

# **PFLUGERVILLE COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY**

## **Chapter 1: Community Assessment**

**November 2016**

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# ABOUT THIS STRATEGY

This Comprehensive Economic Development Strategy provides Pflugerville with a unified vision and strategic approach to achieving a robust, resilient economy over the next three years and beyond. The Strategy is designed to provide the Pflugerville Community Development Corporation (PCDC), City of Pflugerville (City), and other business, education, nonprofit, and public sector leaders with a cohesive action plan that ensures everyone is working in-step toward a shared vision and goals.

Once complete, the Comprehensive Economic Development Strategy will include three chapters:

## **Chapter 1, Community Assessment**

This first chapter of the Strategy provides an in-depth trend analysis of Pflugerville's competitive position relative to the Austin metro, Texas, US, and six benchmark cities in comparative national metros. It also includes a SWOT (Strengths, Weaknesses, Opportunities, and Threats) Evaluation, combining the findings of the trend analysis with input received from the Strategy's Steering Committee and more than 50 local, regional and state stakeholders. A strategic vision, goals and recommendations begin to emerge from the findings of the SWOT.

## **Chapter 2, Target Industry Analysis**

The Strategy's second chapter includes the consulting team's recommended target industries and niche sectors. Target industries and niches are those audiences that will be the focus of Pflugerville's economic development initiative, in terms of marketing, product development, and workforce development. The process of target industry selection blends a cluster and location quotient analysis with a review of data trends, SWOT evaluation, and on-the-ground examination of Pflugerville's assets.

Continued...



# ABOUT THIS STRATEGY

## Chapter 3, Strategic Action Plan

The Strategy's final chapter will recommend a three-year program of work that will advance Pflugerville's economy. It will set the community on-course for achieving its economic development vision and goals. The Strategic Action Plan will begin with profiles of national best practices from communities facing similar opportunities and target industries. The Action Plan will cover topics related to marketing, infrastructure, workforce development, public policy, quality of place, and other factors that affect Pflugerville's competitiveness. Each recommendation in the Action Plan will be accompanied by implementation tactics – timing, roles and responsibilities, and performance metrics. *(Note: This Chapter will be developed following completion of Chapters 1 and 2.)*

### Special Focus, Workforce and Educational Institution Analysis

Access to talent is the top driver of business expansion and relocation decisions today. Understanding the dynamics of Austin region's workforce development and educational infrastructure will give Pflugerville a better informed advantage. As a supplement to the Comprehensive Economic Development Strategy, the consulting team offers a deeper dive into the talent-related assets available in Pflugerville's larger regional market.



# STEERING COMMITTEE

Avalanche and PCDC would like to thank the strategic planning Steering Committee for helping inform and guide the development of this strategic plan. This diverse group of Pflugerville stakeholders ensured that strategic plan reflects the perspective and desires of the entire community.

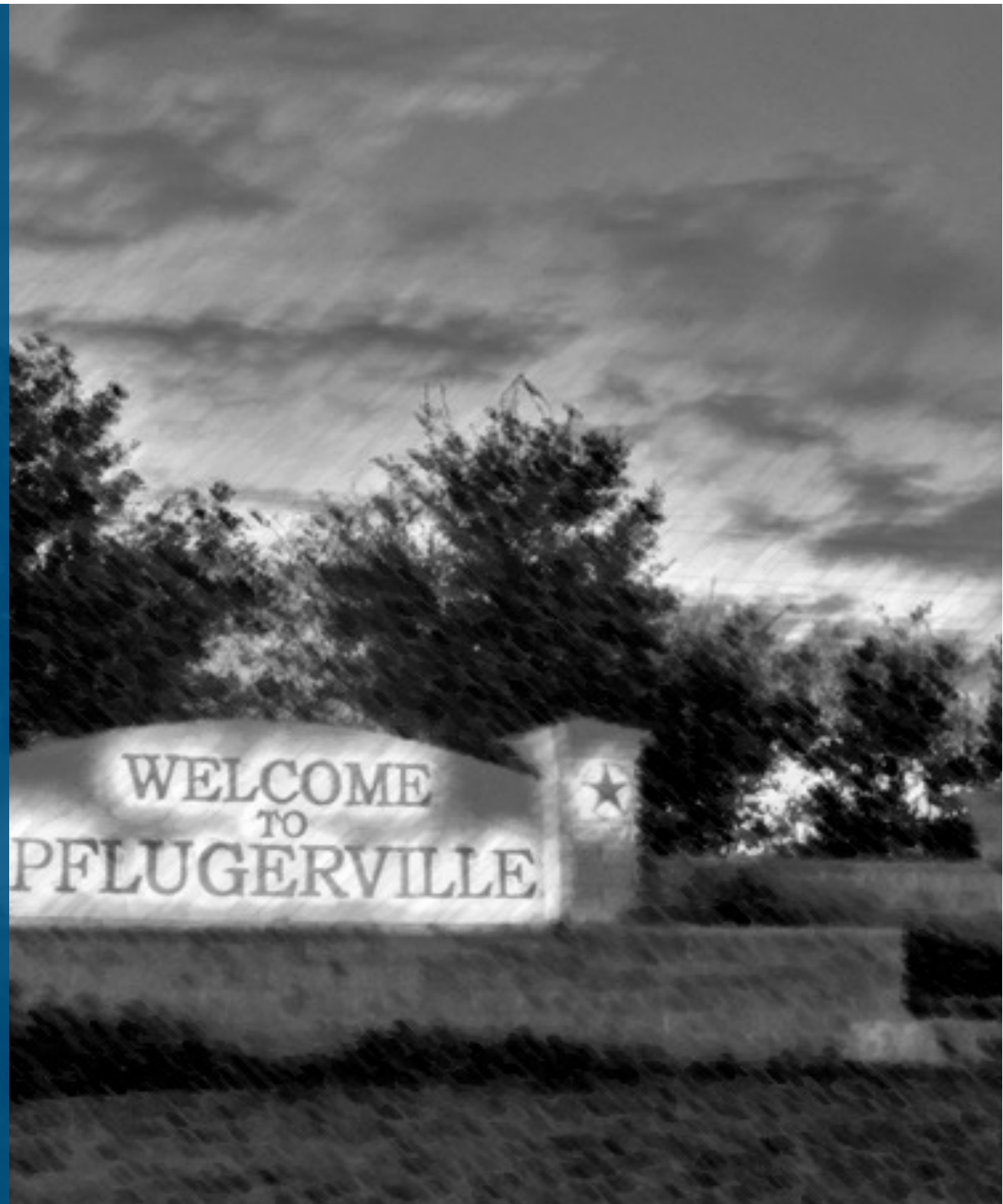
## **Pflugerville      Comprehensive      Economic      Development      Strategy** **Steering Committee Members**

Amanda Maegden  
Barth Timmermann  
Boris Milensky  
Brad Marshall  
Brigid Shea  
Carlton Inniss  
Charles Harvey  
Chris Davenport  
Clay Leben  
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Dr. Alex Torrez  
Father Craig DeYoung  
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# COMMUNITY ASSESSMENT



# INTRODUCTION

This first chapter of the Pflugerville Comprehensive Economic Development Strategy tells the story of Pflugerville today. It provides current data on economic and demographic trends in Pflugerville and the greater Austin region. It qualifies this information with perspectives gained through conversations with the residents, businesses, and leadership of the City of Pflugerville.

The analysis in this chapter will help develop a vision for Pflugerville's future and identify the goals and recommendations that will move the community forward through this strategic plan.

Data throughout this chapter is benchmarked to provide context on the city's competitive position relative to peer communities. An assessment using reliable, current data ensures that the consulting team, Pflugerville Community Development Corporation, City, and other community stakeholders are making decisions based on a foundation of shared, accurate data.

The data examined in this report cover a range of topics. The specific metrics examined on each page are from trusted sources and provide the most reliable, comparable measures of Pflugerville's competitive position. Metrics examined include employment composition and growth, export growth, federal research funding per capita, educational attainment, housing affordability, and more.

Many of these metrics were gathered from primary public sources, including the US Bureau of Labor Statistics, US Census, US Bureau of Economic Analysis, and National Science Foundation. Other data were collected from respected private sources such as the Brookings Institute and Economic Modeling Specialists International (ESMI).

Using common national metrics and sources assures the accuracy of data and that inform decisions in the strategic planning process. These are also the metrics and sources utilized by businesses, individuals, and site selectors when examining a city. They allow us to make accurate comparisons between Pflugerville and benchmark communities to examine the local competitive position.



# INTRODUCTION

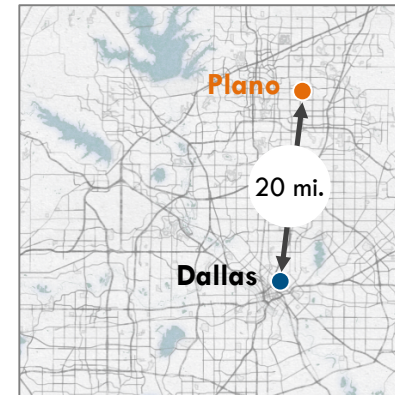
Many of the pages in the *Community Assessment* present data on six pairs of benchmark communities. The benchmark communities were carefully selected in consultation with PCDC. The consulting team first identified metropolitan areas that are considered **peer and competitor communities** of the Austin metro. These metros were Charlotte, NC; Dallas, TX; Denver, CO; Houston, TX; Nashville, TN; and Portland, OR.

Next, Avalanche Consulting identified **six cities** with similar economic, demographic, and geographic similarities to Pflugerville located within each metropolitan area. The six selected benchmark communities were Broomfield, CO; Hendersonville, TN; Indian Trail, NC; Plano, TX; Sugarland, TX; and Tigard, OR.

Indian Trail, NC



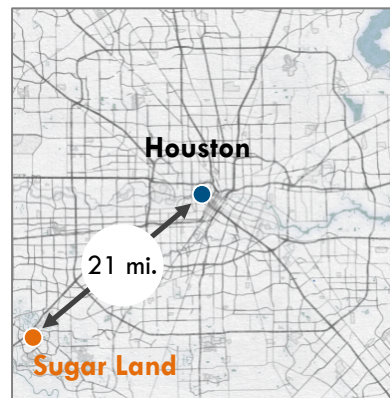
Plano, TX



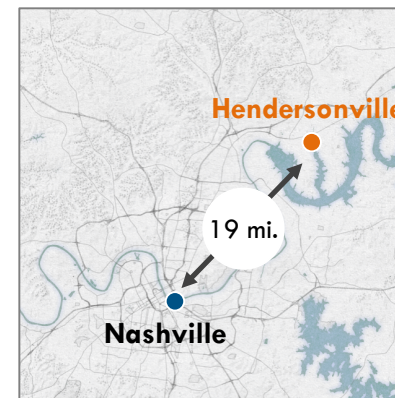
Broomfield, CO



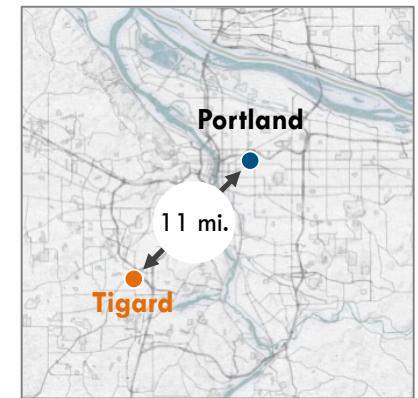
Sugar Land, TX



Hendersonville, TN



Tigard, OR





# HIGHLIGHTS

Some of the key themes and takeaways revealed in Chapter 1 include:

- Pflugerville has seen rapid job growth in recent years, but the city is gaining new residents faster than it is creating jobs – maintaining the appearance of a bedroom community despite numerous business opportunities.
- Pflugerville’s economy is deeply integrated with the Austin metropolitan region – 90% of working Pflugerville residents are employed outside the city, and 85% of local jobs are filled by non-residents. The majority of out commuters (64%) travel to Austin or Round Rock each day.
- The largest job clusters in Pflugerville remain concentrated in retail, restaurants, and construction, but the city has seen recent growth in the strong primary job clusters of manufacturing, professional services, and logistics.
- Pflugerville has a high concentration of small businesses and self-employed individuals, and the number of both is growing more rapidly than all benchmark communities.
- The population of Pflugerville is highly educated and creative – with a significantly higher share of patent inventors per job than seen in the Austin metro or any benchmark community.
- Pflugerville is one of the youngest and most diverse communities among benchmark cities and metropolitan areas and growing more culturally diverse every year.
- Pflugerville has lower poverty and higher median household incomes than the Austin metro, Texas, and the US – reflecting the strong economy, highly-skilled population, and attractiveness of the city for hardworking families.
- Homes for sale are more affordable to Pflugerville residents than most benchmark communities, but limited rental housing options have driven up prices and made renting highly unaffordable for many residents.
- Although office and industrial real estate are relatively affordably priced in Pflugerville compared to the Austin metro and benchmark communities, there is very little developed product currently available.



# ECONOMIC TRENDS



# Employment Growth

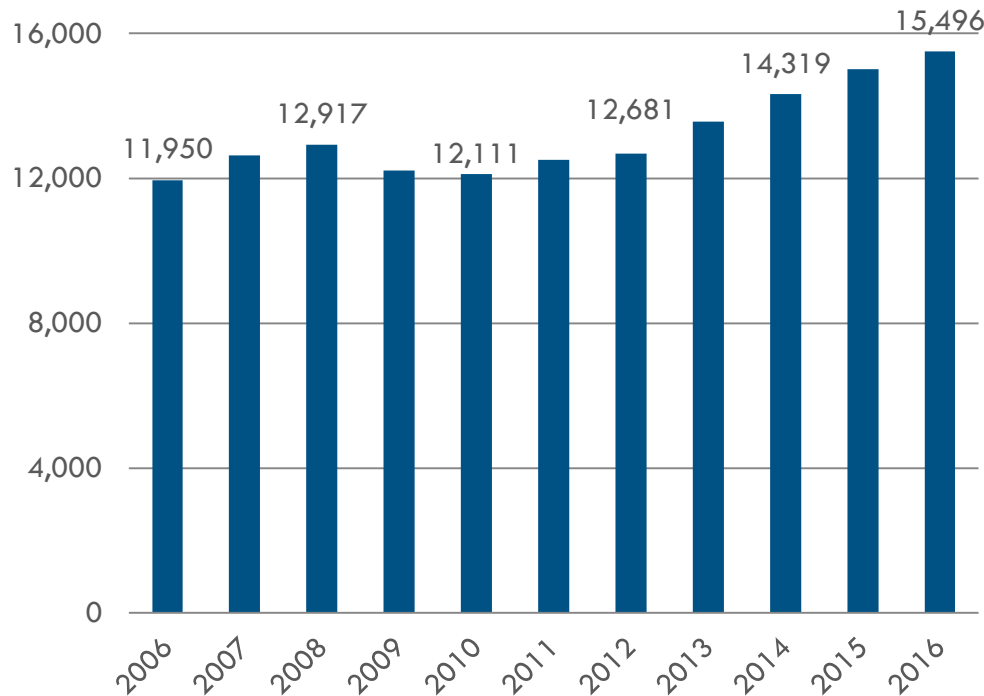
## WHY IS THIS IMPORTANT?

Job growth in Pflugerville outpaced the Austin Metro and State of Texas over the past five years.

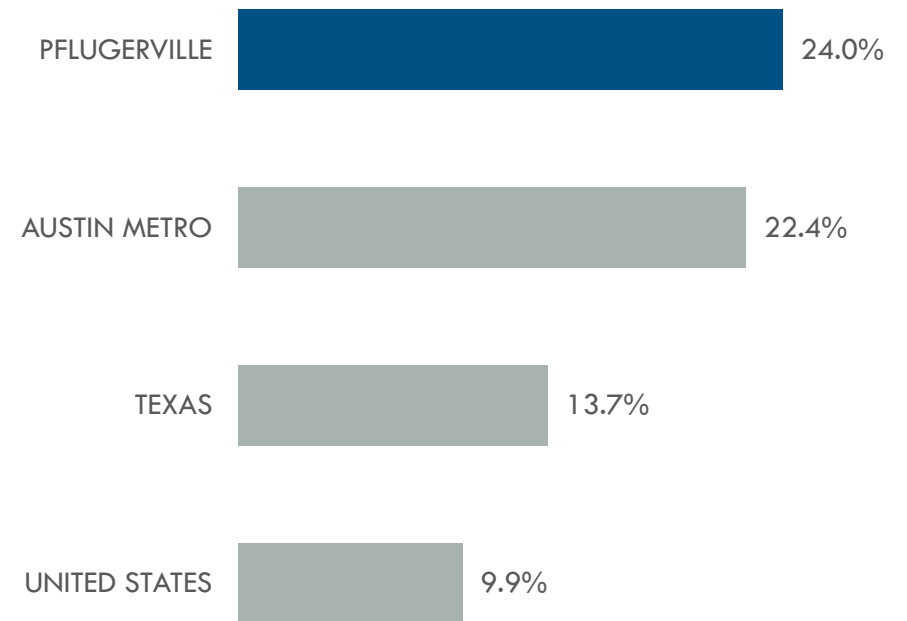
The total number of jobs in the city grew by 3,000 from 2011 to 2016, an increase of nearly 25%. This was slightly higher than 22% job growth in the Austin Metro over the same period. Local job growth rates were nearly double the state average (14%) and more than double the US average (10%).

Employment growth is a primary indicator of a community's overall economic health. Strong job creation relative to benchmark communities can indicate a more competitive business climate and the presence of supportive resources.

PFLUGERVILLE TOTAL EMPLOYMENT  
2006 – 2016



EMPLOYMENT GROWTH  
2011 – 2016



SOURCE: AVALANCHE CONSULTING / EMSI

SOURCE: AVALANCHE CONSULTING / EMSI



# Unemployment

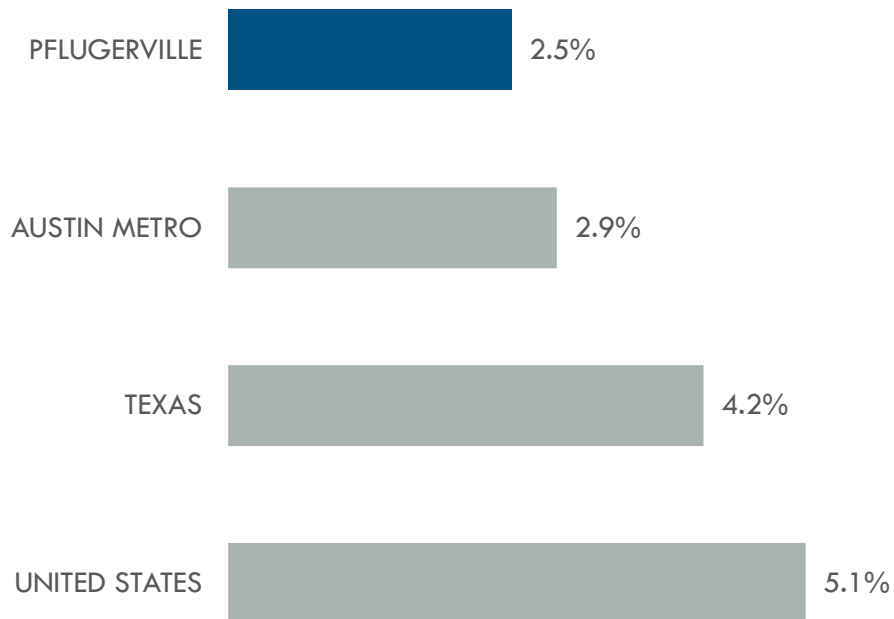
## WHY IS THIS IMPORTANT?

Over the past decade, Pflugerville's unemployment rate remained consistently below the US average. Even at the height of the recession, when unemployment reached double-digits in the US, Pflugerville's unemployment rate never exceeded 7%.

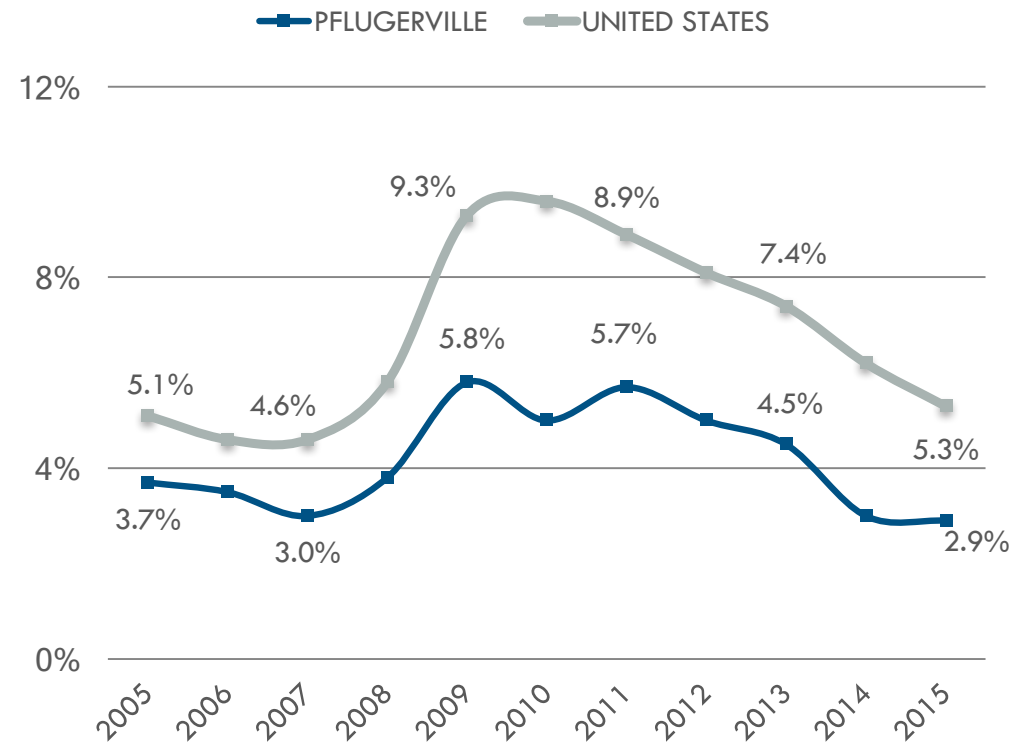
At only 2.5%, today Pflugerville's unemployment rate is less than the Austin metro, Texas, and US averages. This could indicate an increasingly tight labor market, but Pflugerville and the region benefits from rapid population growth which somewhat eases concerns.

Low unemployment means that the residents of a community are finding opportunities to work but also can reveal potential workforce shortages in conjunction with other factors. Higher unemployment may also indicate that a larger portion of residents are actively seeking jobs.

UNEMPLOYMENT RATE  
May 2016



UNEMPLOYMENT RATE  
2005 – 2015



SOURCE: AVALANCHE CONSULTING / BUREAU OF LABOR STATISTICS

SOURCE: AVALANCHE CONSULTING / BUREAU OF LABOR STATISTICS



# Benchmark Employment

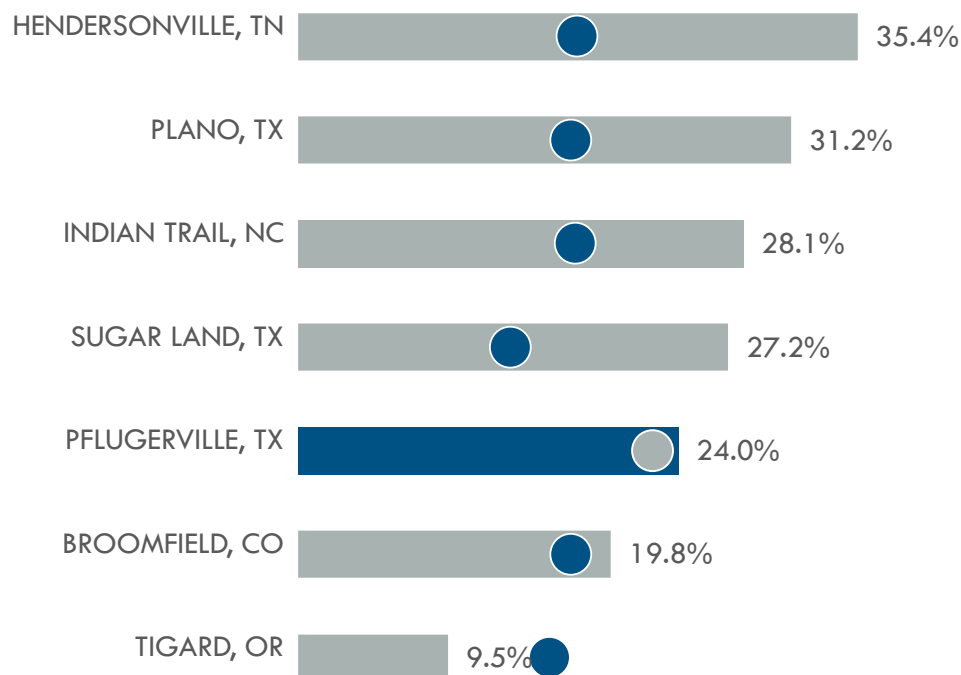
## WHY IS THIS IMPORTANT?

Over the past five years, Pflugerville ranked 5<sup>th</sup> for job growth out of the seven benchmarked communities. Although four benchmark communities saw higher job growth, it is important to note that Pflugerville's job growth of 24% was higher than all the larger metropolitan areas benchmarked – including Austin.

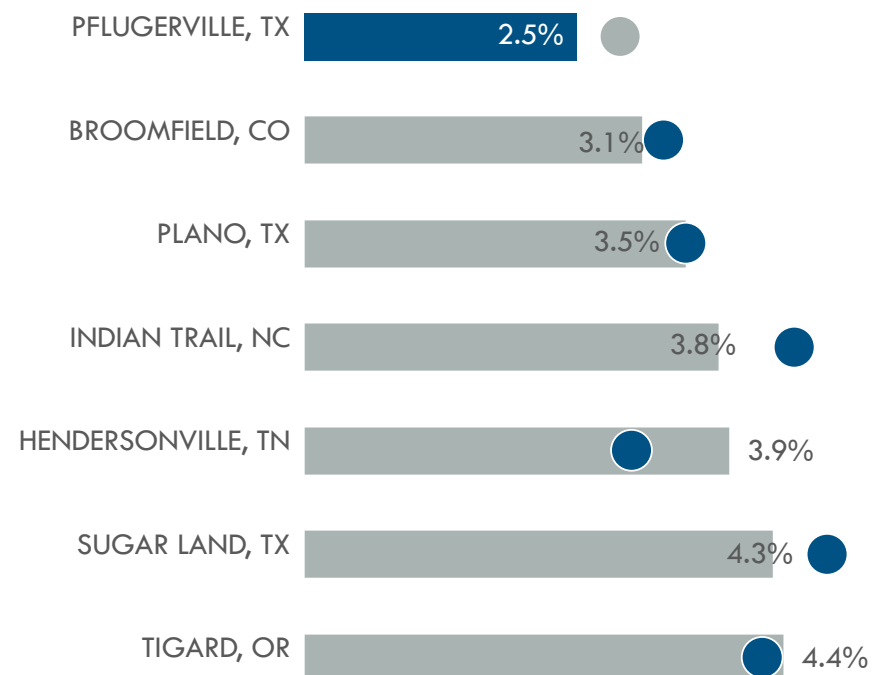
Employment growth is a primary indicator of a community's overall economic health. Strong job creation relative to benchmark communities can indicate a more competitive business climate and the presence of supportive resources.

Pflugerville has the lowest unemployment rate of all benchmarked communities and metros. The Austin metro's unemployment rate, at 2.9%, is also lower than all benchmarks.

