, and public utilities.
- Workforce Training & Retention – Expanding programs with local colleges and technical training schools.
- Economic Diversification – Incentivizing industries beyond agriculture and utilities to ensure stability.
- Housing Development – Addressing affordable housing needs for workforce retention and retirees.
- Small Business Support – Providing financial incentives and resources for local entrepreneurship.

Unemployment Over Time

- 2020 (COVID-19 Impact): 6.0%
- 2019 (Pre-Pandemic): 3.4%
- Fluctuations: Bosque County's unemployment has generally remained below the state average, but economic shifts (e.g., COVID-19, agricultural market fluctuations) have influenced trends.

Top 5 Industries for Unemployment Insurance (UI) Claims

1. Retail Trade – Seasonal employment fluctuations contribute to claims.
2. Construction – Project-based employment leads to periodic layoffs.
3. Healthcare & Social Assistance – Workforce turnover in caregiving and medical sectors.
4. Manufacturing – Economic shifts impact job stability.
5. Accommodation & Food Services – Tourism-driven employment sees cyclical downturns.

Bosque County's economy benefits from strong agricultural, utilities, and real estate sectors, but workforce shortages, infrastructure needs, and an aging population present challenges. Addressing these concerns through economic diversification, workforce training, and infrastructure investments will be essential for long-term growth.

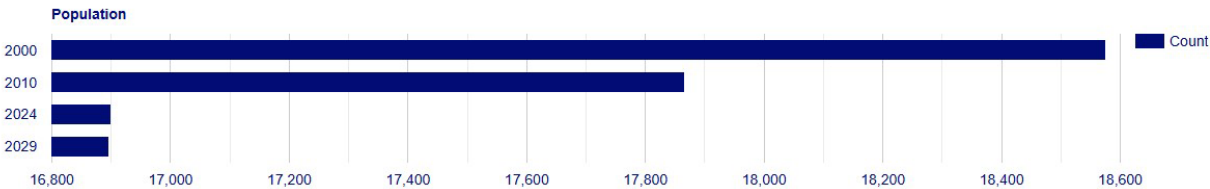
Falls County



Falls County SWOT Analysis & Economic Overview

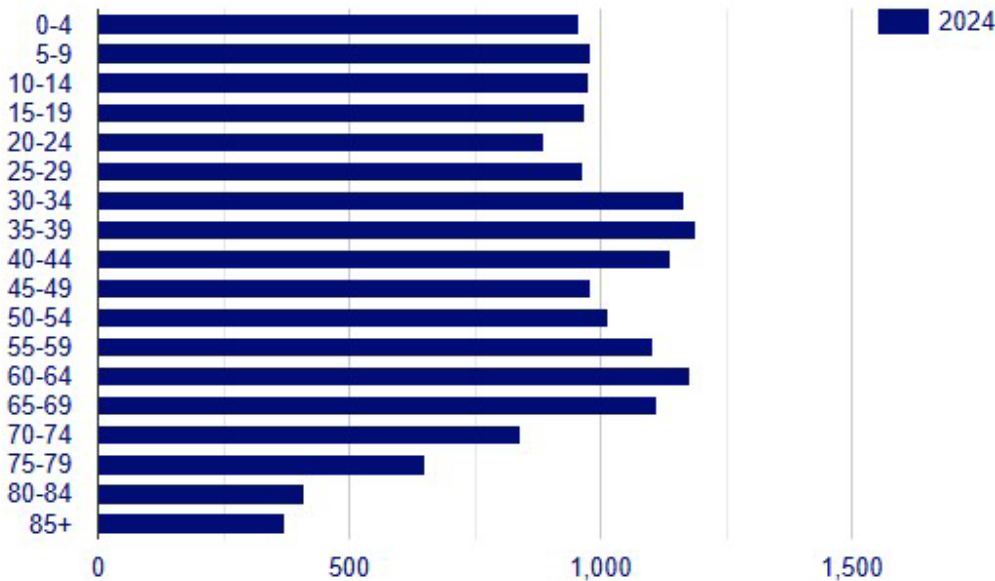
POPULATION

Population	2000	2010	2024	2029
Falls County	18,576	17,866	16,899	16,896

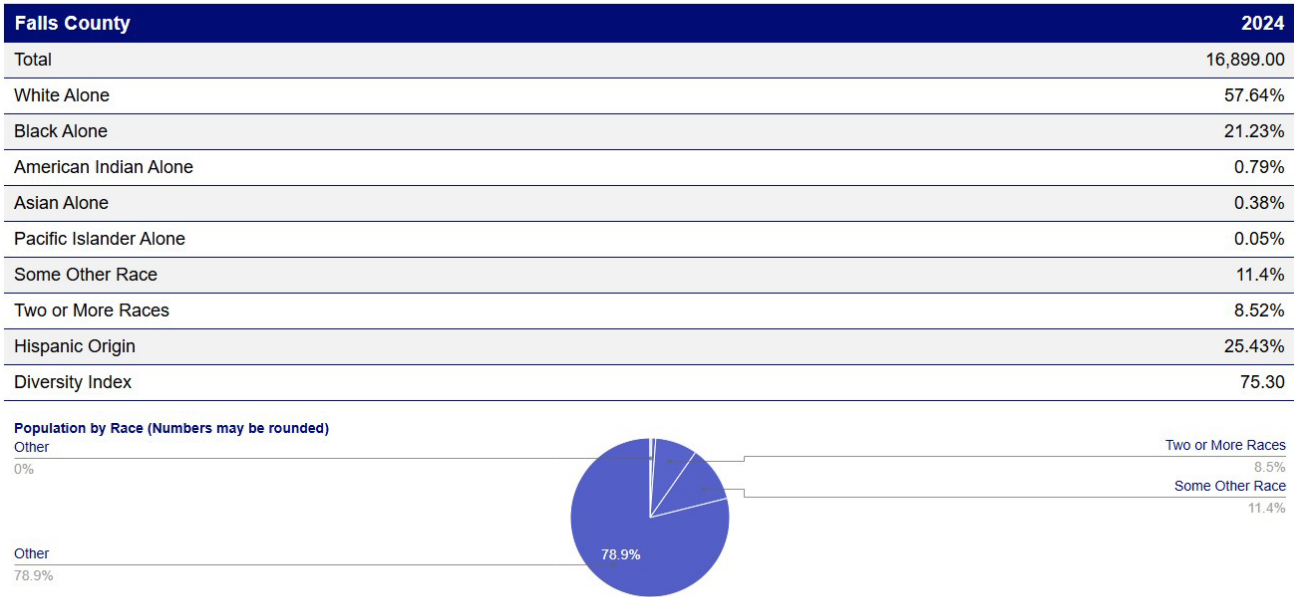


Source: ESRI, 2024-09-27

Population by Age



POPULATION BY RACE



Source: ESRI, 2024-09-27

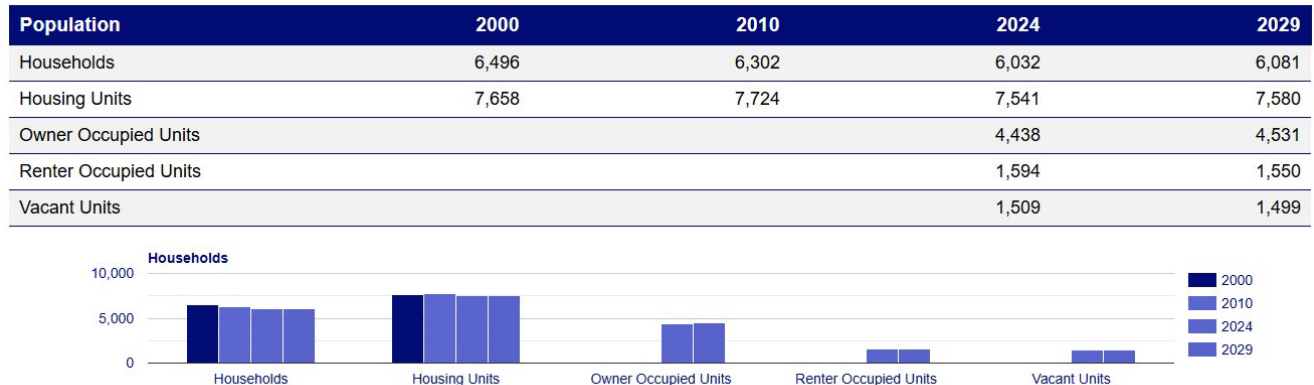
GROWTH RATE



Source: ESRI, 2024-09-27

HOUSING

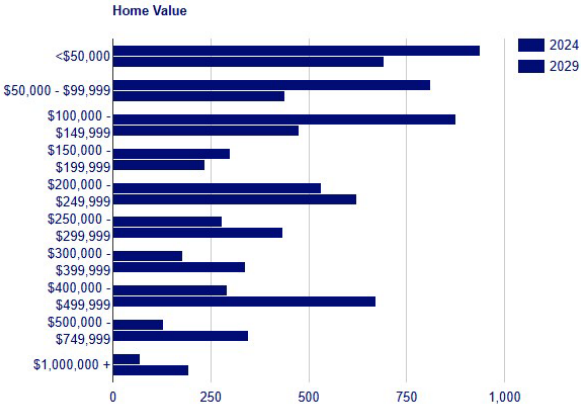
HOUSEHOLDS



Source: ESRI, 2024-09-27

HOME VALUE

Falls County	2024	2029
Median Home Value	\$126,857	\$233,989
Average Home Value	\$187,545	\$300,519
<\$50,000	938	692
\$50,000 - \$99,999	811	440
\$100,000 - \$149,999	875	476
\$150,000 - \$199,999	301	234
\$200,000 - \$249,999	533	623
\$250,000 - \$299,999	280	433
\$300,000 - \$399,999	178	338
\$400,000 - \$499,999	292	673
\$500,000 - \$749,999	130	346
\$1,000,000 +	71	194

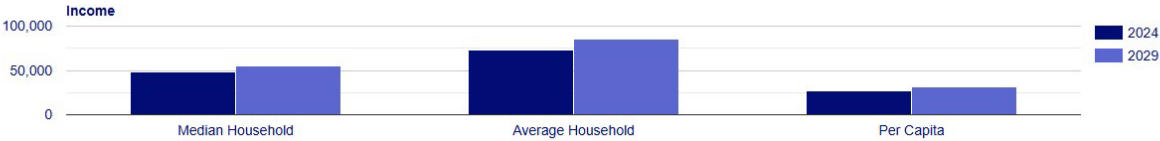


Source: ESRI, 2024-09-27

INCOME

INCOME

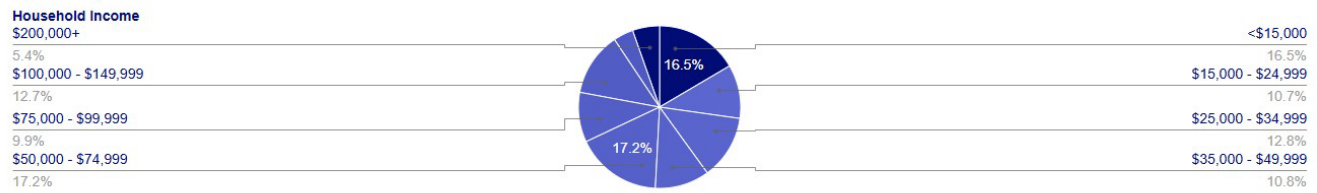
Falls County	2024	2029
Median Household	\$48,524	\$55,225
Average Household	\$73,146	\$85,739
Per Capita	\$26,408	\$31,157



Source: ESRI, 2024-09-27

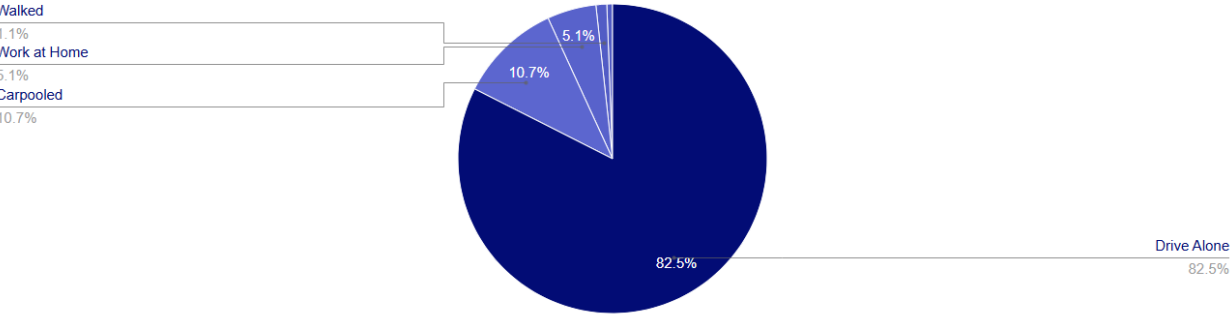
HOUSEHOLD INCOME

Falls County	2024
<\$15,000	998
\$15,000 - \$24,999	645
\$25,000 - \$34,999	770
\$35,000 - \$49,999	653
\$50,000 - \$74,999	1,036
\$75,000 - \$99,999	598
\$100,000 - \$149,999	766
\$150,000 - \$199,999	241
\$200,000+	325

