

PFLUGERVILLE COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY

Special Focus: Workforce & Education Institution Analysis

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 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.

(Note: We will add titles and organizations.)

Pflugerville	Comprehensive	Economic	Development	Strategy
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Steering Committee Members

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WORKFORCE & EDUCATIONAL INSTITUTION ANALYSIS

$$V_{act} = \frac{q_0(N - N_0)(1 - \epsilon_s)}{T_0 q_0(N - N_0)(1 - \epsilon_s)}$$

$$= T_0 q_0(N - N_0)(1 - \epsilon_s)$$

$$\frac{T_0 q_0}{V_{act}} = \text{②}$$

$$V_{act} = T_0 q_0(N - N_0)(1 - \epsilon_s)$$



INTRODUCTION

The availability of appropriately skilled workers is one of the primary factors determining whether a business can locate or expand in a community. Immigration of new, educated residents can provide a source of workers for expanding businesses, but the remaining needs must be filled through education of students and adults already living in a community. Understanding the K-12 and post-secondary educational resources available in a community and how they match with growing occupational sectors helps identify opportunities to connect local employers and students.

It is important to remember that this is a regional story. Pflugerville is intimately connected to the greater Austin region – sending its residents out to work in other cities each day and drawing workers from numerous counties. This broad, regional labor shed is a significant asset to the community – **expanding the pool of available labor from 26,000 employed residents in Pflugerville to nearly 800,000 working adults within the broader region.**

Incorporating the broader labor shed also expands Pflugerville’s educational resources beyond the successful local ISD and private schools to include the University of Texas, one of the nation’s top public universities; Texas State University, one of the nation’s fastest growing; numerous Austin Community College campuses; East Williamson County Higher Education Center; the Texas State University Round Rock campus; and many more.

We then examine which occupations are currently growing in Pflugerville and forecast to grow in the near future – and compare these to the existing workforce in the city. We also examine occupations that are in highest demand and shortest supply in the broader labor shed, identifying stress points in the regional workforce supply chain that may create growth challenges for existing and targeted businesses in Pflugerville.

Lastly we provide a summary of relevant programs at regional educational institutions. This is a resource for local employers and economic developers and also highlights areas that may be addressed through this strategic plan.



LABOR SHED IDENTIFICATION

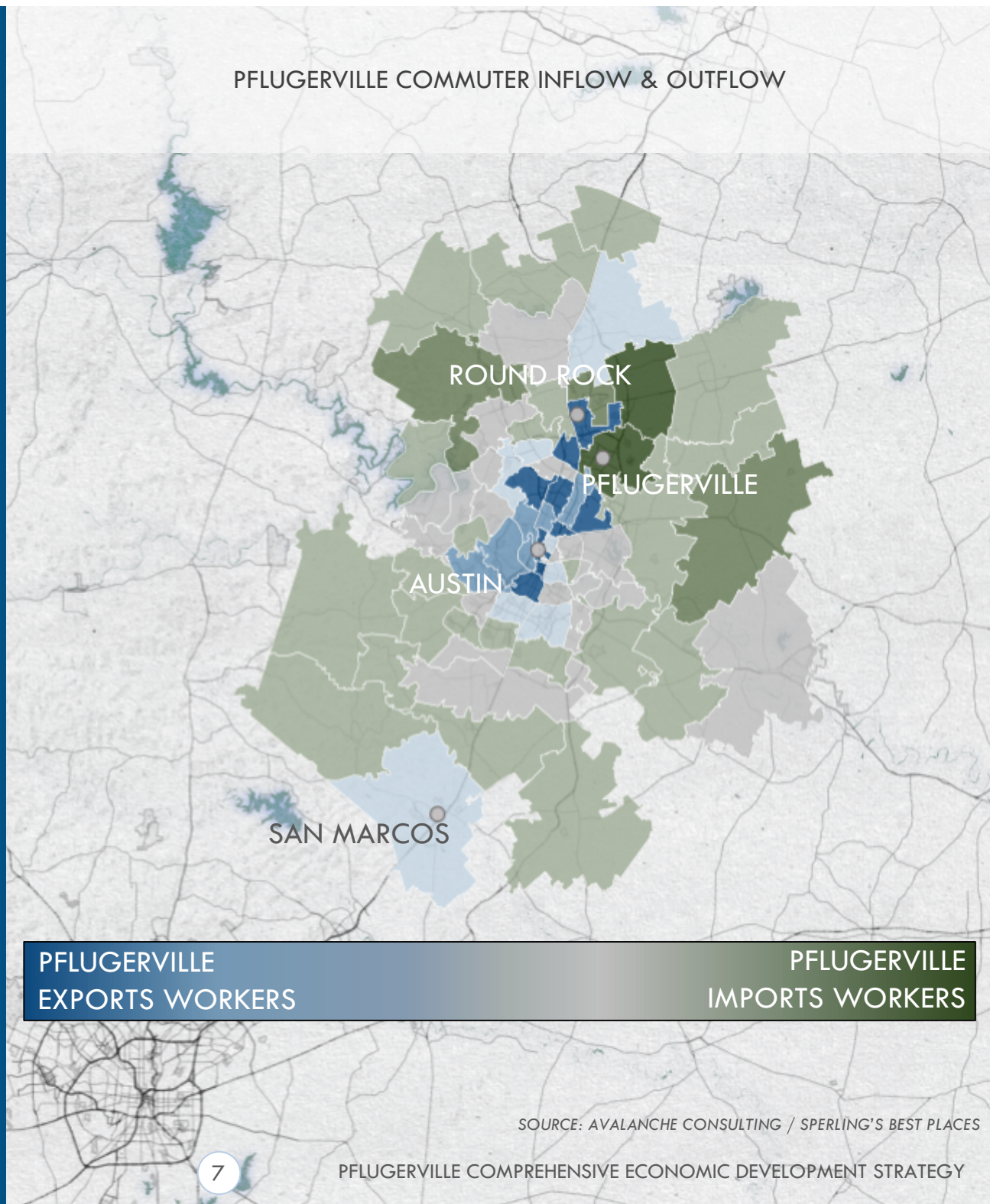
WHAT IS PFLUGERVILLE'S TRUE LABOR SHED?

The City of Pflugerville both imports and exports workers to virtually every corner of the Austin metropolitan region.

Pflugerville draws many workers from Austin and Round Rock, but the city sends a much higher share of working residents back to these locations. As a result, Pflugerville draws the most net workers (in-commuters minus out-commuters) from communities outlying the Austin metropolitan area – Hutto, Leander, Taylor, Brushy Creek, etc.

Pflugerville exports the most net workers to Austin's urban core and downtown Round Rock. The resulting commuting pattern looks like a donut – with Pflugerville exporting workers to the center and attracting workers from the region's periphery.