BENCHMARK EMPLOYMENT GROWTH  
2011 – 2016



BENCHMARK UNEMPLOYMENT RATE  
MAY 2016



SOURCE: AVALANCHE CONSULTING / EMSI

SOURCE: AVALANCHE CONSULTING / BUREAU OF LABOR STATISTICS



# Industry Composition

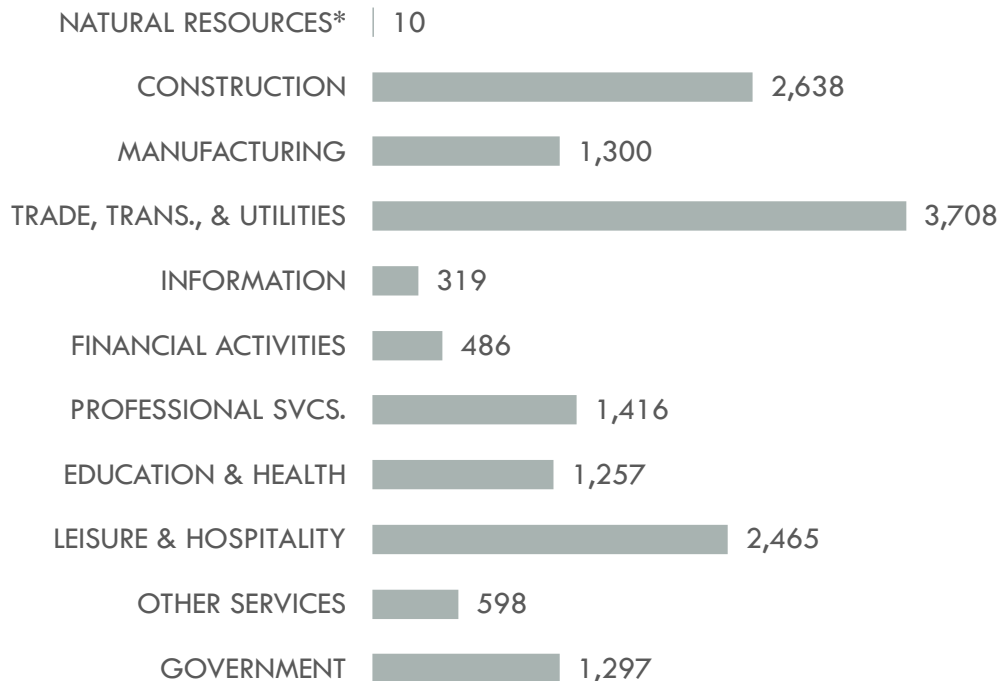
## WHY IS THIS IMPORTANT?

Pflugerville's largest industries are **Trade, Transportation, & Utilities** (which includes both retail and distribution), **Construction**, and **Leisure & Hospitality** (which includes restaurants). Besides transportation, these largest sectors contain few primary jobs – their growth is dictated primarily by population growth and disposable income.

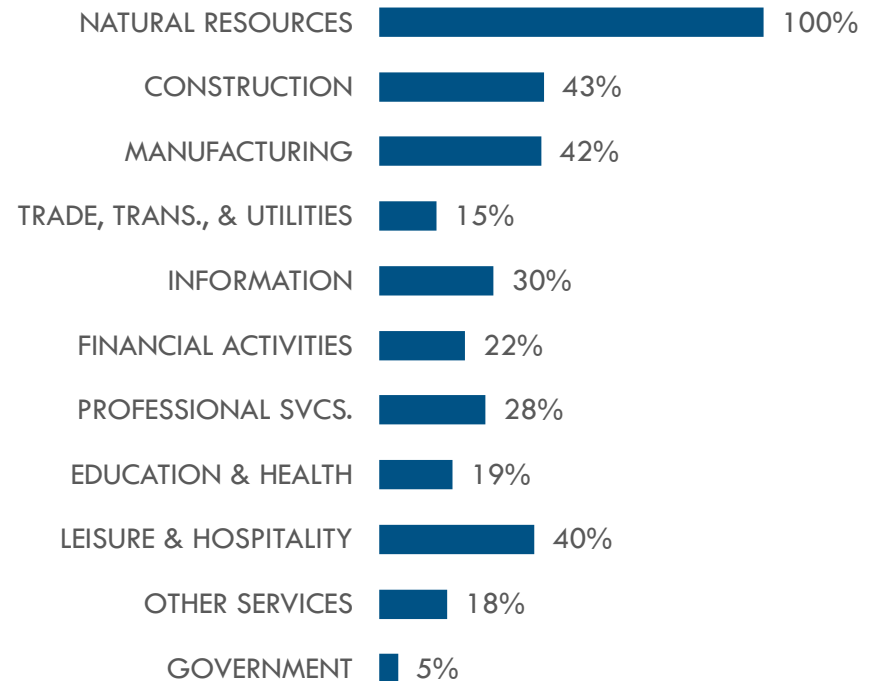
Although smaller in scale, primary job clusters such as **Professional Services** (1,400 jobs; 28% growth) and **Manufacturing** (1,300 jobs; 42% growth) are experiencing high growth and with the right resources, have potential to continue to create jobs.

Resilient economies employ residents in a diverse mix of industries. A diverse industry base allows communities to better weather economic downturns that affect one industry more than others. A diverse economy also provides a jobs with different educational and experience requirements that help sustain all residents.

PFLUGERVILLE EMPLOYMENT BY INDUSTRY  
2016



EMPLOYMENT GROWTH BY INDUSTRY  
2011 – 2016



SOURCE: AVALANCHE CONSULTING / EMSI

SOURCE: AVALANCHE CONSULTING / EMSI



\*Natural Resources includes Agriculture

# Salaries

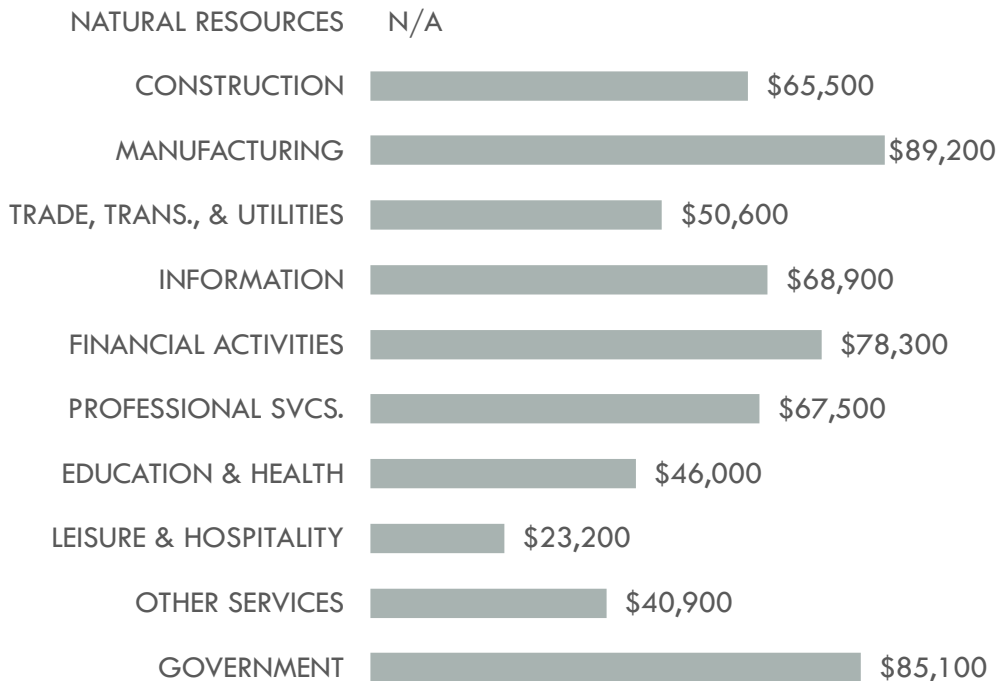
## WHY IS THIS IMPORTANT?

Average salaries in Pflugerville vary by industry. With an average wage of nearly \$89,200, Manufacturing is Pflugerville's highest paying industry, followed by Financial Activities (\$78,300). Leisure & Hospitality, with an average annual salary of less than \$23,200, is the city's lowest paying industry.

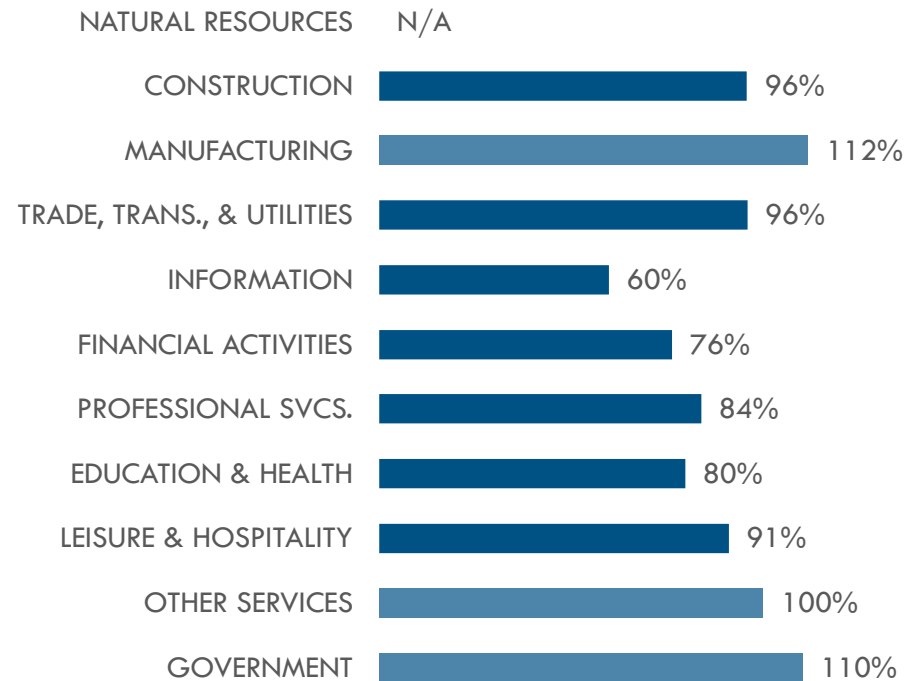
Average salaries for most industries within Pflugerville are between 10% to 15% less than US industry averages. Notable exceptions are Manufacturing and Government, which pay 12% and 10% above the US average respectively.

Examining salaries by industry helps reveal which local industries are more competitive for workers or where workers show higher productivity. Above-average salaries may also indicate high demand for those workers in a community. The presence of high-salary industries is also a sign of positive wealth creation in a community.

PFLUGERVILLE AVERAGE SALARY BY INDUSTRY  
2016



PFLUGERVILLE SHARE OF US AVERAGE SALARY BY INDUSTRY  
2015



SOURCE: AVALANCHE CONSULTING / EMSI

SOURCE: AVALANCHE CONSULTING / EMSI



# Benchmark Salaries

## WHY IS THIS IMPORTANT?

At \$57,000, average annual salaries for all workers in Pflugerville are approximately \$10,500 less than the average for all workers in the Austin metro. Among benchmark communities, Hendersonville, TN, and Indian Trail, NC, have lower average salaries.

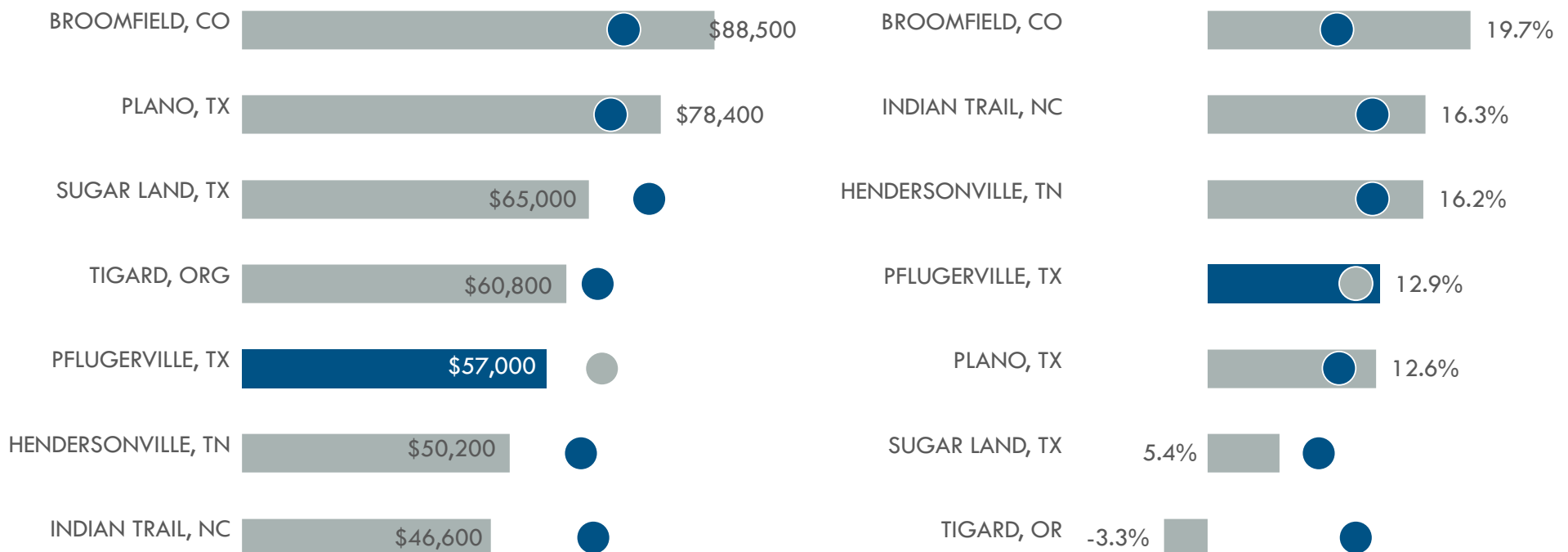
Average salaries in most benchmark communities, however, are lower than the regional average. The average salary in Pflugerville increased by 13% from 2011 to 2016, a slightly faster rise than the overall Austin metro.

Examining salaries by industry helps reveal which local industries are more competitive for workers or where workers show higher productivity. Above-average salaries may also indicate high demand for those workers in a community. The presence of high-salary industries is also a sign of positive wealth creation in a community.

AVERAGE SALARY – ALL INDUSTRIES, 2016

● - METRO

AVERAGE SALARY GROWTH – ALL INDUSTRIES, 2011 – 2016



SOURCE: AVALANCHE CONSULTING / EMSI

SOURCE: AVALANCHE CONSULTING / EMSI





# Gross Regional Product

## WHY IS THIS IMPORTANT?

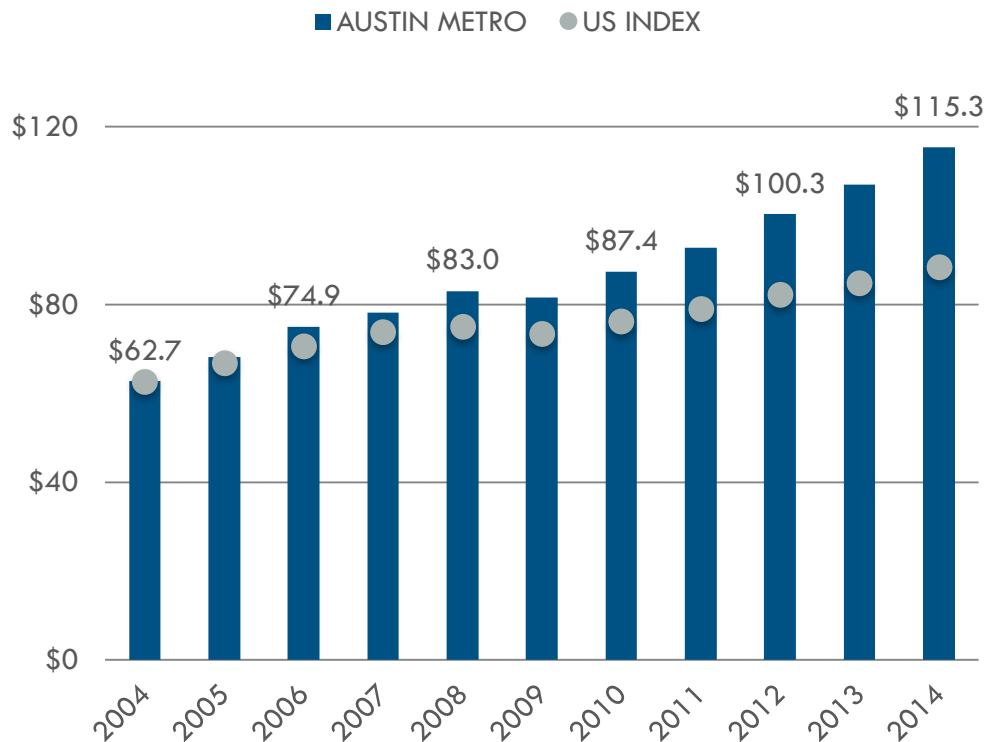
The Austin metro's gross regional product grew consistently faster than the US average over the past decade. Austin's gross regional product grew to over \$115 billion between 2004 and 2014, an increase of nearly 84%. The US gross domestic product increased just 41% during this period.

Austin's growing gross regional product, though impressive, has been partially driven by the region's strong population growth. At less than \$55,000, per capita gross regional product in the Austin metro is less than all benchmark regions except Nashville.

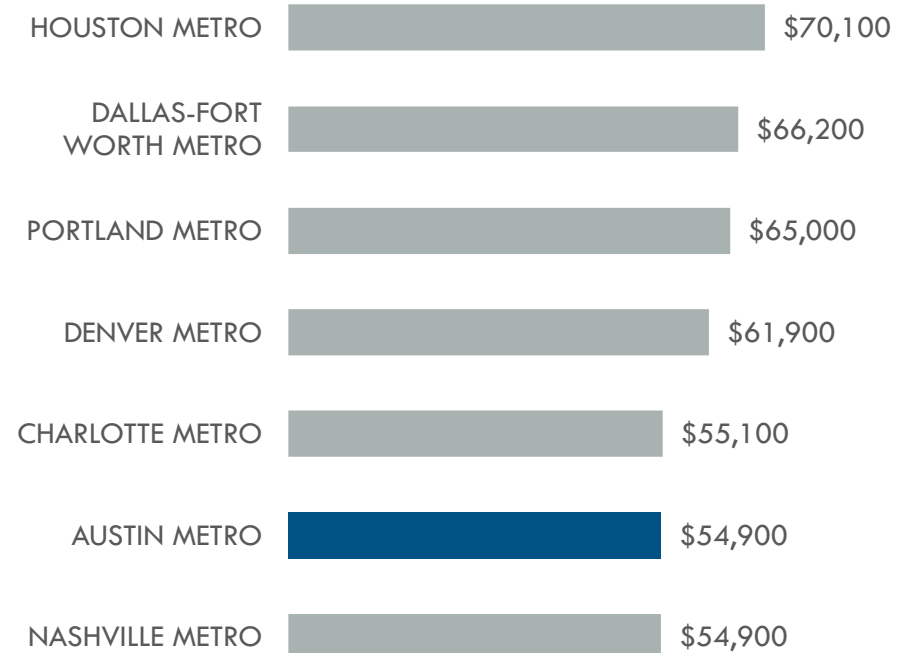
Gross Regional Product is a measure of the overall economic growth and productivity in a region. When GRP growth outpaces job growth, it shows that local workers and industries are becoming more competitive.

As a caveat, GRP measures might not fully capture high tech economy activity as well as it does manufactured good production.

AUSTIN METRO GROSS REGIONAL PRODUCT (\$ BILLIONS),  
2004 – 2014



GROSS REGIONAL PRODUCT PER CAPITA,  
2014



SOURCE: AVALANCHE CONSULTING / BUREAU OF ECONOMIC ANALYSIS

SOURCE: AVALANCHE CONSULTING / BUREAU OF ECONOMIC ANALYSIS



# Exports

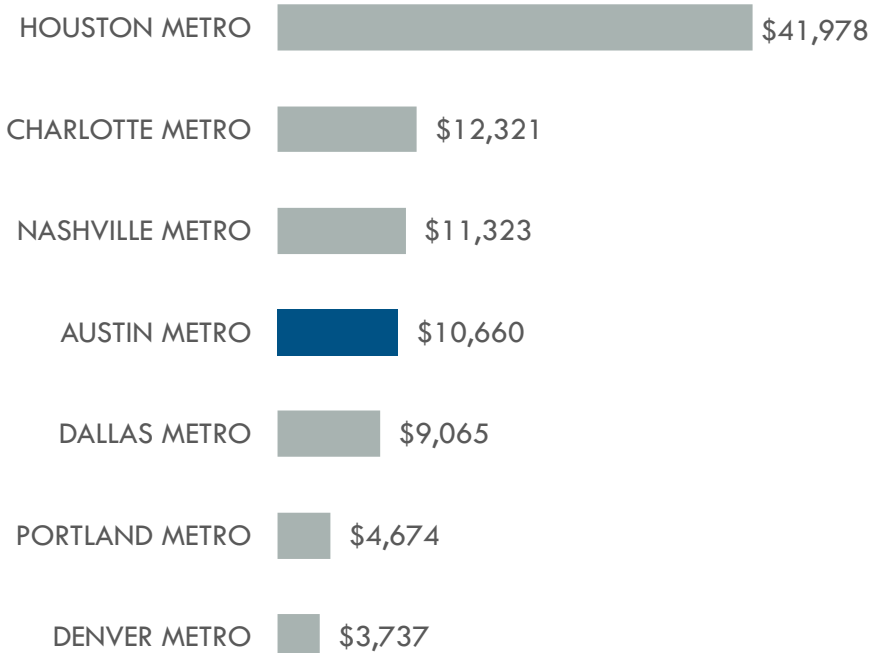
## WHY IS THIS IMPORTANT?

The Austin metro currently exports nearly \$11,000 worth of goods and services per employed worker. Among benchmark metros, only Houston and Charlotte have higher levels on exports on a per job basis.

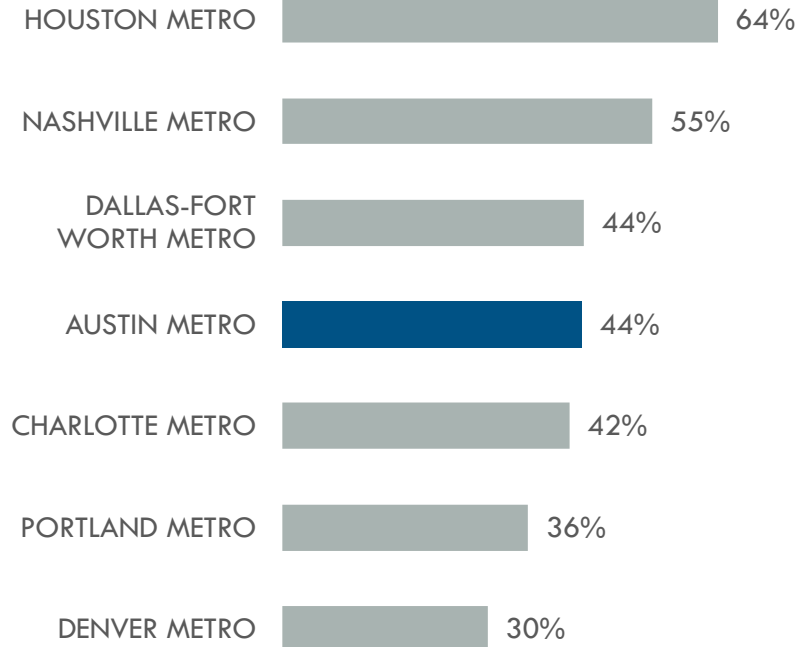
The value of Austin metro exports increased by 58% between 2009 and 2014. During this period, Dallas, Nashville, and Houston experienced greater levels of export growth. In Houston, high energy prices partially fueled export growth.

Exports reflect a region's competitive position. Exports draw outside dollars back into the the community, increasing wealth and spurring secondary impacts across the community. If products and services are exported, they usually represent areas of specialization in the community and value-added work being done.

BENCHMARK EXPORTS PER JOB,  
2014



BENCHMARK EXPORT GROWTH,  
2009 – 2014



SOURCE: AVALANCHE CONSULTING / BROOKINGS INSTITUTE

SOURCE: AVALANCHE CONSULTING / BROOKINGS INSTITUTE



# Exports

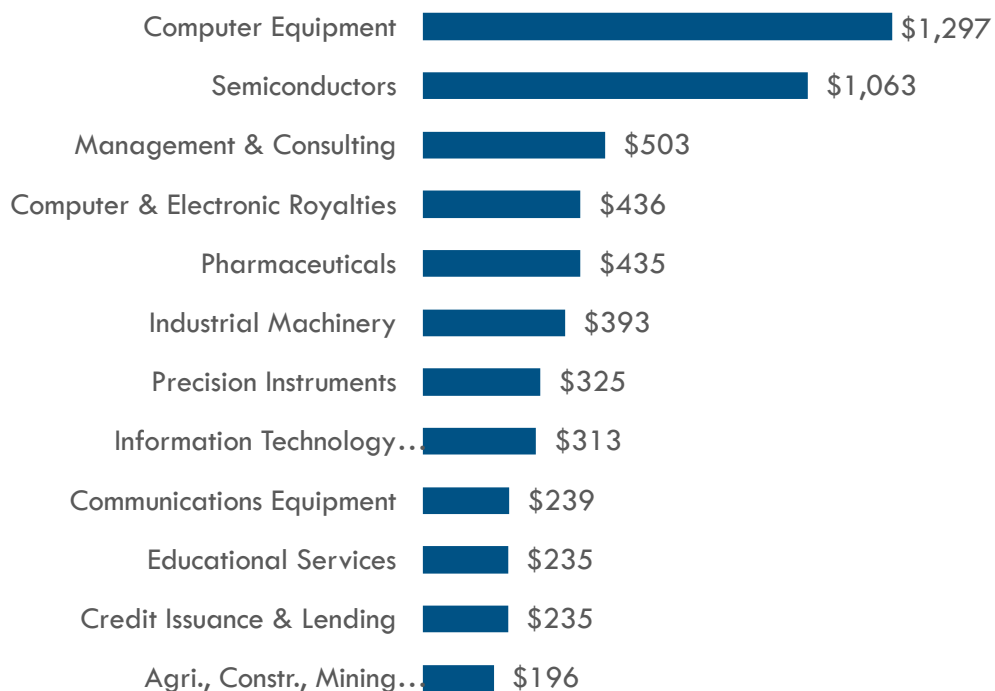
## WHY IS THIS IMPORTANT?

Within the Austin metro, the top exported products by value in 2014 were **Computer Equipment** (\$1,300 million), **Semiconductors** (\$1,100m), **Management & Consulting Services** (\$500m), **Computer & Electronic Royalties / IP** (\$440m), and **Pharmaceuticals** (\$440m).

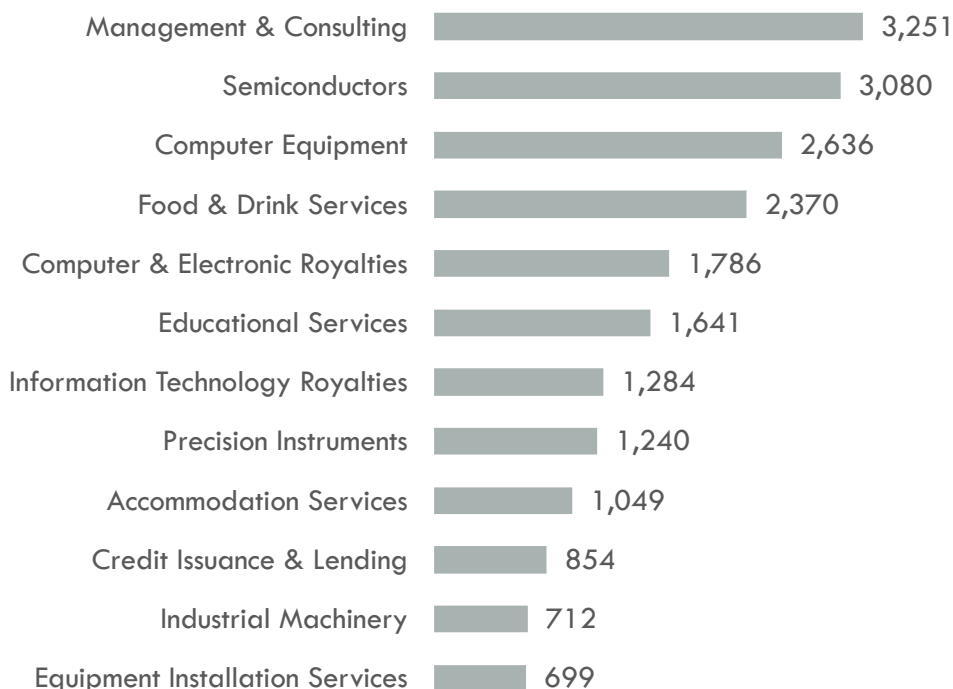
The export sectors directly supporting the most jobs were **Management & Consulting Services** (3,300 jobs), **Semiconductors** (3,100), **Computer Equipment** (2,600), **Food & Drink Services** (2,400), and **Computer & Electronic Royalties / IP** (1,800).