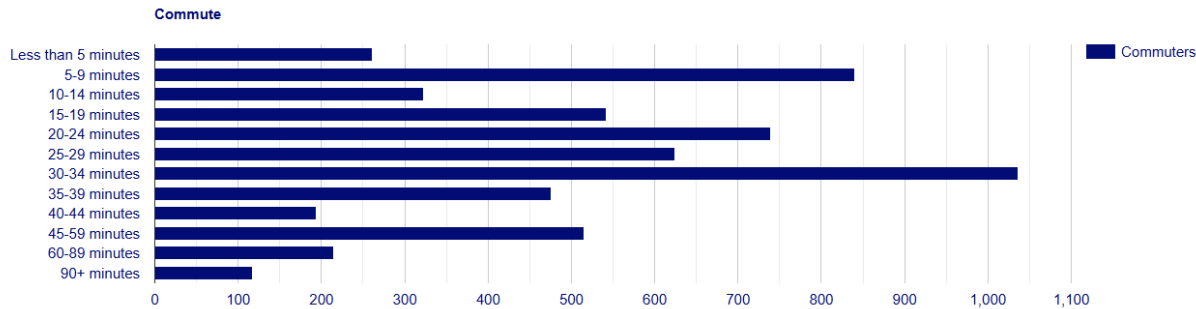


Source: ESRI, 2024-09-27

Commute



Source: ESRI, 2024-09-27



EMPLOYEES BY NAICS

Category	Number
TOTAL EMPLOYEES	4,131
Agr/Forestry/Fish/Hunt	41
Mining	56
Utilities	18
Construction	267
Manufacturing	126
Wholesale Trade	58
Retail Trade	536
Motor Veh/Parts Dealers	98
Furn & Home Furnish Str	6
Electronics & Appl Store	9
Bldg Matl/Garden Equip	17
Food & Beverage Stores	148
Health/Pers Care Stores	21
Gasoline Stations	37
Clothing/Accessory Store	41
Sports/Hobby/Book/Music	23
General Merchandise Str	136
Transportation/Warehouse	72
Information	11
Finance & Insurance	101
Cntrl Bank/Crdt Intrmdtn	53
Sec/Cmdty Cntrct/Oth Inv	25
Insur/Funds/Trusts/Other	23

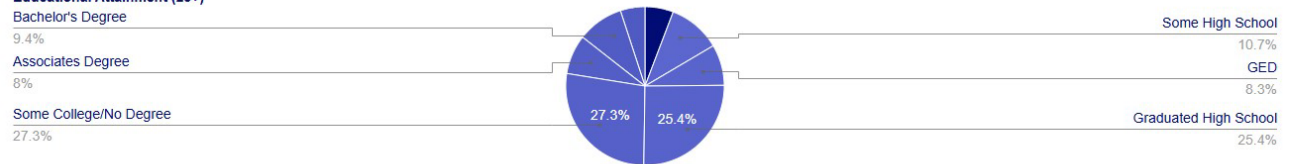
Real Estate/Rent/Leasing	50
Prof/Scientific/Tech Srv	75
Legal Services	33
Mgmt of Comp/Enterprises	0
Admin/Support/Waste Mgmt	17
Educational Services	624
HealthCare/Social Assist	473
Arts/Entertainment/Rec	60
Accommodation/Food Svcs	304
Accommodation	29
Food Srv/Drinking Places	275
Other Srv excl Pub Admin	254
Auto Repair/Maintenance	15
Public Administration Emp	963

Source: ESRI, 2024-09-27

EDUCATIONAL ATTAINMENT (25+)

Falls County	2024
<9th Grade	703
Some High School	1,301
GED	1,010
Graduated High School	3,078
Some College/No Degree	3,311
Associates Degree	974
Bachelor's Degree	1,141
Graduate Degree	609

Educational Attainment (25+)



Source: ESRI, 2024-09-27

BUSINESSES

BUSINESSES BY NAICS

Category	Number
TOTAL BUSINESSES	516
Agr/Forestry/Fish/Hunt Bus	12
Mining Bus	7
Utilities Bus	4
Construction Bus	26
Manufacturing Bus	14
Wholesale Trade Bus	12
Retail Trade Bus	78
Motor Veh/Parts Dealers Bus	16
Furn & Home Furnish Str Bus	2
Electronics & Appl Store Bus	2
Bldg Matl/Garden Equip Bus	4
Food & Beverage Stores Bus	15
Health/Pers Care Stores Bus	5
Gasoline Stations Bus	8
Clothing/Accessory Store Bus	7
Sports/Hobby/Book/Music Bus	10
General Merchandise Str Bus	9
Transportation/Warehouse Bus	14
Information Bus	6
Finance & Insurance Bus	27
Cntrl Bank/Crdt Intrmdtn Bus	13
Sec/Comdt Cntrct/Oth Inv Bus	5
Insur/Funds/Trusts/Other Bus	9

Real Estate/Rent/Leasing Bus	17
Prof/Scientific/Tech Srv Bus	27
Legal Services Bus	9
Mgmt of Comp/Enterprises Bus	0
Admin/Support/Waste Mgmt Bus	3
Educational Services Bus	19
HealthCare/Social Assist Bus	26
Arts/Entertainment/Rec Bus	8
Accommodation/Food Srvcs Bus	40
Accommodation Bus	8
Food Srv/Drinking Places Bus	32
Other Srv excl Pub Admin Bus	87
Auto Repair/Maintenance Bus	9
Public Administration Bus	61

Source: ESRI, 2024-09-27

Summary

Demographic Summary

- Population: 16,899 (2024) projected to reach 16,896 by 2029
- Age Distribution:
 - 24.10% under 18
 - 16.53% are 65 and older
 - Median Age: 42
- Racial/Ethnic Composition:
 - White: 57.64%
 - Black or African American: 21.23%
 - Hispanic or Latino: 25.43%
 - Other/Mixed: 7.7%
- Education Levels:
 - High school graduate: 18.04%
 - Some college or associate's degree: 27%
 - Bachelor's degree or higher: 14.31%

Economic Summary

- Per Capita Income: \$26,408 (2024)
- Median Household Income: \$48,524
- Poverty Rate: High relative to state and national averages
- Top Industries by Employment:
 - Retail Trade: 536 jobs
 - Educational Services: 624 jobs
 - Healthcare & Social Assistance: 473 jobs
 - Public Administration: 963 jobs
 - Accommodation & Food Services: 304 jobs
- Top Industries by GDP Contribution:
 - Agriculture: \$113 million from cattle sales, \$34.6 million from grain production
 - Public Sector Employment (Texas Department of Criminal Justice Hobby Unit) contributes to employment stability

Sources of Economic Growth

- Agriculture & Cattle Ranching – Falls County is the agricultural hub of the Heart of Texas region, ranking 17th in Texas for cattle production and 22nd in grain production.
- Government & Correctional Facility Employment – The Texas Department of Criminal Justice Hobby Unit provides stable jobs.
- Retail & Public Administration Sectors – The county seat, Marlin, has strong public sector employment and a small retail hub.
- Tourism & Historic Sites – Marlin, known as the "Hot Mineral City of Texas," has potential for tourism and wellness-based economic development.

Sources of Economic Challenges

- Declining Population – Falls County’s population has steadily decreased from 18,576 in 2000 to a projected 16,896 by 2029.
- Workforce Shortages – The county has fewer college graduates compared to state averages, impacting labor availability.
- Limited Infrastructure & Housing Growth – Housing stock is aging, and infrastructure investment is needed to attract businesses.
- Dependence on Agriculture – While a strength, reliance on agriculture makes the county vulnerable to market fluctuations..
- Low-Wage Employment – The economy is dominated by low-wage jobs, particularly in retail, food services, and correctional facilities.

Needs & Priorities

- Economic Diversification – Reducing reliance on agriculture and correctional jobs by attracting manufacturing, logistics, and renewable energy sectors.
- Workforce Training & Education – Expanding training partnerships with McLennan Community College and TSTC to support skills development.
- Infrastructure Investment – Addressing aging roads, water systems, and broadband to attract new employers.
- Small Business Support – Offering financial incentives for entrepreneurs and local businesses to expand employment opportunities.
- Tourism Development – Leveraging Marlin’s historic mineral water reputation for hospitality and wellness tourism.

Unemployment Over Time

- 2020 (COVID-19 Impact): 6.7%
- 2019 (Pre-Pandemic): 3.0%
- Fluctuations: Falls County’s unemployment rate has remained lower than the Texas average, with government and agriculture jobs providing stability.

Top 5 Industries for Unemployment Insurance (UI) Claims

1. Retail Trade – Seasonal employment fluctuations contribute to layoffs.
2. Construction – Project-based employment leads to periodic unemployment spikes.
3. Healthcare & Social Assistance – Workforce turnover in caregiving and medical professions.
4. Accommodation & Food Services – Restaurants and hotels see cyclical employment shifts.
5. Manufacturing – Economic downturns and supply chain disruptions impact job stability.

Falls County’s economy is deeply rooted in agriculture and government employment, but population decline, limited workforce training, and infrastructure challenges pose long-term

risks. Diversification, workforce education, and investment in small businesses and tourism will be key strategies for sustaining economic stability in the county.

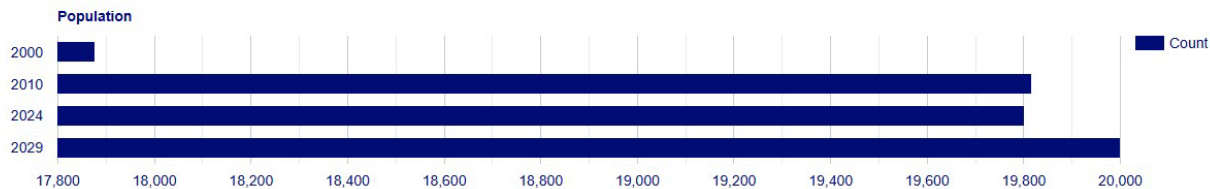


Freestone County SWOT Analysis & Economic Overview

POPULATION

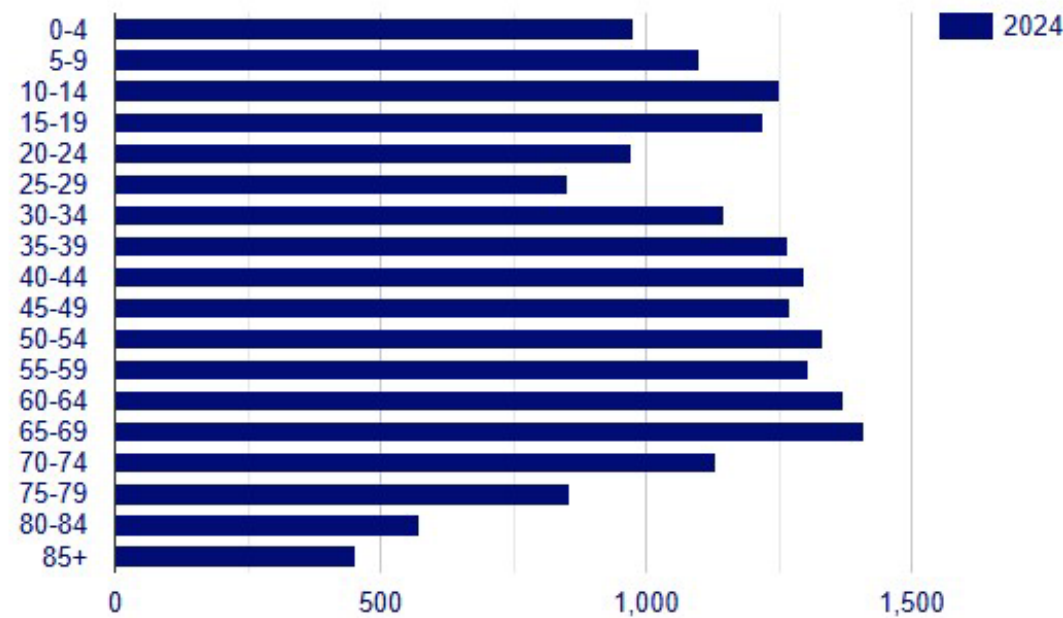
POPULATION

Population	2000	2010	2024	2029
Freestone County	17,876	19,816	19,802	20,000



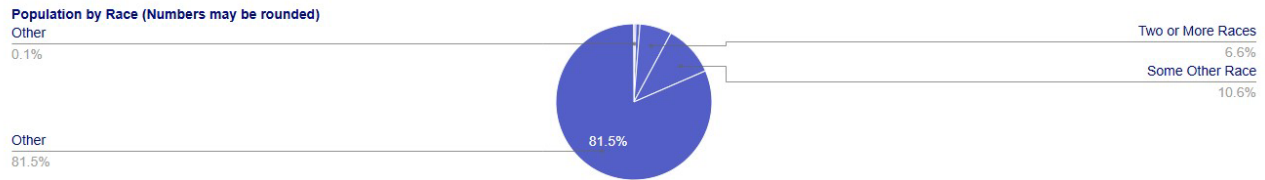
Source: ESRI, 2024-09-27

Population by Age



POPULATION BY RACE

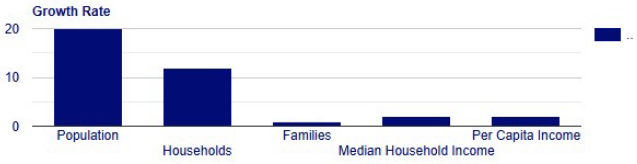
Freestone County	2024
Total	19,802.00
White Alone	67.93%
Black Alone	13.52%
American Indian Alone	0.84%
Asian Alone	0.42%
Pacific Islander Alone	0.07%
Some Other Race	10.6%
Two or More Races	6.62%
Hispanic Origin	17.65%
Diversity Index	64.90



Source: ESRI, 2024-09-27

GROWTH RATE

Freestone County	2024 - 2029
Population	0.20%
Households	0.12%
Families	-0.01%
Median Household Income	2%
Per Capita Income	2%