PFLUGERVILLE COMMUTER INFLOW & OUTFLOW



SOURCE: AVALANCHE CONSULTING / SPERLING'S BEST PLACES



LABOR SHED IDENTIFICATION

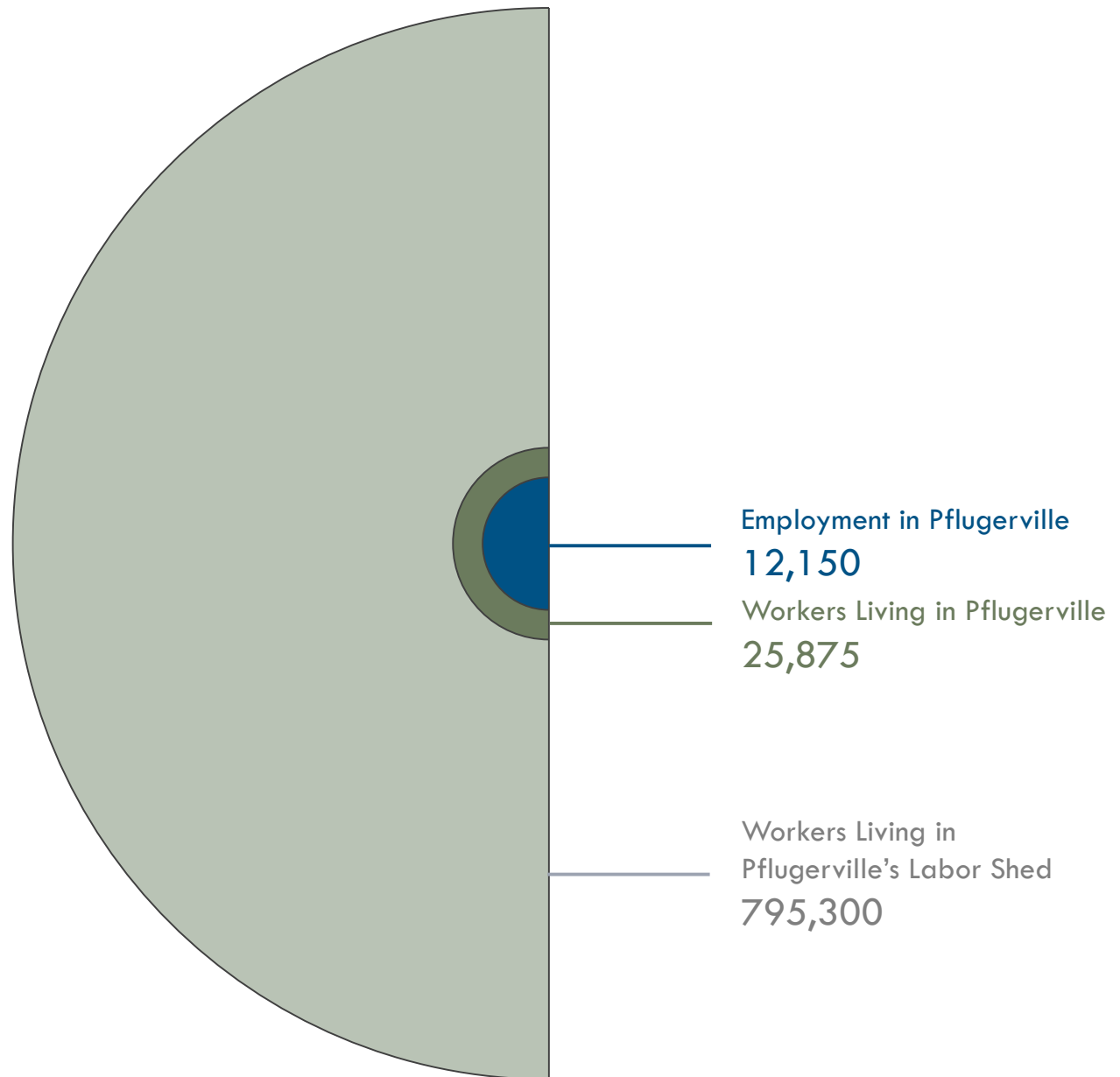
HOW MANY WORKERS ARE IN PFLUGERVILLE'S LABOR SHED?

In many ways, Pflugerville has the typical employment dynamics of a bedroom community located near a major metropolitan urban center.

Pflugerville is home to more than 12,000 jobs, and nearly 26,000 workers actually live in the city. Yet only 1,900 of these individuals both live and work in Pflugerville. As a whole we know that these individuals earn slightly less than those working outside of Pflugerville – with 43% of those working and living in Pflugerville earning over \$40,000 annually, compared to 53% of those working outside.

When we look beyond the 26,000 workers in the city, we see more than 795,000 currently employed individuals that reside within Pflugerville's Labor Shed. All of these workers can be considered part of the available pool of labor from which employers in Pflugerville can draw.

PFLUGERVILLE EMPLOYMENT & LABOR SHED DYNAMICS, 2014



SOURCE: AVALANCHE CONSULTING / BUREAU OF LABOR STATISTICS / US CENSUS BUREAU



PFLUGERVILLE OCCUPATION GROWTH

WHAT OCCUPATIONS ARE GROWING WITHIN PFLUGERVILLE?

Pflugerville created more than 2,800 jobs between 2011 and 2016, an increase of approximately 22%. These new jobs were primarily concentrated in a handful of industries and occupations.

Over the past five years, four occupation clusters created 65% of all jobs in Pflugerville – Hospitality, Construction, Back Office, and Personal Services.

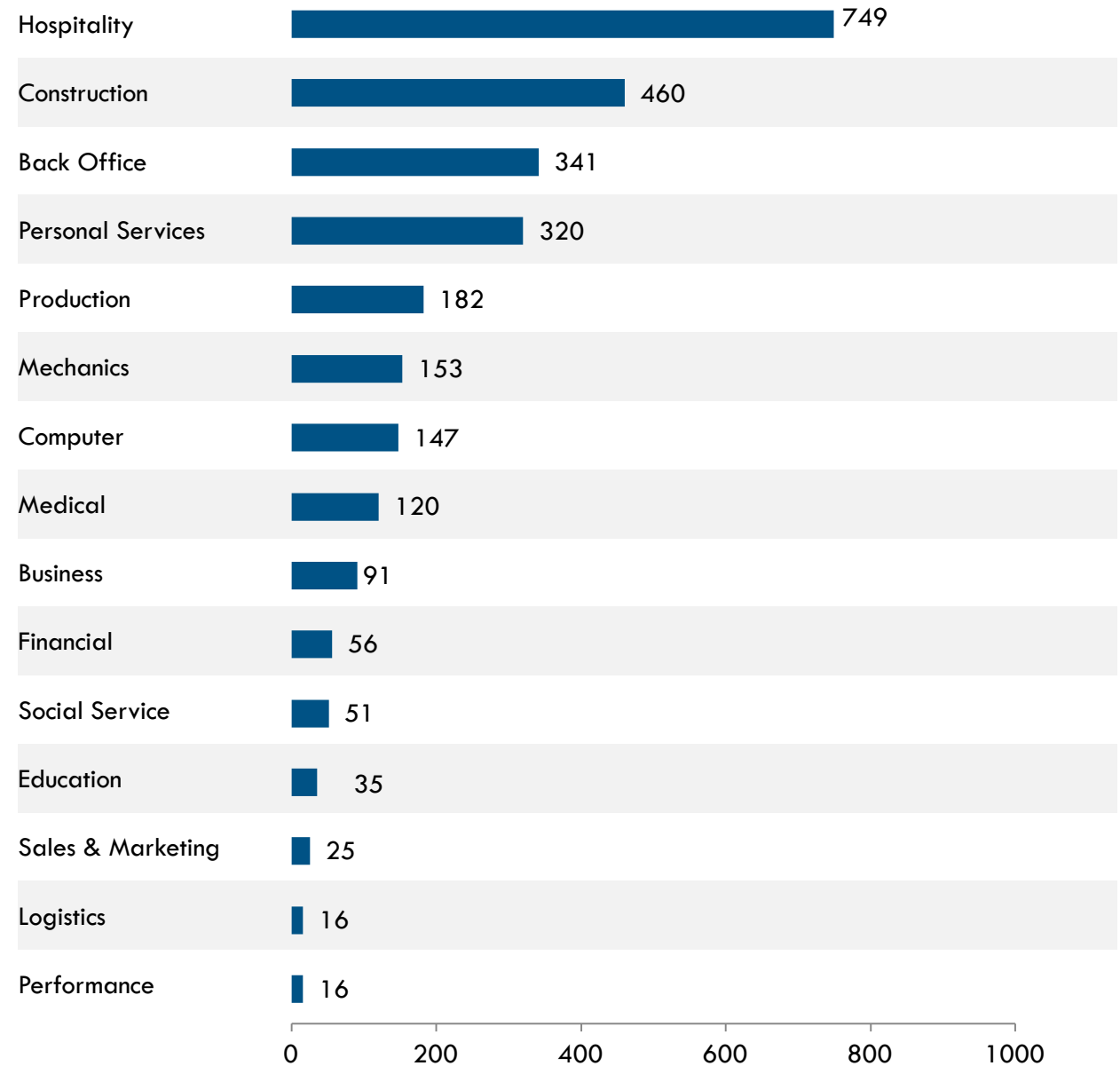
Creating nearly 750 new jobs, Pflugerville’s Hospitality cluster experienced the strongest growth. These jobs are primarily in Food & Culinary with very recent growth in Hotels & Conventions. Construction also saw significant gains, with nearly 460 new jobs. The Personal Services cluster was responsible for 320 new jobs – primarily in Retail.

