

# Hutto, Texas

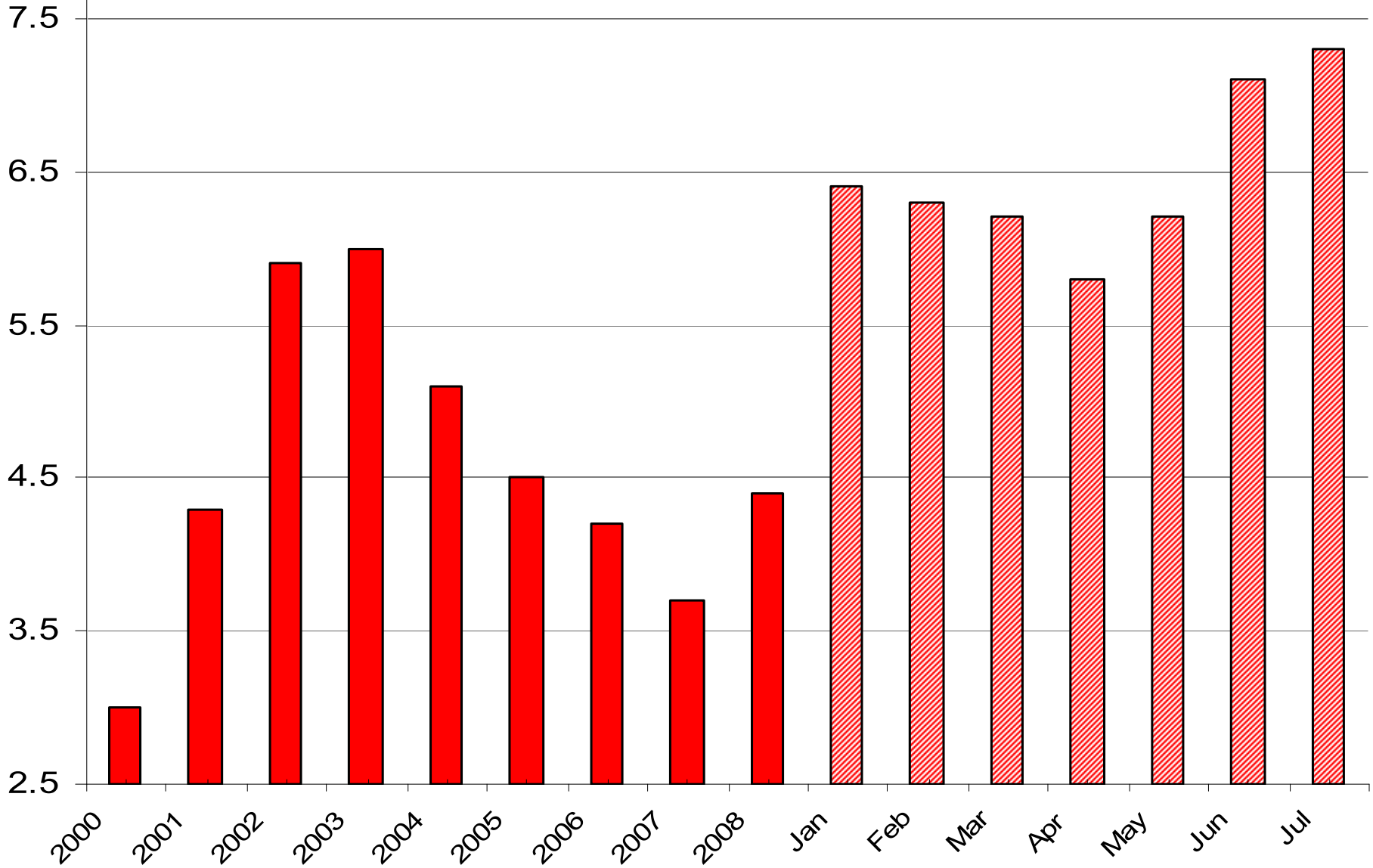
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## Where Do We Fit In?