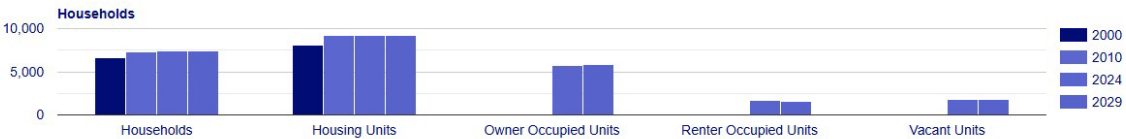


Source: ESRI, 2024-09-27

HOUSING

HOUSEHOLDS

Population	2000	2010	2024	2029
Households	6,593	7,259	7,362	7,407
Housing Units	8,144	9,265	9,161	9,188
Owner Occupied Units			5,727	5,823
Renter Occupied Units			1,635	1,584
Vacant Units			1,799	1,781

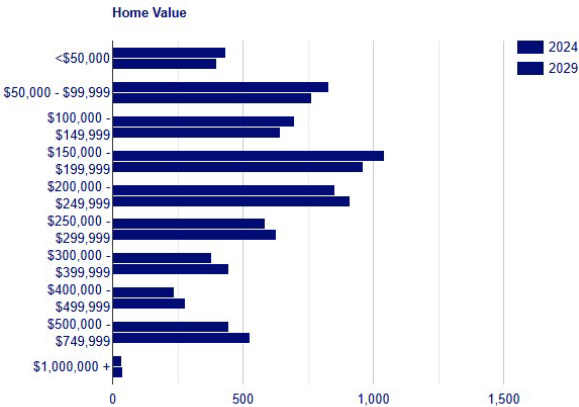


Source: ESRI, 2024-09-27

HOME VALUE

Freestone County	2024	2029
Median Home Value	\$193,252	\$207,711
Average Home Value	\$251,750	\$269,329
<\$50,000	436	401
\$50,000 - \$99,999	828	765
\$100,000 - \$149,999	699	645
\$150,000 - \$199,999	1,041	960
\$200,000 - \$249,999	854	911
\$250,000 - \$299,999	585	628
\$300,000 - \$399,999	378	446
\$400,000 - \$499,999	237	280
\$500,000 - \$749,999	446	527
\$1,000,000 +	35	40

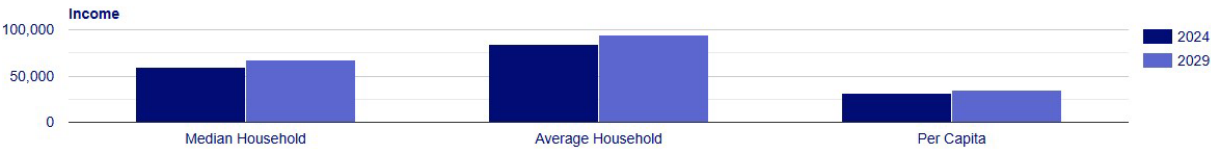
Source: ESRI, 2024-09-27



INCOME

INCOME

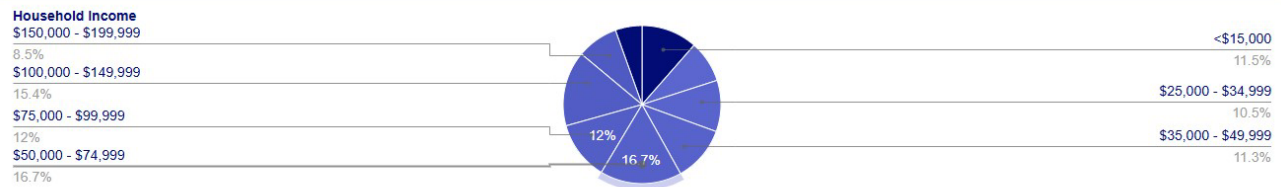
Freestone County	2024	2029
Median Household	\$59,837	\$66,920
Average Household	\$84,275	\$93,999
Per Capita	\$31,352	\$34,832



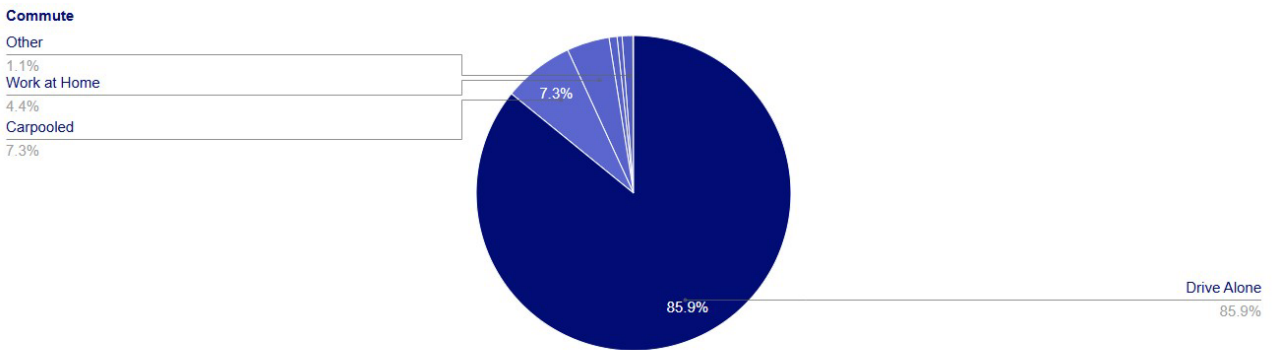
Source: ESRI, 2024-09-27

HOUSEHOLD INCOME

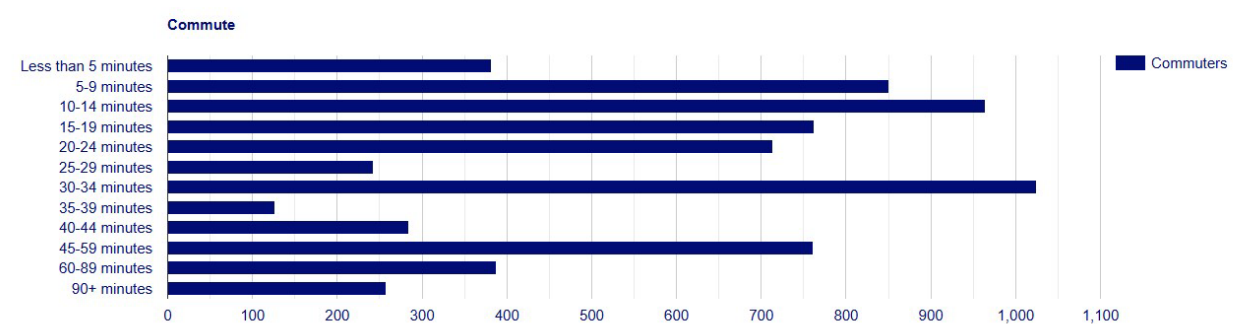
Freestone County		2024
<\$15,000		845
\$15,000 - \$24,999		630
\$25,000 - \$34,999		774
\$35,000 - \$49,999		835
\$50,000 - \$74,999		1,231
\$75,000 - \$99,999		887
\$100,000 - \$149,999		1,133
\$150,000 - \$199,999		624
\$200,000+		403



Source: ESRI, 2024-09-27



Source: ESRI, 2024-09-27



EMPLOYEES BY NAICS

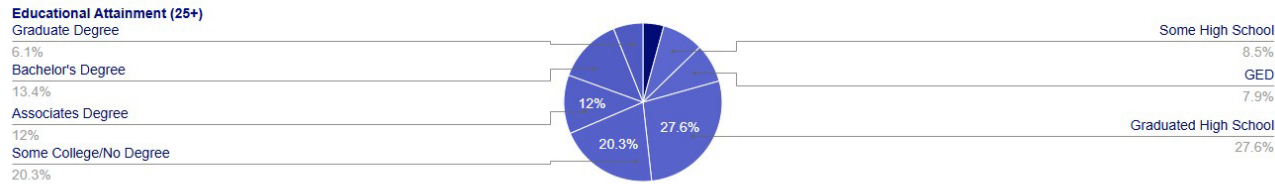
Category	Number
TOTAL EMPLOYEES	6,011
Agr/Forestry/Fish/Hunt	33
Mining	56
Utilities	105
Construction	652
Manufacturing	167
Wholesale Trade	184
Retail Trade	705
Motor Veh/Parts Dealers	160
Furn & Home Furnish Str	6
Electronics & Appl Store	10
Bldg Matl/Garden Equip	23
Food & Beverage Stores	130
Health/Pers Care Stores	92
Gasoline Stations	108
Clothing/Accessory Store	4
Sports/Hobby/Book/Music	97
General Merchandise Str	75
Transportation/Warehouse	264
Information	43
Finance & Insurance	164
Cntrl Bank/Crdt Intrmdtn	102
Sec/Comdty Cntrct/Oth Inv	13
Insur/Funds/Trusts/Other	49

Real Estate/Rent/Leasing Bus	17
Prof/Scientific/Tech Srv Bus	27
Legal Services Bus	9
Mgmt of Comp/Enterprises Bus	0
Admin/Support/Waste Mgmt Bus	3
Educational Services Bus	19
HealthCare/Social Assist Bus	26
Arts/Entertainment/Rec Bus	8
Accommodation/Food Srvcs Bus	40
Accommodation Bus	8
Food Srv/Drinking Places Bus	32
Other Srv excl Pub Admin Bus	87
Auto Repair/Maintenance Bus	9
Public Administration Bus	61

Source: ESRI, 2024-09-27

EDUCATIONAL ATTAINMENT (25+)

Freestone County	2024
<9th Grade	608
Some High School	1,211
GED	1,132
Graduated High School	3,937
Some College/No Degree	2,902
Associates Degree	1,710
Bachelor's Degree	1,910
Graduate Degree	868



Source: ESRI, 2024-09-27

BUSINESSES

BUSINESSES BY NAICS

Category	Number
TOTAL BUSINESSES	698
Agr/Forestry/Fish/Hunt Bus	14
Mining Bus	8
Utilities Bus	11
Construction Bus	48
Manufacturing Bus	17
Wholesale Trade Bus	27
Retail Trade Bus	101
Motor Veh/Parts Dealers Bus	17
Furn & Home Furnish Str Bus	3
Electronics & Appl Store Bus	2
Bldg Matl/Garden Equip Bus	7
Food & Beverage Stores Bus	16
Health/Pers Care Stores Bus	3
Gasoline Stations Bus	15
Clothing/Accessory Store Bus	3
Sports/Hobby/Book/Music Bus	19
General Merchandise Str Bus	16
Transportation/Warehouse Bus	22
Information Bus	9
Finance & Insurance Bus	33
Cntrl Bank/Crdt Intrmdtn Bus	15
Sec/Cmdty Cntrct/Oth Inv Bus	5
Insur/Funds/Trusts/Other Bus	13

Real Estate/Rent/Leasing Bus	27
Prof/Scientific/Tech Srv Bus	48
Legal Services Bus	9
Mgmt of Comp/Enterprises Bus	1
Admin/Support/Waste Mgmt Bus	10
Educational Services Bus	17
HealthCare/Social Assist Bus	44
Arts/Entertainment/Rec Bus	10
Accommodation/Food Srvcs Bus	58
Accommodation Bus	13
Food Srv/Drinking Places Bus	45
Other Srv excl Pub Admin Bus	125
Auto Repair/Maintenance Bus	25
Public Administration Bus	44

Source: ESRI, 2024-09-27

Summary

Demographic Summary

- Population: 19,802 (2024), projected to reach 20,000 by 2029.
- Age Distribution:
 - 22.54% under 18
 - 19.86% are 65 and older
 - Median Age: 44
- Racial/Ethnic Composition:
 - White: 67.93%
 - Black or African American: 13.52%
 - Hispanic or Latino: 17.65%
 - Other/Mixed: 8.9%
- Education Levels:
 - High school graduate: 24.39%
 - Some college or associate's degree: 31.8%
 - Bachelor's degree or higher: 12.3%

Economic Summary

- Per Capita Income (Census): \$28,201
- Per Capita Income (BEA): \$44,999
- Median Household Income (2024): \$59,837
- Poverty Rate: 12%
- Top Industries by Employment:
 - Farm employment: 1,505 jobs
 - Government & public enterprises: 1,308 jobs
 - Retail trade: 810 jobs
 - Mining, quarrying, and oil/gas extraction: 651 jobs
 - Accommodation and food services: 641 jobs
- **Top Industries by GDP Contribution:**
 - Mining, quarrying, and oil/gas extraction: \$383.5 million
 - Utilities: \$379.7 million
 - Government & public enterprises: \$104.5 million
 - Real estate & rental leasing: \$100.3 million
 - Transportation & warehousing: \$52.7 million

Sources of Economic Growth

- Energy & Natural Resources – The county has a strong presence in oil, gas, and mining, playing a major role in the regional energy economy.
- Agriculture & Farming – The county ranks 20th in Texas for poultry and egg sales, with over 2.2 million broilers produced annually.
- Utilities & Infrastructure – The Jewett Mine and Freestone Energy Center are key assets in the county's energy sector.

- Retail & Government Jobs – Public sector jobs and retail employment provide stability and consumer spending.
- Industrial Growth in Fairfield – The Fairfield Industrial Park hosts key businesses like Norwesco, Baker Hughes, and Windstream Communications, with expansion underway for Fairfield Industrial Park South that includes Blacklidge Emulsions, Neat Companies, and Hoover Wood Treated Products.