Back Office operations supported the creation of more than 340 jobs – many in Information, Office Administration, and Finance.

Production also saw strong growth – primarily in Assembly and Machinery. Growth in Computer occupations was in Software and Support.



PFLUGERVILLE EMPLOYMENT GROWTH BY LEADING OCCUPATIONS, (OCCUPATIONS WITH EMPLOMENT INCREASES OF AT LEAST 15 JOBS), 2011 - 2016



SOURCE: AVALANCHE CONSULTING / EMSI

PFLUGERVILLE OCCUPATION GROWTH

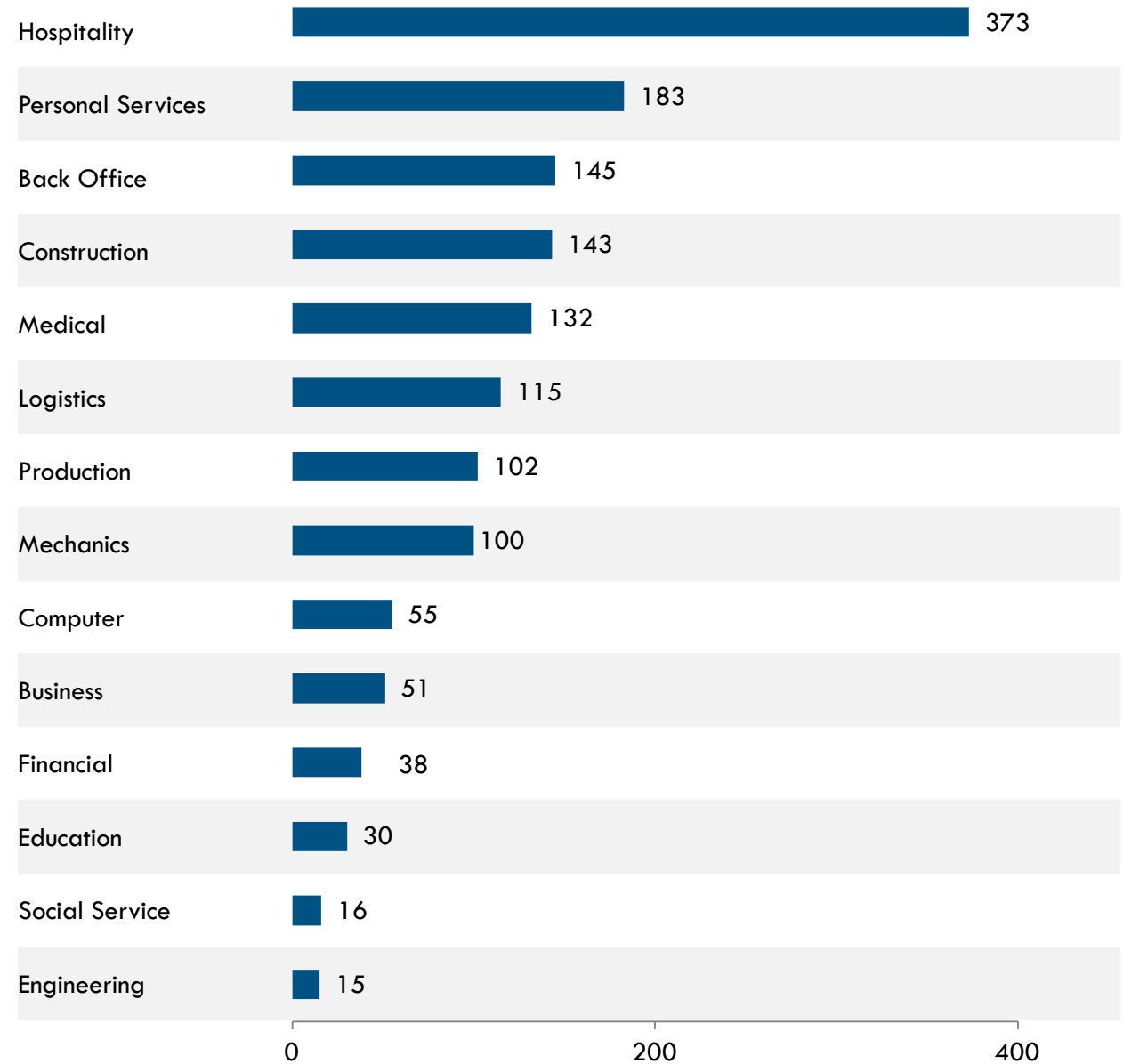
WHAT OCCUPATIONS ARE PROJECTED TO GROW WITHIN PFLUGERVILLE OVER THE NEXT 5 YEARS?

Existing projections show occupational growth in Pflugerville that generally matches recent growth in the city. Currently, base forecasts expect Hospitality to lead growth with nearly 375 new jobs in Pflugerville by 2021. The next highest forecast growth clusters are Personal Services (183 new jobs), Back Office (145), Construction (143).

Importantly, existing employment forecasts for Pflugerville reflect both the past performance of the US economy as a whole and trends specific to a region. **These projections do not readily take into account economic development decisions that will emerge from this Strategy.** As a result, these forecasts should be seen as a continuation of the status quo. One of the primary purposes of an economic development strategy is to improve the projected fortunes of a community, including increased employment growth within targeted industries.

Currently growing primary occupation clusters that will be important to Pflugerville target industries include Medical (132 forecast new jobs), Logistics (115), Production (102), Computer (55), Business (51), Financial (38), and Engineering (15).

PFLUGERVILLE PROJECTED EMPLOYMENT GROWTH BY LEADING OCCUPATIONS, (OCCUPATIONS WITH EMPLOYMENT INCREASES OF AT LEAST 15 JOBS), 2016 - 2021



SOURCE: AVALANCHE CONSULTING / EMSI



A SURPLUS OF LABOR

DOES PFLUGERVILLE HAVE ENOUGH WORKERS TO SUPPORT FUTURE EMPLOYMENT GROWTH?

Four major occupation clusters fueled a large share of recent and forecast employment growth in Pflugerville, but the city possesses a diverse labor force capable of supporting many different industries.

Pflugerville is home to approximately 15,000 more workers than jobs. When examining the Pflugerville Extraterritorial Jurisdiction (ETJ), this imbalance is even higher – with 20,000 more workers living in the ETJ than jobs existing locally.

