



Brownsville, Texas 2006 Market Profile



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Employment

Job seekers had another good year in 2005 as payrolls expanded for the eighth consecutive year. Total non-farm employment now stands at 116,700, or 0.8% higher than a year ago. The unemployment rate, meanwhile, fell to a record low of 7.5%.

On a sector basis, the education and health services sector led the way in job creation with 1,200 new jobs in 2005. Over the last five years, education and health has accounted for 7,700 new jobs, by far the most of any sector. The second biggest gain in 2005 came from government with 400 new jobs.

On the downside, the biggest source of job loss has been the manufacturing sector. Manufacturing has clearly not recovered from the closing in 2001-2002 of apparel factories in Brownsville and surrounding communities. In 2005, another 500 manufacturing jobs were lost, bringing total employment to a new low of 7,300.

On the list of major employers, education is tops. The Brownsville school district remains at #1 by far with over 7,000 employees. In place #3, is the University of Texas at Brownsville with 1,800 workers. Local government is represented by Cameron County and the City of Brownsville in places #4 and #6, respectively. Among private employers, the largest are AMFELS, Wal-Mart and Convergys Corp.

Employment

	1998	1999	2000	2001	2002	2003	2004	2005
Non-Farm Employment								
Brownsville MSA	99,600	103,900	109,700	111,700	114,900	115,300	115,800	116,700
Texas (000s)	8,940	9,155	9,427	9,514	9,416	9,371	9,497	9,735
U.S. (000s)	125,930	128,993	131,785	131,826	130,341	129,999	131,435	133,463
Growth Rate								
Brownsville MSA	2.3%	4.3%	5.6%	1.8%	2.9%	0.3%	0.4%	0.8%
Texas	1.1%	2.4%	3.0%	0.9%	-1.0%	-0.5%	1.3%	2.5%
U.S.	2.6%	2.4%	2.2%	0.0%	-1.1%	-0.3%	1.1%	1.5%

Source: Texas Workforce Commission, U.S. Department of Labor

Unemployment Rates

	2001	2002	2003	2004	2005
Unemployment Rate					
Brownsville MSA	7.9%	9.0%	9.5%	8.7%	7.5%
Texas	5.0%	6.4%	6.7%	6.0%	5.3%
U.S.	4.7%	5.8%	6.0%	5.5%	5.1%

Source: Texas Workforce Commission, U.S. Department of Labor



Employment by Sector

Sector	2001	2002	2003	2004	2005	1-Year % Chg	4-Year % Chg
Manufacturing	11,300	10,200	9,100	7,800	7,300	-6.4%	-35.4%
Natural Resources/Mining/Construction	4,800	4,700	4,600	4,700	4,300	-8.5%	-10.4%
Transportation/Warehousing/Utilities	4,300	4,200	4,000	4,200	4,100	-2.4%	-4.7%
Wholesale Trade	3,700	3,800	3,600	3,500	3,300	-5.7%	-10.8%
Retail Trade	14,500	14,800	14,900	15,200	15,500	2.0%	6.9%
Financial Activities	4,200	4,300	4,500	4,600	4,700	2.2%	11.9%
Information	1,500	1,500	1,500	1,400	1,200	-14.3%	-20.0%
Professional/Business Services	6,500	7,400	7,300	7,400	7,700	4.1%	18.5%
Education/Health Services	20,600	23,100	24,800	25,700	26,900	4.7%	30.6%
Leisure/Hospitality	11,100	11,500	11,400	11,700	11,500	-1.7%	3.6%
Other Services	3,500	3,500	3,500	3,500	3,400	-2.9%	-2.9%
Government	25,700	26,000	26,100	26,400	26,800	1.5%	4.3%

Source: Texas Workforce Commission

Major Employers

Rank	Company	Industry	Rank	Company	Industry
1	Brownsville ISD	Education	11	Trico Technologies	Manufacturing
2	AMFELS	Manufacturing	12	National Electric Coil	Manufacturing
3	UT - Brownsville	Education	13	Public Utilities Board	Utilities
4	Cameron County	Government	14	U.S. Customs & Border Patrol	Government
5	Wal-Mart	Retail	15	ORC Industries	Manufacturing
6	City of Brownsville	Government	16	Rich SeaPak	Manufacturing
7	Convergys Corp.	Call Center	17	Dillard's	Retail
8	HEB Food Stores	Retail	18	International Shipbreaking	Manufacturing
9	Valley Regional Medical Center	Medical	19	Bro. Community Health Ctr.	Medical
10	Valley Baptist Medical Center	Medical	20	U.S. Postal Service	Government

Source: Brownsville Economic Development Council, Mar. 2006

Demographics

The demographics of Brownsville can be summed up as young, fast-growing and increasingly educated.