Exports reflect a region's competitive position. Exports draw outside dollars back into the the community, increasing wealth and spurring secondary impacts across the community. If products and services are exported, they usually represent areas of specialization in the community and value-added work being done.

TOP AUSTIN METRO EXPORTS BY VALUE (MILLIONS),  
2014



TOP AUSTIN METRO EXPORTS BY DIRECTLY SUPPORTED JOBS  
2014



# Entrepreneurial Activity

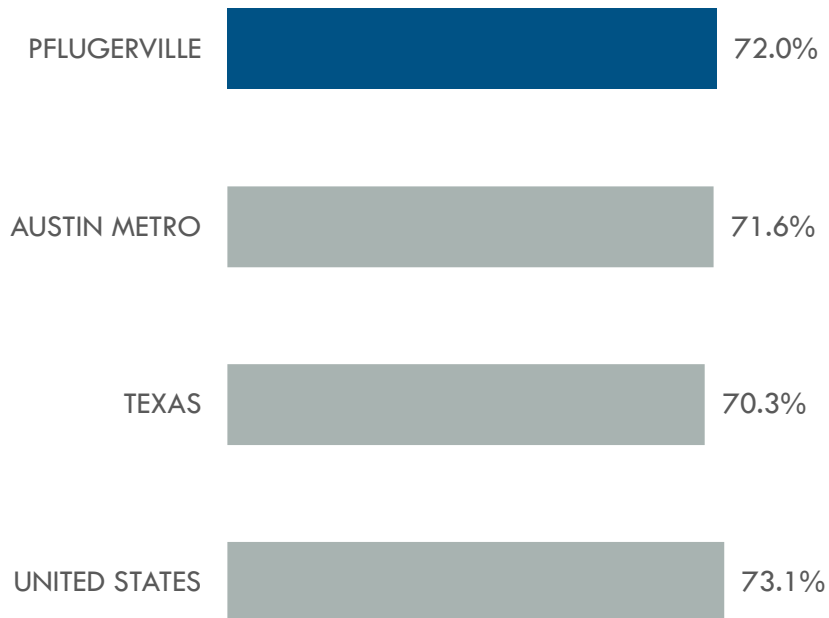
## WHY IS THIS IMPORTANT?

Micro businesses, defined as those with fewer than 10 employees, represent 72% of all businesses within Pflugerville. The share of micro businesses in Pflugerville is relatively close to the Austin metro and US averages.

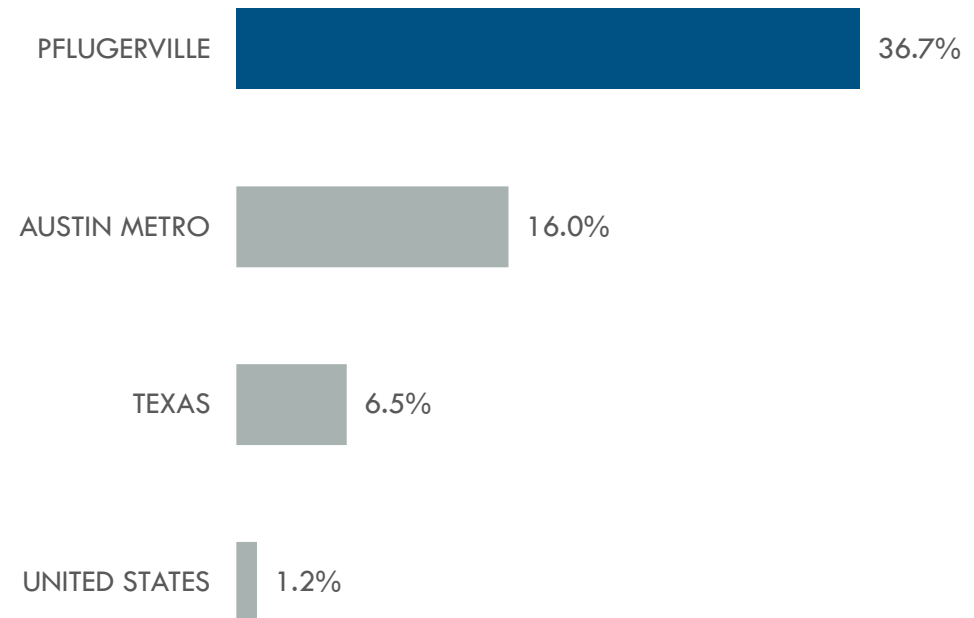
The number of microbusinesses in Pflugerville grew rapidly over the past five years. Between 2009 and 2014, the number of microbusinesses in Pflugerville increased by 37%, more than twice the rate in the Austin metro. During this period, the number of micro businesses in Texas and the US increased just 6.5% and 1.2% respectively.

Businesses that have fewer than ten employees are the heart of the national economy. While few create big job gains all at once and many fail, positive growth of small businesses reflects a thriving economy and the presence of an ecosystem that encourages entrepreneurship by being business friendly.

MICRO BUSINESSES (<10 EMPLOYEES), 2014  
% SHARE OF ALL BUSINESSES



GROWTH IN MICRO BUSINESSES (<10 EMPLOYEES),  
2009 – 2014



SOURCE: AVALANCHE CONSULTING / US CENSUS COUNTY BUSINESS PATTERNS

SOURCE: AVALANCHE CONSULTING / US CENSUS COUNTY BUSINESS PATTERNS



# Benchmark Entrepreneurship

## WHY IS THIS IMPORTANT?

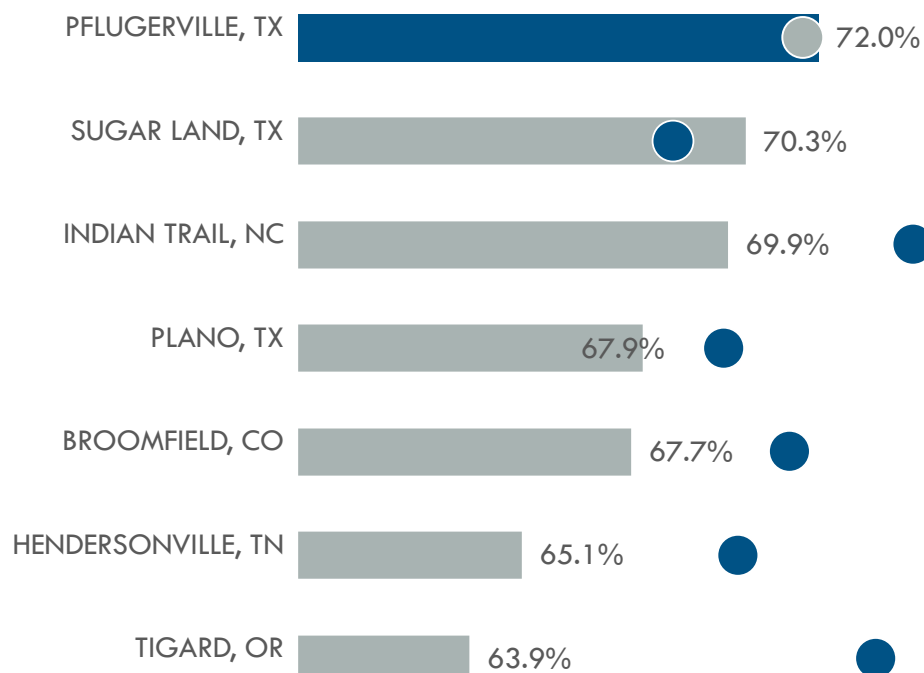
At 72%, Pflugerville has the highest share of micro businesses among all benchmark communities. The high share of micro businesses in Pflugerville is notable because the Austin metro ranks third among benchmark metros. As a share of all businesses, micro businesses are more common in both Charlotte and Portland.

Over the past five years, the number of micro businesses in Pflugerville grew 37%. This pace is faster than the pace in all other benchmark communities.

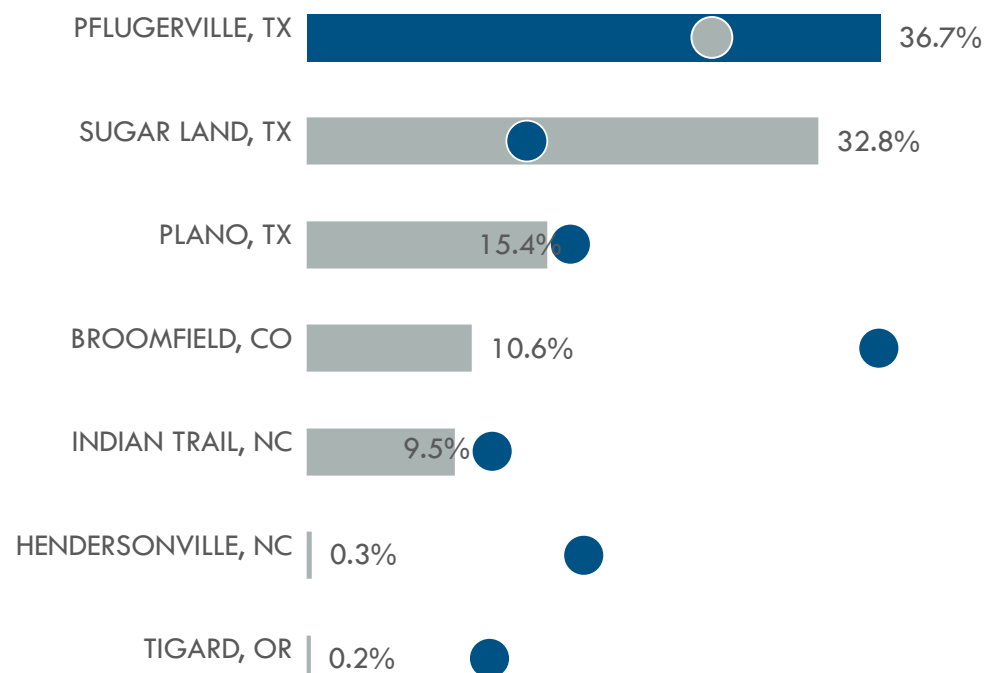
Businesses that have fewer than ten employees are the heart of the national economy. While few create big job gains all at once and many often fail, positive growth of small businesses reflects a thriving economy and the presence of an ecosystem that encourages entrepreneurship by being business friendly.

MICRO BUSINESSES (<10 EMPLOYEES),  
% SHARE OF ALL BUSINESSES, 2014

● - METRO



GROWTH IN MICRO BUSINESSES (<10 EMPLOYEES),  
2009 – 2014



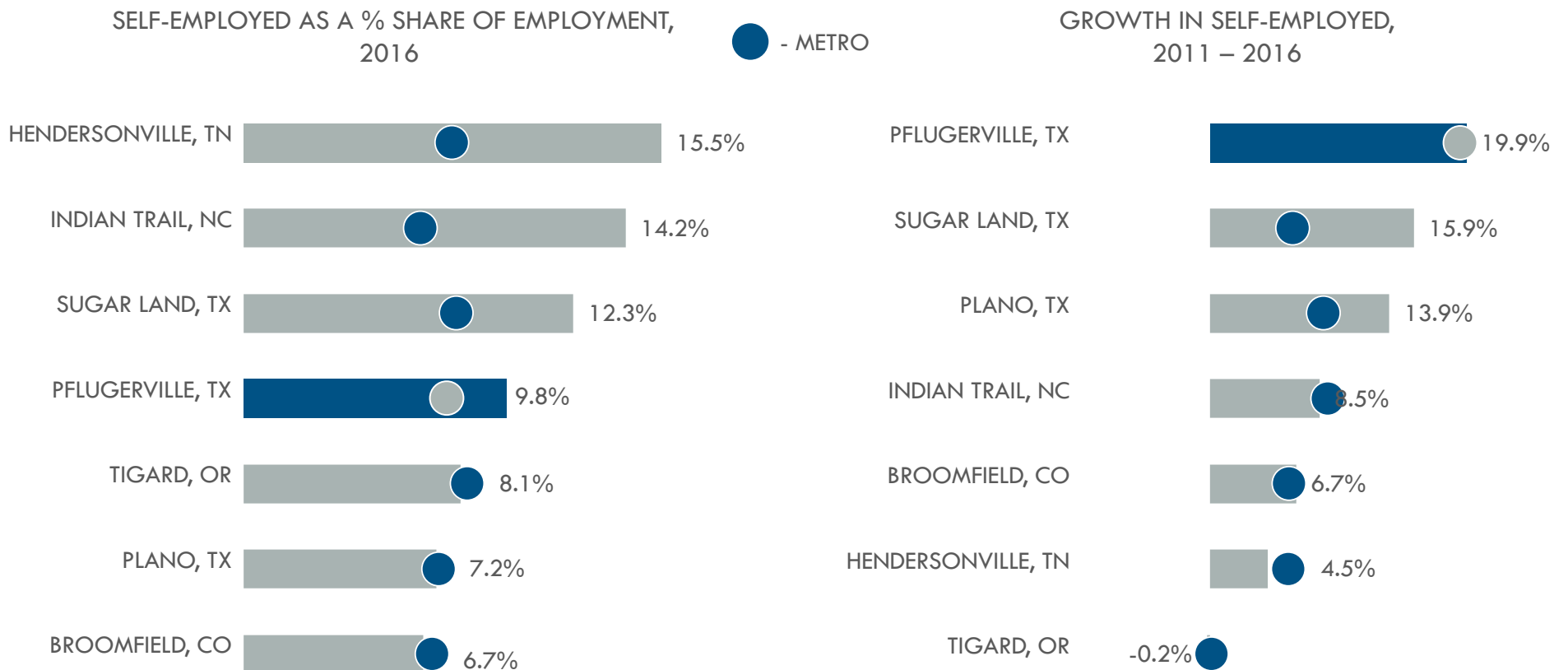
# Self Employed

## WHY IS THIS IMPORTANT?

With 9.8% of workers self-employed, Pflugerville has a higher share of self-employed workers than the Austin metro and US averages. Compared to benchmark communities, Pflugerville sits in the middle of the pack – with Hendersonville, Indian Trail, and Sugar Land all having higher shares of self-employed individuals.

The number of self-employed grew more rapidly in Pflugerville and the Austin metro than any other benchmarks. From 2011 to 2016, the number of self-employed workers grew nearly 20% in Pflugerville – compared to 2% nationally and 11% benchmark average.

The number of self-employed individuals in a community often indicates a strong entrepreneurial environment. Self-employed individuals make up 7% of the US workforce and 8% of the Texas workforce. These individuals are often working on their own startups and have creative ideas to tap for business expansion.



SOURCE: AVALANCHE CONSULTING / EMSI

SOURCE: AVALANCHE CONSULTING / EMSI



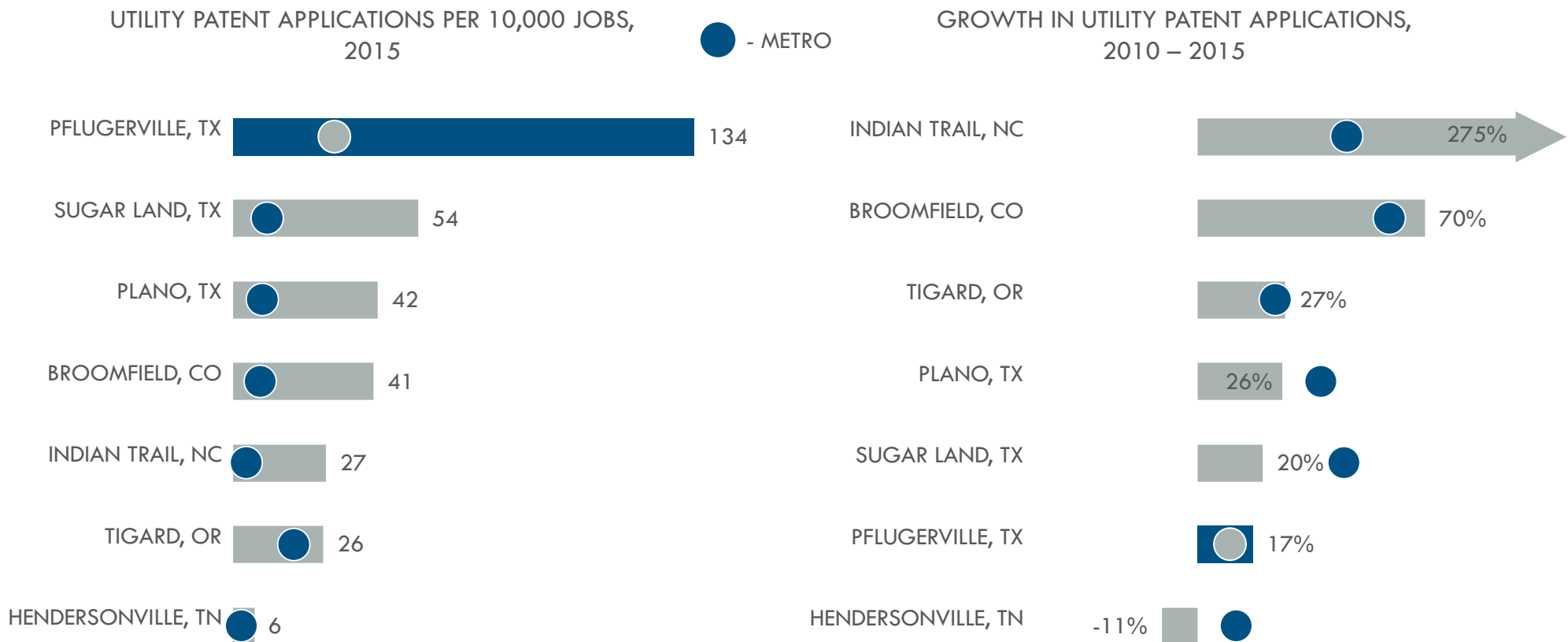
# Patent Activity

## WHY IS THIS IMPORTANT?

Pflugerville has an extraordinarily high number of residents applying for patents. In 2015, 134 utility patents were issued to Pflugerville residents for every 10,000 jobs within the city. This share of patent holders is more than double the Austin average and all other benchmarks.

High levels of local patent production within a community may reflect a concentration of innovative businesses and/or innovative individuals. In either instance, local innovation often serves as the basis for increased start-up activity.

Between 2010 and 2015, the number of patents produced by Pflugerville residents increased by 17%. While the rise in locally awarded patents exceeded the growth of the broader Austin metro, it trailed most benchmark communities.



SOURCE: AVALANCHE CONSULTING / USPTO

SOURCE: AVALANCHE CONSULTING / USPTO



# Office Real Estate

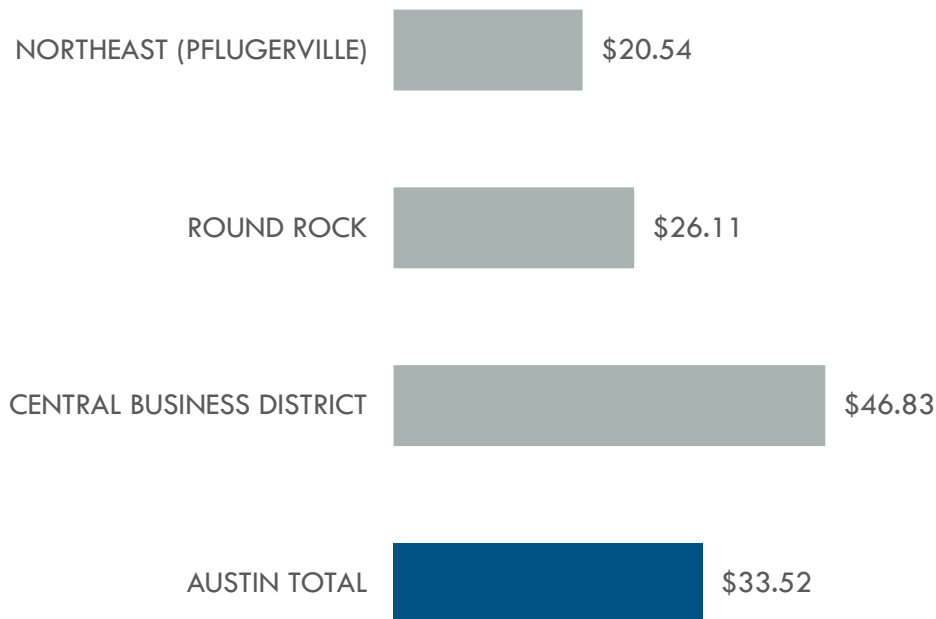
## WHY IS THIS IMPORTANT?

The Cushman Wakefield Northeast Austin office market includes Pflugerville as well as several other neighboring communities. Office lease rates within Northeast Austin are lower than much of the region. Average asking office rent within Northeast Austin is less than \$21 per square foot, approximately 40% less than the Austin metro average.

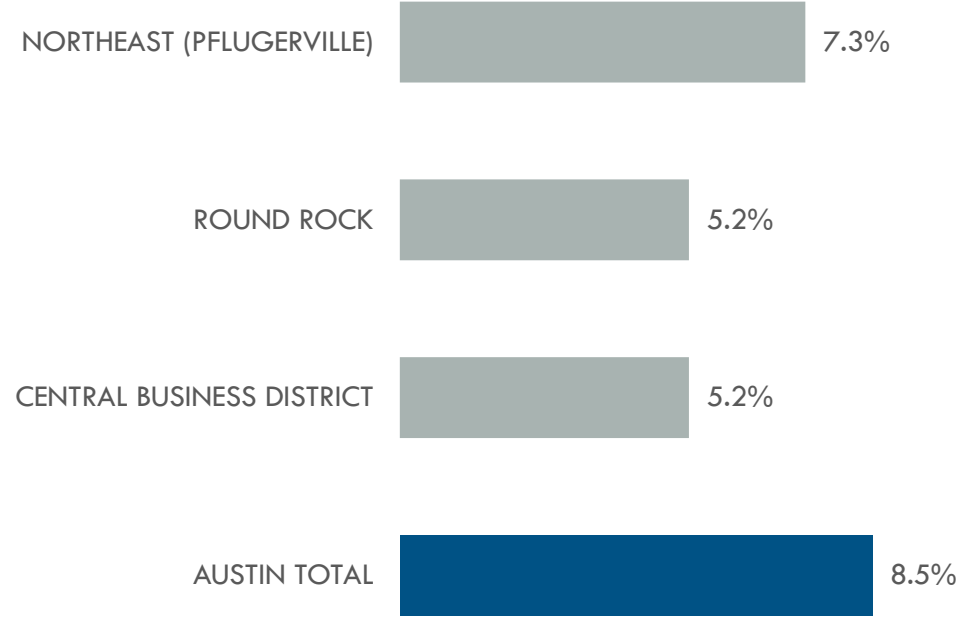
Slightly more than 7% of all office space within Northeast Austin is currently vacant, but this does not reflect the situation in Pflugerville. **Anecdotal evidence and discussions suggests very low vacancy rates and limited availability of office.**

High office lease rates may limit impede entrepreneurship and start-up activity within a community. On the other hand, high vacancy rates within a community may reflect weaknesses in the local economy.

AVERAGE ASKING OFFICE RENT (\$/SF, ALL CLASSES),  
Q1 2016



OVERALL VACANCY RATE (ALL CLASSES),  
Q1 2016



SOURCE: AVALANCHE CONSULTING / CUSHMAN WAKEFIELD

SOURCE: AVALANCHE CONSULTING / CUSHMAN WAKEFIELD





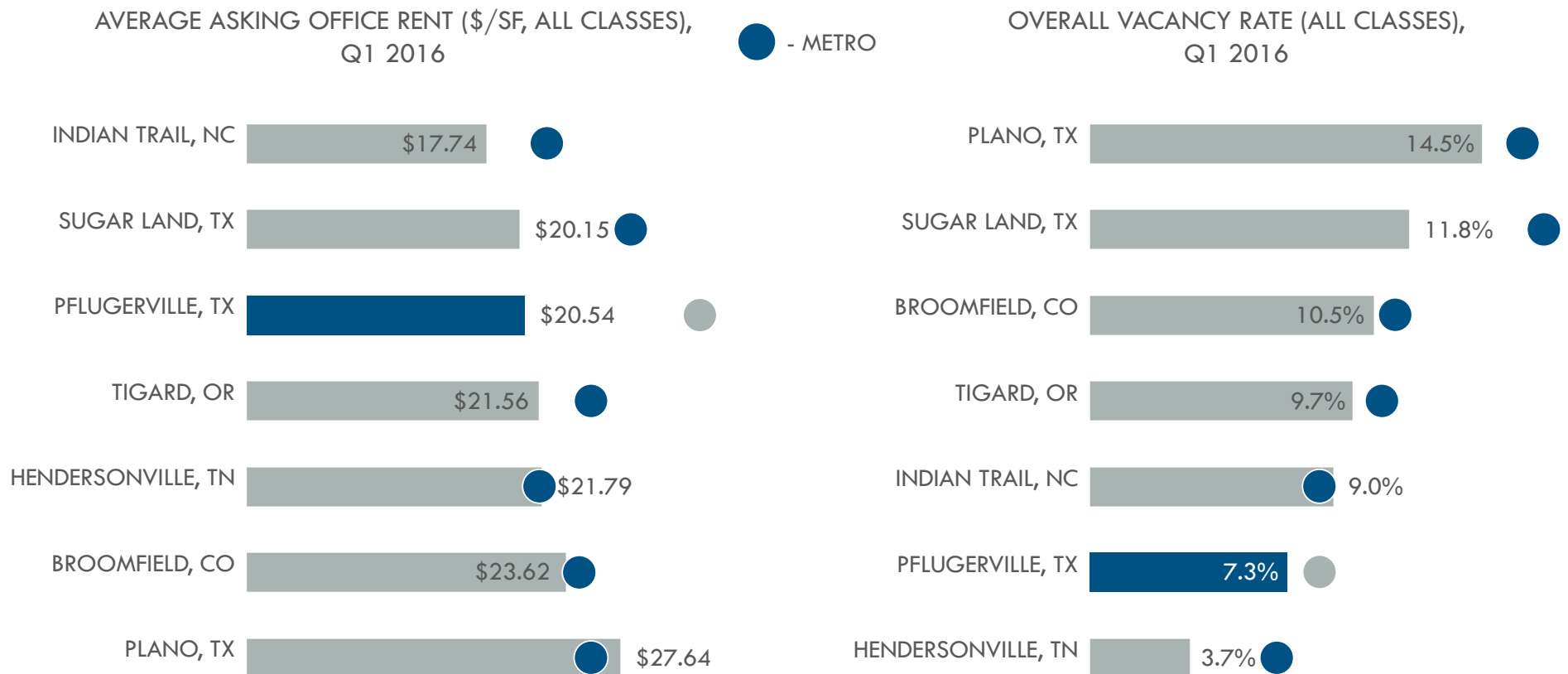
# Benchmark Office

## WHY IS THIS IMPORTANT?

Office lease rates within Northeast Austin are very competitive relative to other communities. With an average asking rate of \$21 per square foot, Northeast Austin ranked third among benchmarks for office cost. Only Indian Trail and Sugar Land had lower lease rates.