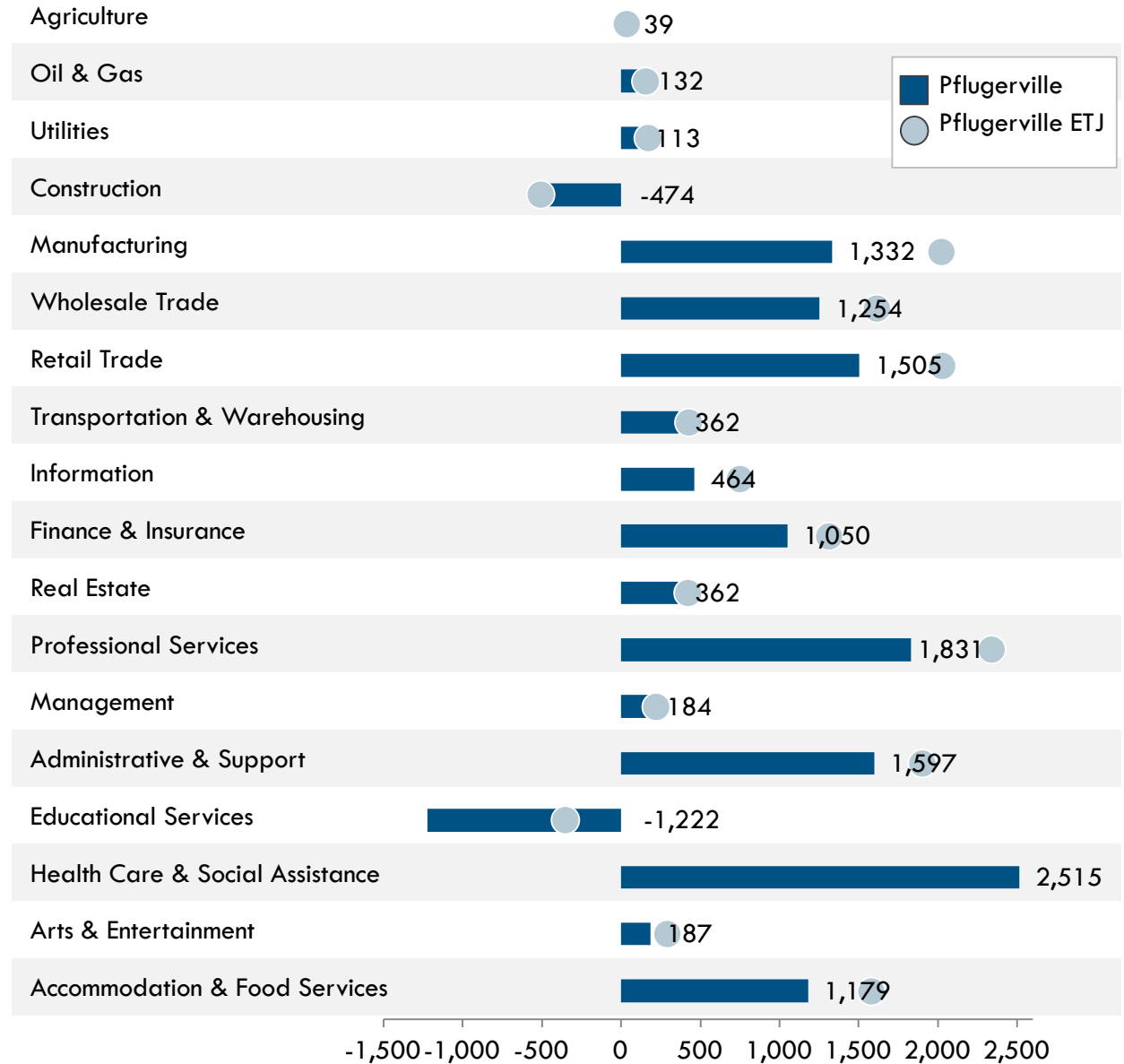
Because there are so many more workers than jobs in Pflugerville, the city has a surplus of available workers in nearly every industry. For example, more than 2,150 Pflugerville residents are employed in Professional Services. Within Pflugerville, however, there are only 300 Professional Services jobs.

Construction and Educational Services are the only two industries within Pflugerville that do not have a surplus of potential workers living locally.

Given the Austin region’s traffic congestion, many Pflugerville residents currently employed elsewhere would likely prefer to worker closer to home if possible. As a result, Pflugerville possesses significant “flex” capacity that can support employment growth across virtually industry.



DIFFERENCE BETWEEN WORKERS LIVING WITHIN COMMUNITY & JOBS WITHIN COMMUNITY, 2014



SOURCE: AVALANCHE CONSULTING / BUREAU OF LABOR STATISTICS / US CENSUS BUREAU

LABOR AGE COMPOSITION

WILL A WAVE OF RETIRING WORKERS LIMIT EMPLOYMENT GROWTH WITHIN PFLUGERVILLE?

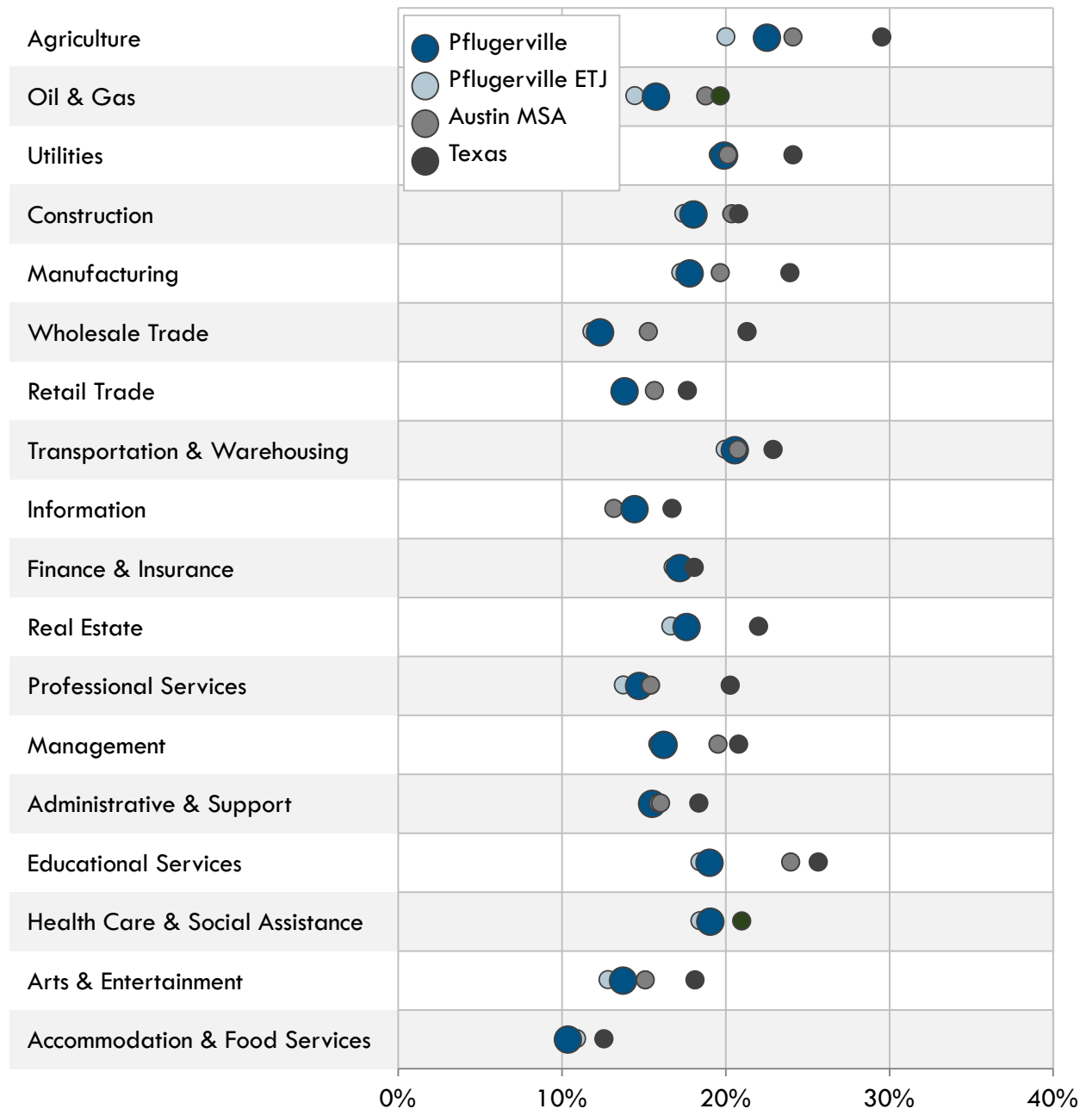
Over the next two decades, a large share of working Americans will retire, creating vacancies in existing positions alongside new job creation. In communities with older populations, this has the potential to create significant strain as the pool of available labor shrinks dramatically. Pflugerville thankfully benefits from a relatively young workforce.

Pflugerville is unlikely to experience a significant loss of workers due to retirement. More than 20% of the national workforce is age 55 or older – considered “approaching retirement,” which is generally between 65 and 67 in the US.