The first unmistakable fact is that Brownsville is a young city. The average age of local residents is only 27.7 years, nearly 10 years younger than the national average. Indeed, 35% of the population is under 18 years of age, while 60% is under age 34. At the other end of the age spectrum, a mere 16% of people are over the age of 55.

Brownsville is also a fast-growing city. The estimated population in 2004 was 161,225, up from 139,722 at the 2000 Census. By 2010, the population is projected to reach 199,841. At the county level, the population now stands at 370,829. That's up from 335,227 in 2000. By 2010, the county is expected to have 431,445 residents.



Demographic data also shows rising levels of educational attainment. Almost 52% of persons in Brownsville over the age of 25 are high school graduates compared to only 45% in 1990. As for college attainment, 13.4% of persons now hold a four-year undergraduate degree compared to 12.2% a decade ago.

Behind these gains is the continuing expansion of the University of Texas at Brownsville. UTB's enrollment now stands at 13,316 students. That compares with 11,560 a year ago. The number of degrees conferred is also growing. The university awarded 2,085 degrees in 2005, up from 1,923 in 2004 and 1,836 in 2003. Of that total, 709 degrees were earned at the bachelor's level and 182 were graduate diplomas.

Despite these gains, Brownsville remains a poor city by national standards. The latest income data shows earnings of \$16,994 on a per capita basis in 2004, just 51% of the national average of \$33,050. On a positive note, local income growth over the last five years has outpaced the national average, 20.8% compared to 18.3%.

Population

	1980	1990	2000	2004	Projected 2010
Brownsville	84,997	98,962	139,722	161,225	199,841
Brownsville MSA	209,727	260,120	335,227	370,829	431,445
Rio Grande Valley *	537,811	701,888	978,369	1,108,003	1,335,360

Source: U.S. Census Bureau, Texas State Data Center, BEDC

* Cameron, Willacy, Starr and Hidalgo counties

Per Capita Income

	2000	2001	2002	2003	2004	2003-2004 Change	1999-2004 Change
Brownsville MSA	14,915	15,516	16,042	16,538	16,994	2.8%	20.8%
Texas	28,313	28,943	28,846	29,452	30,732	4.3%	17.1%
United States	29,847	30,527	30,810	31,484	33,050	5.0%	18.3%

Source: U.S. Bureau of Economic Analysis

Characteristics

	Hispanic- Origin(%)	% Persons Age < 18	% Persons Age > 65	% H.S. Grads	% College Grads
Brownsville	91.3%	34.6%	9.5%	51.7%	13.4%
Texas	32.0%	28.2%	9.9%	75.7%	23.2%
U.S.	12.5%	25.7%	12.4%	80.4%	24.4%

Source: U.S. Census Bureau 2000



Age Distribution

Age	Persons		Persons	
	Brownsville	Percent	Brownsville MSA	Percent
0-19	53,410	38.2%	124,734	37.2%
20-34	30,949	22.2%	70,187	20.9%
35-54	32,863	23.5%	79,114	23.6%
55-64	9,218	6.6%	23,817	7.1%
65+	13,282	9.5%	37,375	11.1%
Median Age	27.7		29.0	

Source: U.S. Census Bureau 2000

Income Distribution

Income	Households		Households	
	Brownsville	Percent	Brownsville MSA	Percent
Under \$15,000	12,404	32.4%	28,814	29.6%
\$15,000-\$25,000	7,092	18.5%	17,838	18.4%
\$25,000-\$35,000	5,255	13.7%	13,853	14.3%
\$35,000-\$50,000	5,420	14.2%	14,267	14.7%
\$50,000-\$75,000	4,582	12.0%	12,596	13.0%
\$75,000-\$100,000	1,967	5.1%	5,147	5.3%
Over \$100,000	1,566	4.1%	4,678	4.8%
Median Household Income	\$ 24,468		\$26,155	