Sources of Economic Challenges

- Aging Workforce & Population Decline – Nearly 20% of the population is 65+, potentially limiting workforce availability.
- Dependence on Oil & Gas – The mining and energy sector is the largest contributor to GDP, making the county vulnerable to market fluctuations and environmental regulations.
- Limited Workforce Development – Educational attainment is lower than the state average, which can hinder attracting and retaining skilled workers.
- Infrastructure Needs – Broadband expansion and transportation improvements are necessary to support economic growth.
- Retail & Small Business Challenges – While retail employs a large portion of workers, wages remain low, and small business expansion is slow.

Needs & Priorities

- Economic Diversification – Reducing reliance on oil, gas, and government jobs by attracting manufacturing, logistics, and renewable energy industries.
- Workforce Training & Education – Strengthening partnerships with local technical colleges, workforce development programs, and apprenticeships to support skilled labor.
- Infrastructure Investments – Enhancing broadband access, highways, and water systems to attract new industries and businesses.
- Small Business Growth & Incentives – Providing grants and funding support for entrepreneurs and local businesses.
- Renewable Energy & Sustainability – Investing in solar, wind, and alternative energy projects to diversify the economy.

Unemployment Over Time

- 2020 (COVID-19 Impact): 9.5%
- 2019 (Pre-Pandemic): 4.9%
- Fluctuations: Freestone County's unemployment rate is above the state average, reflecting economic shifts in energy, retail, and agriculture.

Top 5 Industries for Unemployment Insurance (UI) Claims

1. Oil & Gas Extraction – Market instability leads to frequent layoffs.
2. Retail Trade – Seasonal employment fluctuations contribute to UI claims.

3. Construction – Project-based employment leads to periodic job losses.
4. Healthcare & Social Assistance – Workforce turnover in caregiving and medical fields.
5. Accommodation & Food Services – Restaurants and hospitality businesses experience cyclical employment shifts.

Freestone County benefits from a strong energy sector, agriculture, and public sector employment, but economic diversification, workforce training, and infrastructure improvements are needed for long-term stability. Investments in renewable energy, small businesses, and education will be key to enhancing economic stability and ensuring future growth.



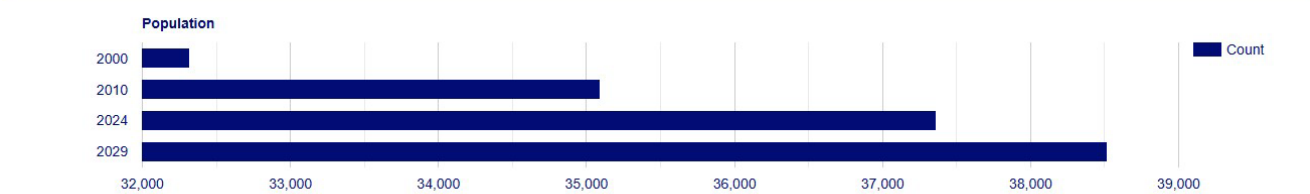
Hill County



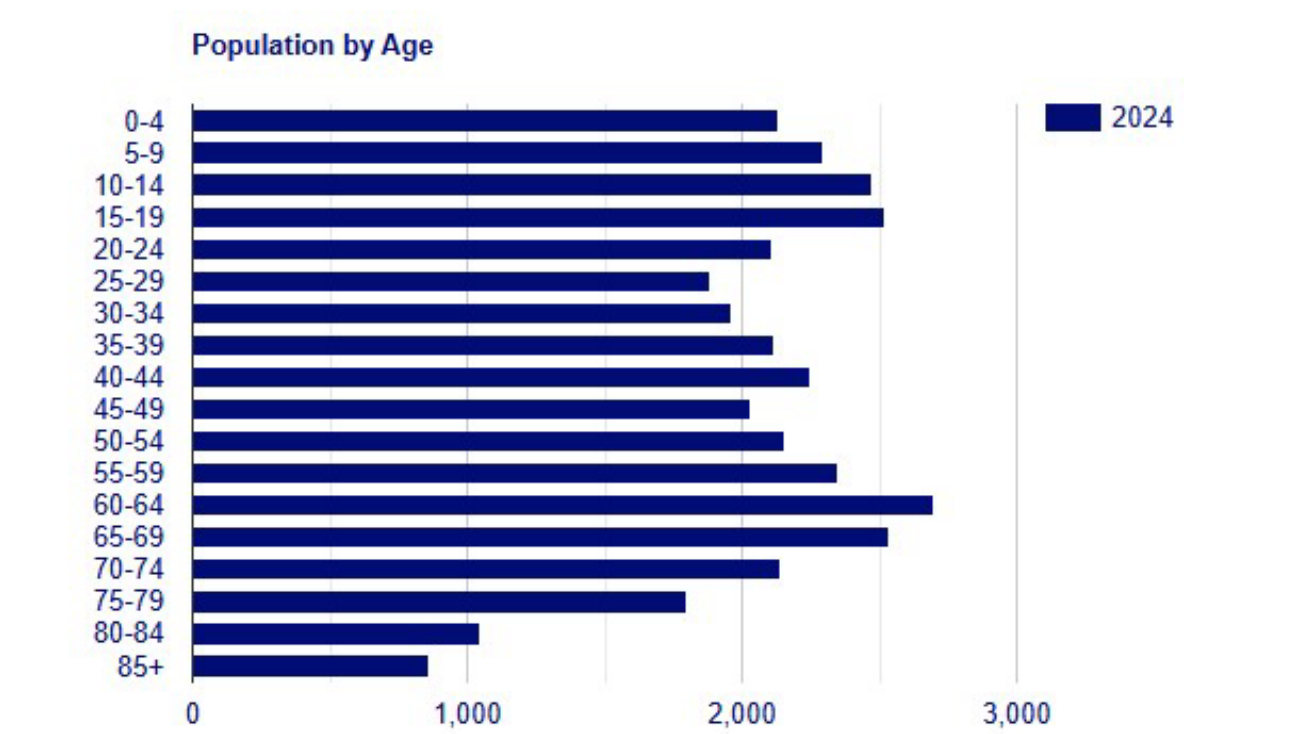
Hill County SWOT Analysis & Economic Overview

POPULATION

Population	2000	2010	2024	2029
Hill County	32,321	35,089	37,359	38,516

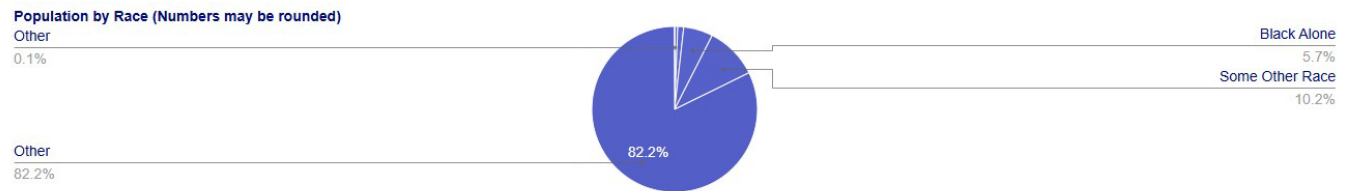


Source: ESRI, 2024-09-27



POPULATION BY RACE

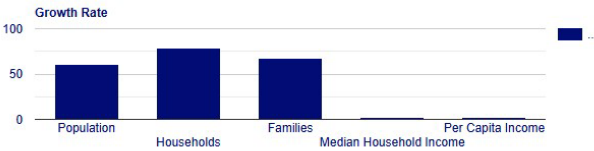
Hill County	2024
Total	37,359.00
White Alone	71.43%
Black Alone	5.72%
American Indian Alone	1.16%
Asian Alone	0.61%
Pacific Islander Alone	0.07%
Some Other Race	10.24%
Two or More Races	10.76%
Hispanic Origin	23.56%
Diversity Index	65.70



Source: ESRI, 2024-09-27

GROWTH RATE

Hill County	2024 - 2029
Population	0.61%
Households	0.79%
Families	0.67%
Median Household Income	2%
Per Capita Income	2%

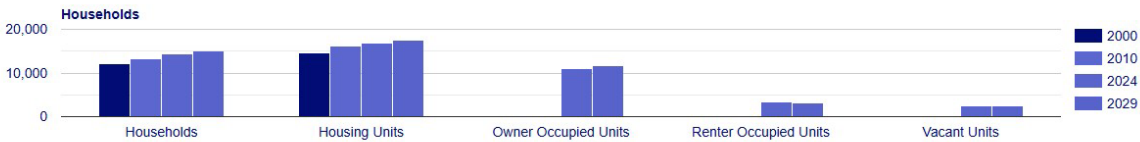


Source: ESRI, 2024-09-27

HOUSING

HOUSEHOLDS

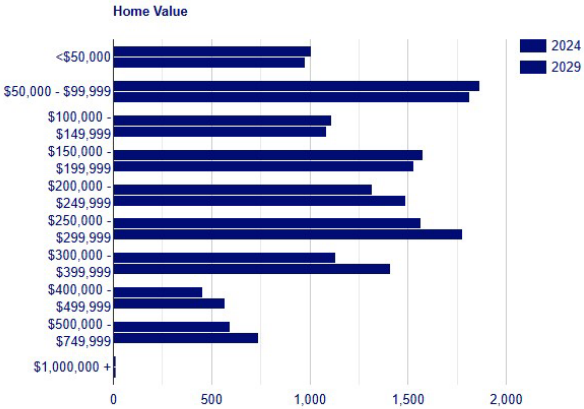
Population	2000	2010	2024	2029
Households	12,204	13,238	14,384	14,963
Housing Units	14,624	16,118	16,919	17,510
Owner Occupied Units			10,903	11,736
Renter Occupied Units			3,481	3,227
Vacant Units			2,535	2,547



Source: ESRI, 2024-09-27

HOME VALUE

Hill County	2024	2029
Median Home Value	\$196,494	\$215,302
Average Home Value	\$238,320	\$254,427
<\$50,000	1,009	979
\$50,000 - \$99,999	1,864	1,816
\$100,000 - \$149,999	1,113	1,087
\$150,000 - \$199,999	1,576	1,530
\$200,000 - \$249,999	1,317	1,490
\$250,000 - \$299,999	1,568	1,777
\$300,000 - \$399,999	1,130	1,412
\$400,000 - \$499,999	454	567
\$500,000 - \$749,999	595	740
\$1,000,000 +	11	11

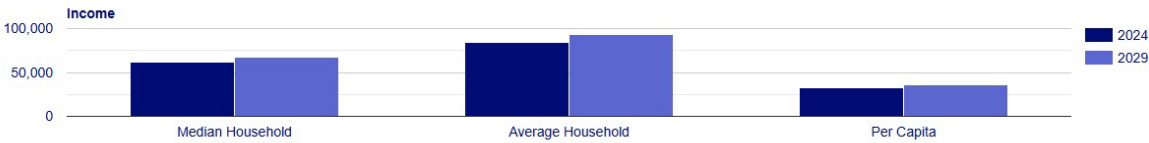


Source: ESRI, 2024-09-27

INCOME

INCOME

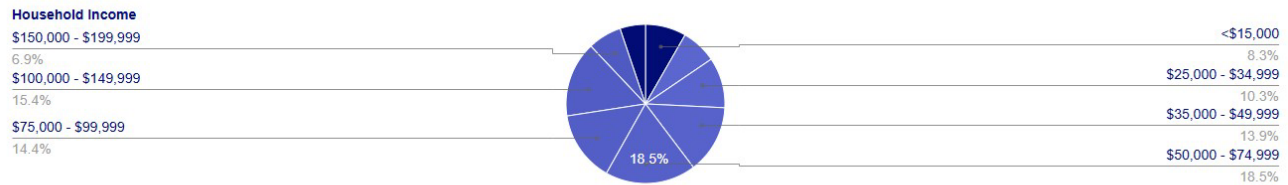
Hill County	2024	2029
Median Household	\$61,547	\$67,576
Average Household	\$84,720	\$93,816
Per Capita	\$32,640	\$36,467



Source: ESRI, 2024-09-27

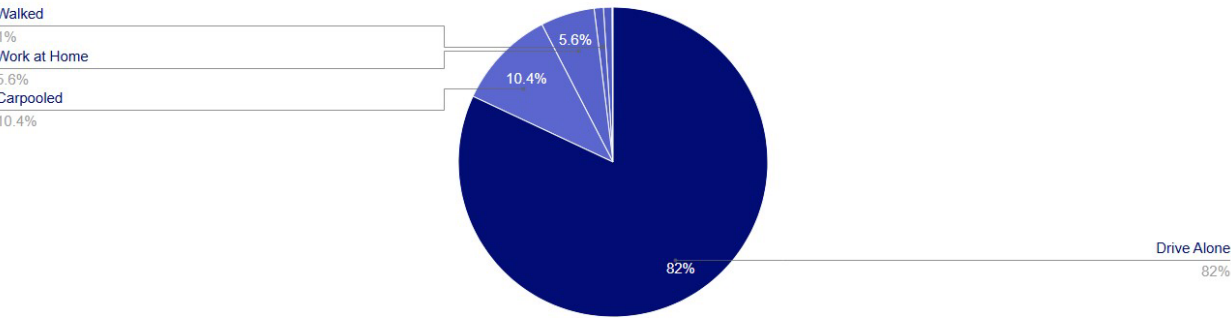
HOUSEHOLD INCOME

Hill County	2024
<\$15,000	1,196
\$15,000 - \$24,999	1,034
\$25,000 - \$34,999	1,477
\$35,000 - \$49,999	2,002
\$50,000 - \$74,999	2,658
\$75,000 - \$99,999	2,071
\$100,000 - \$149,999	2,210
\$150,000 - \$199,999	989
\$200,000+	747