In Pflugerville, only 17% of the workforce is over 55 years old. More specifically, **Pflugerville’s workforce is younger than the US, TX, and Austin Metro averages in nearly every industry.**

The only exceptions are Information and Finance & Insurance. In these two industries, Pflugerville’s labor force is slightly older than the Austin region as a whole but still younger than the state average.

PERCENTAGE OF WORKERS AGE 55+, 2015



SOURCE: AVALANCHE CONSULTING / BUREAU OF LABOR STATISTICS / US CENSUS BUREAU



REGIONAL EDUCATIONAL INSTITUTIONS

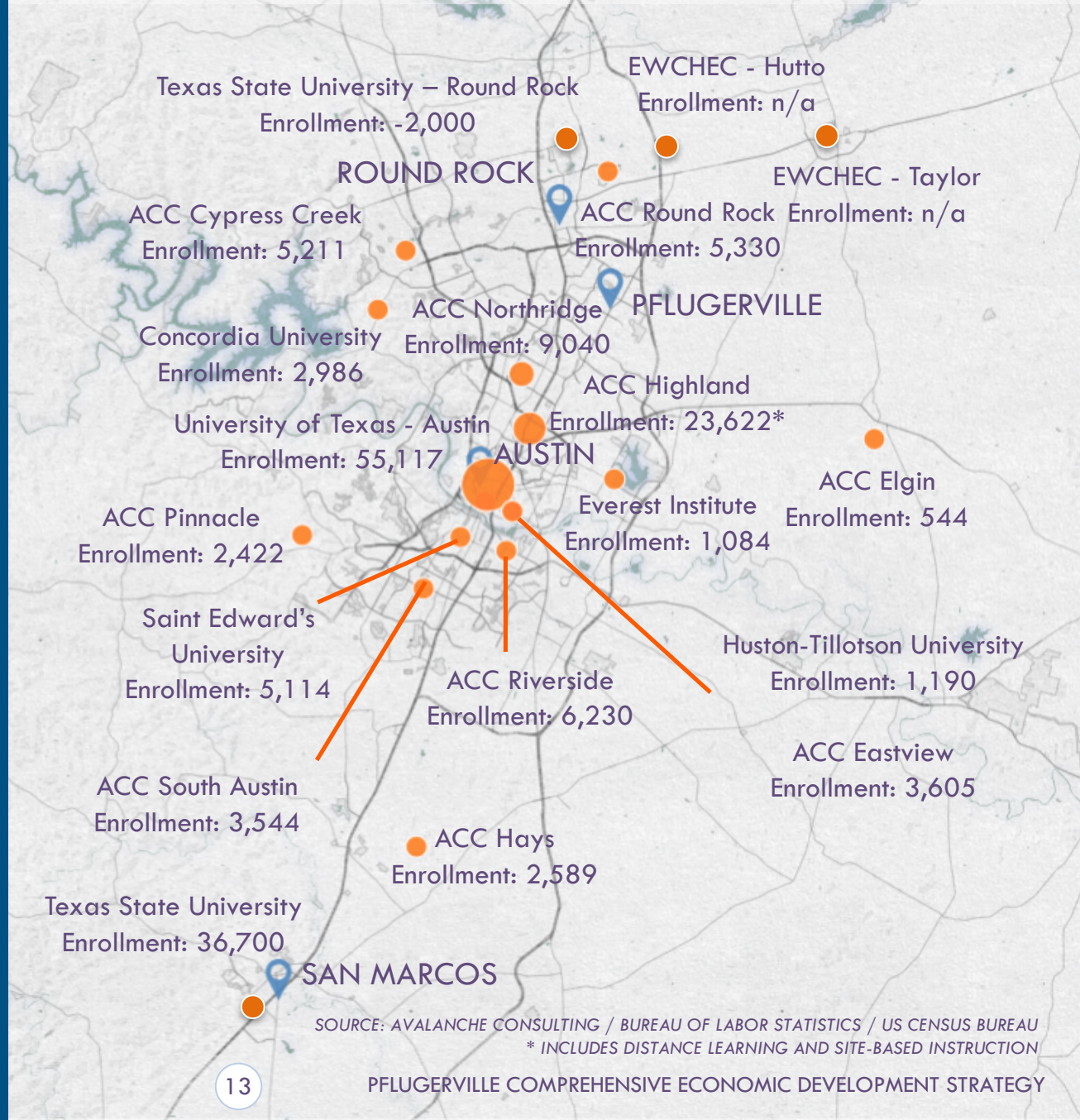
WHAT EDUCATIONAL INSTITUTIONS EXIST LOCALLY?

The Austin metropolitan region has many sources of talent production. **Collectively, enrollment at the region's largest colleges and universities totals nearly 200,000 students.**

This includes all students enrolled in public or non-profit colleges and universities with at least 1,000 students. The University of Texas, with more than 55,000 students, has the largest single campus. Austin Community College, with more than 66,000 students disbursed across 11 campuses, is the largest institution by enrollment within the region. Other leading colleges and universities in the region include Texas State University (36,700 students), Saint Edward's University (5,100) and Huston-Tillotson University (1,200).

The Austin region is also home to the East Williamson County Higher Education Center. Located approximately 10 miles northeast of Pflugerville, the facility offers programs of study from Temple College, Texas State Technical College, and Texas A&M University Central Texas.

GREATER AUSTIN COLLEGES & UNIVERSITIES BY ENROLLMENT
(INCLUDES PUBLIC AND NON-PROFIT SCHOOLS WITH AT LEAST 1,000 STUDENTS),
2015



SOURCE: AVALANCHE CONSULTING / BUREAU OF LABOR STATISTICS / US CENSUS BUREAU
* INCLUDES DISTANCE LEARNING AND SITE-BASED INSTRUCTION



REGIONAL TALENT PRODUCTION

IS THE REGION PRODUCING TALENT LOCALLY?

The Austin metro is one of the most talent rich regions in the US. Each year, regional colleges and universities award more than 27,000 post-secondary degrees in a wide array of disciplines.