Source: U.S. Census Bureau 2000

University of Texas at Brownsville

	2001	2002	2003	2004	2005
Enrollment	9,373	9,974	10,604	11,560	13,316
Avg Student Age	25.8	25.9	26.0	25.4	25
Degrees Conferred	1,290	1,389	1,836	1,923	2,085
Breakdown:					
Certificates	142	179	360	295	320
Associate's	459	444	717	778	874
Bachelor's	543	618	626	684	709
Master's	146	148	133	166	182

Source: University of Texas at Brownsville



Trade

Trade activity in the Brownsville area picked up in 2005 as the maquiladora industry's comeback entered its second year. Payrolls at Matamoros' 121 plants grew 2.4% for the year, averaging 54,695 jobs. The 2005 gain follows a smaller increase of 0.3% in 2004. The gains mark a turnaround for an industry that experienced a 13,000-job loss from 2000 to 2003 due to increased competition from Asia.

Trade activity at Brownsville's international continued its second consecutive year of growth. For the year, southbound truck crossings totaled 205,198, a gain of 1.8% from the previous 12 months.

The Port of Brownsville saw a return to better days as tonnage rose 19.6% to 4.5 million metric tons, the highest total since 2002. Of the cargo shipped through the port, 47% was represented by iron and steel products, while 23% was gasoline and other fuels.

Airport traffic at the Brownsville International Airport was also sharply higher in 2005. Total passengers departing and arriving at the airport jumped 14.1% to 152,542.

Maquila Activity

	2001	2002	2003	2004	2005
Plants					
Matamoros	125	127	126	126	121
% Change	5.0%	1.6%	-0.8%	0.0%	-4.0%
Employment					
Matamoros	60,875	55,207	53,226	53,394	54,695
% Change	-7.9%	-9.3%	-3.6%	0.3%	2.4%

Source: INEGI

Trade Activity

	2001	2002	2003	2004	2005
Truck Crossings *	217,693	215,573	198,586	201,447	205,198
Brownsville/SPI Air Passengers	139,866	140,347	124,792	133,710	152,542
Port Waterborne Cargo (metric tons)	3,944,643	4,629,012	3,628,569	3,763,596	4,501,096

Sources: Cameron County, Brownsville/SPI International Airport, Port of Brownsville

* Gateway and Veteran's International Bridges, Southbound Traffic

Consumers

Retail activity in Brownsville remained strong in 2005 as national retailers continued flocking to the city's north end. Local retail sales, as reported by the state of Texas, were 6.1% higher at \$1.7 billion for the year. The City of Brownsville, meanwhile, reports sales tax collections were up by a healthy 4.5%.



The expansion of Sunrise Mall on the city's northside has clearly transformed the local retail sector. The roster of new stores drawn to the area during 2005 include Linens N'Things, Starbucks, Bed, Bath & Beyond, Home Depot (2nd location), Men's Warehouse, and Wal-Mart (2nd Superstore) just to name a few. To get a sense of the scale of the transformation, consider that when Sunrise Mall was expanded in 1998, Brownsville's total retail sales were \$1.1 billion. Seven years later, retail sales are 55% higher.

2005 was a rare down year for local banks. Deposits at Brownsville's financial institutions fell by 6.6% to an average of \$2.03 billion. The decline comes after three strong years of double-digit growth in bank assets.

Retail Activity

	2000	2001	2002	2003	2004	2005
Retail Trade - Gross Sales (000s)						
Brownsville	1,337,711	1,509,271	1,583,259	1,592,603	1,600,978	1,698,966
% Change	12.2%	12.8%	4.9%	0.6%	0.5%	6.1%
Brownsville MSA	2,890,645	2,890,645	2,975,605	3,048,040	3,157,163	3,328,539
% Change	8.1%	0.0%	2.9%	2.4%	3.6%	5.4%
Sales Tax Receipts						
Brownsville	14,676,228	16,155,477	17,031,423	18,052,722	19,351,470	20,222,526
% Change	11.1%	10.1%	5.4%	6.0%	7.2%	4.5%

Sources: Texas Comptroller of Public Accounts, City of Brownsville

Bank Deposits

	1998	1999	2000	2001	2002	2003	2004	2005
Brownsville (\$000's)	1,305,344	1,400,839	1,461,005	1,477,481	1,671,366	1,955,655	2,169,270	2,025,861
% Change	4.4%	7.3%	4.3%	1.1%	13.1%	17.0%	10.9%	-6.6%

Source: Rio Grande Valley Partnership

Construction

Brownsville's construction industry buzzed with activity during 2005. The market for new homes remained strong, as 1,476 new residences were built. On the commercial side, 167 construction permits were granted, representing \$73.8 million in new building value.