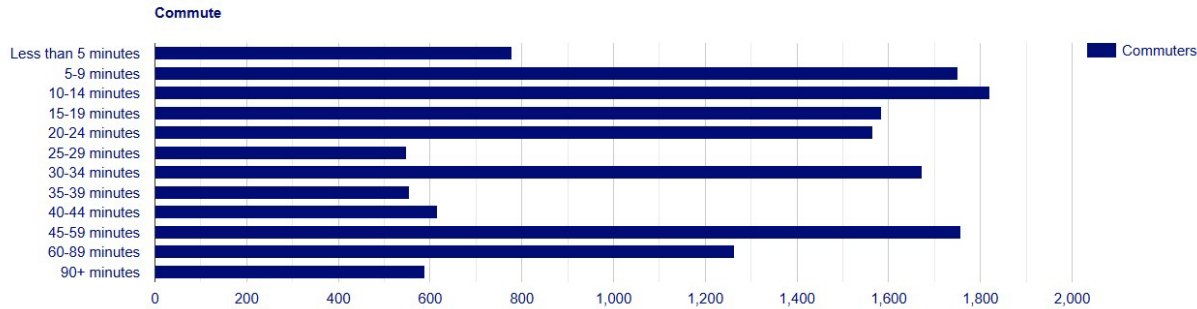


Source: ESRI, 2024-09-27

Commute



Source: ESRI, 2024-09-27



EMPLOYEES BY NAICS

Category	Number
TOTAL EMPLOYEES	11,285
Agr/Forestry/Fish/Hunt	76
Mining	9
Utilities	88
Construction	1,293
Manufacturing	532
Wholesale Trade	296
Retail Trade	1,806
Motor Veh/Parts Dealers	159
Furn & Home Furnish Str	6
Electronics & Appl Store	11
Bldg Matl/Garden Equip	103
Food & Beverage Stores	450
Health/Pers Care Stores	70
Gasoline Stations	235
Clothing/Accessory Store	18
Sports/Hobby/Book/Music	262
General Merchandise Str	492
Transportation/Warehouse	285
Information	105
Finance & Insurance	252
Cntrl Bank/Crdt Intrmdtn	174
Sec/Comdty Cntrct/Oth Inv	15
Insur/Funds/Trusts/Other	63

Real Estate/Rent/Leasing	147
Prof/Scientific/Tech Srv	295
Legal Services	71
Mgmt of Comp/Enterprises	17
Admin/Support/Waste Mgmt	147
Educational Services	1,701
HealthCare/Social Assist	1,117
Arts/Entertainment/Rec	105
Accommodation/Food Svcs	1,238
Accommodation	132
Food Srv/Drinking Places	1,106
Other Srv excl Pub Admin	704
Auto Repair/Maintenance	84
Public Administration Emp	1,014

Source: ESRI, 2024-09-27

EDUCATIONAL ATTAINMENT (25+)

Hill County	2024
<9th Grade	1,202
Some High School	1,942
GED	2,096
Graduated High School	7,023
Some College/No Degree	5,549
Associates Degree	2,947
Bachelor's Degree	3,489
Graduate Degree	1,582

Educational Attainment (25+)
Graduate Degree

6.1%

Bachelor's Degree

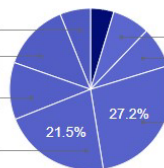
13.5%

Associates Degree

11.4%

Some College/No Degree

21.5%



Some High School

7.5%

GED

8.1%

Graduated High School

27.2%

Source: ESRI, 2024-09-27

BUSINESSES

BUSINESSES BY NAICS

Category	Number
TOTAL BUSINESSES	1,251
Agr/Forestry/Fish/Hunt Bus	20
Mining Bus	1
Utilities Bus	8
Construction Bus	73
Manufacturing Bus	42
Wholesale Trade Bus	48
Retail Trade Bus	171
Motor Veh/Parts Dealers Bus	24
Furn & Home Furnish Str Bus	2
Electronics & Appl Store Bus	3
Bldg Matl/Garden Equip Bus	15
Food & Beverage Stores Bus	33
Health/Pers Care Stores Bus	11
Gasoline Stations Bus	21
Clothing/Accessory Store Bus	10
Sports/Hobby/Book/Music Bus	25
General Merchandise Str Bus	27
Transportation/Warehouse Bus	41
Information Bus	17
Finance & Insurance Bus	55
Cntrl Bank/Crdt Intrmdtn Bus	30
Sec/Comdty Cntrct/Oth Inv Bus	7
Insur/Funds/Trusts/Other Bus	18

Real Estate/Rent/Leasing Bus	49
Prof/Scientific/Tech Srv Bus	72
Legal Services Bus	15
Mgmt of Comp/Enterprises Bus	1
Admin/Support/Waste Mgmt Bus	35
Educational Services Bus	44
HealthCare/Social Assist Bus	82
Arts/Entertainment/Rec Bus	22
Accommodation/Food Srvcs Bus	132
Accommodation Bus	27
Food Srv/Drinking Places Bus	105
Other Srv excl Pub Admin Bus	173
Auto Repair/Maintenance Bus	22
Public Administration Bus	110

Source: ESRI, 2024-09-27

Summary

Demographic Summary

- Population: 37,359 (2024), projected to reach 38,516 by 2029.
- Age Distribution:
 - 23.13% under 18
 - 20.49% are 65 and older
 - Median Age: 43
- Racial/Ethnic Composition:
 - White: 71.43%
 - Black or African American: 5.72%
 - Hispanic or Latino: 23.56%
 - Other/Mixed: 10.76%
- Education Levels:
 - High school graduate: 23.51%
 - Some college or associate's degree: 32.6%
 - Bachelor's degree or higher: 12.03%

Economic Summary

- Per Capita Income (Census): \$30,730
- Per Capita Income (BEA): \$49,859
- Median Household Income (2024): \$61,547
- Poverty Rate: 13%
- Top Industries by Employment:
 - Government & public enterprises: 2,306 jobs
 - Retail trade: 2,004 jobs
 - Construction: 1,984 jobs
 - Farm employment: 1,867 jobs
 - Manufacturing: 1,608 jobs
- **Top Industries by GDP Contribution:**
 - Real estate and rental leasing: \$177.9 million
 - Government & public enterprises: \$175.8 million
 - Construction: \$160.3 million
 - Durable goods manufacturing: \$152.4 million
 - Retail trade: \$138.5 million

Sources of Economic Growth

- Manufacturing Hub – Hill County has a thriving manufacturing sector, particularly in Hillsboro's Industrial Park, due to its strategic location along I-35.
- Retail & Service Sector Growth – With proximity to Dallas-Fort Worth and Waco, retail trade and services are expanding to meet consumer demand.
- Strong Construction Industry – The construction sector is a leading employer, driven by residential and commercial developments.

- Agriculture & Farming – The county has a long history of agricultural production, contributing to both employment and local GDP.
- Tourism & Outdoor Recreation – Lake Whitney and its recreational opportunities attract visitors, supporting hospitality, restaurants, and local businesses.

Sources of Economic Challenges

- Aging Population & Workforce Shortages – Over 20% of the population is 65+, which could lead to labor shortages in key industries.
- Infrastructure Needs – Upgrading roads, utilities, and broadband access is essential to support business expansion.
- Limited Higher Education Access – Workforce readiness is impacted by lower-than-average college attainment rates.
- Dependence on Traditional Industries – While manufacturing, construction, and retail are strengths, economic diversification is needed to ensure long-term stability.
- Housing Affordability & Availability – Rising home values and rental prices may limit housing options for low- and middle-income workers.

Needs & Priorities

- Workforce Development & Training – Strengthen partnerships with McLennan Community College, Texas State Technical College, and workforce training programs to support technical and skilled labor.
- Infrastructure Expansion – Investments in broadband, roads, and utilities are needed to support business growth and job creation.
- Economic Diversification – Encourage logistics, renewable energy, and high-tech industries to balance the manufacturing-heavy economy.
- Affordable Housing Initiatives – Develop housing programs and incentives to accommodate workforce needs.
- Tourism & Small Business Growth – Promote Lake Whitney’s recreation economy and expand small business support programs.

Unemployment Over Time

- 2020 (COVID-19 Impact): 6.8%
- 2019 (Pre-Pandemic): 3.1%
- Fluctuations: Hill County’s unemployment rate has remained lower than the Texas average, reflecting stability in manufacturing, construction, and retail trade.

Top 5 Industries for Unemployment Insurance (UI) Claims

- 1 Manufacturing – Market fluctuations and automation affect employment stability.
- 2 Retail Trade – Cyclical employment leads to periodic layoffs.
- 3 Construction – Dependent on project-based employment cycles.

- 4 Accommodation & Food Services – Seasonal tourism demand impacts employment levels.
- 5 Agriculture & Farming – Weather conditions and commodity pricing affect job stability.

Hill County’s economic strength lies in manufacturing, retail, and construction, with agriculture and tourism playing supporting roles. However, workforce development, infrastructure expansion, and economic diversification are needed to ensure long-term growth and stability. Investments in education, broadband, housing, and business incentives will be key drivers of future prosperity.

Limestone County

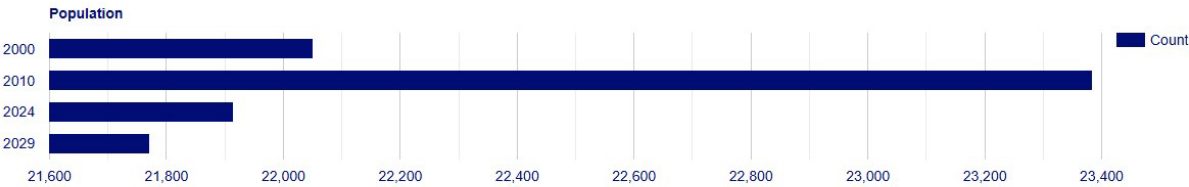


Limestone County SWOT Analysis & Economic Overview

POPULATION

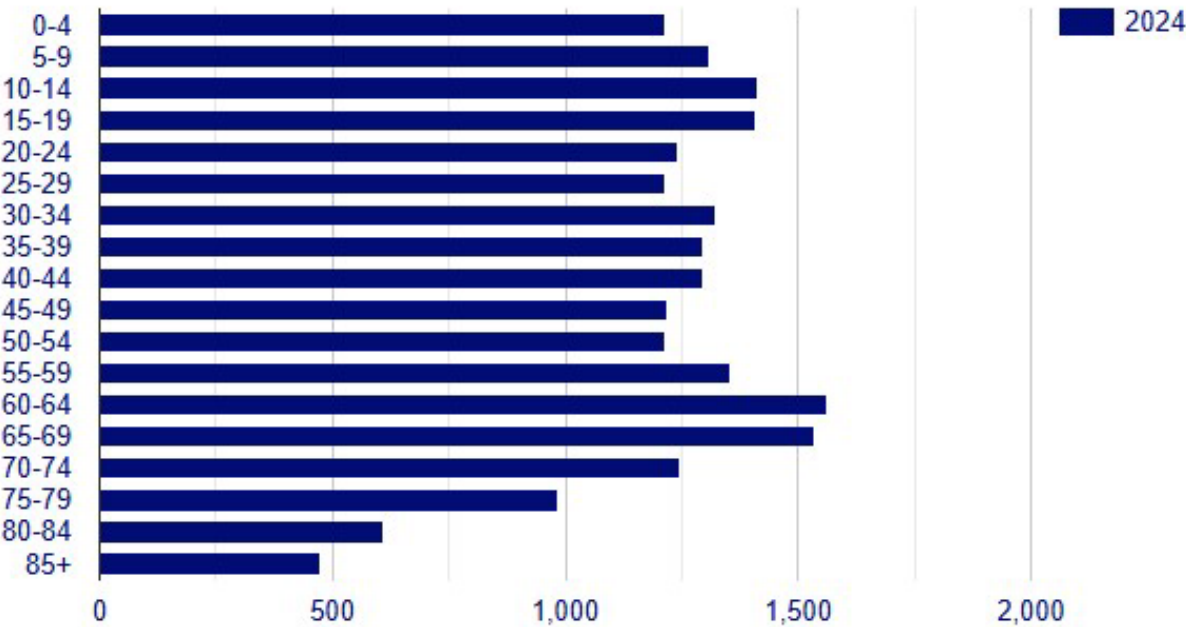
POPULATION

Population	2000	2010	2024	2029
Limestone County	22,051	23,384	21,914	21,771



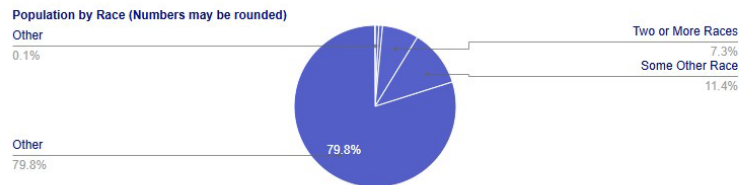
Source: ESRI, 2024-09-27

Population by Age



POPULATION BY RACE

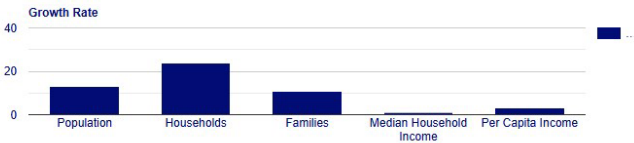
Limestone County	2024
Total	21,914.00
White Alone	63.21%
Black Alone	16.58%
American Indian Alone	0.74%
Asian Alone	0.74%
Pacific Islander Alone	0.09%
Some Other Race	11.39%
Two or More Races	7.26%
Hispanic Origin	23.49%
Diversity Index	71.50