High office lease rates may impede entrepreneurship and start-up activity within a community. On the other hand, high vacancy rates within a community may reflect weaknesses in the local economy.

Pflugerville has very little office space available for rent. The benchmarked communities had an average office vacancy rate of 12%, compared to 7.3% in Northeast Austin (and likely much lower in the City of Pflugerville).



SOURCE: AVALANCHE CONSULTING / CUSHMAN WAKEFIELD

SOURCE: AVALANCHE CONSULTING / CUSHMAN WAKEFIELD



# Industrial Real Estate

## WHY IS THIS IMPORTANT?

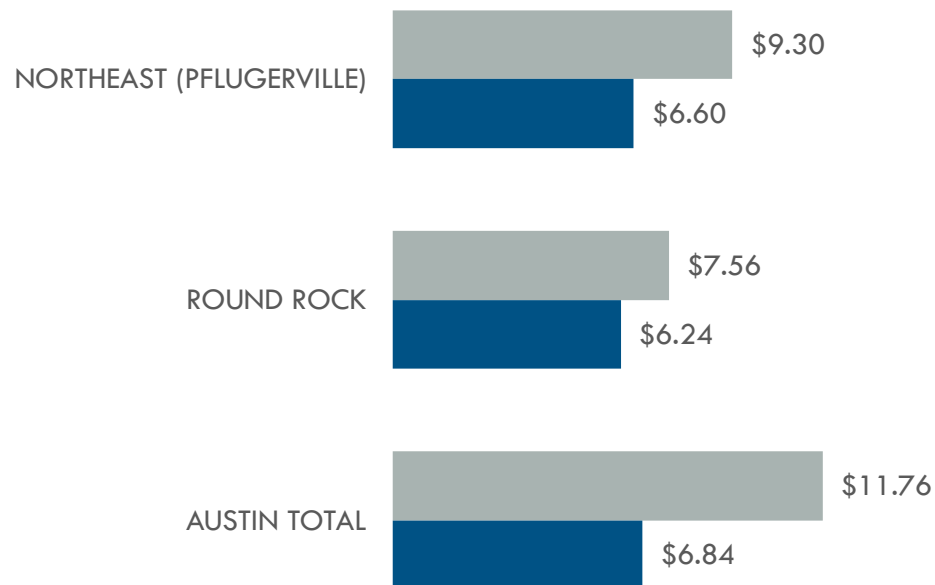
Average net rent for Flex and Warehousing / Distribution space within Northeast Austin (Pflugerville) is \$9.30 and \$6.60 per square foot respectively. Flex and Warehousing space within Pflugerville is less expensive than regional average but slightly more expensive than in Round Rock.

At nearly 16%, the vacancy for industrial real estate within Pflugerville is higher than in Round Rock (8%) or the Austin region as a whole (7%). Anecdotal evidence indicates that much of this vacant space may be located in Northeast Austin outside of Pflugerville.

Available and cost-effective industrial real estate is crucial in supporting industries such as Manufacturing and Logistics. The absence of sufficient, affordable industrial space often precludes the growth of these industries within a community.

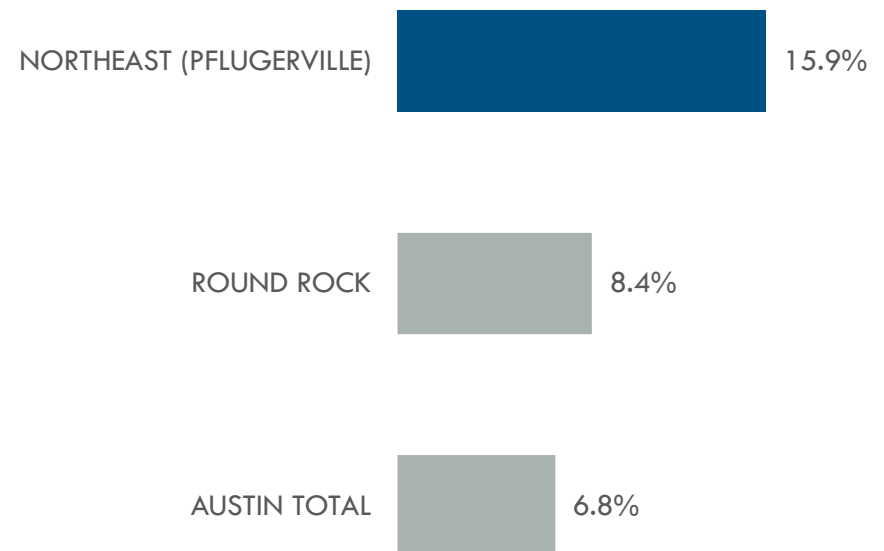
DIRECT WEIGHTED AVERAGE NET RENT (\$/SF),  
Q1 2016

■ FLEX ■ WAREHOUSING / DISTRIBUTION



OVERALL VACANCY RATE (ALL TYPES),  
Q1 2016

*Note: These statistics only reflect buildings available for lease and not buildings for sale. The market for owner-occupied buildings is more difficult to quantify.*



# Benchmark Industrial

## WHY IS THIS IMPORTANT?

Flex space in Pflugerville is relatively affordable compared to most benchmarks. At \$9.30 a square foot, Flex space in Pflugerville is more expensive than Indian Trail and Plano but more affordable than Sugarland and Broomfield.

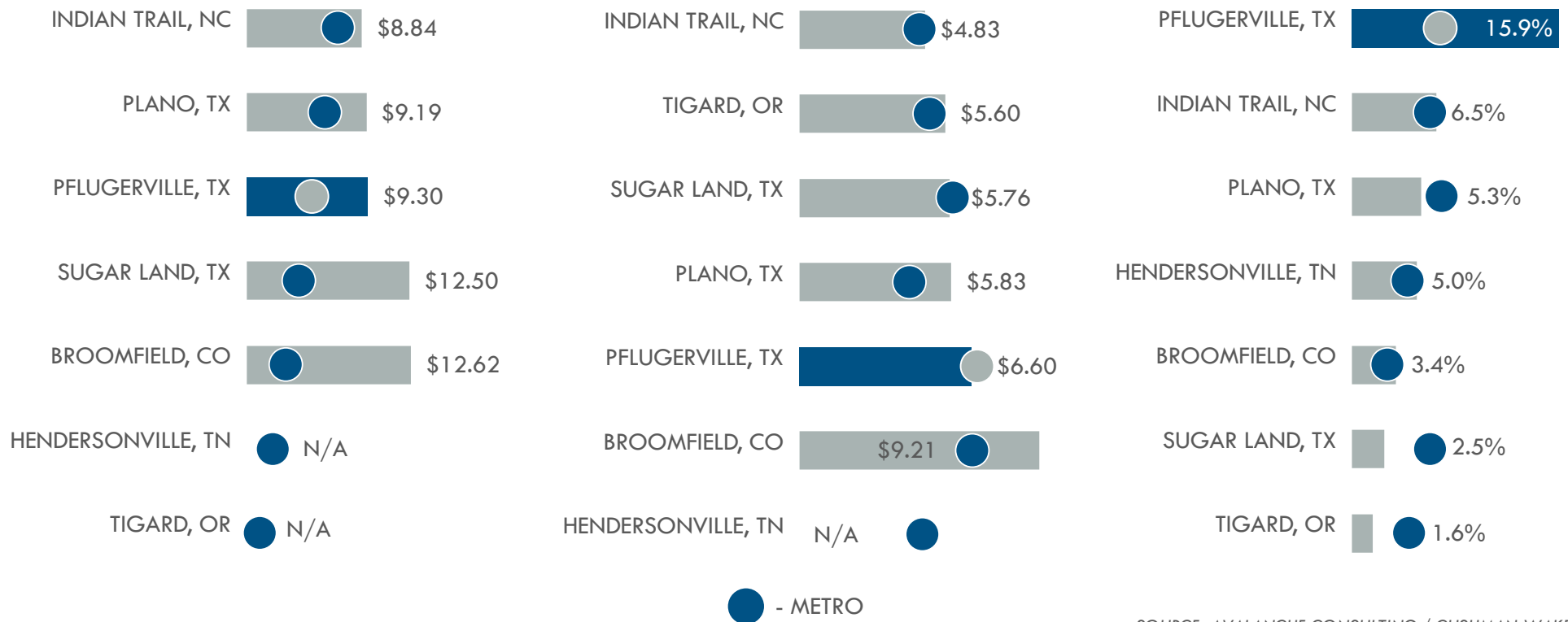
Warehouse space in Pflugerville is more expensive than all benchmark communities except Broomfield. Somewhat paradoxically, Pflugerville's industrial real estate has the highest vacancy rate at nearly 16% - but it is important to remember this may be located outside city borders. Higher costs and vacancy rates may also reflect new construction.

Available and cost-effective industrial real estate is crucial in supporting industries such as Manufacturing and Logistics. The absence of sufficient, affordable industrial space often precludes the growth of these industries within a community.

DIRECT WEIGHTED AVERAGE NET RENT (\$/SF),  
FLEX, Q1 2016

DIRECT WEIGHTED AVERAGE NET RENT (\$/SF),  
WAREHOUSE, Q1 2016

OVERALL VACANCY RATE (ALL TYPES),  
Q1 2016



SOURCE: AVALANCHE CONSULTING / CUSHMAN WAKEFIELD



# WORKFORCE TRENDS



# Population Growth

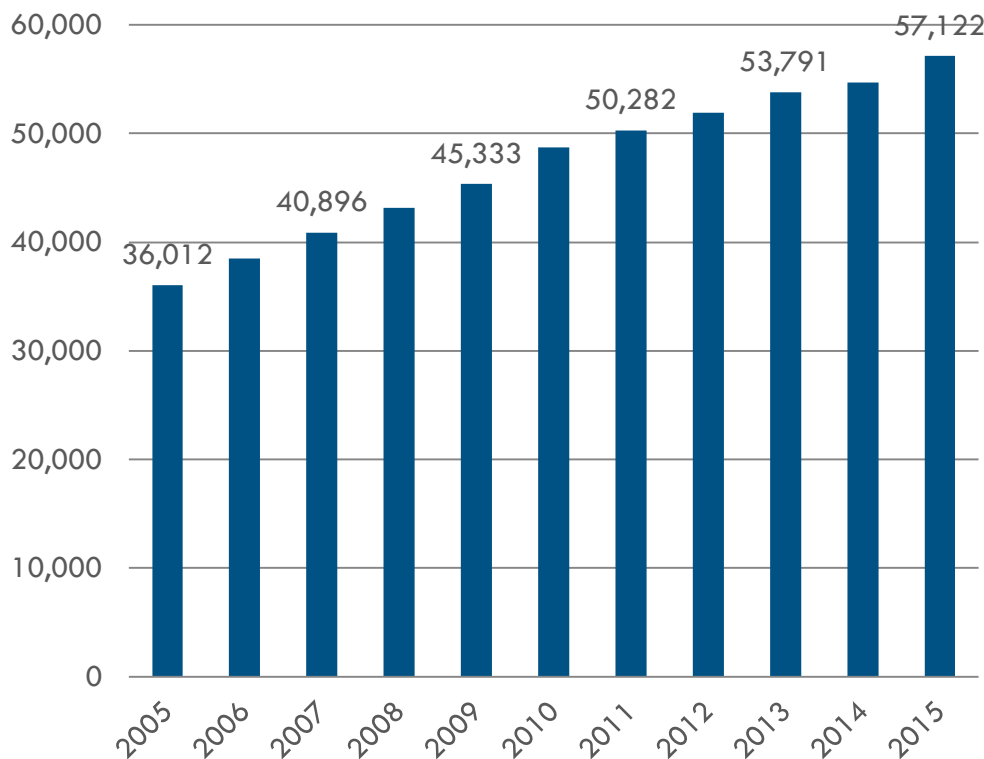
## WHY IS THIS IMPORTANT?

Pflugerville is one of the fastest growing cities in America. The local population grew more than 17% from 2010 to 2015 – faster than the entire Austin metro. During this period, Pflugerville’s population grew twice as fast as Texas and more than four times the US rate.

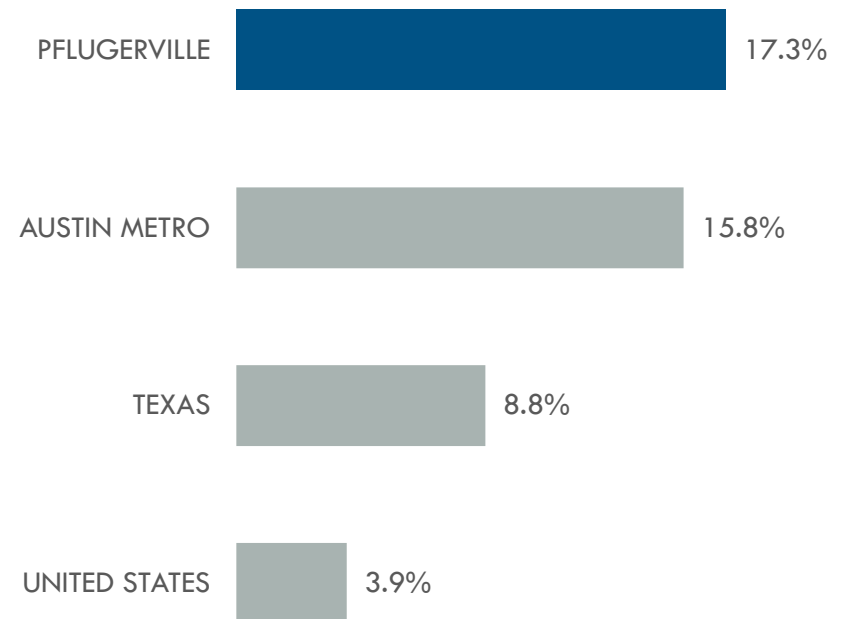
Officially, Pflugerville’s population is approaching 60,000 residents. This figure does not include individuals living in the city’s extra territorial jurisdiction (ETJ). According to city estimates, the combined population of both Pflugerville and its ETJ exceeds 85,000.

Population growth is one of the base indicators of overall economic prosperity in a community. A growing population shows that a community has assets and job opportunities that retain younger residents and attract new workers. A growing population also reassures businesses that they will have workers and new customers available in the future.

PFLUGERVILLE TOTAL POPULATION  
2005 – 2015



POPULATION GROWTH  
2010 – 2015



SOURCE: AVALANCHE CONSULTING / US CENSUS

SOURCE: AVALANCHE CONSULTING / US CENSUS



# Commuting Patterns

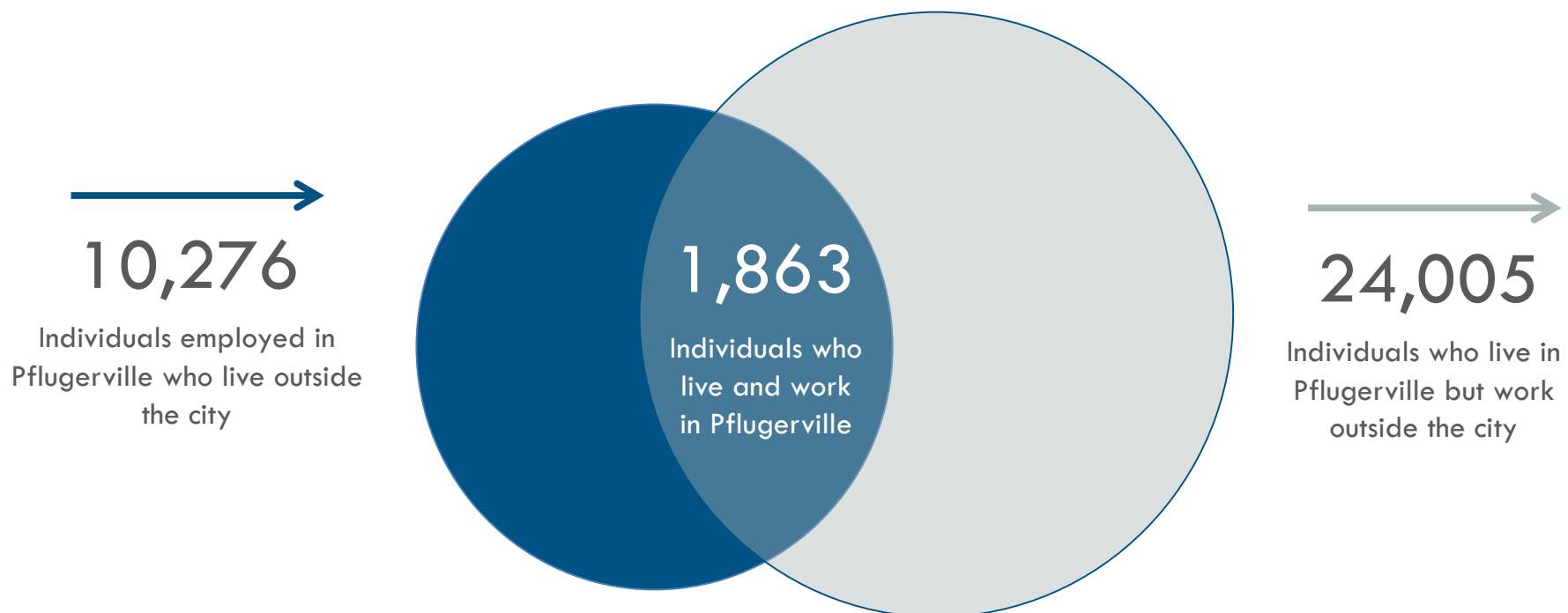
## WHY IS THIS IMPORTANT?

Pflugerville hosts two almost entirely separate populations – workers and residents. Pflugerville is home to nearly 27,500 employed individuals. Approximately 25,500 of these workers – **more than 90% of all employed residents living in Pflugerville – commute out to jobs in other cities.**

At same time, more than 85% of all jobs within Pflugerville are filled by individuals who live in other cities. **Fewer than 2,000 individuals both live and work in Pflugerville.**

Commuting patterns play several important roles in a region's economy. Regions that can draw from the available talents and skill sets present outside of their communities can significantly increase their available workforce.

PFLUGERVILLE COMMUTING PATTERNS (PRIMARY JOBS),  
2014



SOURCE: AVALANCHE CONSULTING / US CENSUS LEHD



# Commuting Patterns

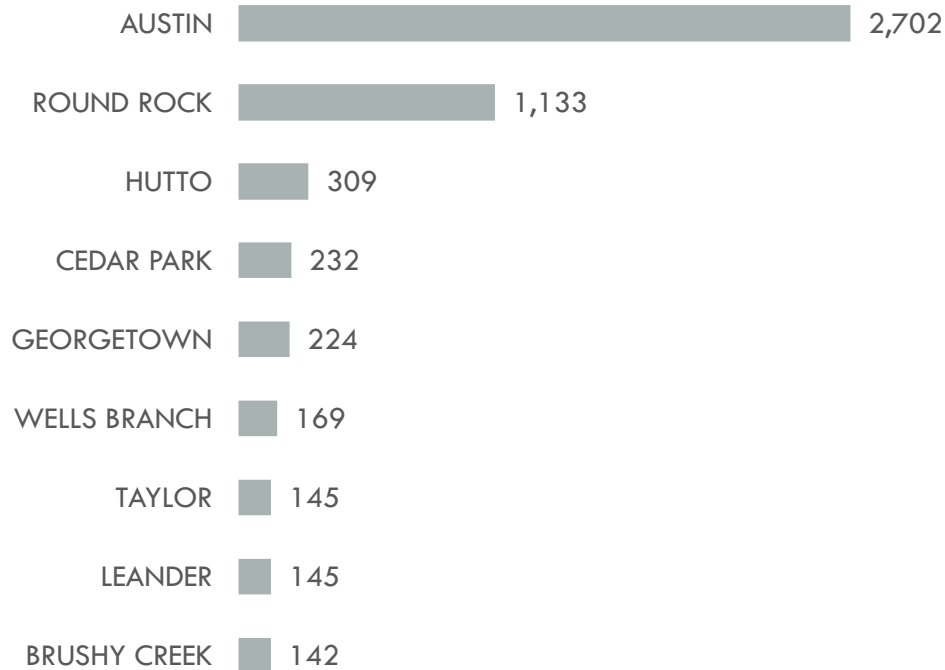
## WHY IS THIS IMPORTANT?

Pflugerville is deeply connected to Austin and Round Rock. Together, these two cities account for nearly 40% of all Pflugerville in-commuters. It is difficult to estimate how many workers come from the ETJ, but the top zip code sources of workers are 78660 (21%), 78664 (7%), and 78634 (4%).

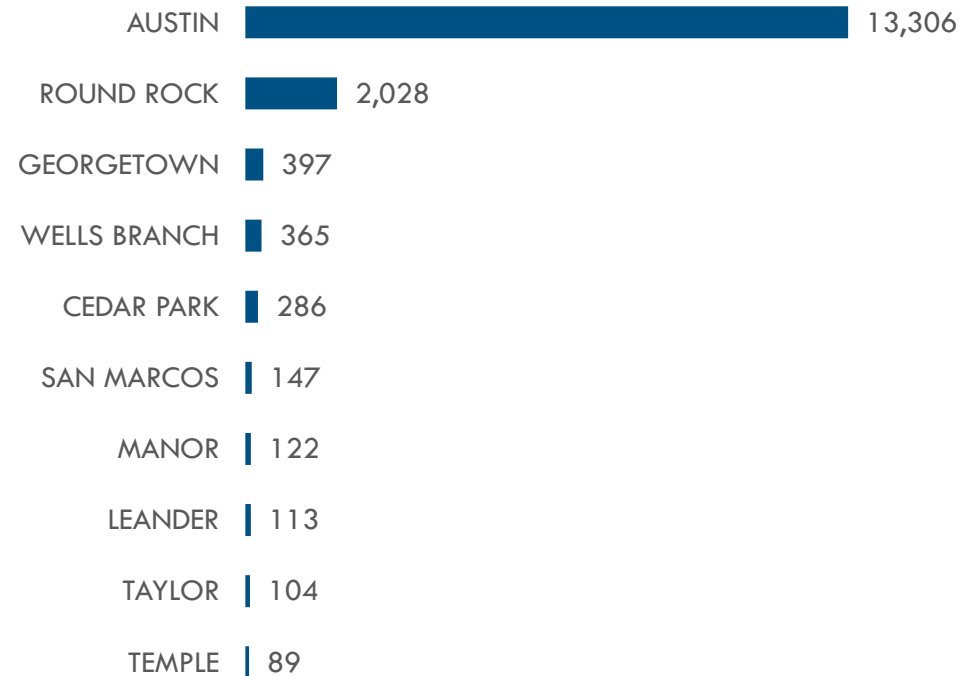
Austin and Round Rock are also the leading employment destinations for Pflugerville residents. **14,000 Pflugerville residents are employed within Austin, representing more than half of residents with jobs.**

Commuting patterns play several important roles in a region's economy. Regions that can draw from the available talents and skill sets present outside of their communities can significantly increase their available workforce.

TOP SOURCES OF IN-COMMUTING WORKERS, 2014



TOP DESTINATIONS OF OUT-COMMUTING WORKERS, 2014



SOURCE: AVALANCHE CONSULTING / US CENSUS LEHD

SOURCE: AVALANCHE CONSULTING / US CENSUS LEHD



# Benchmark Commuting

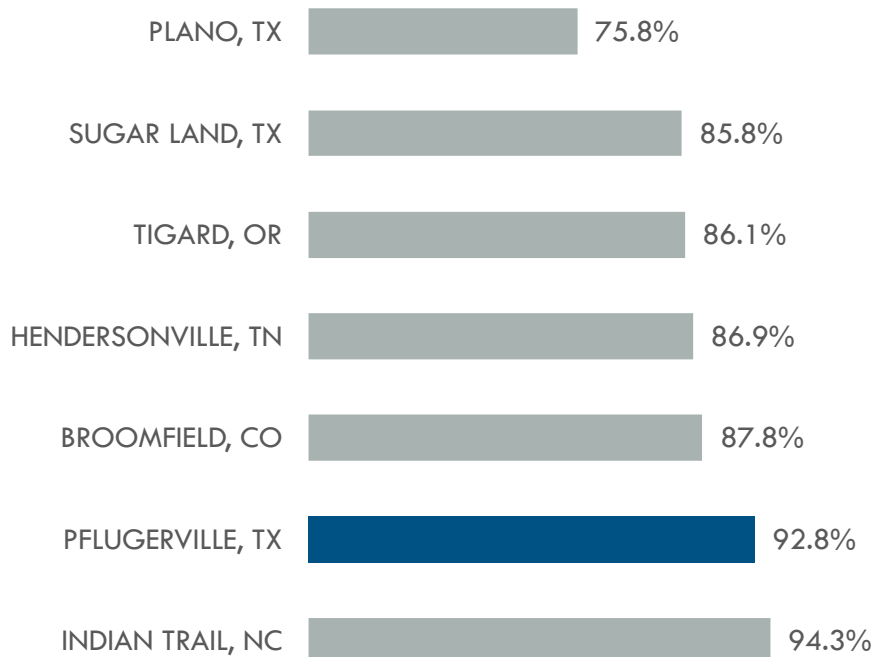
## WHY IS THIS IMPORTANT?

Compared to the benchmarks, the percentage of Pflugerville residents that commute to other jurisdictions is relatively high. Nearly 93% of employed residents of Pflugerville work elsewhere. Among the 6 benchmark communities examined, only Indian Trails, NC features a higher share of out-commuters.

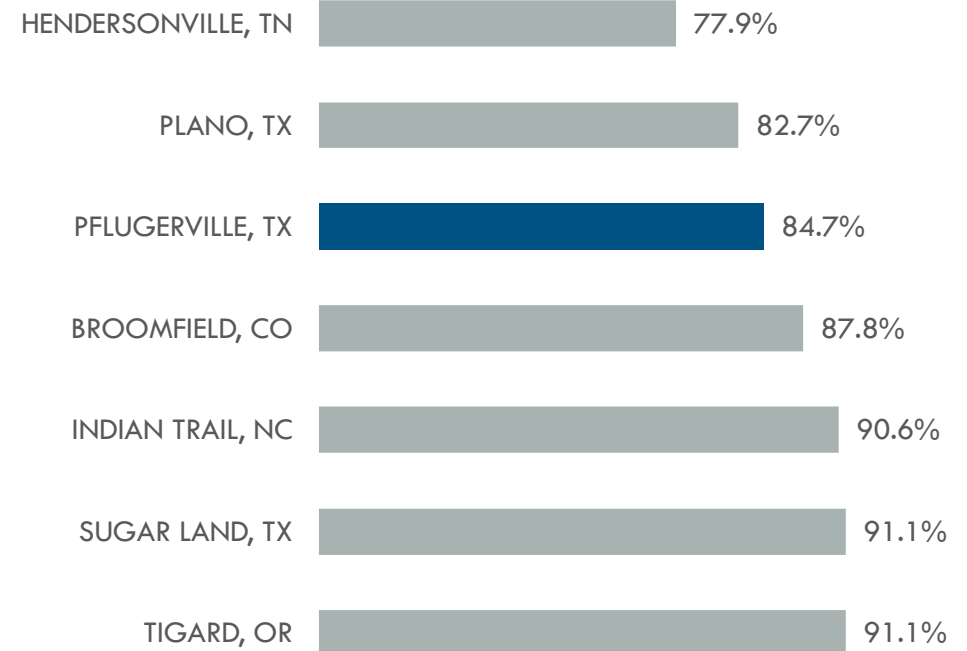
Although Pflugerville depends on imported workers to fill local jobs, the city is more balanced than many of its peers. Non-residents occupy nearly 85% of all jobs within Pflugerville. Only Hendersonville, TN, and Plano, TX, rely less on outside labor.

Commuting patterns play several important roles in a region's economy. Regions that can draw from the available talents and skill sets present outside of their communities can significantly increase their available workforce.