The last five years have been a boom time for the housing industry, with single-family housing starts consistently above the 1,300-units-per-year mark. By way of comparison, the number of housing permits per year before 2000 was typically in the 800 to 900 range. At the peak of the on-going boom in 2003, 1,649 new homes were built.



The construction boom has led to growing business for local utilities. The Public Utilities Board reports that in 2005 water connections increased by 3.9%. The utility now has 41,600 water customers in Brownsville and the surrounding area.

Building Permits

	2001	2002	2003	2004	2005
Single family units	1,362	1,536	1,649	1,453	1,476
Multi-family units	99	291	88	N/A	N/A
Commercial Permits	195	180	156	175	167
Commercial Value (\$)	75,164,176	51,128,838	102,510,320	78,787,828	73,784,531

Source: City of Brownsville

Water Connections

	2001	2002	2003	2004	2005
Brownsville	35,372	36,519	38,618	40,119	41,669
% Change	4.9%	3.2%	5.7%	3.9%	3.9%

Source: Brownsville Public Utilities Board

Recent Business Developments (2004-2005):

✓ Retailers Entering the Market

- Bed, Bath & Beyond
- Linen's N'Things
- Men's Warehouse
- Shoe Carnival
- Home Depot (2nd Location)
- Starbucks
- Anna's Linens
- Carl's Jr. Burgers
- Dolce Restaurant & Patio Bar
- Tutti's Cocina y Cantina
- Wal-Mart (2nd Superstore)
- Hooter's
- Quizno's Classic Subs
- Sunglass Show
- Golden Corral (2nd Location)
- Wendy's (3rd Location)
- Aeropostale
- Melrose (3rd Location)
- Rue 21
- Tre Fratteli Restaurant
- F.y.e.
- Marianne
- Steak Escape

✓ Local Industrial Growth

- Consulting Point--80 New jobs.
- KEPPEL AmFELS--To add 2,600 new jobs at the Port of Brownsville.
- ORC Industries--To add 300 new jobs.
- Kilty Corporation--69 new jobs.
- Accelerated Computer Professionals--500 new jobs.
- TaylorCraft--85 new jobs.

✓ Medical Industry Growth

- South Texas Rehabilitation Hospital--150 new jobs.
- Cameron Nursing & Rehabilitation Center--100 new jobs.
- Brownsville Surgical Hospital--Expansion
- Brownsville Surgical Hospital Office Complex--100,000 s.f.
- Driscoll Children's Hospital--New Clinic

✓ New Hotels

- Hampton Inn
- Staybridge Hotel
- La Quinta
- Courtyard Hotel by Marriott
- Super 8 Motel
- Frontera Inn

✓ Customer Service Centers

- American Customer Care (450 Jobs)

✓ New Banks

- Laredo National Bank (2 Locations)
- Bank of America (2 Locations)
- Lone Star National Bank
- Hibernia National Bank
- First National Bank

✓ New & Expanded Maquiladoras

- AMPAD--300,000 s.f. new facility.
- Simclar--50,000 s.f. new facility.
- Plastic Decorators--27,000 s.f. new facility.
- Glinso Foods--100,000 s.f. new facility.
- Kanthal Global--27,000 s.f. new facility.
- Kidde Safety Systems--25,000 s.f. new facility.
- Steubing Automatic Machine--16,000 s.f. facility.
- Cardone Industries--70,000 s.f. facility.
- TriCon Industries--60,000 s.f. facility.
- Maquilafast--15,000 s.f. facility.
- CRH Group--200,000 s.f. facility.

The Brownsville Economic Development Council is a business league that promotes the economic and industrial development of Brownsville/Matamoros and is dedicated to building economic prosperity in the region.

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For more information, or questions regarding the 2006 Brownsville Market Profile, please contact one of our economic development representatives.

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