Source: ESRI, 2024-09-27

GROWTH RATE

Limestone County	2024 - 2029
Population	-0.13%
Households	0.24%
Families	0.11%
Median Household Income	1%
Per Capita Income	3%

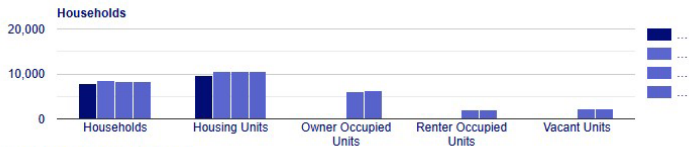


Source: ESRI, 2024-09-27

HOUSING

HOUSEHOLDS

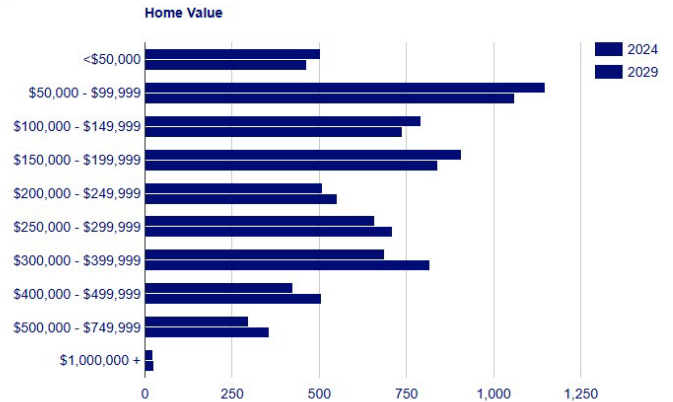
Population	2000	2010	2024	2029
Households	7,906	8,499	8,251	8,350
Housing Units	9,725	10,536	10,467	10,540
Owner Occupied Units			6,152	6,304
Renter Occupied Units			2,099	2,046
Vacant Units			2,216	2,190



Source: ESRI, 2024-09-27

HOME VALUE

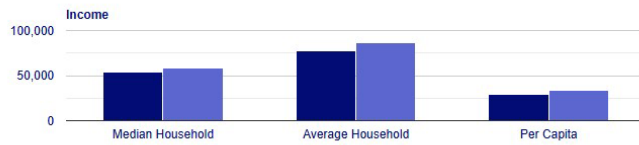
Limestone County	2024	2029
Median Home Value	\$184,840	\$204,348
Average Home Value	\$260,700	\$281,722
<\$50,000	502	465
\$50,000 - \$99,999	1,149	1,060
\$100,000 - \$149,999	793	738
\$150,000 - \$199,999	907	841
\$200,000 - \$249,999	509	552
\$250,000 - \$299,999	660	710
\$300,000 - \$399,999	688	816
\$400,000 - \$499,999	424	505
\$500,000 - \$749,999	297	355
\$1,000,000 +	22	25



Source: ESRI, 2024-09-27

INCOME

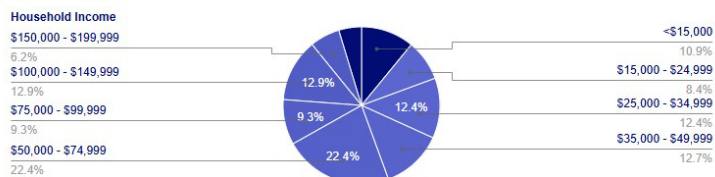
Limestone County	2024	2029
Median Household	\$54,317	\$57,935
Average Household	\$77,542	\$86,289
Per Capita	\$29,283	\$33,182



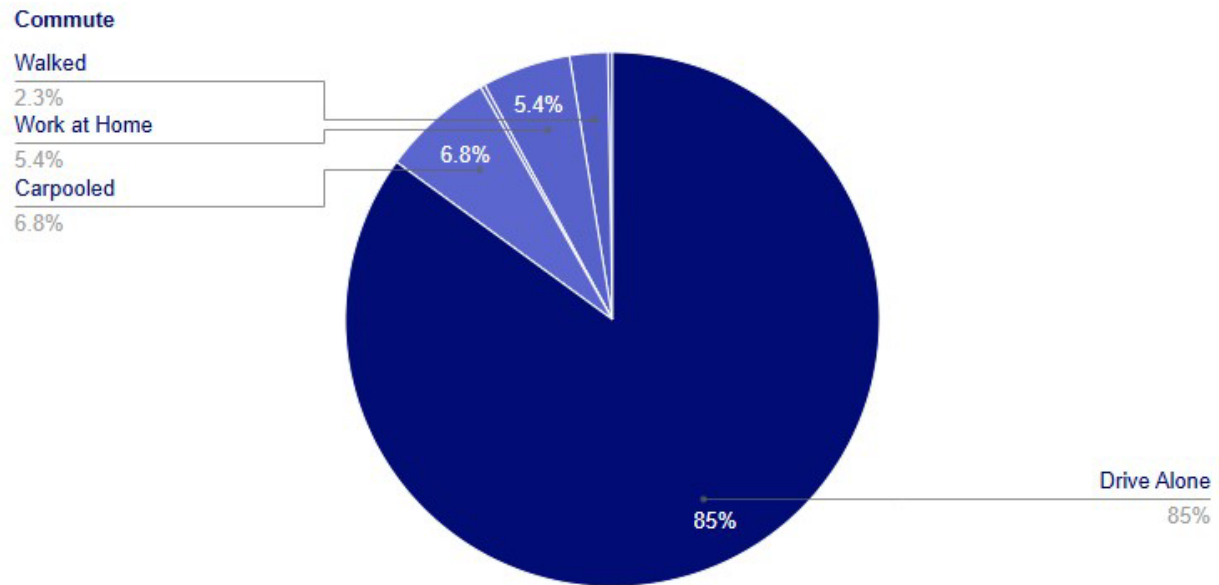
Source: ESRI, 2024-09-27

HOUSEHOLD INCOME

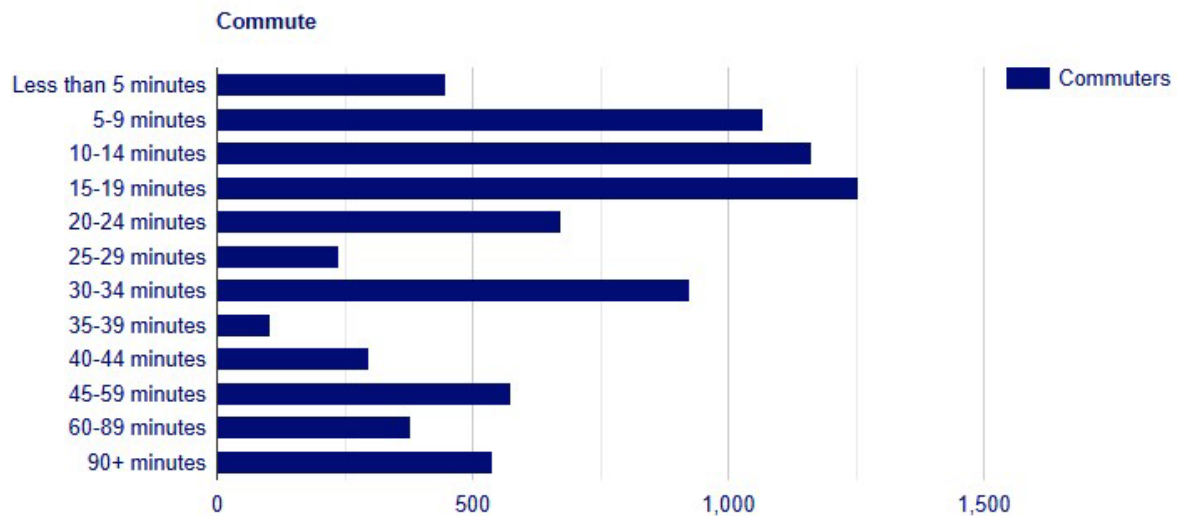
Limestone County	2024
<\$15,000	903
\$15,000 - \$24,999	697
\$25,000 - \$34,999	1,022
\$35,000 - \$49,999	1,044
\$50,000 - \$74,999	1,851
\$75,000 - \$99,999	769
\$100,000 - \$149,999	1,068
\$150,000 - \$199,999	510
\$200,000+	387



Source: ESRI, 2024-09-27



Source: ESRI, 2024-09-27



Source: ESRI, 2024-09-27

EMPLOYEES BY NAICS

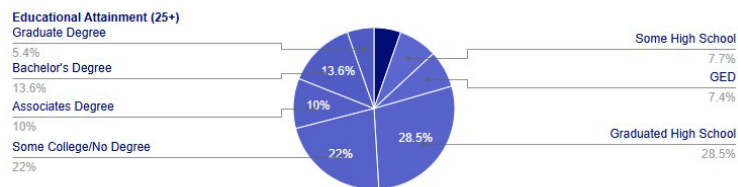
Category	Number
TOTAL EMPLOYEES	8,454
Agr/Forestry/Fish/Hunt	32
Mining	204
Utilities	34
Construction	369
Manufacturing	358
Wholesale Trade	277
Retail Trade	1,118
Motor Veh/Parts Dealers	219
Furn & Home Furnish Str	11
Electronics & Appl Store	3
Bldg Matl/Garden Equip	90
Food & Beverage Stores	226
Health/Pers Care Stores	50
Gasoline Stations	37
Clothing/Accessory Store	35
Sports/Hobby/Book/Music	34
General Merchandise Str	413
Transportation/Warehouse	103
Information	86
Finance & Insurance	258
Cntrl Bank/Crdt Intrmdtn	157
Sec/Cmdty Cntrct/Oth Inv	9
Insur/Funds/Trusts/Other	92

Real Estate/Rent/Leasing	107
Prof/Scientific/Tech Srv	207
Legal Services	57
Mgmt of Comp/Enterprises	1
Admin/Support/Waste Mgmt	161
Educational Services	770
HealthCare/Social Assist	2,516
Arts/Entertainment/Rec	25
Accommodation/Food Svcs	613
Accommodation	77
Food Srv/Drinking Places	536
Other Srv excl Pub Admin	406
Auto Repair/Maintenance	84
Public Administration Emp	644

Source: ESRI, 2024-09-27

EDUCATIONAL ATTAINMENT (25+)

Limestone County	2024
<9th Grade	824
Some High School	1,186
GED	1,140
Graduated High School	4,368
Some College/No Degree	3,366
Associates Degree	1,531
Bachelor's Degree	2,087
Graduate Degree	825



Source: ESRI, 2024-09-27

BUSINESSES

BUSINESSES BY NAICS

Category	Number
TOTAL BUSINESSES	781
Agr/Forestry/Fish/Hunt Bus	11
Mining Bus	7
Utilities Bus	9
Construction Bus	36
Manufacturing Bus	10
Wholesale Trade Bus	25
Retail Trade Bus	107
Motor Veh/Parts Dealers Bus	22
Furn & Home Furnish Str Bus	4
Electronics & Appl Store Bus	1
Bldg Matl/Garden Equip Bus	12
Food & Beverage Stores Bus	15
Health/Pers Care Stores Bus	8
Gasoline Stations Bus	8
Clothing/Accessory Store Bus	13
Sports/Hobby/Book/Music Bus	12
General Merchandise Str Bus	12
Transportation/Warehouse Bus	24
Information Bus	16
Finance & Insurance Bus	44
Cntrl Bank/Crdt Intrmdtn Bus	24
Sec/Cmdty Cntrct/Oth Inv Bus	5
Insur/Funds/Trusts/Other Bus	15

Real Estate/Rent/Leasing Bus	36
Prof/Scientific/Tech Srv Bus	49
Legal Services Bus	12
Mgmt of Comp/Enterprises Bus	1
Admin/Support/Waste Mgmt Bus	20
Educational Services Bus	21
HealthCare/Social Assist Bus	64
Arts/Entertainment/Rec Bus	9
Accommodation/Food Srvcs Bus	70
Accommodation Bus	15
Food Srv/Drinking Places Bus	55
Other Srv excl Pub Admin Bus	128
Auto Repair/Maintenance Bus	17
Public Administration Bus	67

Source: ESRI, 2024-09-27

Summary

Demographic Summary

- Population: 21,914 (2024), projected to decline to 21,771 by 2029.
- Age Distribution:
 - 22.34% under 18
 - 20.59% are 65 and older
 - Median Age: 42
- Racial/Ethnic Composition:
 - White: 55.94%
 - Black or African American: 16.84%
 - Hispanic or Latino: 22.92%
 - Other/Mixed: 9.3%
- Education Levels:
 - High school graduate: 24.27%
 - Some college or associate's degree: 33.7%
 - Bachelor's degree or higher: 11.77%

Economic Summary

- Per Capita Income (Census): \$26,479
- Per Capita Income (BEA): \$46,998
- Median Household Income (2024): \$54,317
- Poverty Rate: 21% (higher than the regional average)
- Top Industries by Employment:
 - Government & public enterprises: 2,848 jobs
 - Farm employment: 1,518 jobs
 - Retail trade: 1,052 jobs
 - Healthcare & social assistance: 1,017 jobs
 - Mining, quarrying, and oil/gas extraction: 785 jobs
- **Top Industries by GDP Contribution:**
 - Mining, quarrying, and oil/gas extraction: \$628.2 million
 - Utilities: \$458.3 million
 - Government & public enterprises: \$237.7 million
 - Real estate & rental leasing: \$102.3 million
 - Retail trade: \$70.3 million

Sources of Economic Growth

- Energy & Natural Resources – Limestone County has two lignite coal mines (Jewett Mine & Kosse Mine) and is home to power-generating facilities such as the Limestone Electric Generating Station.
- Industrial Parks & Manufacturing – The Mexia Industrial Park and Groesbeck Industrial Park provide space for industrial and manufacturing businesses, supporting local employment.