SHARE OF RESIDENTS WORKING OUTSIDE THE CITY, 2014



SHARE OF WORKERS LIVING OUTSIDE THE CITY, 2014



SOURCE: AVALANCHE CONSULTING / US CENSUS LEHD

SOURCE: AVALANCHE CONSULTING / US CENSUS LEHD





# Jobs versus People

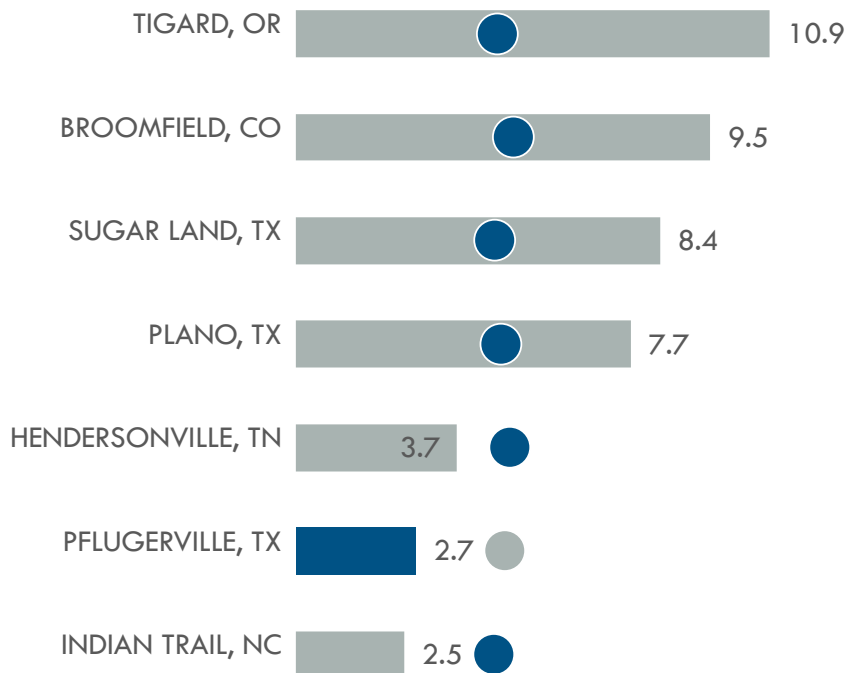
## WHY IS THIS IMPORTANT?

Pflugerville has traditionally been seen as a “bedroom community” with most residents working in other locations. The city has created many new jobs in recent years, but population growth has been even higher than employment growth. This makes Pflugerville appear to be more of a bedroom community.

In 2015, the city was home to 2.7 jobs for every 10 residents. Only Indian Trail had a lower share of jobs per resident. In recent years, the ratio of jobs to residents in Pflugerville rose slightly, suggesting that the imbalance may have peaked.

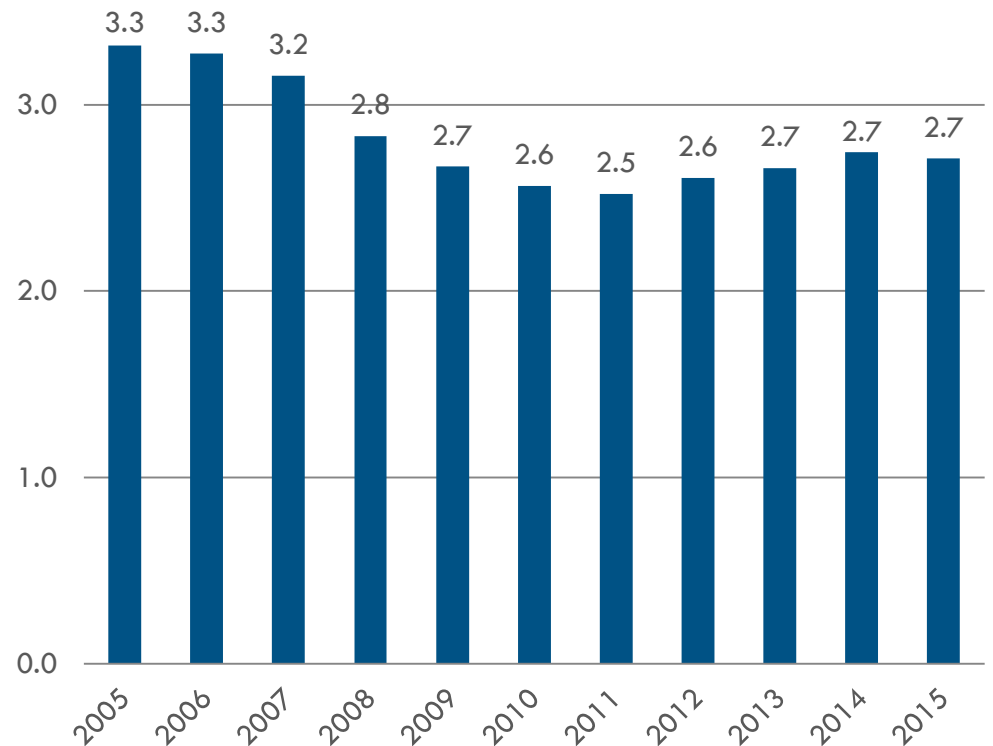
Commuting patterns play several important roles in a region’s economy. Regions that can draw from the available talents and skill sets present outside of their communities can significantly increase their available workforce.

NUMBER OF JOBS PER 10 RESIDENTS, 2014



● - METRO

NUMBER OF JOBS PER 10 RESIDENTS, 2005 – 2015



SOURCE: AVALANCHE CONSULTING / US CENSUS ACS / EMSI

SOURCE: AVALANCHE CONSULTING / US CENSUS ACS / EMSI



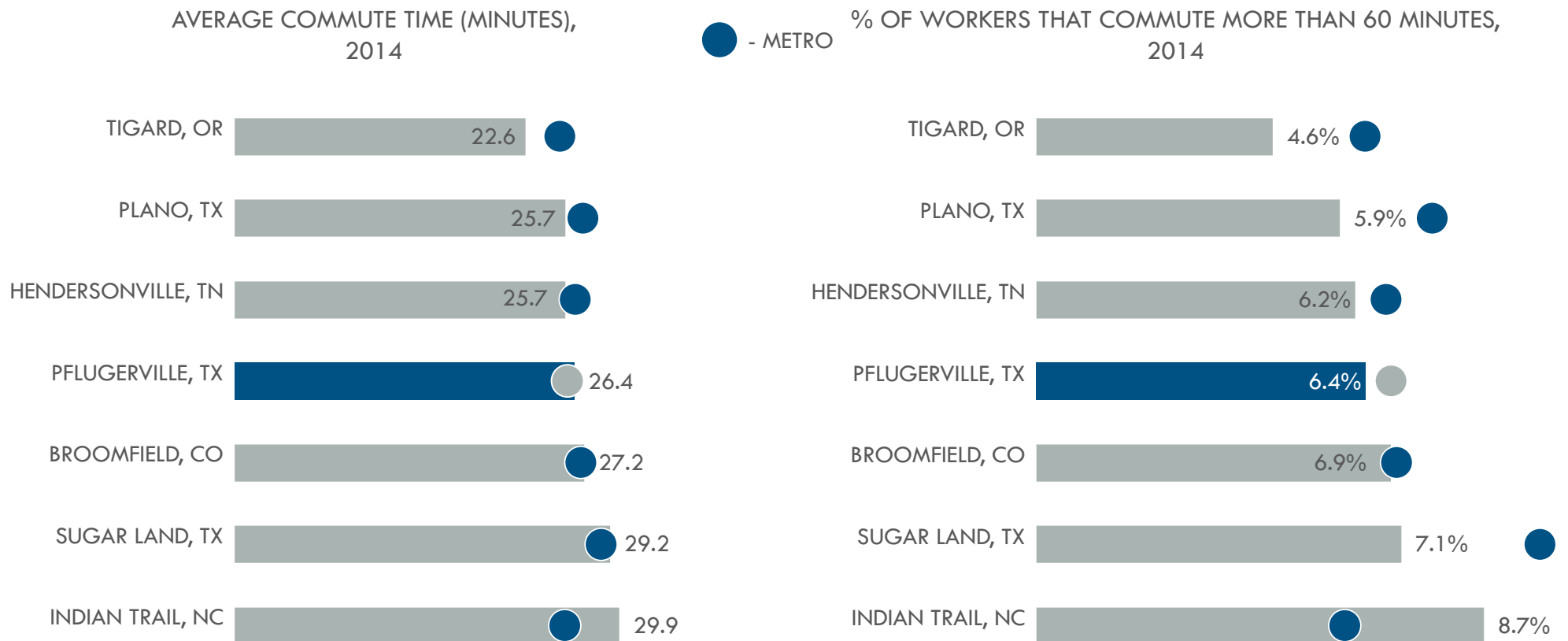
# Commute Time

## WHY IS THIS IMPORTANT?

Despite frequent complaints about traffic, Pflugerville and Austin have relatively average commute times for the US. The average commute time in Pflugerville is 26.4 minutes, placing it firmly in the middle of selected benchmark communities. At 22.6 minutes, Tigard has the shortest commutes, and Indian Trail the longest commute at 29.9 minutes.

Of employed Pflugerville residents, 6.4% commute 60 minutes or longer to reach their place of employment. Less than 5% of employed Tigard workers commute 60 minutes or more. Nearly 9% of employed Indian Trail residents commute 60 minutes or more.

Commuting patterns play several important roles in a region's economy. Regions that can draw from the available talents and skill sets present outside of their communities can significantly increase their available workforce.



SOURCE: AVALANCHE CONSULTING / US CENSUS ACS

SOURCE: AVALANCHE CONSULTING / US CENSUS ACS



# Age Distribution

## WHY IS THIS IMPORTANT?

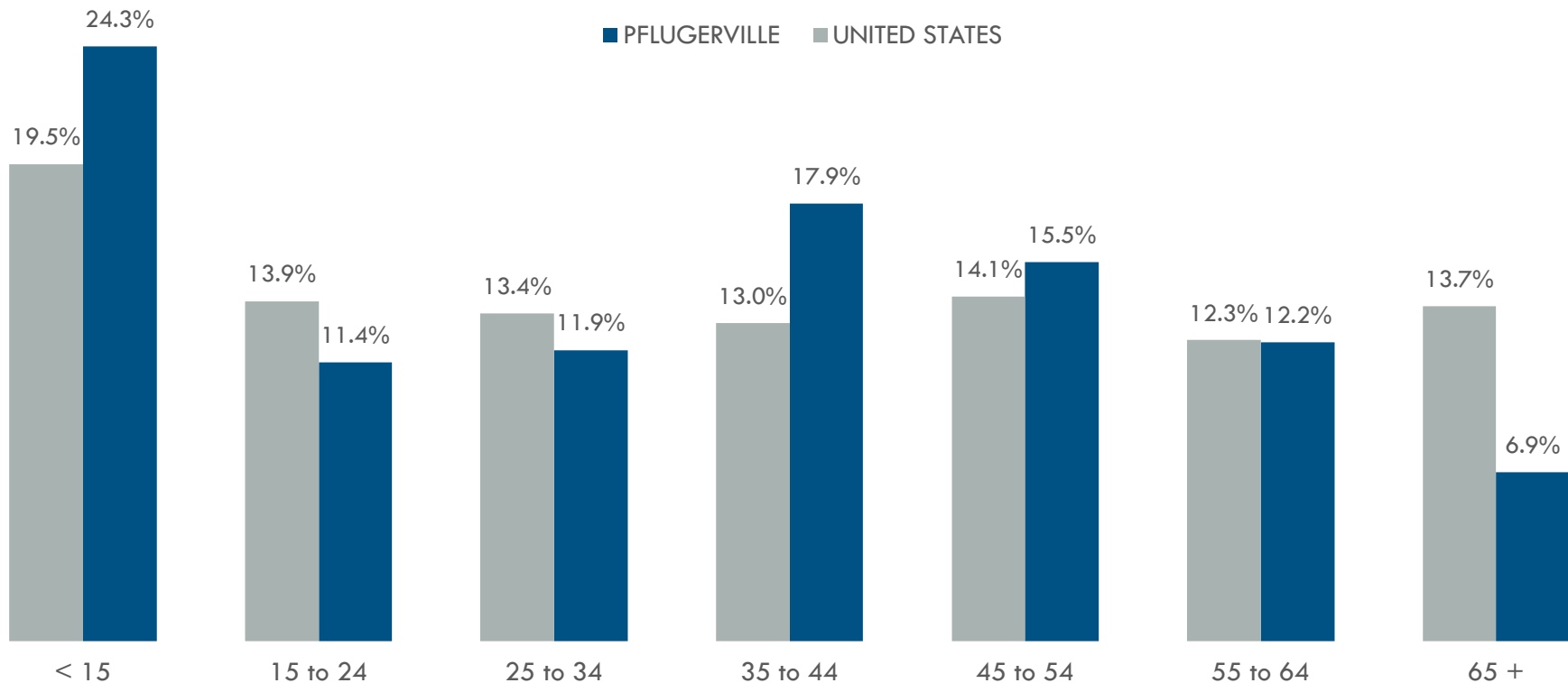
Pflugerville's population is younger than the US as a whole. Nearly 36% of residents are younger than 24, compared to 33% nationally.

Pflugerville has a smaller proportion of residents between the ages of 25 to 34 relative to the US average (12% versus 13%) but a larger proportion of residents between the ages of 35 to 54 (33% versus 27%). The proportion of Pflugerville residents age 65 and older is barely half the US average (7% versus 14%).

The age distribution of a population can help better understand where to prioritize community investments.

Age distribution helps understand gaps in workforce availability and identify populations that may have distinct needs – such as children and the elderly.

SHARE OF POPULATION BY AGE, 2014



SOURCE: AVALANCHE CONSULTING / US CENSUS ACS



# Age Distribution

## WHY IS THIS IMPORTANT?

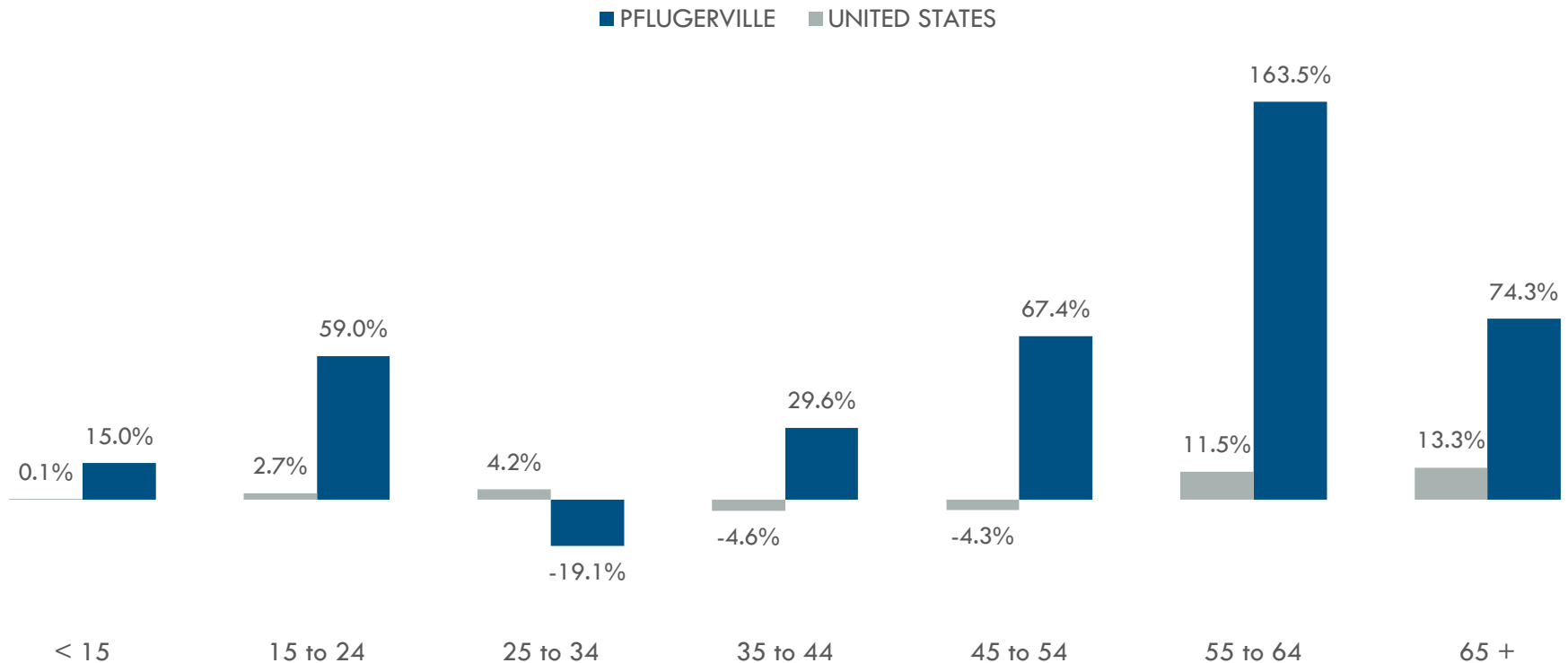
With one exception, every age group within Pflugerville experienced double-digit growth during the past five years. Residents aged 25 to 34 were the only age group that declined in Pflugerville from 2009 to 2014 – an important trend to consider when discussing housing, entertainment, and employment options in the city.

As a whole, Pflugerville is getting older. From 2009 to 2014, the number of residents age 45 and younger living in Pflugerville increased only 15%. At the same time, the number of residents age 45 and older living in Pflugerville nearly doubled.

Changing age distribution within a community has widespread implications for public investments in areas such as health care, education, and mobility.

Effective planning examines a community's current and changing demographics to better identify necessary programs.

POPULATION CHANGE BY AGE,  
2009 – 2014



SOURCE: AVALANCHE CONSULTING / US CENSUS ACS



# Benchmark Age

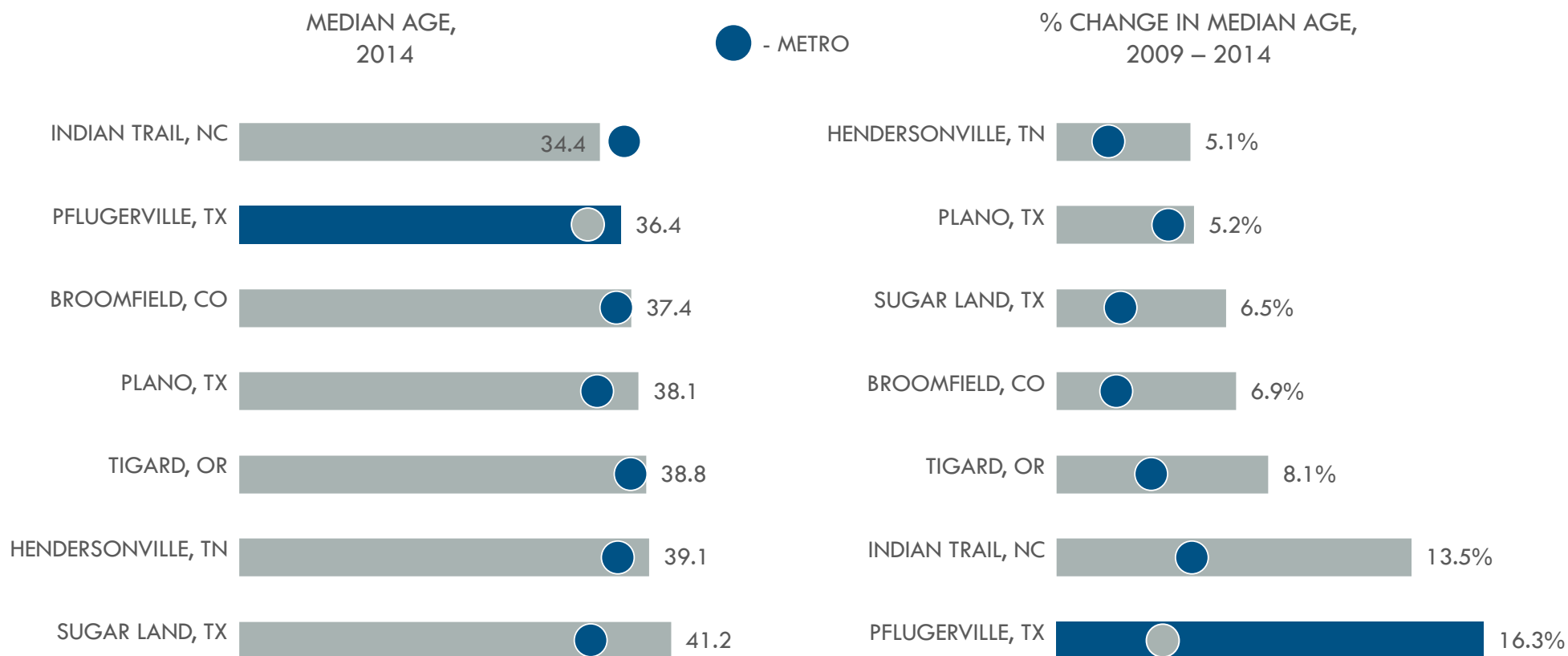
## WHY IS THIS IMPORTANT?

With a median age of 36.4, Pflugerville's population is slightly older than the broader Austin region but younger than every benchmark community except Indian Trail.

As highlighted earlier, however, Pflugerville's population is growing faster among those over 45 years old. Between 2009 and 2014, the median age in Pflugerville increased by more than 16.3%. The increase in the Pflugerville's median age was four times greater than the Austin metro average and exceeded the increase in median age of all benchmark communities.

Changing age distribution within a community has widespread implications for public investments in areas such as health care, education, and mobility.

Effective planning examines a community's current and changing demographics to better identify necessary programs.



SOURCE: AVALANCHE CONSULTING / US CENSUS ACS

SOURCE: AVALANCHE CONSULTING / US CENSUS ACS



# Educational Attainment

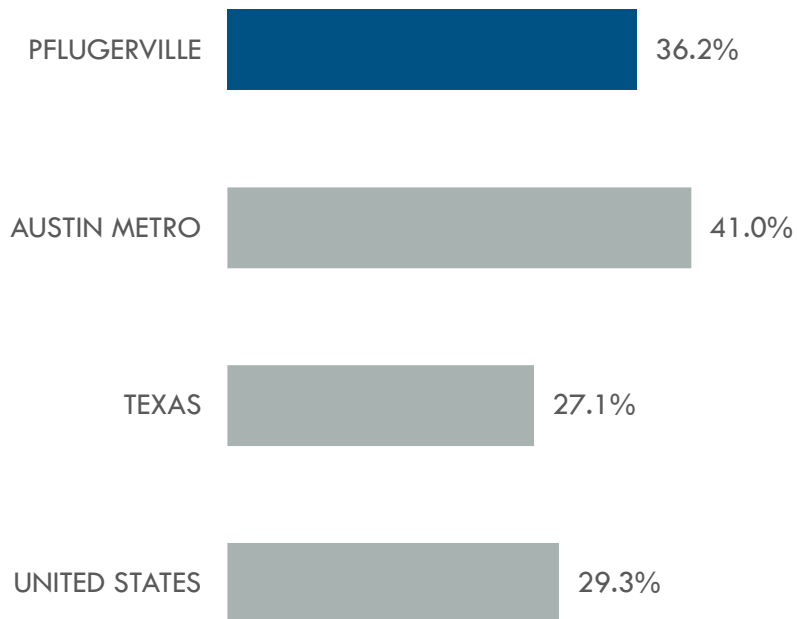
## WHY IS THIS IMPORTANT?

Pflugerville is a highly educated community. More than 36% of all residents age 25 and older hold a bachelor's degree or higher level of educational attainment. At the bachelor's degree level, educational attainment levels in Pflugerville are slightly less than the Austin metro average (though the Texas capital is among the country's most educated regions).

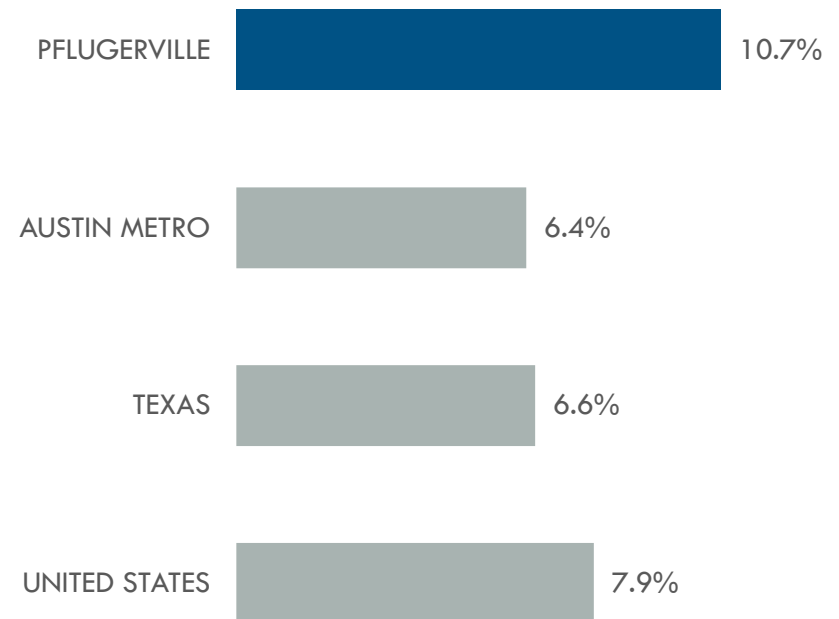
Pflugerville has significantly higher share of residents with associate degrees (11%) than the Austin (6%), Texas (7%), and US (8%) averages.

The modern economy is increasingly knowledge-intensive. New jobs often require education beyond a high-school diploma – ranging from a certificate to a masters degree. Due to this growing reliance on skilled workers, many businesses expand in and choose new locations based on the presence of a well-educated population.

SHARE OF 25 YEARS+ POPULATION  
W/ A BACHELOR'S DEGREE OR HIGHER, 2014



SHARE OF 25 YEARS+ POPULATION  
W/ AN ASSOCIATE'S DEGREE, 2014



SOURCE: AVALANCHE CONSULTING / US CENSUS ACS

SOURCE: AVALANCHE CONSULTING / US CENSUS ACS



# Young Professionals

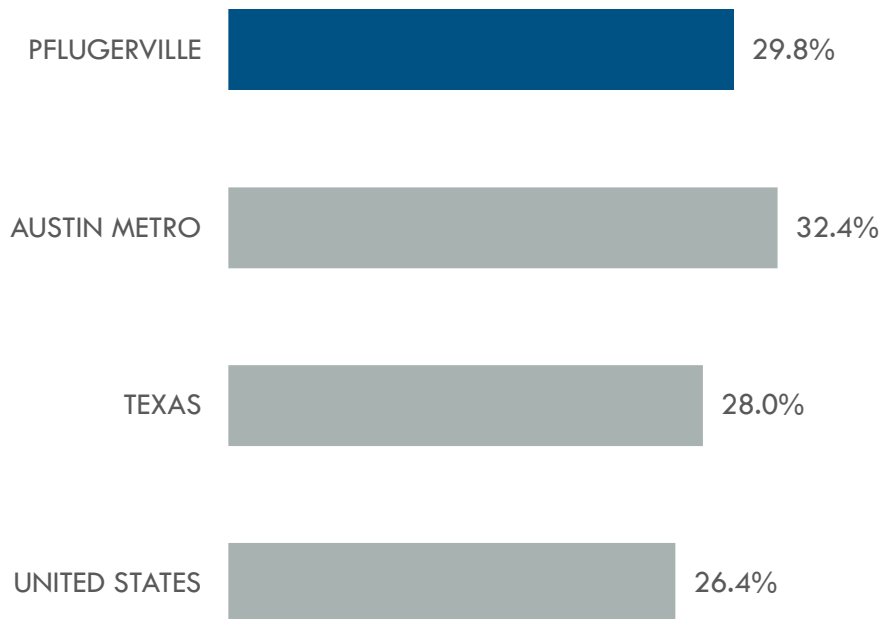
## WHY IS THIS IMPORTANT?

