



# Agenda Item Report

**Legislative Board:** City Council  
**Date:** March 7, 2023  
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**Agenda Item ID / Number:** 2023-198- / J.1

**ITEM TITLE:** Presentation, deliberation, and possible action to adopt the Target Industry Analysis study completed by Angelou Economics (Buda EDC Executive Director Jennifer Storm and Angelos Angelou, Founder/Principal Executive Officer)

## 1. EXECUTIVE SUMMARY

The targeted industries for Buda echo previous target industry analyses for the region, but consider regional and national growth trends, providing Buda with opportunities to grow with a quickly changing regional and national economy. As with previous iterations, the location quotients recommend a commitment to:

1. Advanced Manufacturing
2. Knowledge Intensive Business Services
3. Arts & Entertainment
4. Entrepreneurship

The last target "industry" represents a commitment to start ups, young professionals, and entrepreneurs of all ages. Entrepreneurship is the purest way to add jobs that does not include taking jobs from (potentially) somewhere else. Entrepreneurship extends into Advanced Manufacturing, Knowledge Intensive Business Services, and Arts & Entertainment.

## 2. BACKGROUND/HISTORY

The Buda EDC contracted with Angelou Economics in 2022 to develop a list of target industries that match the community's character, growth demands, and demographics.

### EXECUTIVE SUMMARY

Overall, Buda is a warm and quiet community, nestled just beyond the downtown skyline of Austin. With immediate access to I-35, Buda is connected to the major north-south thoroughfare in the state, but it maintains a feeling of being removed from the hustle and bustle. Buda's relative location offers its current residents and businesses the advantage of reduced commute times while still maintaining access to needs and wants. Proximity to I-35, SH45, SH21, and FM 1626 provide Buda ample opportunities to connect with its immediate neighbors and growing business opportunities. With a relatively low median home price (\$450,000), Buda offers its residents a more affordable pathway to home ownership compared to Austin (\$599,000) and Round Rock (\$473,000). It is also competitive with Pflugerville (\$449,000). While Kyle's median price is lower (\$376,000), Buda is a place where the American middle-class dream is alive and well. With a relatively low cost of living, home ownership is possible whereas in many other communities throughout the United States, home ownership is becoming less possible. Buda is home to many locational advantages. In addition to its easy highway access, Union Pacific rail access (assisting in the transportation of commercial and industrial goods), and proximity to Austin Bergstrom International Airport.

Like many communities, there are advantages and disadvantages present. Some are realities while

others are perceptions. Site selector professionals are not immune to the perceptions of place. Their insights are appreciated and represent a very useful datapoint, there are pathways forward to address perceptions (and realities) to enhance the overall appeal of Buda for potential businesses and residents. The high-level recommendations below are derived from site selector survey responses and the residential, commercial, and industrial locational scorecards. These recommendations are drawn from the lowest ranked elements of the aforementioned scorecards.

### **3. ANALYSIS**

In fall 2022, two Angelou Economics site selectors participated in a window tour of Buda, TX. An economic development specialist led the window tour. The tour proved to be highly informative. The economic development specialist was very knowledgeable about sites and current strengths and weaknesses related to those sites. Additionally, the window tour provided an explanation of the ongoing efforts to diversify the tax base for the community. Updates were given about the continued revitalization and expansion of the downtown area. It is becoming a catalyst for attracting younger demographic groups. Similarly, it is supportive of entrepreneurs, and locally owned businesses, all of which resonate strongly with younger demographic groups. The extended tour demonstrated the easy access to the multiple transportation modalities (i.e., interstates, state highways, railroads, and airport). It also included detailed descriptions of current industries, locations, employers, and estimates of current employees and current employee shortages (opportunities for new hires). A review of the limited available sites included estimates of available acreage and a knowledge of utility hookup costs and availability. Questions were welcome and most were readily answered.

This tour provided site selectors with a wealth of information that would be instrumental in determining if a site or a variety of sites would be appropriate for a commercial or an industrial project. The site selectors were also provided with zoning regulations regarding mixed use potentials such as work/shop/live developments and home-based businesses. The tour guide / economic development specialist also provided frank assessments of the desire to attract more young professionals into the community.

Succinct, yet thorough, the economic development specialist provided the site selectors with a depth of knowledge that could not be gleaned from a website or a series of information packets. Data collection methods for the site selector community tour / mock site search include extensive in-situ data collection (i.e., interviews), review of property maps, physical terrain analysis, transportation network (and traffic congestion) analyses, cost of living analyses. Data collected was compared against like communities and aspirational communities.

### **4. FINANCIAL IMPACT**

Not applicable.

### **5. STRATEGIC PLAN/GOALS**

BALANCED AND MANAGED GROWTH

### **6. STRATEGIC PLAN OBJECTIVES**

Attract new businesses to Buda

### **7. PROS AND CONS**

### **8. ALTERNATIVES**

Not applicable.

### **9. REQUESTED ACTION / SUGGESTED MOTION / RECOMMENDATION**

Staff seeks Council's feedback on the report and the draft TIA recommendations.

**Attachments:**

[J1 AE-Buda Target Industry Analysis Report link.pdf](#)