- Government & Public Sector Employment – Public jobs, including the Mexia State Supported Living Center, provide stable wages for over 1,400 employees.
- Agriculture & Farming – The county has a significant agricultural sector, with cattle, grain production, and poultry farms contributing to the local economy.
- Transportation & Logistics – Limestone County’s proximity to I-35 and I-45 provides excellent access to major urban centers, enhancing trade and logistics opportunities.

Sources of Economic Challenges

- Population Decline & Aging Workforce – The declining population and aging workforce (20.59% aged 65+) present a long-term labor supply challenge.
- Dependence on Energy & Government Employment – The dominance of mining, utilities, and government jobs makes the economy vulnerable to market shifts and regulatory changes.
- High Poverty Rate – 21% poverty rate is significantly higher than the regional and state averages, indicating economic hardship for many residents.
- Limited Infrastructure & Broadband Access – Expanding broadband internet and modernizing transportation networks are essential to attract new industries and businesses.
- Retail & Small Business Challenges – The local retail sector is underdeveloped, with limited shopping, dining, and entertainment options, leading to consumer spending leakage to neighboring counties.

Needs & Priorities

- Economic Diversification – Encouraging renewable energy, logistics, and advanced manufacturing to reduce dependence on coal and government jobs.
- Workforce Training & Development – Expanding job training programs in healthcare, skilled trades, and technology through partnerships with local community colleges.
- Infrastructure Investments – Improving broadband, highways, and public utilities to support business growth and attract new investments.
- Affordable Housing & Community Development – Developing housing initiatives to retain young professionals and skilled workers.
- Tourism & Outdoor Recreation Expansion – Capitalizing on Lake Limestone, Lake Mexia, and historic sites to expand tourism-related businesses.

Unemployment Over Time

- 2020 (COVID-19 Impact): 8.2%
- 2019 (Pre-Pandemic): 3.8%
- Fluctuations: Limestone County’s unemployment rate aligns with state averages, but job stability depends heavily on energy, government, and agriculture sectors.

Top 5 Industries for Unemployment Insurance (UI) Claims

1. Mining & Energy – Coal industry volatility and environmental regulations impact job stability.
2. Retail Trade – Fluctuations in consumer demand lead to seasonal layoffs.
3. Healthcare & Social Assistance – Workforce turnover and funding shifts create employment instability.
4. Manufacturing & Construction – Economic downturns can impact job security in industrial and construction trades.
5. Accommodation & Food Services – Tourism-related employment fluctuates with seasonal visitor activity.

Conclusion

Limestone County has strong economic assets in energy production, public sector jobs, and industrial development, but economic diversification, workforce training, and infrastructure modernization are critical for long-term stability. Investing in new industries, expanding broadband access, and strengthening small businesses will enhance economic stability and support future growth.

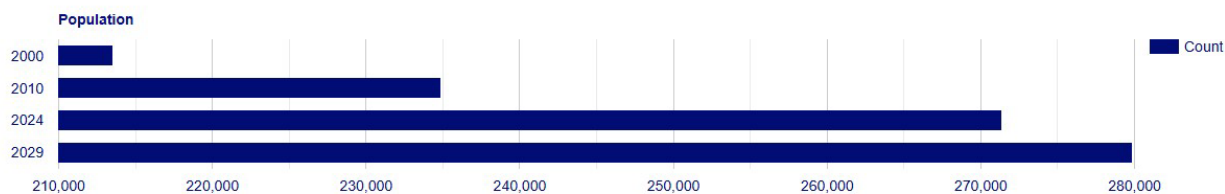


McLennan County SWOT Analysis & Economic Overview

POPULATION

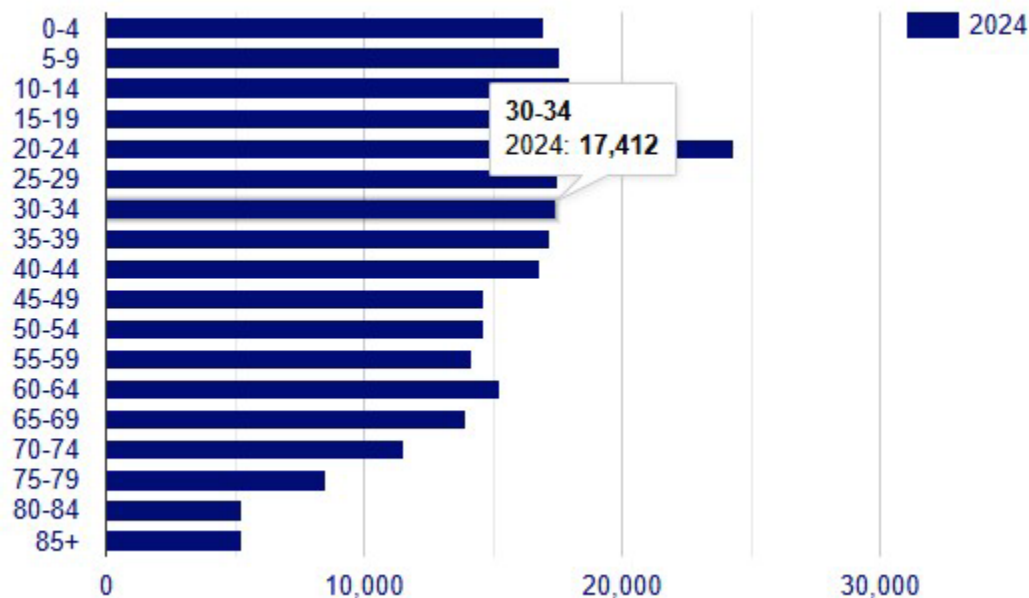
POPULATION

Population	2000	2010	2024	2029
McLennan County	213,517	234,906	271,356	279,859

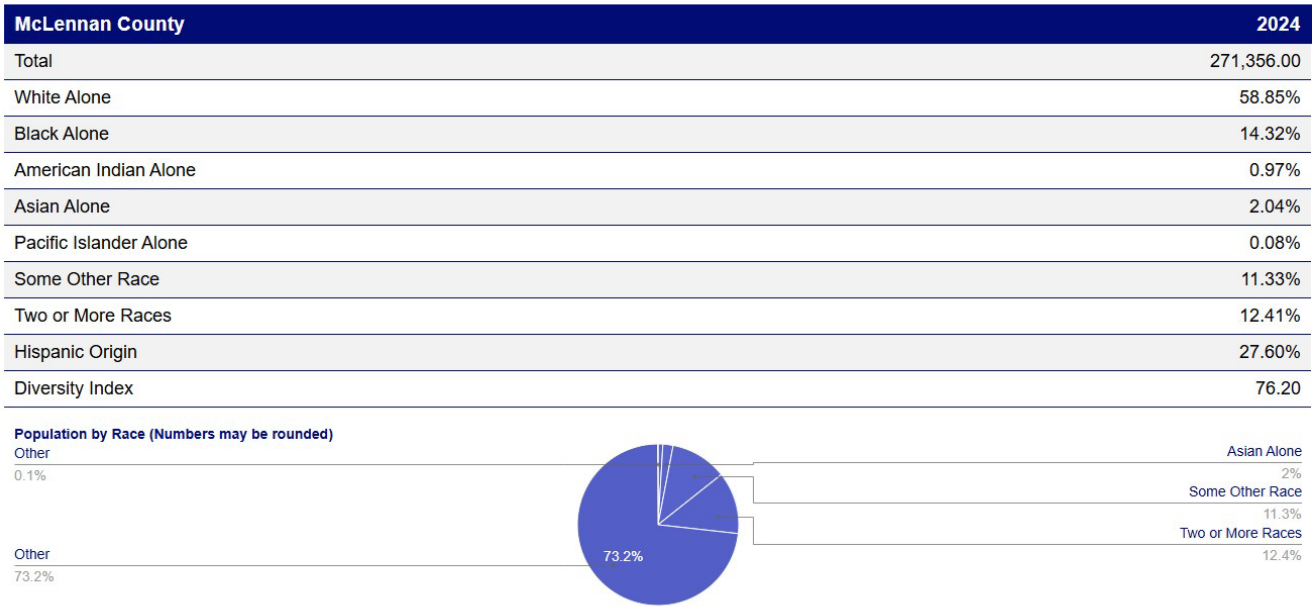


Source: ESRI, 2024-09-27

Population by Age

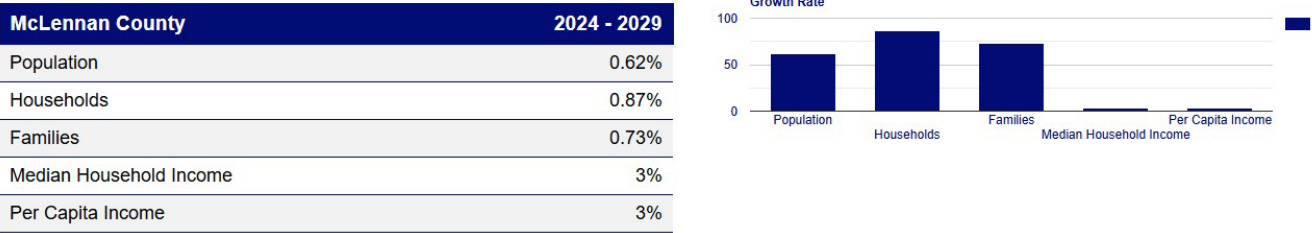


POPULATION BY RACE



Source: ESRI, 2024-09-27

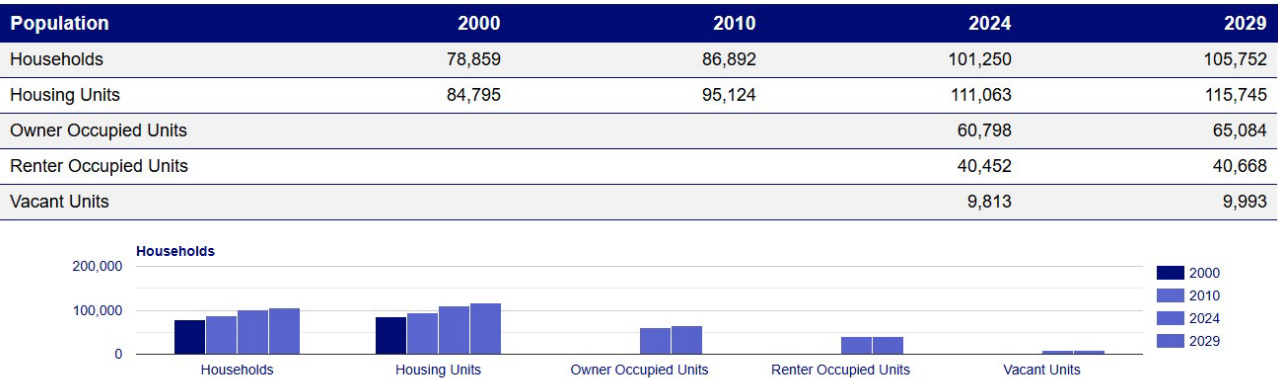
GROWTH RATE



Source: ESRI, 2024-09-27

HOUSING

HOUSEHOLDS

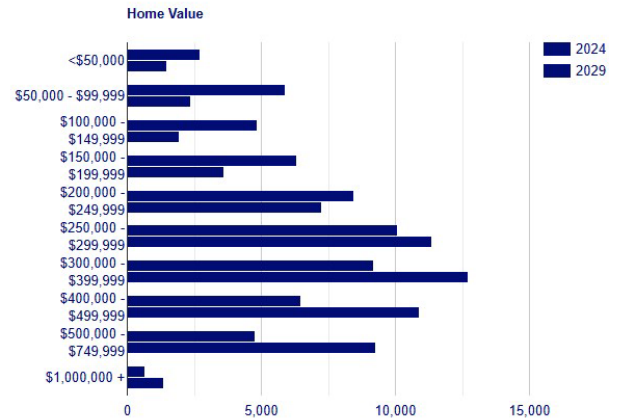


Source: ESRI, 2024-09-27

HOME VALUE

McLennan County	2024	2029
Median Home Value	\$260,938	\$336,173
Average Home Value	\$301,956	\$395,110
<\$50,000	2,694	1,462
\$50,000 - \$99,999	5,885	2,356
\$100,000 - \$149,999	4,841	1,935
\$150,000 - \$199,999	6,317	3,587
\$200,000 - \$249,999	8,446	7,258
\$250,000 - \$299,999	10,082	11,340
\$300,000 - \$399,999	9,189	12,696
\$400,000 - \$499,999	6,458	10,908
\$500,000 - \$749,999	4,754	9,263
\$1,000,000 +	668	1,351

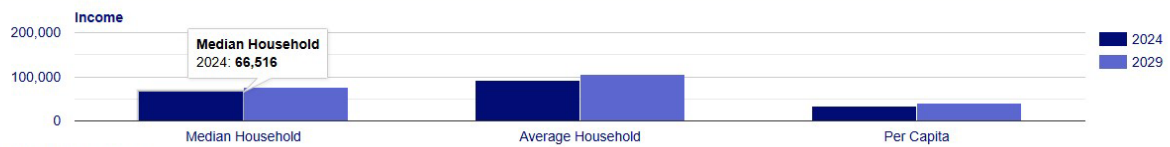
Source: ESRI, 2024-09-27



INCOME

INCOME

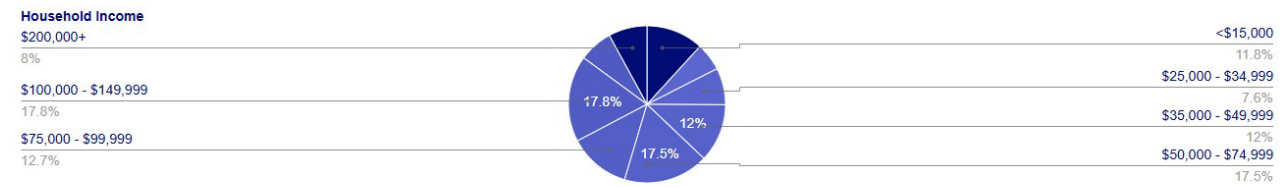
McLennan County	2024	2029
Median Household	\$66,516	\$76,831
Average Household	\$92,679	\$106,739
Per Capita	\$34,698	\$40,448