Young Professionals (residents aged 25 to 44 years old) represent approximately 30% of Pflugerville's population. This share of Young Professionals is slightly less than the Austin metro average but greater than the Texas and US averages.

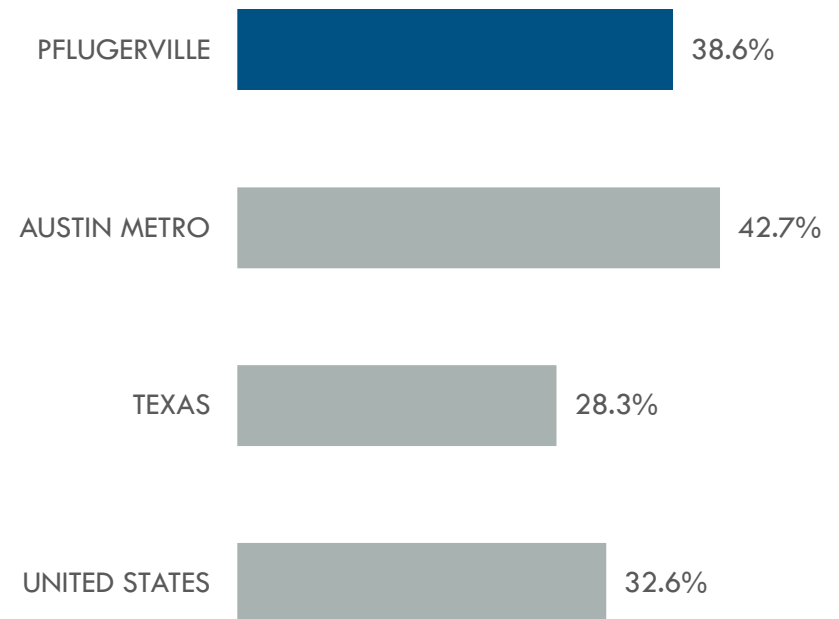
Nearly 39% of Pflugerville's Young Professionals possess a bachelor's degree or higher level of educational attainment. This is also slightly less than the Austin average (one of the most educated metros in America) but greater than Texas and the US.

Young Professionals (residents aged 25 to 44 years old) represent a critical segment of a local workforce for companies seeking to hire new workers with the latest skills and knowledge. Recruiting and retaining residents in this age cohort helps ensure a region can supply a growing labor force for companies.

SHARE OF YOUNG PROFESSIONALS (RESIDENTS AGE 25-44), 2014



SHARE OF YOUNG PROFESSIONALS W/ A BACHELOR'S DEGREE OR HIGHER, 2014



# Benchmark Talent

## WHY IS THIS IMPORTANT?

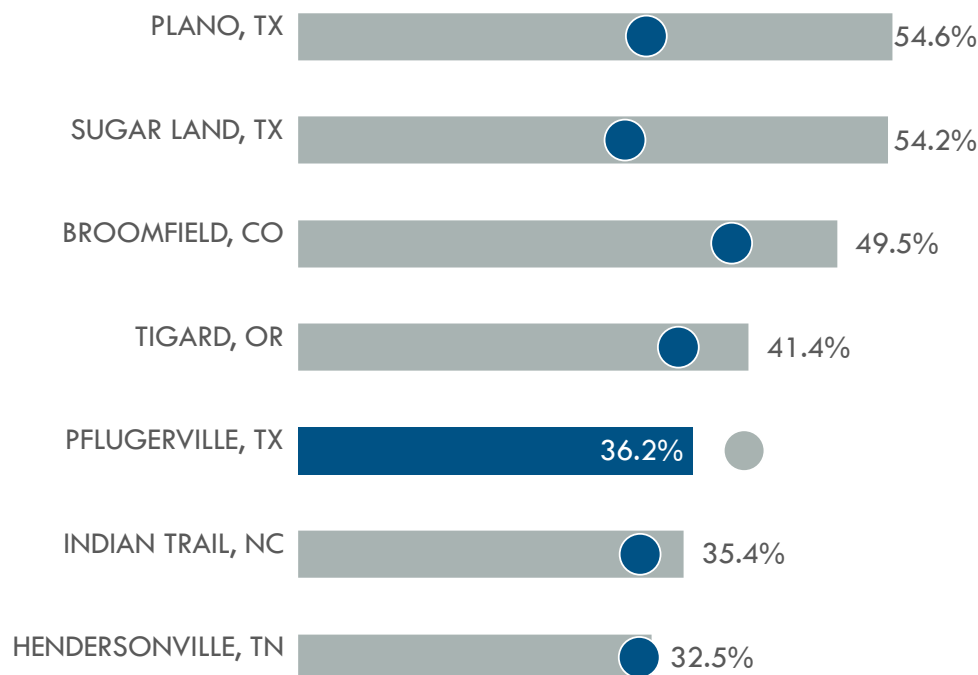
Pflugerville possesses a highly educated population, but many of the benchmark regions have even higher educational attainment levels. More than half of all residents age 25 and older in Plano, Sugarland, and Broomfield possess a bachelor's degree.

With Young Professionals representing nearly 30% of all residents, Pflugerville has the second highest proportion of Young Professionals among the examined benchmark communities. Only Indian Trail features a slightly higher share of Young Professionals than Pflugerville.

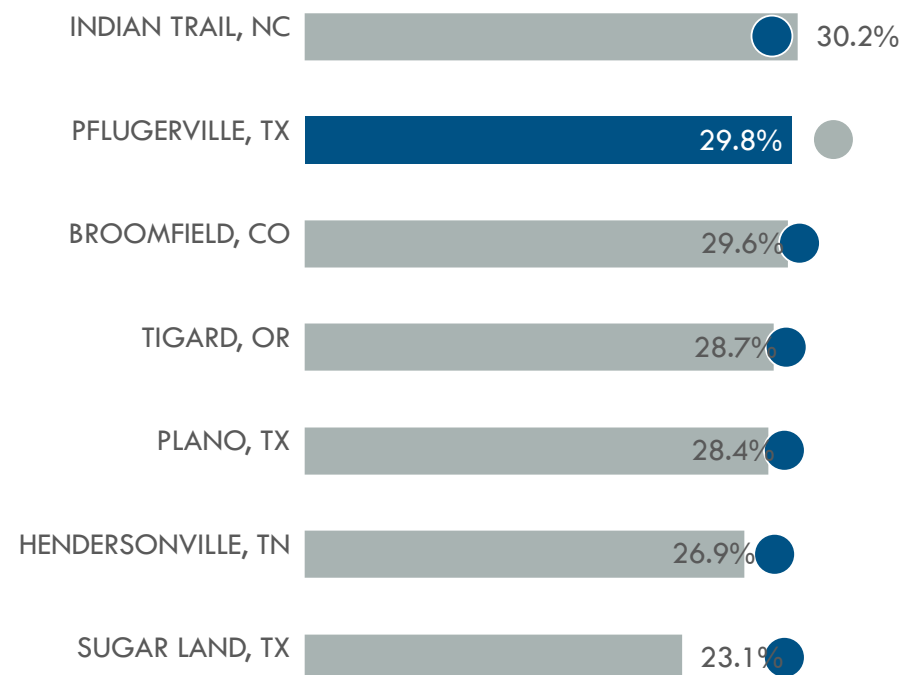
The modern economy is increasingly knowledge-intensive. New jobs often require education beyond a high-school diploma – ranging from a certificate to a masters degree. Due to this growing reliance on skilled workers, many businesses expand in and choose new locations based on the presence of a well-educated population.

SHARE OF 25 YEARS+ POPULATION  
W/ A BACHELOR'S DEGREE OR HIGHER, 2014

● - METRO



% OF YOUNG PROFESSIONALS (RESIDENTS AGE 25-44),  
2014



SOURCE: AVALANCHE CONSULTING / US CENSUS ACS

SOURCE: AVALANCHE CONSULTING / US CENSUS ACS





# Veterans

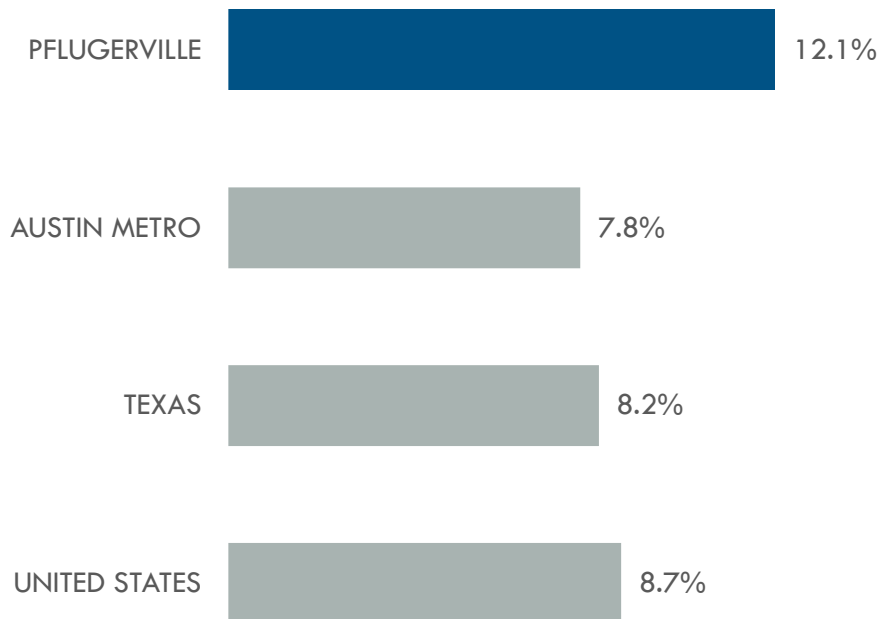
## WHY IS THIS IMPORTANT?

Veterans represent more than 12% of Pflugerville’s adult population, a high share compared to the Austin metro (8%), Texas (8%), and the US (9%). Veterans in Pflugerville are also relatively young – 53% are under 55 years old, compared to 44% in Austin, 39% in Texas, and 69% nationally.

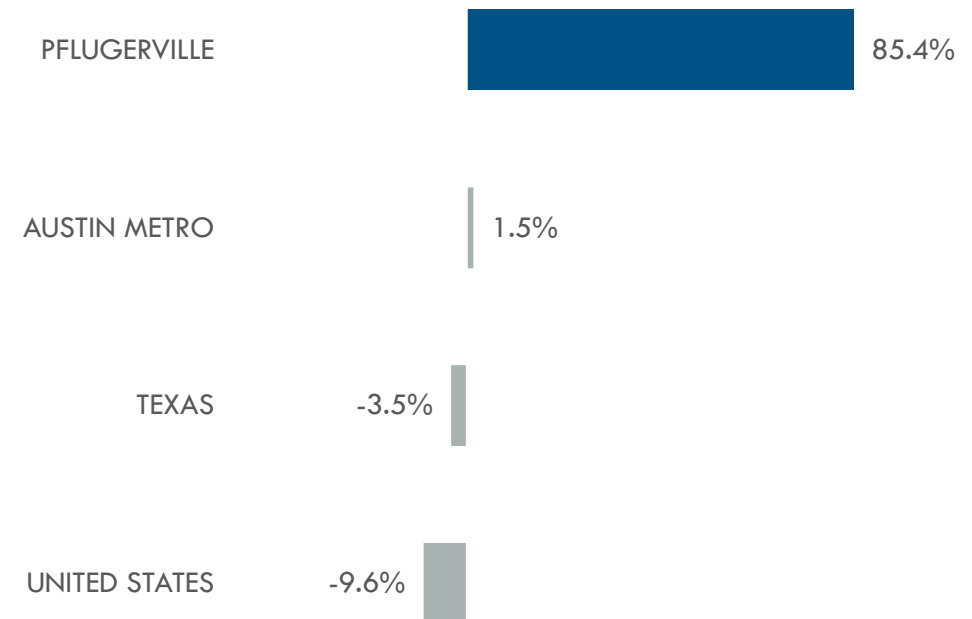
The number of veterans living in Pflugerville increased 85% from 2009 to 2014. In the Austin metro, the number of veterans rose by less than 2%. The number of veterans declined in both Texas and the US during this period.

Many employers consider veterans strong candidates for employment due to their work ethic. Many veterans also exit the military with skills and training in high-demand from private sector employers – especially in manufacturing, logistics, and management fields.

SHARE OF VETERANS IN ADULT POPULATION, 2014



GROWTH IN VETERAN POPULATION, 2009 – 2014



SOURCE: AVALANCHE CONSULTING / US CENSUS ACS

SOURCE: AVALANCHE CONSULTING / US CENSUS ACS



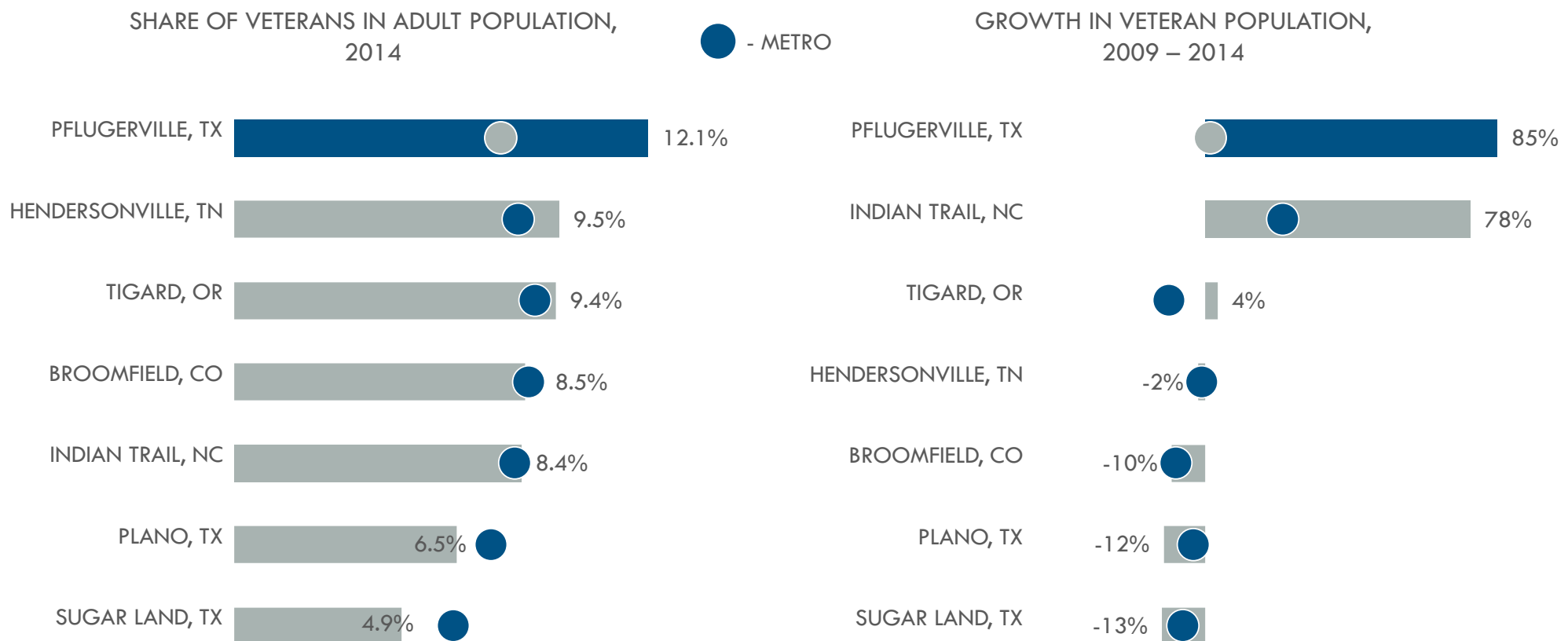
# Benchmark Veterans

## WHY IS THIS IMPORTANT?

Pflugerville is home to a higher share of veterans than all benchmark communities – and significantly more than the two other Texas communities. Veterans represent less than 7% of the adult population in Plano, TX, and less than 5% of the adult population in Sugar Land, TX. Only Indian Trail had a younger veteran population with 56% under 55 years old. On average, 38% of veterans in benchmark communities were under 55 years old.

The growth of Pflugerville's veteran population also outpaced all benchmark communities over the past five years. Only Indian Trail saw significant growth at 78%.

Many employers consider veterans strong candidates for employment due to their work ethic. Many veterans also exit the military with skills and training in high-demand from private sector employers – especially in manufacturing, logistics, and management fields.



SOURCE: AVALANCHE CONSULTING / US CENSUS ACS

SOURCE: AVALANCHE CONSULTING / US CENSUS ACS



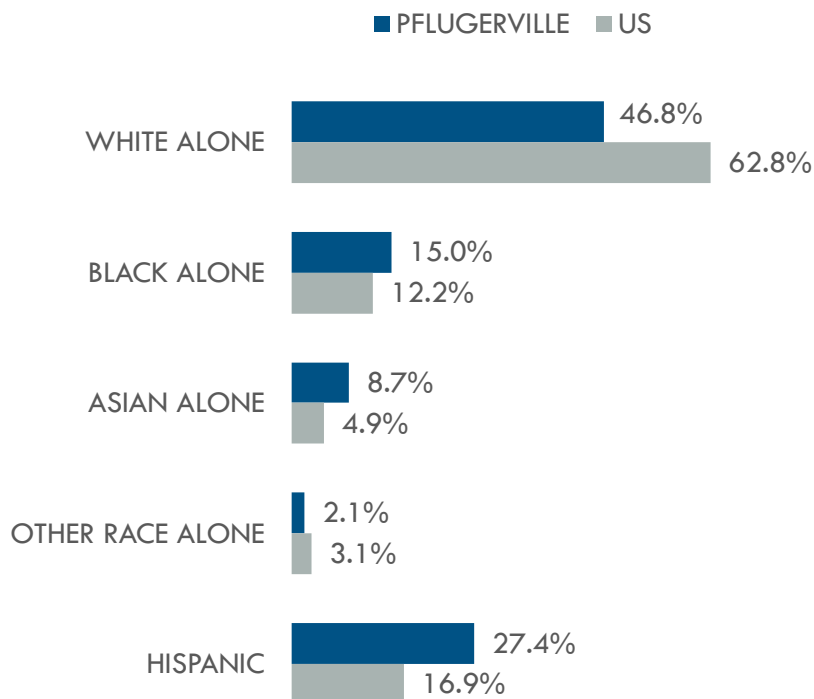
# Diversity

## WHY IS THIS IMPORTANT?

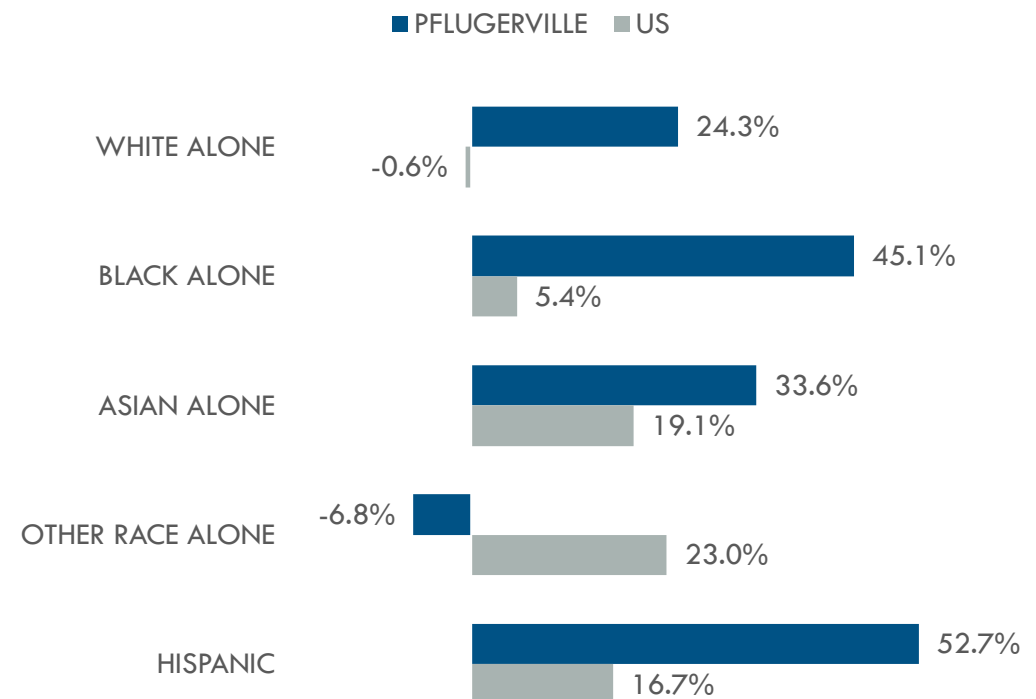
Pflugerville is home to a very diverse population. Non-Hispanic whites represent 47% of Pflugerville's population, 15% less than the US average. Pflugerville also has a larger share of black, Asian, and Hispanic residents than the US average. The population of all racial and ethnic groups in Pflugerville increased by double-digits between 2009 and 2014. The number of Hispanic and black residents grew the fastest, at 53% and 45% respectively. The number of Asians living in Pflugerville increased nearly 34% and the number of white residents rose more than 24%.

The racial and ethnic diversity of a community is affected by local geography, history, industry trends, and culture. Research shows that a diverse population and inclusive policies contribute to a thriving economy.

RACIAL & ETHNIC DIVERSITY, 2014



GROWTH BY RACE & ETHNICITY, 2009 – 2014



SOURCE: AVALANCHE CONSULTING / US CENSUS ACS

SOURCE: AVALANCHE CONSULTING / US CENSUS ACS



# Benchmark Diversity

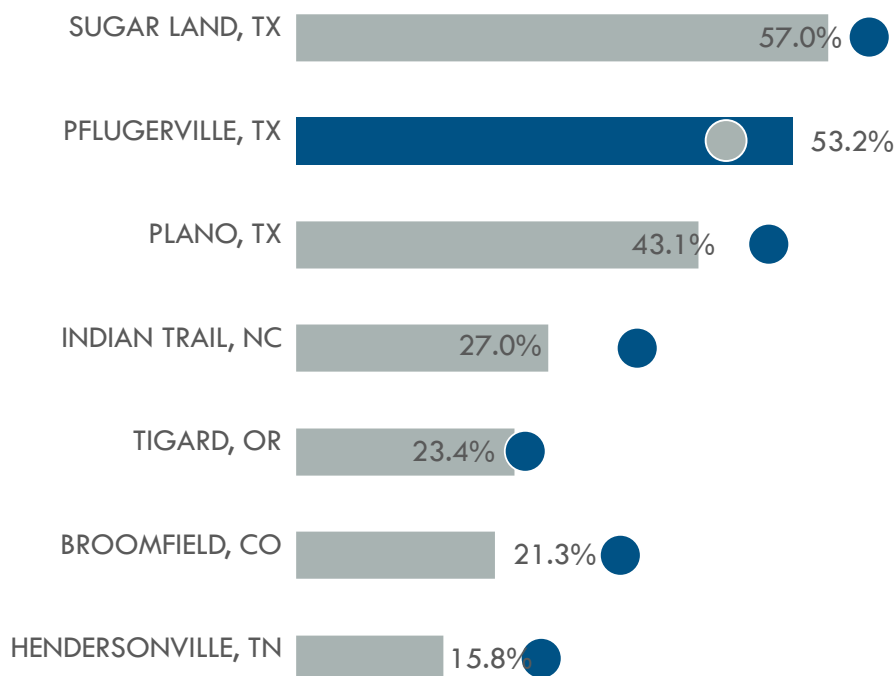
## WHY IS THIS IMPORTANT?

With large black, Asian, and Hispanic population, Pflugerville is a “majority-minority” city. White residents comprise only 47% of the total population. Among benchmark communities, only Sugar Land has a greater share of minority residents. The three Texas cities examined in this report were by far the most diverse.

The racial and ethnic diversity of a community is affected by local geography, history, industry trends, and culture. Research shows that a diverse population and inclusive policies contribute to a thriving economy.

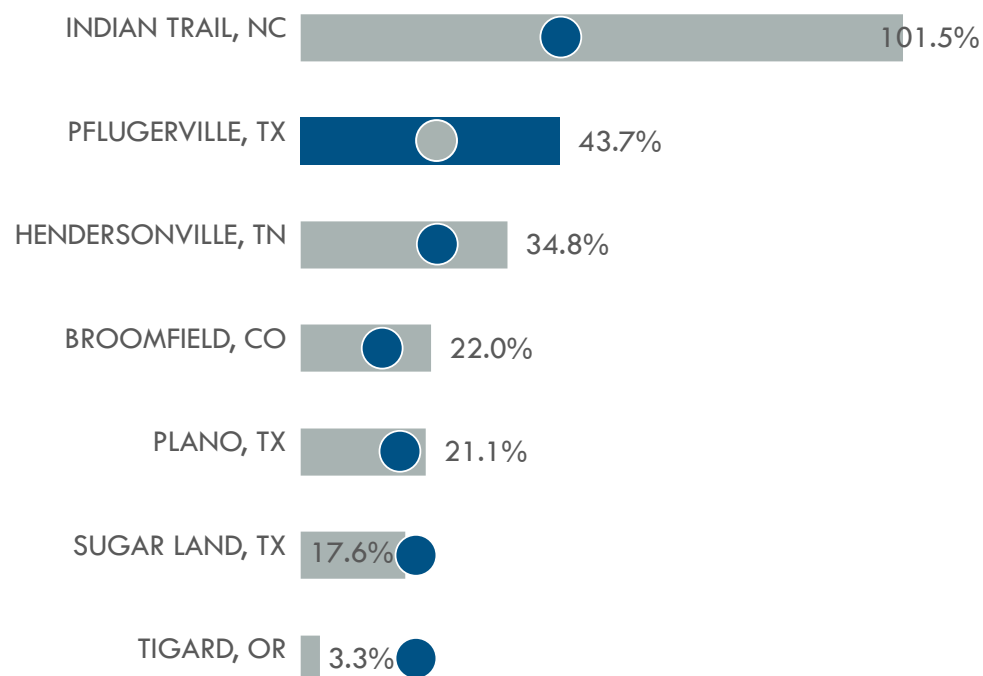
Pflugerville's minority population increased approximately 44% from 2009 to 2014. During this period, only Indian Trail, NC, experienced greater growth in its minority population.

SHARE OF MINORITY POPULATION,  
2014



● - METRO

GROWTH OF MINORITY POPULATION,  
2009 – 2014



SOURCE: AVALANCHE CONSULTING / US CENSUS ACS

SOURCE: AVALANCHE CONSULTING / US CENSUS ACS



# QUALITY OF LIFE TRENDS



# Median Household Income

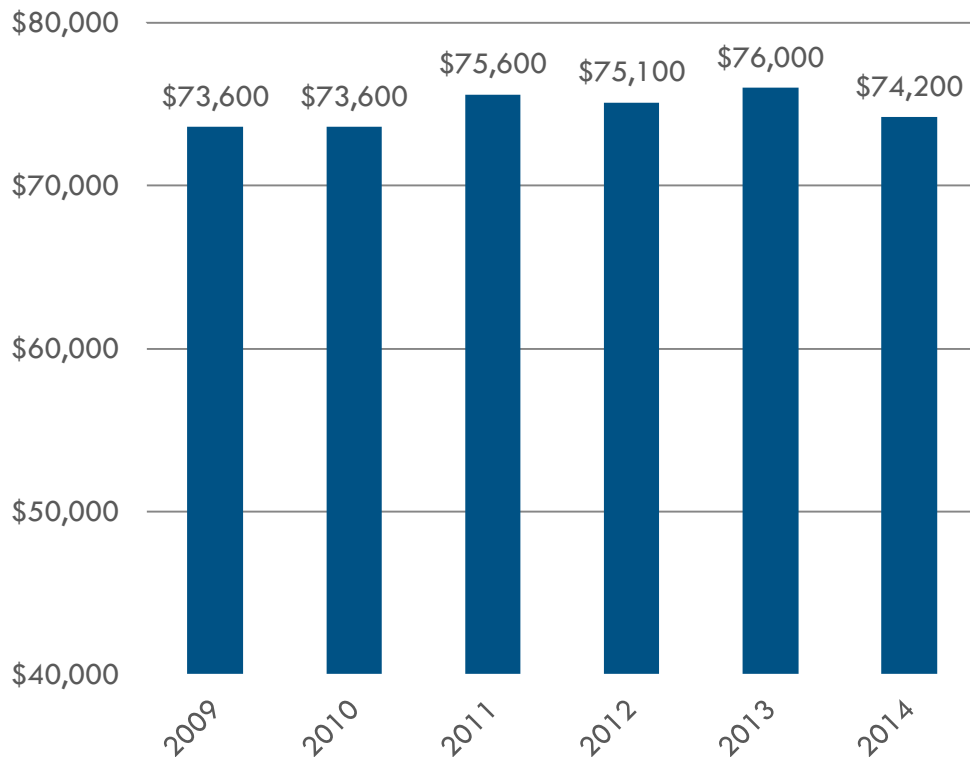
## WHY IS THIS IMPORTANT?