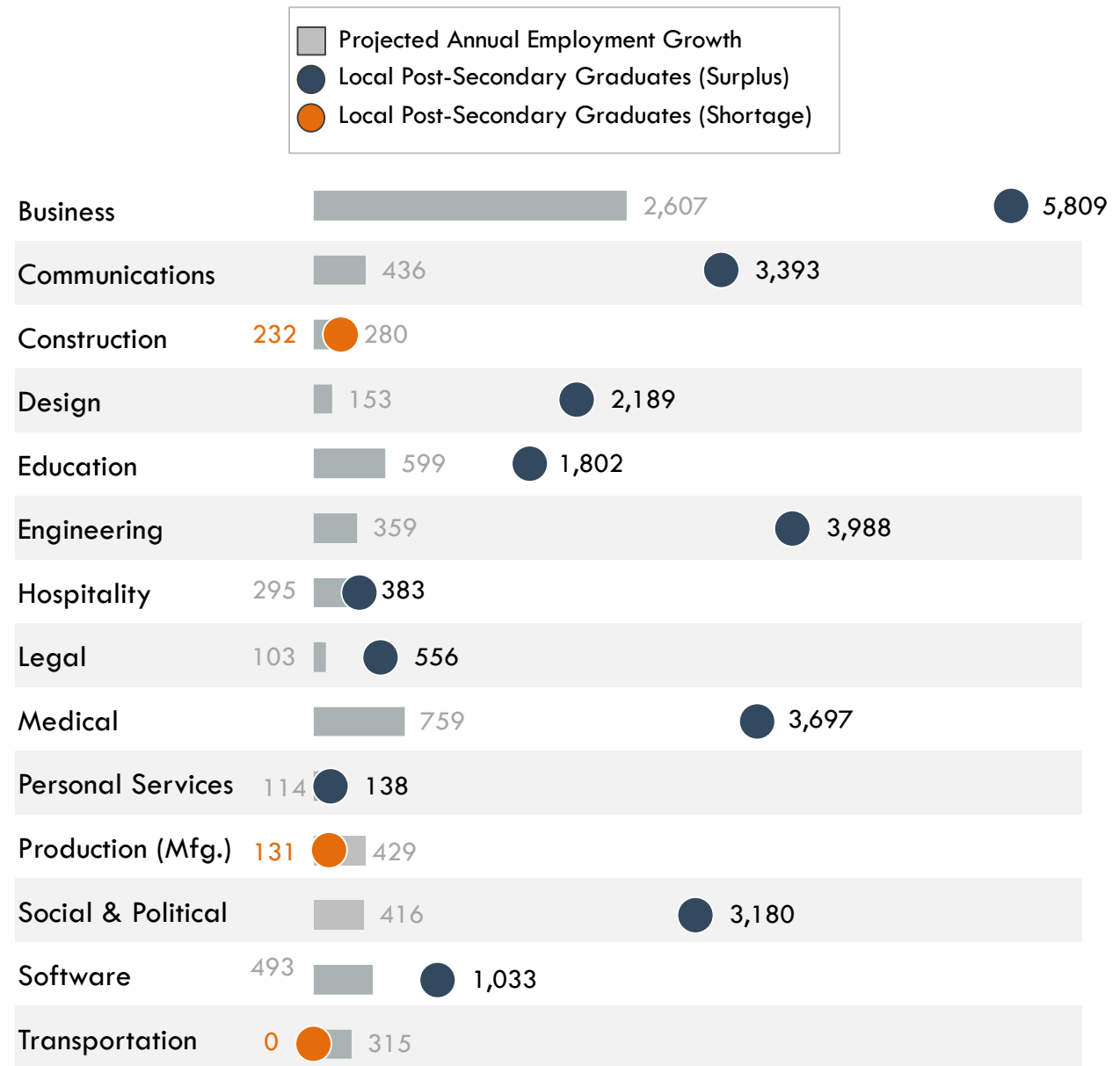
Over the next decade, local talent production is projected to match the needs of most industries. Many occupation clusters will receive a **surplus of qualified college graduates in the coming years** – including Business, Communications, Engineering, and Medical.

Within the Austin region, only three occupation clusters are forecast to have a short supply of local graduates. The region currently under supplies graduates in Construction, Production (Manufacturing), and Transportation. Many jobs in these three clusters, however, do not require post-secondary education.

Nonetheless, because these occupation clusters face the shortest supply within the Austin region, employers in Pflugerville may face challenges finding qualified employees in Transportation, Construction, and Manufacturing fields. It will be especially important to connect local employers to educational programs that do exist in these areas in Pflugerville ISD and at EWCHEC, ACC, and other institutions.



PROJECTED JOB CREATION BY OCCUPATION CLUSTER IN THE AUSTIN METRO VERSUS LOCAL POST-SECONDARY GRADUATES BY FIELD, 2016 - 2026



SOURCE: AVALANCHE CONSULTING / BUREAU OF LABOR STATISTICS / US CENSUS BUREAU

WAGE COMPETITION

DOES PFLUGERVILLE OFFER COMPETITIVE WAGES TO ATTRACT TALENT FROM ACROSS THE REGION?

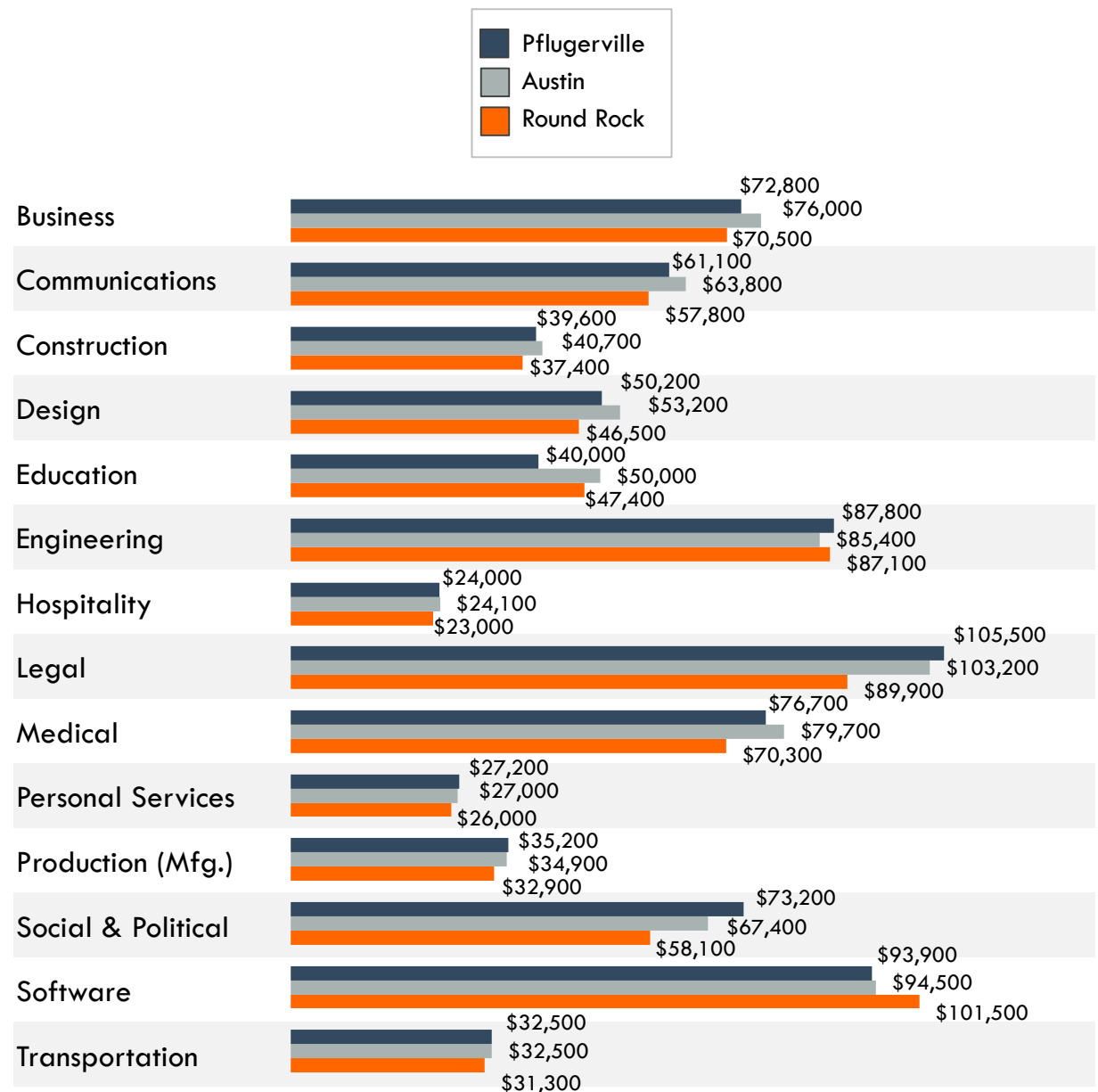
Employers in Pflugerville have the potential to draw workers from nearly 800,000 individuals in the labor shed. One can ask whether those employers will be able to lure those workers away from existing jobs or convince them to relocate or commute to Pflugerville.

One of the factors determining whether Pflugerville employers can hire workers is the wage levels being offered to prospective employees. If Pflugerville wages are competitive with other cities in the Austin region, employers should be able to find and hire the workers they require.

Thankfully, an examination of the relative salaries in the region reveals that Pflugerville employers offer competitive wages for nearly all occupations. Most occupations in Pflugerville offer average salaries near the average for the Austin Metro – the one standout exception is the Education occupation cluster.

Employees in the Education occupation cluster in Pflugerville earn on average \$40,000 a year compared to \$50,000 in Austin and \$47,700 in Round Rock. This statistic is reflected in anecdotal stories from interviews about the challenges retaining skilled teachers in Pflugerville ISD due to lack of wage competitiveness.