Source: ESRI, 2024-09-27

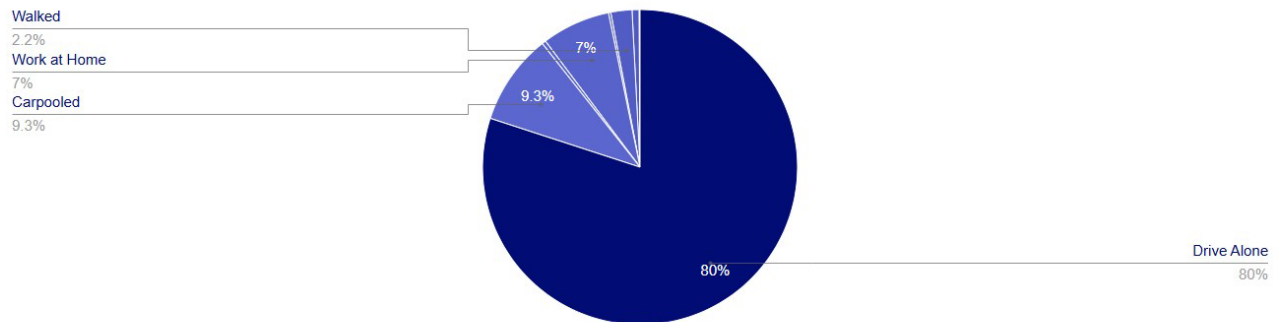
HOUSEHOLD INCOME

McLennan County	2024
<\$15,000	11,949
\$15,000 - \$24,999	5,779
\$25,000 - \$34,999	7,663
\$35,000 - \$49,999	12,173
\$50,000 - \$74,999	17,719
\$75,000 - \$99,999	12,855
\$100,000 - \$149,999	18,007
\$150,000 - \$199,999	7,037
\$200,000+	8,067

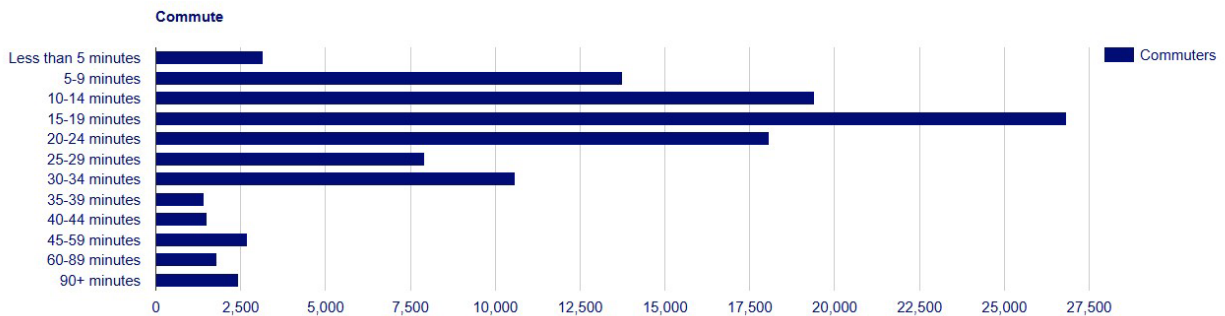


Source: ESRI, 2024-09-27

Commute



Source: ESRI, 2024-09-27



EMPLOYEES BY NAICS

Category	Number
TOTAL EMPLOYEES	127,344
Agr/Forestry/Fish/Hunt	759
Mining	33
Utilities	482
Construction	6,631
Manufacturing	9,239
Wholesale Trade	7,015
Retail Trade	14,298
Motor Veh/Parts Dealers	2,084
Furn & Home Furnish Str	575
Electronics & Appl Store	398
Bldg Matl/Garden Equip	1,115
Food & Beverage Stores	1,677
Health/Pers Care Stores	853
Gasoline Stations	641
Clothing/Accessory Store	878
Sports/Hobby/Book/Music	2,137
General Merchandise Str	3,940
Transportation/Warehouse	3,251
Information	2,791
Finance & Insurance	5,143
Cntrl Bank/Crdt Intrmdtn	2,645
Sec/Comdty Cntrct/Oth Inv	551
Insur/Funds/Trusts/Other	1,947

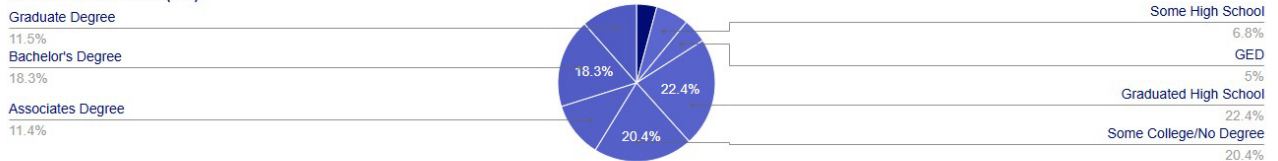
Real Estate/Rent/Leasing	2,448
Prof/Scientific/Tech Srv	7,188
Legal Services	931
Mgmt of Comp/Enterprises	364
Admin/Support/Waste Mgmt	3,093
Educational Services	13,748
HealthCare/Social Assist	17,362
Arts/Entertainment/Rec	2,331
Accommodation/Food Srvcs	12,453
Accommodation	1,221
Food Srv/Drinking Places	11,232
Other Srv excl Pub Admin	7,386
Auto Repair/Maintenance	974
Public Administration Emp	10,988

Source: ESRI, 2024-09-27

EDUCATIONAL ATTAINMENT (25+)

McLennan County	2024
<9th Grade	7,193
Some High School	11,684
GED	8,636
Graduated High School	38,557
Some College/No Degree	35,189
Associates Degree	19,625
Bachelor's Degree	31,595
Graduate Degree	19,854

Educational Attainment (25+)



Source: ESRI, 2024-09-27

BUSINESSES

BUSINESSES BY NAICS

Category	Number
TOTAL BUSINESSES	9,368
Agr/Forestry/Fish/Hunt Bus	52
Mining Bus	6
Utilities Bus	36
Construction Bus	626
Manufacturing Bus	328
Wholesale Trade Bus	322
Retail Trade Bus	1,340
Motor Veh/Parts Dealers Bus	215
Furn & Home Furnish Str Bus	78
Electronics & Appl Store Bus	37
Bldg Matl/Garden Equip Bus	101
Food & Beverage Stores Bus	191
Health/Pers Care Stores Bus	107
Gasoline Stations Bus	80
Clothing/Accessory Store Bus	154
Sports/Hobby/Book/Music Bus	218
General Merchandise Str Bus	159
Transportation/Warehouse Bus	202
Information Bus	162
Finance & Insurance Bus	581
Cntrl Bank/Crdt Intrmdtn Bus	238
Sec/Cmdty Cntrct/Oth Inv Bus	118
Insur/Funds/Trusts/Other Bus	225

Real Estate/Rent/Leasing Bus	465
Prof/Scientific/Tech Srv Bus	661
Legal Services Bus	178
Mgmt of Comp/Enterprises Bus	35
Admin/Support/Waste Mgmt Bus	290
Educational Services Bus	262
HealthCare/Social Assist Bus	866
Arts/Entertainment/Rec Bus	187
Accommodation/Food Srvcs Bus	804
Accommodation Bus	98
Food Srv/Drinking Places Bus	706
Other Srv excl Pub Admin Bus	1,304
Auto Repair/Maintenance Bus	210
Public Administration Bus	320

Source: ESRI, 2024-09-27

Summary

Demographic Summary

- Population: 271,356 (2024), projected to reach 279,859 by 2029.
- Age Distribution:
 - 24.10% under 18
 - 14.79% are 65 and older
 - Median Age: 36
- Racial/Ethnic Composition:
 - White: 58.85%
 - Black or African American: 14.32%
 - Hispanic or Latino: 27.60%
 - Other/Mixed: 12.41%
- Education Levels:
 - High school graduate: 16.41%
 - Some college or associate's degree: 27.78%
 - Bachelor's degree or higher: 16.41%

Economic Summary

- Per Capita Income (Census): \$31,036
- Per Capita Income (BEA): \$50,284
- Median Household Income (2024): \$66,516
- Poverty Rate: 17% (higher than Texas average)
- Top Industries by Employment:
 - Government & public enterprises: 18,173 jobs
 - Retail trade: 16,682 jobs
 - Manufacturing: 16,331 jobs
 - Health care & social assistance: 16,296 jobs
 - Accommodation & food services: 12,822 jobs
- **Top Industries by GDP Contribution:**
 - Real estate & rental leasing: \$2.14 billion
 - Durable goods manufacturing: \$1.79 billion
 - Government & public enterprises: \$1.77 billion
 - Nondurable goods manufacturing: \$1.38 billion
 - Retail trade: \$1.27 billion

Sources of Economic Growth

- Strategic Location & Infrastructure – McLennan County is centrally located along I-35, making it a key hub for transportation, logistics, and trade.
- Diverse Industrial Base – The county benefits from strong manufacturing, healthcare, retail, and public sector employment, ensuring economic stability.

- Higher Education & Innovation – Home to Baylor University, McLennan Community College, and Texas State Technical College, the county fosters innovation, research, and workforce development.
- Tourism & Quality of Life – Attractions like the Magnolia Market, Cameron Park, and Lake Waco boost the tourism sector, supporting hotels, restaurants, and entertainment venues.
- Thriving Business Parks & Investments – Texas Central Park, Waco International Aviation Park, and Waco Regional Airport Industrial Park provide space for expanding industries.

Sources of Economic Challenges

- High Poverty Rate – 17% of the population lives in poverty, signaling income inequality and economic disparities.
- Housing Affordability Issues – Rising home prices and rental costs may limit affordable housing options for low- and middle-income residents.
- Workforce Skill Gaps – While the county has strong higher education institutions, more efforts are needed to align workforce training with industry needs.
- Retail & Service Industry Vulnerability – While retail is a major employer, it consists largely of low-wage, high-turnover jobs, making it susceptible to economic downturns.
- Traffic & Infrastructure Strain – Rapid growth along the I-35 corridor creates traffic congestion and strain on infrastructure, requiring continued investment in transportation and public services.

Needs & Priorities

- Affordable Housing & Urban Development – Expanding affordable housing projects and mixed-use developments to accommodate a growing workforce.
- Workforce Training & Higher Education Alignment – Strengthening partnerships between Baylor University, MCC, and TSTC to better align degree programs with workforce needs.
- Infrastructure Investment & Traffic Management – Enhancing roads, public transit, and broadband to support business expansion and population growth.
- Economic Diversification – Encouraging emerging industries like technology, renewable energy, and advanced manufacturing to reduce reliance on government and retail jobs.
- Tourism & Hospitality Expansion – Further developing Waco’s tourism sector, leveraging attractions like Magnolia Market, Baylor University, and the Brazos Riverfront.

Unemployment Over Time

- 2020 (COVID-19 Impact): 6.6%
- 2019 (Pre-Pandemic): 3.1%
- Fluctuations: McLennan County has historically lower unemployment rates than Texas, reflecting economic stability driven by its diverse industry base.

Top 5 Industries for Unemployment Insurance (UI) Claims

1. Retail Trade – Employment fluctuations due to seasonal shifts and consumer demand changes.
2. Accommodation & Food Services – High turnover and cyclical employment in hospitality and tourism sectors.
3. Manufacturing – Economic downturns and automation trends impact job security.
4. Construction – Project-based employment leads to periodic job losses.
5. Healthcare & Social Assistance – Workforce shortages and changing healthcare regulations create employment instability.

McLennan County is the economic engine of the Heart of Texas region, with a strong and diverse economy driven by manufacturing, healthcare, retail, and education. However, affordable housing, workforce training, and infrastructure development will be critical to sustaining long-term growth and economic stability. Investments in innovation, transportation, and business diversification will further strengthen the county's competitive edge.

Acknowledgments

The Heart of Texas Economic Development District extends its gratitude to the dedicated individuals who contributed to the development of the 2025-2030 Comprehensive Economic Development Strategy (CEDS).

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- Damaris Neelly
- Dick Van Dyke
- David Davis
- Dr. Thomas Mills

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<ul style="list-style-type: none">• Andrea Kosar• Art Mann• Calvin Rueter• Charles Eaton• Cindy Vanlandingham• Damaris Neelley• David Davis• Dick Van Dyke• Thomas Mills• Ignacio Vazquez• Jay Elliott	<ul style="list-style-type: none">• Jerry Mobley• Jessica Trew• Justin Lewis• Kevin Benedict• Linda Gran• Matthew Wright• Randy Riggs• Ray O’Docharty• Richard Duncan• Robert Hawkins• Scott Felton
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The HOTCOG & HOTEDD team and CEDS Committee appreciate the collective efforts of regional leaders, stakeholders, and community members in shaping a strategic vision for economic growth, infrastructure development, and regional prosperity.

References:

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