At \$74,200, median household income in Pflugerville is more than \$12,000 higher than that of the Austin metro. Below average salaries with above average household incomes reflects that many Pflugerville households are employed outside of the city. Maintaining high household incomes will depend on creating well-paying local primary jobs.

Pflugerville's median household income is also \$20,000 higher than both Texas and the US. Following a trend similar to the rest of the nation, median household income growth was relatively flat in recent years – increasing less than 1% from 2009 to 2014.

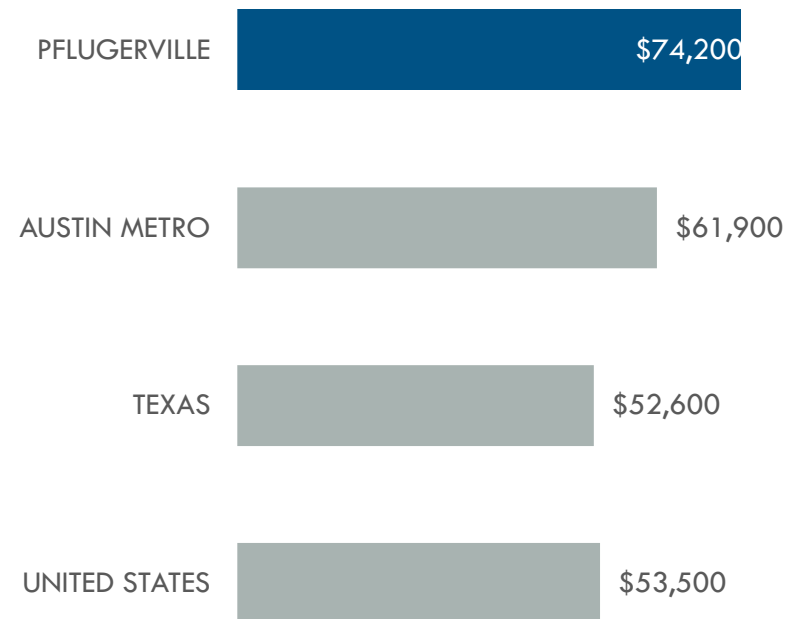
Wealth creation is an important goal of economic development and a strong measure of a community's economic health. When residents of a community have high household incomes they are able to reinvest locally – purchasing goods and services that spur additional economic growth.

PFLUGERVILLE MEDIAN HOUSEHOLD INCOME  
2009 – 2014



SOURCE: AVALANCHE CONSULTING / US CENSUS ACS

MEDIAN HOUSEHOLD INCOME,  
2014



SOURCE: AVALANCHE CONSULTING / US CENSUS ACS



# Poverty Levels

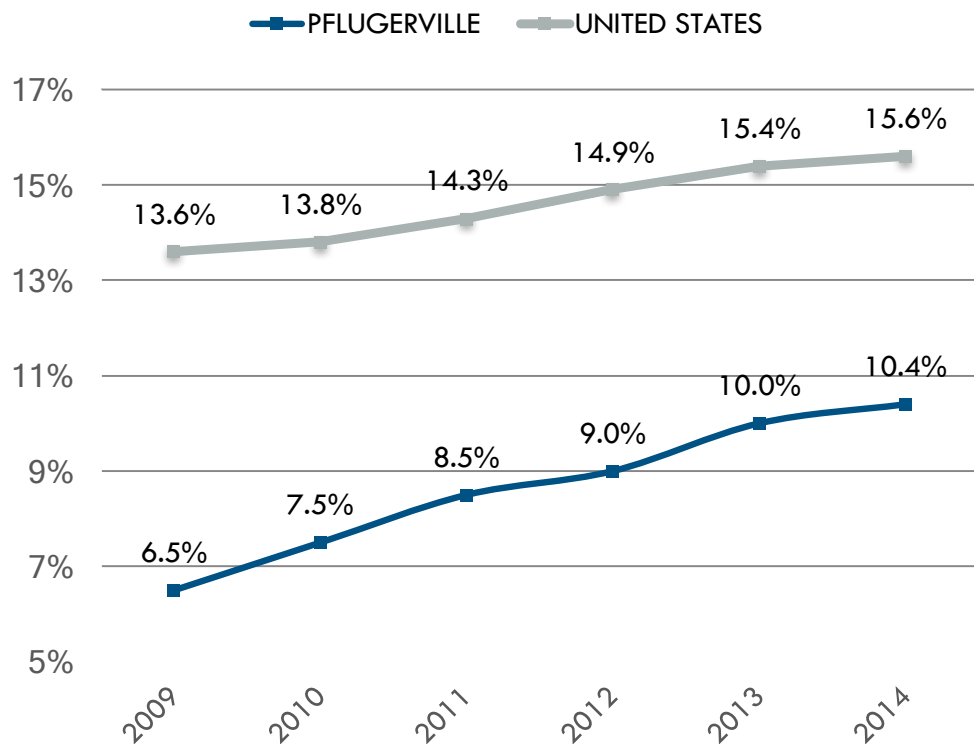
## WHY IS THIS IMPORTANT?

Above average household incomes help contribute to below average poverty levels in Pflugerville. With 10.4% of all residents below the poverty line, Pflugerville has a lower poverty rate than the Austin metro, Texas, and the US.

Starting with the recession in 2008, poverty has been increasing across the US. Poverty levels rose slightly faster in Pflugerville than the US average. From 2009 to 2014, the share of Americans in poverty rose 2%. In Pflugerville, the share rose 3.9% over the same period.

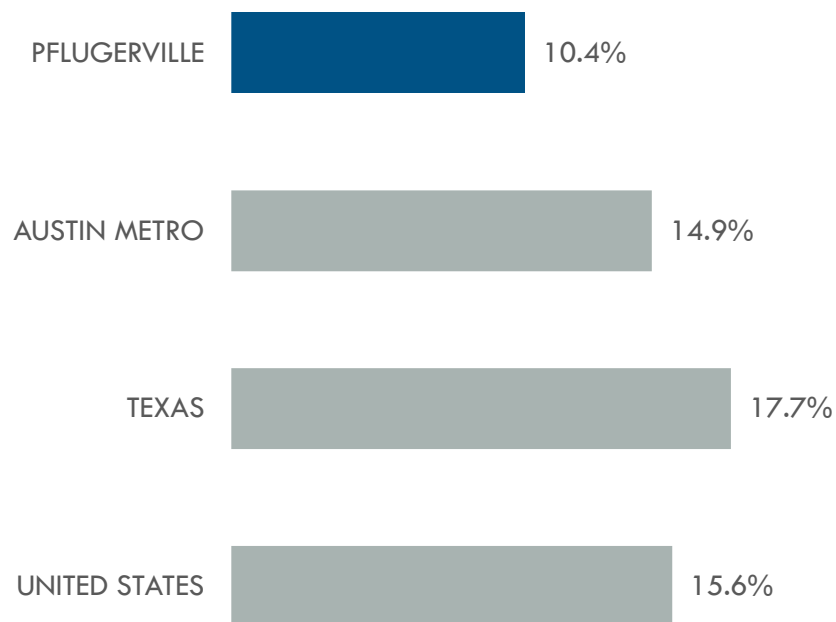
Poverty levels indicate whether residents of a county have incomes and access to jobs that allow them to prosper and support their families. High poverty levels are often the result of limited good job opportunities in a community and put heavy demands on social services.

SHARE OF POPULATION IN POVERTY, 2004 – 2014



SOURCE: AVALANCHE CONSULTING / US CENSUS ACS

SHARE OF POPULATION IN POVERTY, 2014



SOURCE: AVALANCHE CONSULTING / US CENSUS ACS



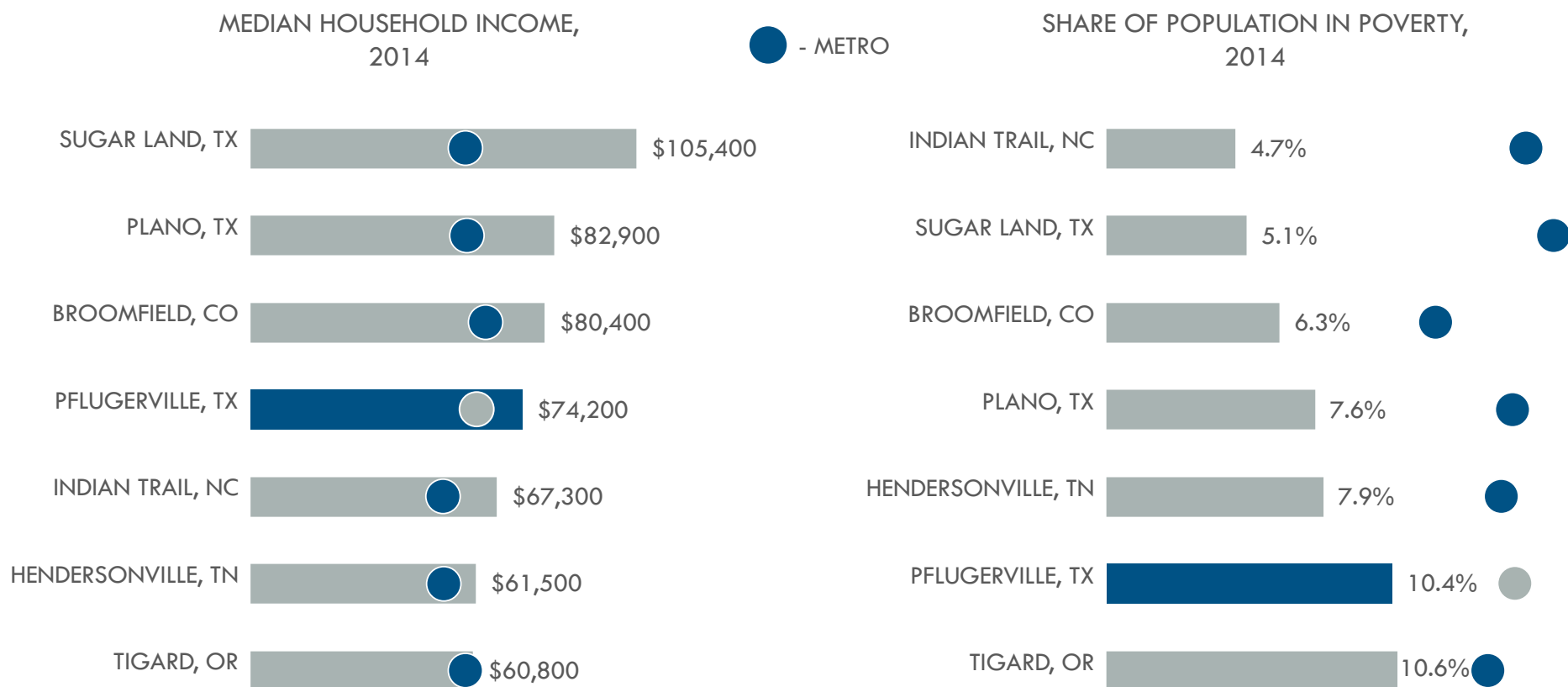
# Benchmark Prosperity

## WHY IS THIS IMPORTANT?

At \$74,200, median household income in Pflugerville is firmly in the middle the benchmark communities. Sugar Land has the highest median household income, at more than \$105,400. Tigard has the lowest at \$60,800.

Among benchmark communities, Pflugerville has the second highest share of residents living in poverty at 10.4%. Only Tigard has a slightly higher rate at 10.6%. Interestingly, both cities are closest to their metro averages – indicating that **benchmarks with low poverty are in regions with much greater geographic income inequality.**

Higher household incomes typically reflect greater economic opportunities and the presence of many households featuring two wage earners. Elevated levels of poverty within a community are correlated with a host of negative outcomes, including lower levels of labor participation, educational attainment, and life expectancy.



SOURCE: AVALANCHE CONSULTING / US CENSUS ACS

SOURCE: AVALANCHE CONSULTING / US CENSUS ACS





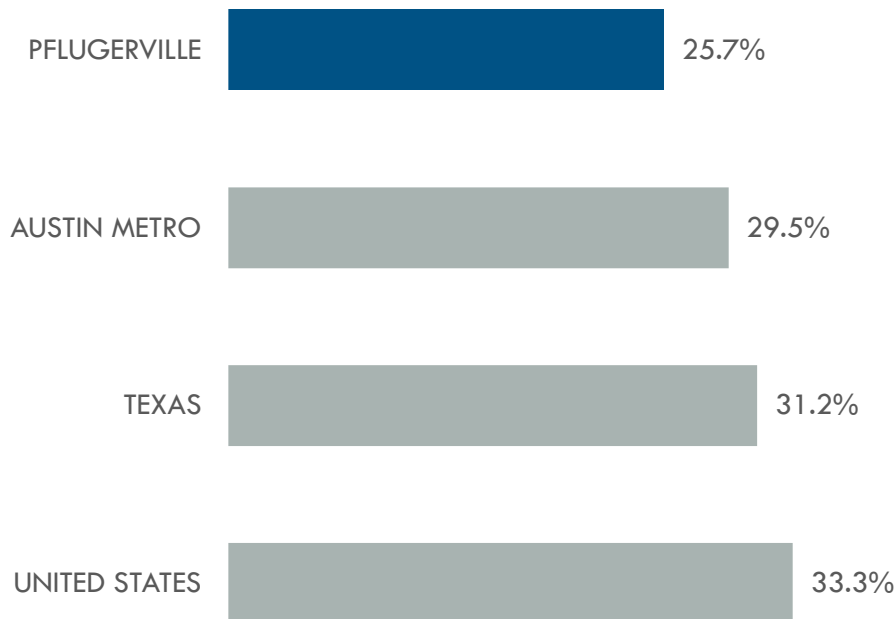
# Housing Affordability

## WHY IS THIS IMPORTANT?

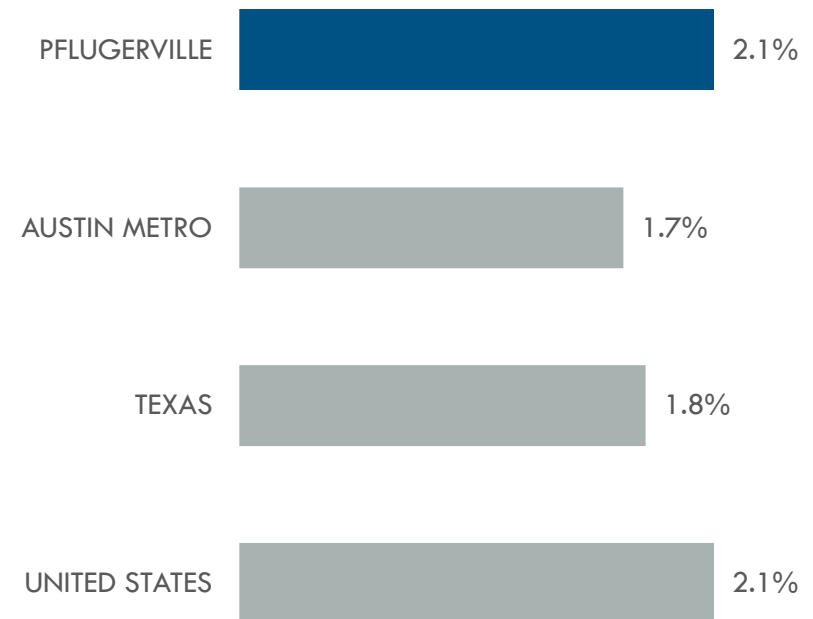
Relative to income levels, Pflugerville offers homeowners affordable housing options. Less than 26% of Pflugerville homeowners are considered “cost burdened” (households spending 30% or more of income on housing). In the Austin metro, approximately 30% of all homeowners are cost burdened. Nationally, one in three homeowners is cost burdened. At 2.1%, Pflugerville has a slightly higher home vacancy rate than the Austin metro, Texas, and US averages. Given Pflugerville’s rapid population growth, it is likely that the elevated vacancy rates reflect the presence of recently constructed homes that remain briefly unoccupied prior to sale.

The availability and affordability of housing directly affects the lives of residents in a community and the ability of businesses to retain and attract workers. Housing is considered unaffordable if owners and renters are spending more than 30% of their income on housing costs (mortgages or rent).

SHARE OF HOMEOWNERS IN UNAFFORDABLE HOUSING  
(30% OR MORE OF INCOME), 2014



HOME VACANCY RATE,  
2014



# Housing Affordability

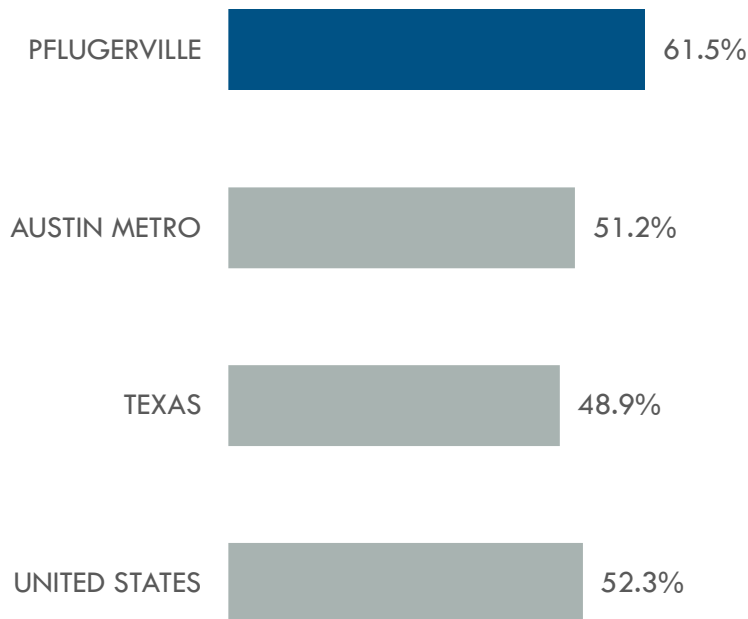
## WHY IS THIS IMPORTANT?

Pflugerville is much less affordable for renters than homeowners. More than 60% of all renters in Pflugerville spend 30% or more of their income on housing costs. The proportion of cost burdened renters in Pflugerville is higher than the Austin metro, Texas, and US.

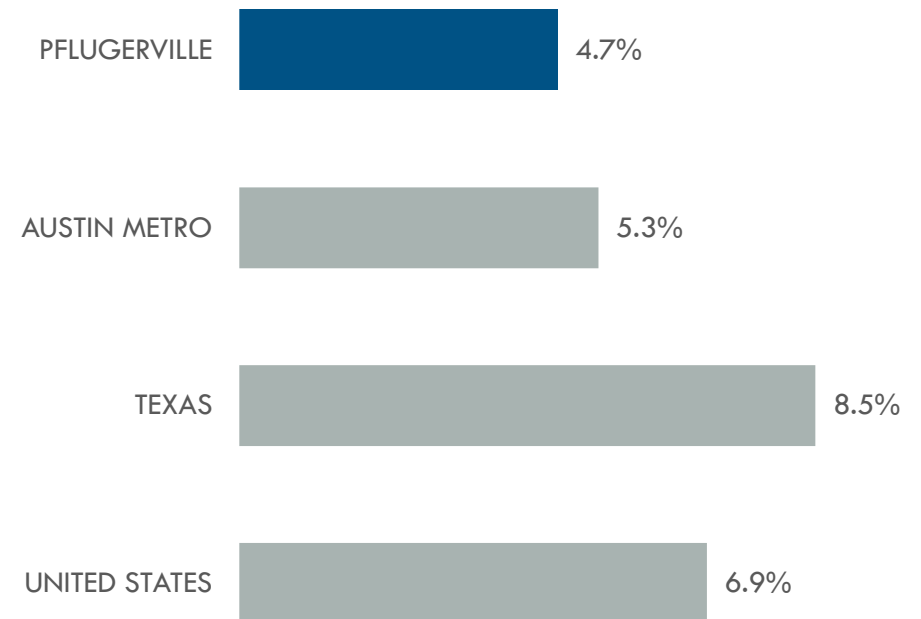
The relatively high cost of renting within Pflugerville reflects an insufficient supply of rental housing. The rental vacancy rate in Pflugerville is 4.7%, which is below than the Austin metro's already low 5.3% vacancy rate. Rental vacancy rates for Texas and the US are 8.5% and 6.9% respectively.

The availability and affordability of housing directly affects the lives of residents in a community and the ability of businesses to retain and attract workers. Housing is considered unaffordable if owners and renters are spending more than 30% of their income on housing costs (mortgages or rent).

SHARE OF RENTERS IN UNAFFORDABLE HOUSING  
(30% OR MORE OF INCOME), 2014



RENTAL VACANCY RATE,  
2014



# Benchmark Housing

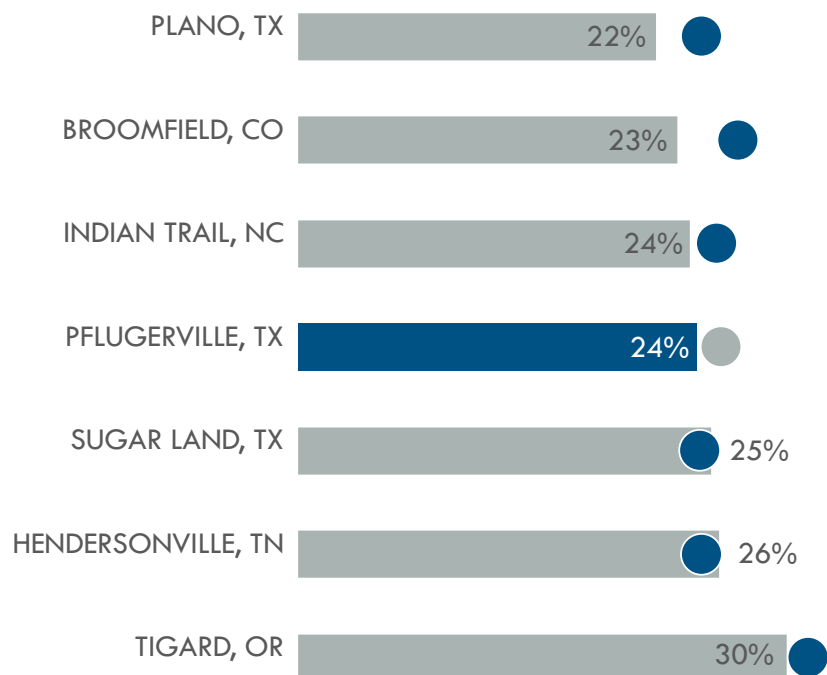
## WHY IS THIS IMPORTANT?

Pflugerville is relatively average in terms of affordability of homes to purchase but the least affordable location for renters among the benchmarks. An average of 24% of Pflugerville homeowners are cost-burdened compared to an average of 25% among all the benchmarks. Plano is the most affordable for homeowners, and Tigard the least.

On average 47% of renters in benchmarks are in unaffordable housing, compared to 62% in Pflugerville. Pflugerville's rental market is less affordable to residents than all six full metropolitan areas examined as well.

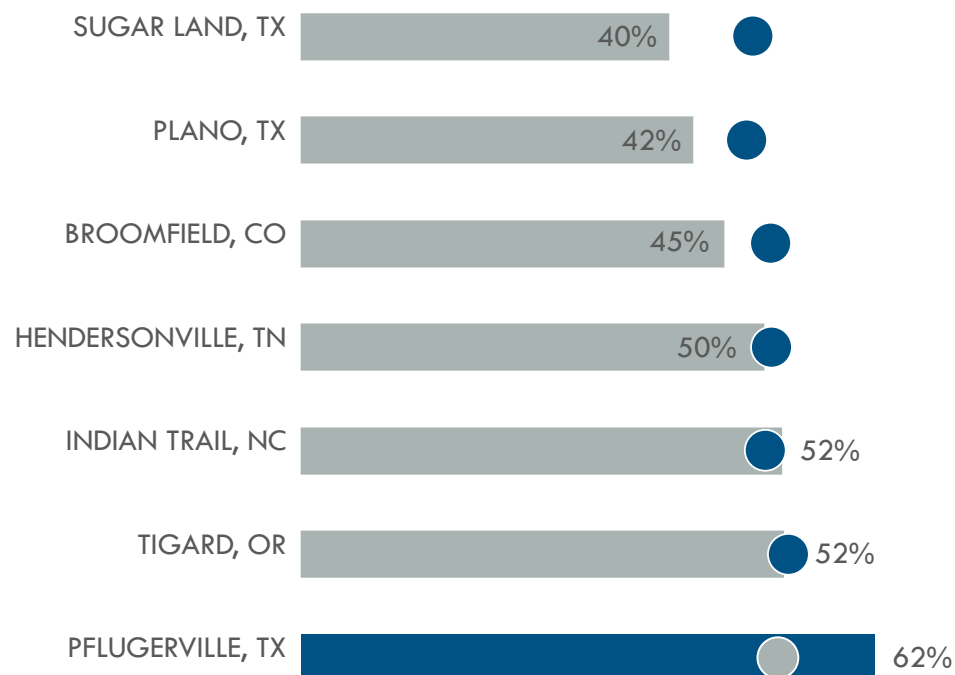
The availability and affordability of housing directly affects the lives of residents in a community and the ability of businesses to retain and attract workers. Housing is considered unaffordable if owners and renters are spending more than 30% of their income on housing costs (mortgages or rent).