RELATIVE REGIONAL AVERAGE ANNUAL SALARY BY OCCUPATION CLUSTER, 2016



SOURCE: AVALANCHE CONSULTING / EMSI



REGIONAL TALENT PRODUCTION

HOW DOES AUSTIN'S TALENT & ATTRACTION COMPARE TO OTHER REGIONS?

In the long-term, local talent production is the most sustainable means of maintaining a workforce with the skills demanded by employers. By giving your children skills that allow them to find jobs in your community, both employers and residents benefit.

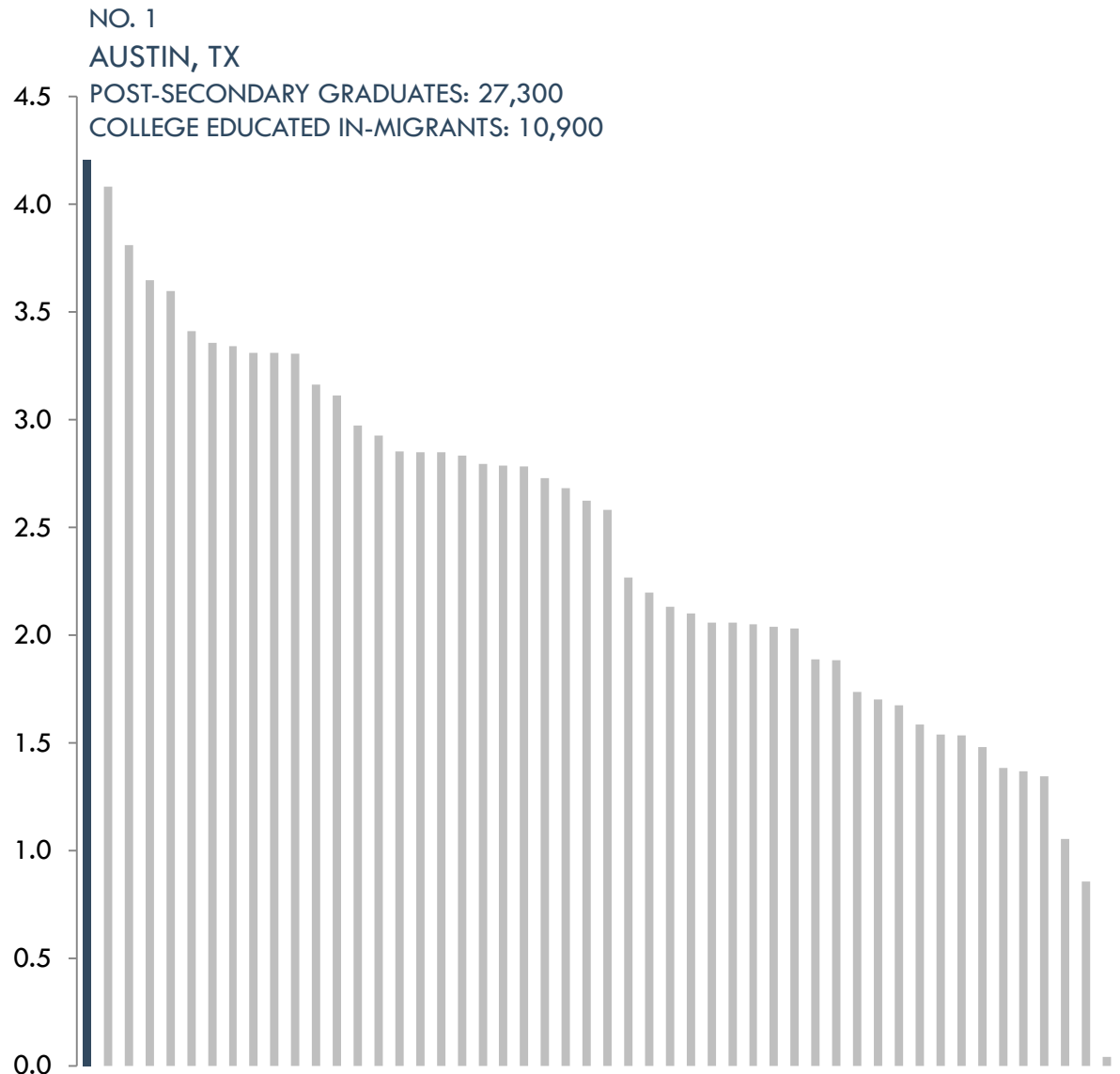
When local supply does not keep up with the demand for workers, attracting talented individuals to a community is the other primary way of filling job openings.

The **Austin metro is one of the most successful regions in the US at attracting outside talent.** On a net basis, in 2015 the Austin region gained nearly 11,000 college-educated individuals. This is in addition to the more than 27,000 individuals graduating from post-secondary institutions in the region.

In 2015, local talent production and attraction represented 4.2 individuals for every 100 jobs. Among the largest 50 metro areas in the US, no region created more talent on a per capita basis than Austin.

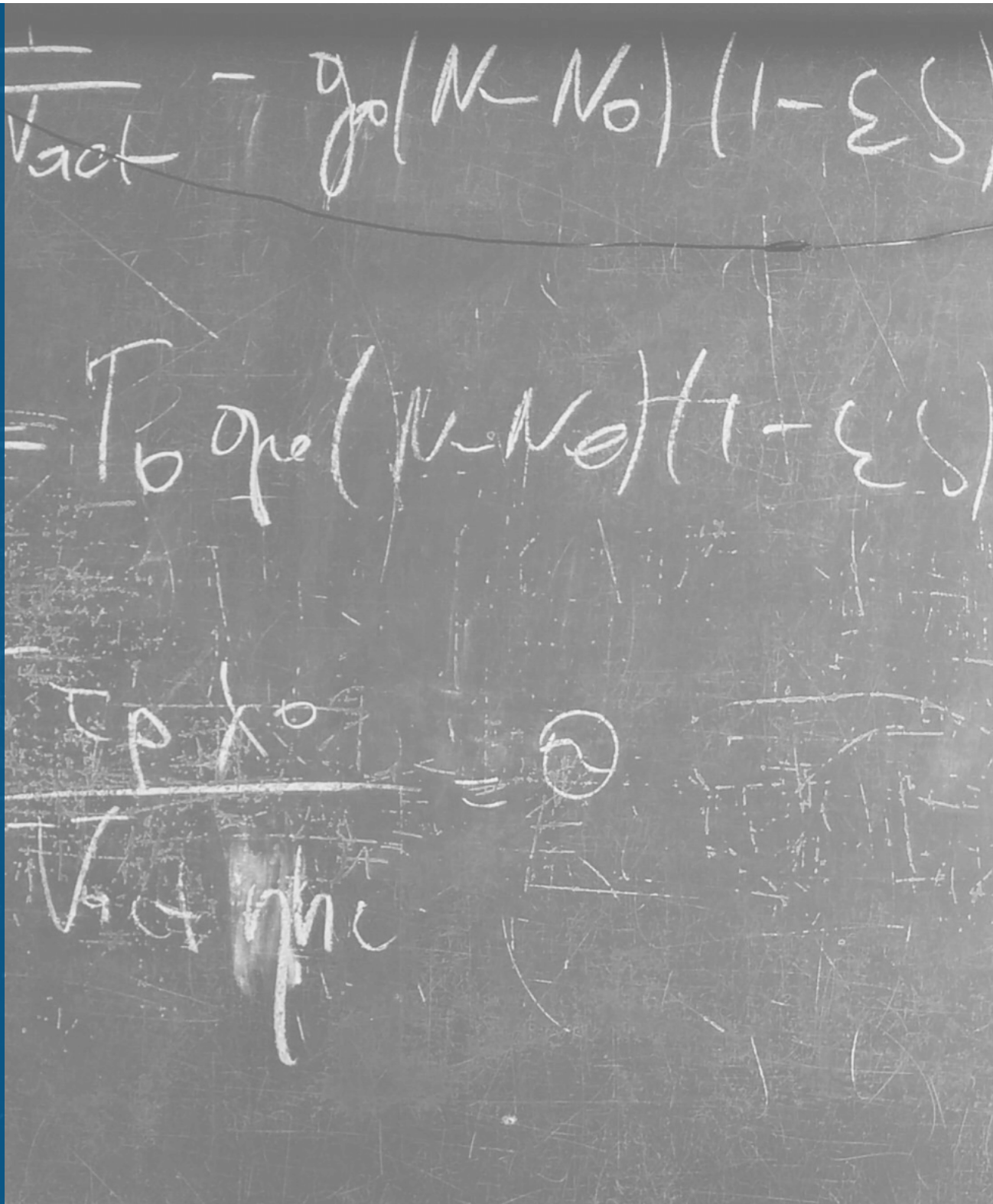


ANNUAL TALENT INFLUX OF LARGEST 50 METROS
(LOCAL POST-SECONDARY GRADUATES & COLLEGED EDUCATED MIGRANTS
PER 100 JOBS), 2015