SHARE OF HOMEOWNERS IN UNAFFORDABLE HOUSING, 2014



● - METRO

SHARE OF RENTERS IN UNAFFORDABLE HOUSING, 2014



SOURCE: AVALANCHE CONSULTING / US CENSUS ACS

SOURCE: AVALANCHE CONSULTING / US CENSUS ACS



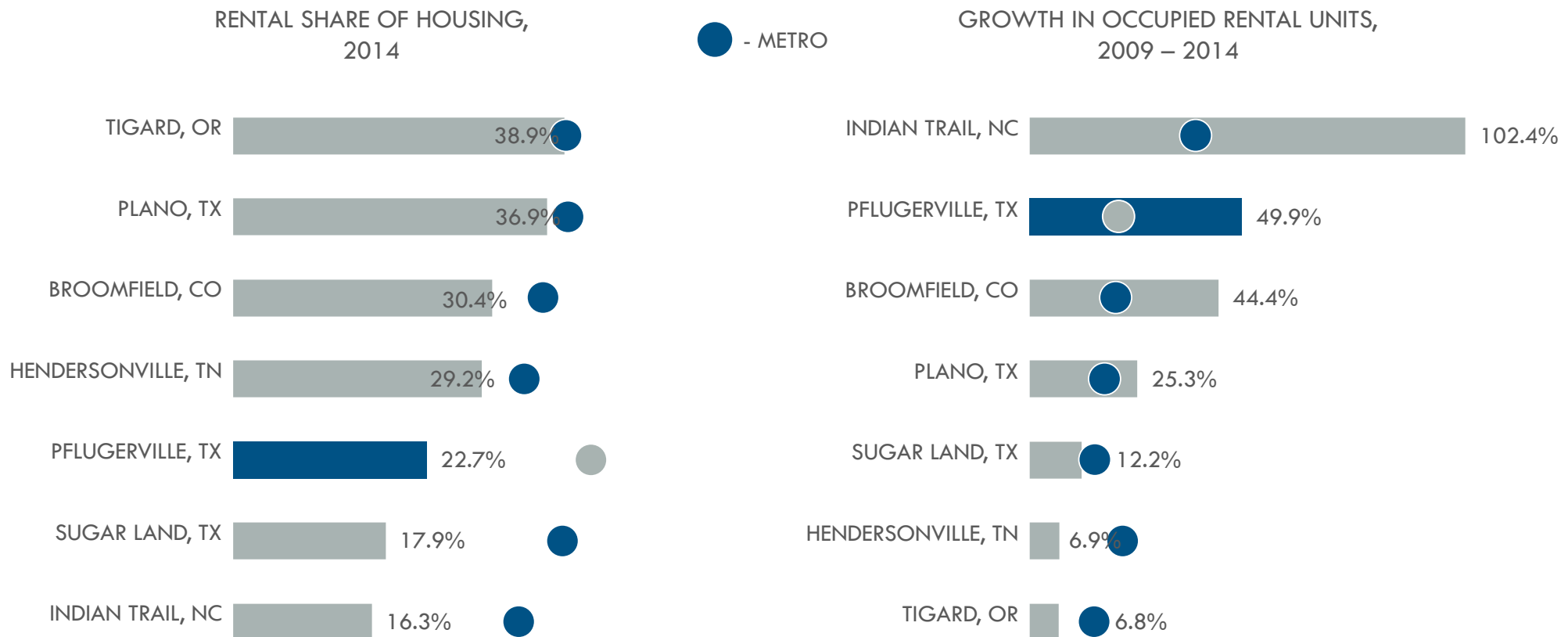
# Rental Trends

## WHY IS THIS IMPORTANT?

The cost of rental housing in Pflugerville indicates that there is an insufficient supply of rental units in the community, and this holds up when examining the data. Rental units comprise only 23% of all housing in Pflugerville – compared to an average of 28% among benchmarks.

There is some indication that this trend is changing – from 2009 to 2014, the number of rental properties in Pflugerville grew 50% - faster than the 21% growth in the Austin metro. Only Indian Trail experienced a greater increase in rental units during this period.

The availability and affordability of housing directly affects the lives of residents in a community and the ability of businesses to retain and attract workers. Housing is considered unaffordable if owners and renters are spending more than 30% of their income on housing costs (mortgages or rent).



SOURCE: AVALANCHE CONSULTING / US CENSUS ACS

SOURCE: AVALANCHE CONSULTING / US CENSUS ACS



# Crime

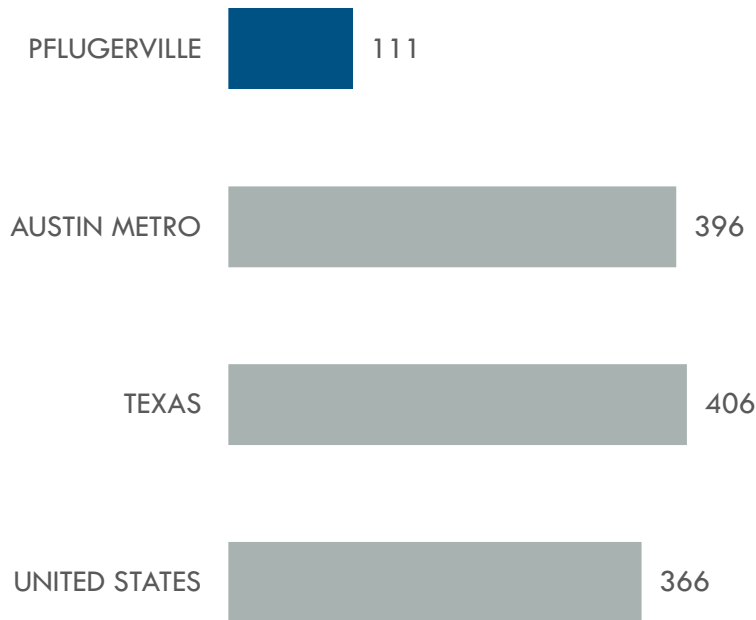
## WHY IS THIS IMPORTANT?

Pflugerville is a safe community. On a per capita basis, there is significantly less crime than in the Austin metro, Texas, and US.

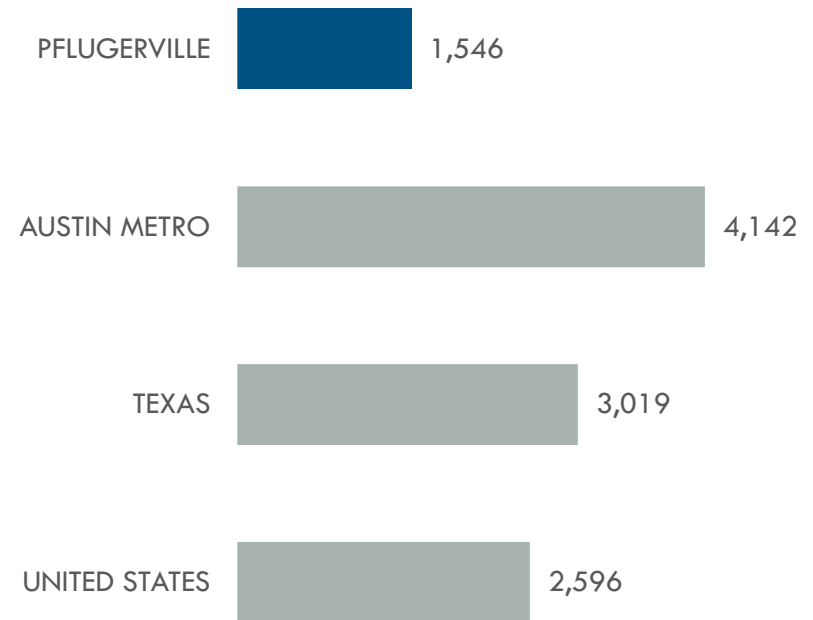
In 2014, Pflugerville had an adjusted violent crime rate of 111 incidents per 100,000 residents. This was approximately 75% less than the Austin metro and Texas ratios of 396 and 406 respectively. In 2014, there were fewer than 1,600 incidents of property crime in Pflugerville per 100,000 residents. This was less than half the rate in the Austin metro and Texas.

Actual and perceived crime rates play a significant role in location decisions for residents and businesses.

VIOLENT CRIME PER 100K,  
2014



PROPERTY CRIME PER 100K,  
2014



SOURCE: AVALANCHE CONSULTING / FBI UNIFORM CRIME STATISTICS

SOURCE: AVALANCHE CONSULTING / FBI UNIFORM CRIME STATISTICS



# Benchmark Crime

## WHY IS THIS IMPORTANT?

Pflugerville ranked third lowest among the benchmark communities for both violent and property crime.

Among the six other benchmarks, the only two communities with a lower rate of violent crime are Broomfield and Indian Trail. The only two benchmarks with lower property crime rates are Indian Trail and Hendersonville.

Actual and perceived crime rates play a significant role in location decisions for residents and businesses.



SOURCE: AVALANCHE CONSULTING / FBI UNIFORM CRIME STATISTICS

SOURCE: AVALANCHE CONSULTING / FBI UNIFORM CRIME STATISTICS



# Quality of Life

## WHY IS THIS IMPORTANT?

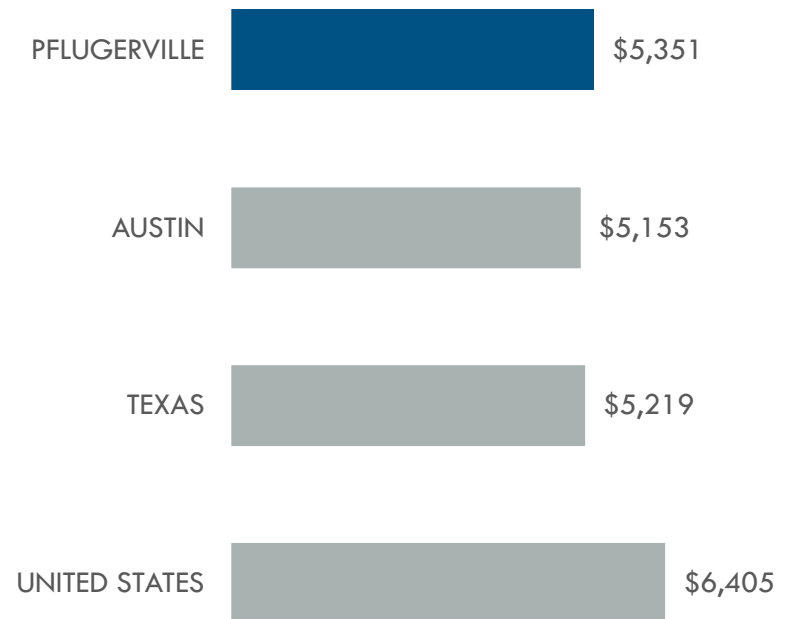
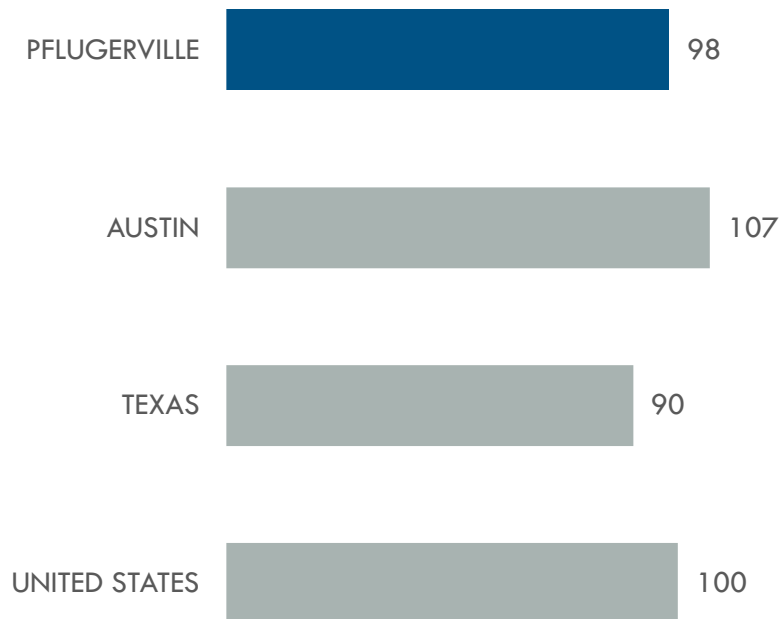
Overall, Pflugerville is a relatively affordable community, with a lower cost of living than the Austin metro or US averages. Pflugerville's cost of living index is 98, relative to a US benchmark of 100. This comes in above the Texas average of 90 but well below Austin's index of 107.

Pflugerville also invests more in education. Instructional spending in Pflugerville totaled more than \$5,300 per pupil in 2016, exceeding both the Austin metro and Texas. Nationally, the US spends more than \$6,400 on instructional expenditures.

Cost of living is an important component of quality of place. Regions with high costs of living may find it difficult to attract and retain talent.

COST OF LIVING INDEX,  
2016

INSTRUCTIONAL SPENDING PER K-12 STUDENT,  
2016



SOURCE: AVALANCHE CONSULTING / SPERLING'S BEST PLACES

SOURCE: AVALANCHE CONSULTING / SPERLING'S BEST PLACES



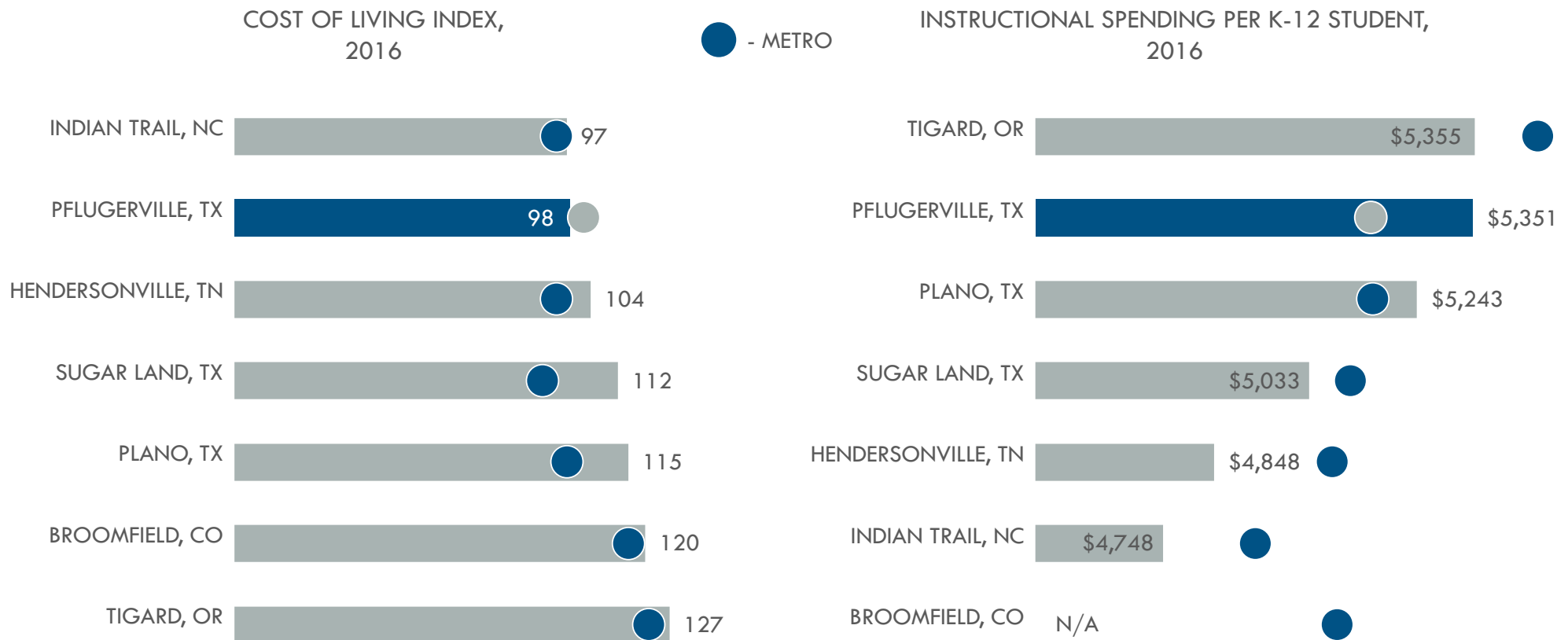
# Benchmark Quality of Life

## WHY IS THIS IMPORTANT?

Pflugerville is an affordable community – both within the Austin metro and relative to other major cities. The city maintains low costs relative to the entire nation while still making significant investments in education and infrastructure. Among benchmark communities, only Indian Trail had a lower cost of living at 97. Among metros, only Houston, Charlotte, and Dallas were more affordable.

Cost of living is an important component of quality of place. Regions with high costs of living may find it difficult to attract and retain talent.

The level of spending on school students was also second highest among benchmarks. Only Tigard and Portland spent more per K-12 student instruction.



SOURCE: AVALANCHE CONSULTING / SPERLING'S BEST PLACES

SOURCE: AVALANCHE CONSULTING / SPERLING'S BEST PLACES



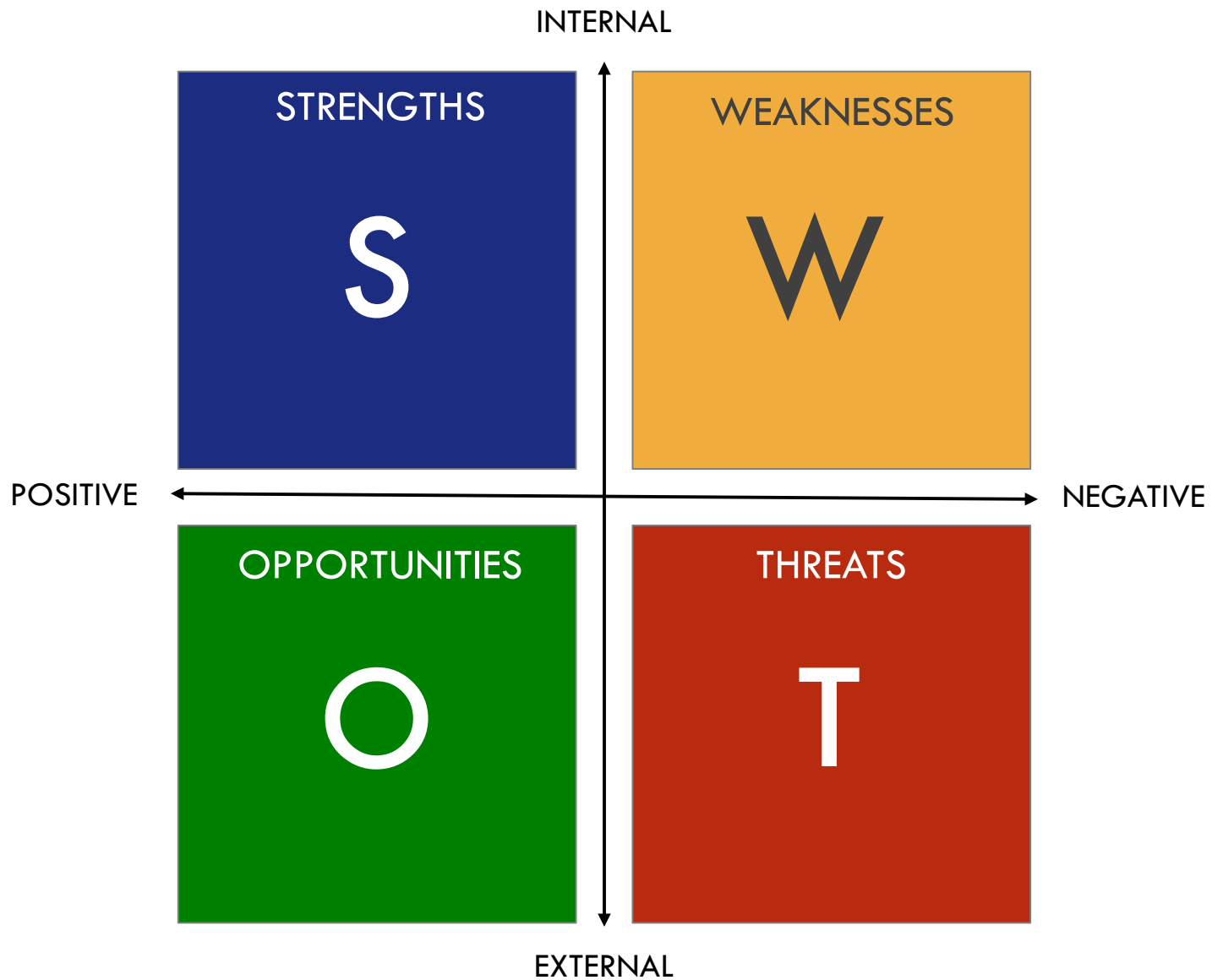


# SWOT ANALYSIS

The following SWOT Analysis summarizes Pflugerville's differentiating strengths, weaknesses, opportunities and threats revealed in the stakeholder input and data analysis.

It provides a foundation for identifying target industries and crafting the strategic plan.





The SWOT Assessment presents a summary of Pflugerville’s strengths, challenges, opportunities, and threats. The SWOT incorporates findings from quantitative information detailed in the Competitive Assessment, input from stakeholders, and the consulting team’s national perspective and expertise.

# BUSINESS & ENTREPRENEURIAL CLIMATE

## STRENGTHS

- Pflugerville is open to development and willing to work with businesses to help them succeed.
- The regulatory environment is considered much friendlier than the City of Austin and other regional communities.
- Pflugerville's geographic location provides convenient logistical access into all of Greater Austin and connecting outside the region.
- Pflugerville has a high share of patent holders – reflecting the number of highly educated residents and inventors, many of whom work for regional technology companies and startups.

## OPPORTUNITIES

- Improving intergovernmental relations between the City, Travis County, and Williamson County could lead to greater consistency of operations for businesses.
- Pflugerville's large share of self-employed residents, patent holders, and burgeoning entrepreneurs could benefit from additional resources such as office space and support services.
- Providing additional staffing and support for the Business Retention & Expansion program to identify and assist with local business needs.
- Elevate Pflugerville as a regional leader and partner with others, connecting with regional assets such as higher ed and the Austin Innovation District.
- Ensure Pflugerville has ready sites and buildings to accelerate its competitiveness as a hub for primary jobs.

## WEAKNESSES

- Some local businesses feel that they do not have the resources, networking, and professional development opportunities they desire.
- There is a perception that the City of Pflugerville and Travis County do not always work together.
- Pflugerville's incentive policy is not directly tied to goals and target industries – making it difficult to determine when they should be utilized.
- The number of homegrown businesses, including restaurants and retail, is currently limited.

## THREATS

- Without a higher share of daytime jobs, Pflugerville could become stuck as a largely bedroom community, which has negative implications for long-term economic resiliency and tax base for maintaining a high quality community.
- Pflugerville no longer has the highest tax rate in the Austin region, but overall property taxes are still relatively high and may impede development.
- Failure to restructure debt will come at a high price for the City.



# EDUCATION & WORKFORCE

## STRENGTHS

- Pflugerville has a well-educated population and a great school district.
- This city also draws labor from a large, highly-skilled labor shed that covers most of the Austin metro.
- Pflugerville is located close to a wide range of strong post-secondary educational institutions, including the University of Texas, Texas State University, St. Edwards University, EWCHEC, and Austin Community College.
- Pflugerville ISD currently offers dual credit courses with ACC and EWCHEC.
- The rapidly growing population in Pflugerville and the Austin metro provide a pipeline of new workers.
- Pflugerville's large veteran base is an attractive labor force and competitive advantage.

## OPPORTUNITIES

- Continue to expand partnerships between Pflugerville ISD, private employers, and post-secondary educational institutions (locally and regionally) to better prepare students for target industry careers.
- Continue to broadly communicate the ISD's success stories.
- Increase hands-on learning opportunities in high tech and advanced manufacturing through internship and apprenticeship programs.
- Continue to commit to providing the highest quality educational system possible for Pflugerville's families. Attract training grants and resources related to target industry skillsets, as well as programs tailored for veterans.

## WEAKNESSES

- Pflugerville ISD's success in academic achievement and career-readiness programs is not well known within the community.
- Although there are many colleges and universities located throughout the region, Pflugerville is not yet well connected to the region's higher education institutions.

## THREATS

- Limited awareness of the educational strengths in Pflugerville may perpetuate misperceptions about the community in the Austin region.
- Without the presence of a thriving job base in Pflugerville, the community will export the people it trains and educates.



# INFRASTRUCTURE

## STRENGTHS

- Pflugerville's geographic location and highway infrastructure make it highly competitive for distribution operations, with convenient access via SH-130, I-35, SH-45, Austin Bergstrom International Airport, and the Austin Executive Airport.
- Pflugerville has greenfield land along major highways.
- The One Thirty Commerce industrial park has been incredibly successful.
- Pflugerville offers competitive electrical rates and has a well-developed water plan to ensure availability and pricing into the future.
- Office and other real estate is generally more affordable in Pflugerville than much of the Austin region.

## OPPORTUNITIES

- The industrial park is currently full, indicating a high-demand for this type of product and presenting an opportunity for expansion of the park or development of another property.
- SH-130 presents a unique opportunity for Pflugerville to emerge as a primary job hub in the Greater Austin region - with easy access and room to grow.
- Pflugerville's rapid growth and attractive location within the Austin metro allow the city to maintain high standards for future investments – both in terms of design criteria and the types of businesses it helps grow.

## WEAKNESSES

- There are few existing buildings ready for businesses to occupy in Pflugerville. This shortage includes office product (Class A and Class B), light industrial, and commercial.
- Although Pflugerville has many greenfield sites with plans for utilities, getting these properties shovel-ready with utilities in place will take time and money.
- A lack of I-35 frontage for the city may have deterred certain office users from locating in Pflugerville in the past due to lack of visibility.
- Pflugerville's many greenfield properties and limited major primary office or other employers make the market appear "unproven" to some developers.

## THREATS

- Without new real estate product to market to companies looking to open new facilities, Pflugerville will be challenged to expand and attract primary businesses.
- Without a firm commitment to creating primary jobs (e.g. appropriate zoning that supports logistics, manufacturing, and office development), residential and retail development could threaten to absorb Pflugerville's prime business sites.
- If the City is unable to maintain tax revenues, road and water infrastructure may fail to keep up to date with rapid population and business growth.



# MARKETING & IDENTITY

## STRENGTHS

- Pflugerville is recognized as one of the fastest growing cities in America and has a high quality of life.
- Pflugerville is located in Texas and the Austin region, which have strong international brands and marketing arms in Opportunity Austin and Team Texas.
- As the Austin region grows and faces transportation challenges, many community leaders are pursuing a development strategy focused on creating multi-nodal employment centers spread geographically throughout the region. Pflugerville is geographically well-positioned to be one of these centers.

## OPPORTUNITIES

- Adopting a shared vision, goals, and brand identity for the community will help coordinate development activities and provide a decision-making lens for all local leaders.
- Launch a year-round internal marketing campaign to bolster community pride and unity.
- Build PCDC's reputation as a trusted regional partner and leader. This will result in economic development opportunities.
- Increase regional awareness of Pflugerville's many assets and its emergence as hub of innovative primary businesses.
- Continue to promote Pflugerville to target industries, site consultants, and other business influencers.

## WEAKNESSES

- Although Pflugerville residents feel a strong sense of community pride, there isn't a unified vision and identity.
- Many residents of the Greater Austin region have misconceptions about Pflugerville that are far from reality.
- Pflugerville is appearing on more national lists due to its rapid growth and high quality of life, but national awareness of the city remains low, and many still view it as relatively quaint small town.

## THREATS

- Without increased awareness of Pflugerville's true identity and numerous opportunities, many businesses and developers in the Austin metro, Texas, and nation may continue to pursue opportunities in other communities in the Greater Austin region.
- Pflugerville's small-town feel is one of its cherished qualities, but the city must also embrace urban changes and quality improvements as it grows rapidly, or it may appear dated and unattractive to new businesses and residents.



# QUALITY OF LIFE

## STRENGTHS

- Pflugerville was recently recognized as the #2 best place to live in Texas and #12 nationally.
- The city boasts low crime rates, an excellent ISD, extensive parks and trails, youth sports and recreation opportunities, and relative affordability within the region.
- Pflugerville is a highly ethnically, racially, and age diverse community with a strong small-town culture and sense of civic pride.
- The number of retail businesses and restaurants has grown rapidly in recent years – allowing residents to shop and eat closer to home and keep tax dollars in the community.

## OPPORTUNITIES

- Construction of a family-friendly town center would add to the entertainment options in Pflugerville and provide another destination for visitors.
- Pflugerville would benefit from exploring options for developing a community gathering area or town center that includes businesses that serve families, provides a new home for civic organizations, hosts community events, and creates a more walkable, urban core.
- Commit to being intentional with all future development, setting high standards and being patient.
- Continue to expand Pflugerville's recreational amenities such as parks, trails, and sports complexes.

## WEAKNESSES

- Multi-family and rental housing options are relatively limited and expensive.
- Some residents are concerned about increasing congestion.
- It is challenging to keep roads, parks, and other infrastructure up to date to meet the needs of a rapidly growing population.
- There are limited homegrown dining and retail options in the community.
- There is a perception that there are limited alternative entertainment options for families outside sports and school activities.
- Pflugerville lacks a distinct downtown or other central location for community gathering and events.

## THREATS

- If Pflugerville does not expand the diversity of housing options, the city may face challenges retaining and attracting critical demographics of a labor force, such as young professionals, tradespeople, and corporate executives.
- Traffic congestion concerns could increase if roadways are not maintained and expanded to match population growth patterns.