RELEVANT PROGRAM INVENTORY

The following pages highlight programs at the main education institutions serving Pflugerville. Each institution offers many fields of study, but for the purposes of this strategy, we have only highlighted those were the greatest relevance to existing employers and target industry businesses in Pflugerville.



PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT (PFISD)



The Pflugerville Independent School District (PISD) has grown significantly in the 114 years since it's founding – expanding to serve all of Pflugerville and portions of five surrounding communities. Rapid population growth in recent years has led to the construction of numerous new schools. Despite the strain associated with rapid growth in facilities and students, PISD continues to outperform expectations – sending more students to college, preparing them with STEM and technical skills, developing strategic partnerships throughout the region, and providing a foundational asset for the entire community.

PISD's College & Career Readiness Department and Career & Technical Education tracts work to prepare students for the modern economy and offer a range of programs relevant to local economic development, including:

- Health Science
- Engineering
- Biomedical Science
- Computer Science
- Computer Maintenance & Networking
- Information Technology
- Banking & finance
- Business Management & Marketing
- Video Game Design
- Welding

More information is available at <http://www.pfisd.net/Page/317>



AUSTIN COMMUNITY COLLEGE (ACC)



Austin Community College has campuses stretching across the Austin metro, from Oak Hill and Kyle in the south to Cedar Park and Round Rock in the north. The Round Rock campus opened in 2010. Pflugerville is not currently located within an ACC district, so Pflugerville residents would pay out-of-district tuition to attend. ACC programs nonetheless remain an important and close proximity resource for employers and students.

A sample of programs in Round Rock relevant to Pflugerville's economic development include:

- Accounting
- Allied Health Science
- Automotive Technology and Outdoor Powered Equipment
- Biology
- Biotechnology
- Business, Government, and Technical Communications
- Computer Information Technology
- Computer Science
- Economics
- Electronics and Advanced Technologies
- Mathematics
- Medical Lab Technology
- Nursing
- Physics
- Surgical Technology
- Welding Technology

More information is available at:

<http://www.austincc.edu/locations/campuses/round-rock-campus>



EAST WILLIAMSON COUNTY HIGHER EDUCATION CENTER (EWCHEC)



The East Williamson County Higher Education Center (EWCHEC) is a teaching center with locations in Hutto and Taylor. Courses at EWCHEC are taught in collaboration between Temple College, Texas State Technical College Waco, and Texas A&M University–Central Texas. This partnership provides numerous college degrees and workforce training programs at an affordable tuition for both in and out of district students.

A sample of programs relevant to Pflugerville’s economic development include:

From Temple:

- Biotechnology
- Computer-Aided Design
- Computer Information Systems
- EMS Professions
- Geographic Information Systems
- Health Professions
- Math & Science
- Nursing

From TSTC:

- Computer Tech Support
- Cyber Security
- Database Administration Programming
- Industrial Electrical Systems
- Industrial Maintenance
- Precision Machining Technology
- Welding Technology

From Texas A&M – Central Texas:

- Business Management/Business Administration
- Marketing

More information is available at <http://ewchec.net>



UNIVERSITY OF TEXAS – AUSTIN

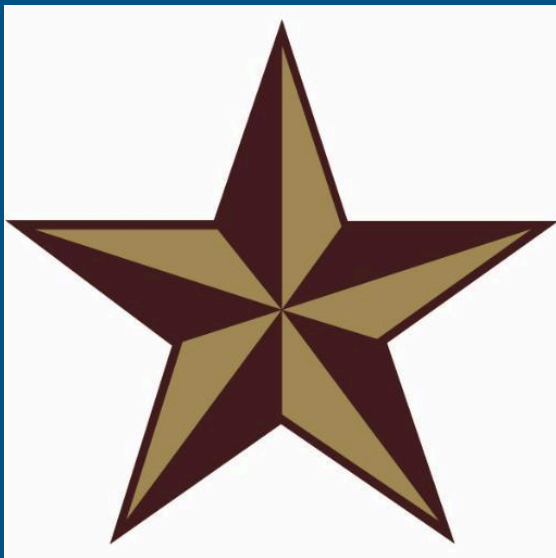
The University of Texas at Austin is public research university with over 50,000 enrolled students at its campus in central Austin. The university contains eighteen colleges & schools, with numerous programs that have direct application to Pflugerville's target industries:

- Aerospace Engineering and Engineering Mechanics
- Biomedical Engineering
- Business Administration
- Chemistry
- Computer Science
- Computational Engineering & Sciences
- Electrical and Computer Engineering
- Information Sciences & Security
- Integrative Biology
- Materials Science and Engineering
- Mathematics
- Mechanical Engineering
- Molecular Biosciences
- Operations Research and Industrial Engineering
- Physics
- Statistics and Data Sciences

<http://www.utexas.edu/academics/areas-of-study>



TEXAS STATE UNIVERSITY – ROUND ROCK CAMPUS



The Texas State University Round Rock Campus was opened in 2005 and offers majors for junior- and senior-level undergraduates and graduate students. The campus was started after the Avery family donated 101 acres to the Round Rock Higher Education Center (RRHEC) to build a permanent campus. The campus consists of the 125,000sf Avery Building, with its classrooms, labs, offices and library. The 80,000sf St. David's School of Nursing was opened in 2010. A new Health Professions Building broke ground in 2016.

A sample of programs relevant to Pflugerville's economic development include:

Bachelor's level:

- Applied Arts & Sciences (BAAS)
- Computer Science (BA/BS)
- Management (BBA)
- Mass Communication (BA)
- Nursing (BSN)

Master's level:

- Business Administration (MBA)
- Computer Science (MA/MS)
- Public Administration (MPA)
- Software Engineering (MS)

Certificates are available in Healthcare Administration, Teacher Education, and Certified Public Manager.

<http://www.rrc.txstate.edu/about/programs.html>



TEXAS A&M HEALTH SCIENCE CENTER COLLEGE OF MEDICINE



Texas A&M University operates a medical school campus in Round Rock to direct the students' rotations in Emergency Medicine, Family Medicine, Internal Medicine, Obstetrics/Gynecology, Pediatrics, Psychiatry and Surgery at sites across Williamson County. Additional community physicians serve as clerkship faculty in these and other clinical areas.

The Round Rock campus was opened in 2009 through a \$9 million appropriation by the state legislature. The Avery family donated 15 acres and the purchase of an additional 35 acres to form a 50-acre campus.

The 134,000-square-foot facility will be used for clinical teaching and includes a simulation center equipped with computer-programmed mannequins, student life and student service support, administrative offices, and clinical research space for the Texas A&M Health Science Center/Scott & White Diabetes Institute. The first floor lecture hall is named the "St. David's Foundation Lecture Hall" in honor of a St. David's Foundation \$250,000 pledge to support the campus.

Programs are available in:

- Emergency Medicine
- Family Medicine
- Internal Medicine
- Obstetrics & Gynecology
- Pediatrics
- Psychiatry
- Surgery

<https://medicine.tamhsc.edu/campuses/rr/>