Jubal Smith  
PricewaterhouseCoopers  
Dallas, Texas

**EMPLOYMENT**

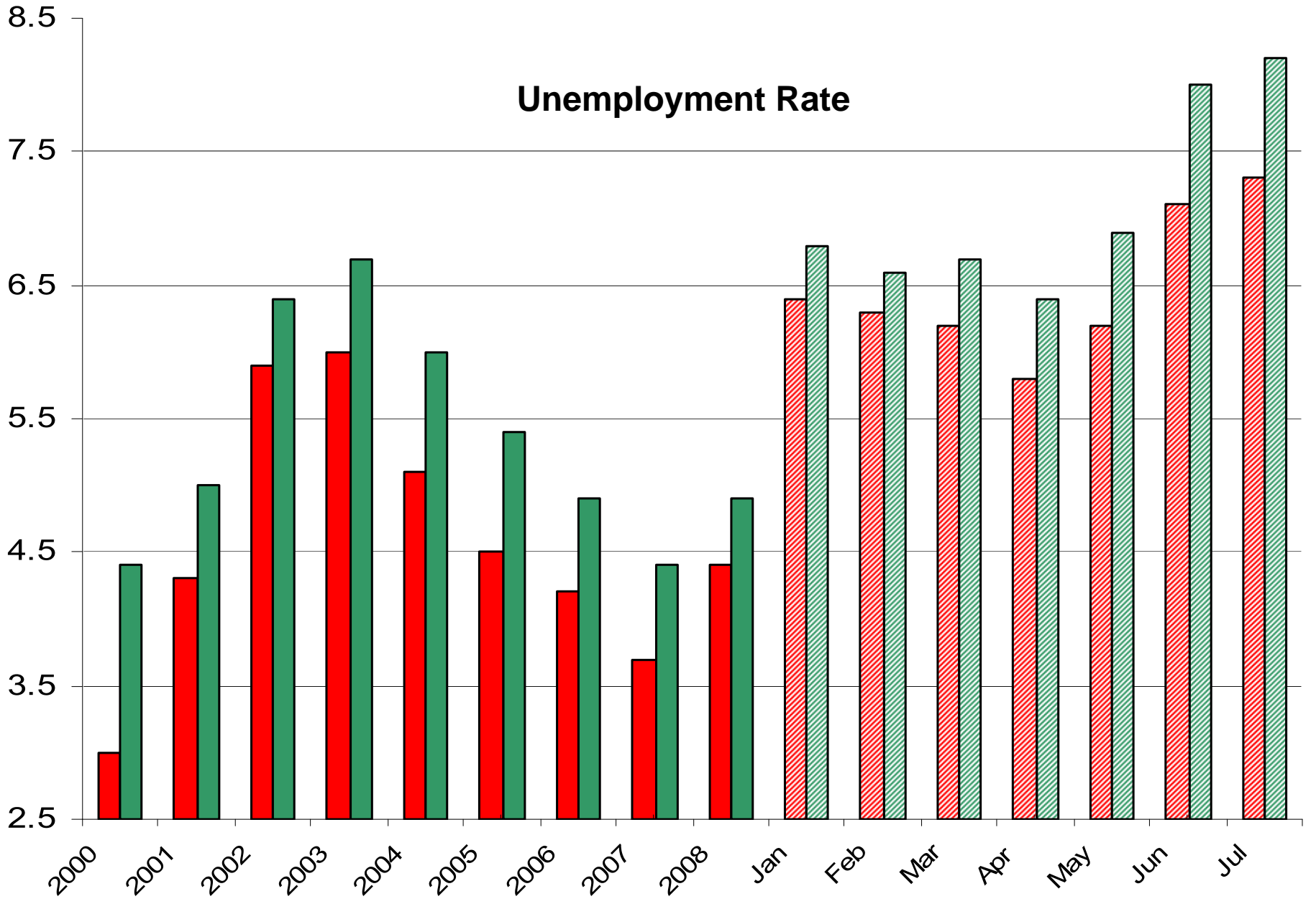
# Unemployment Rate



Source: Texas Workforce Commission

■ Austin, MSA  
Bastrop, Caldwell, Hays, Travis, Williamson

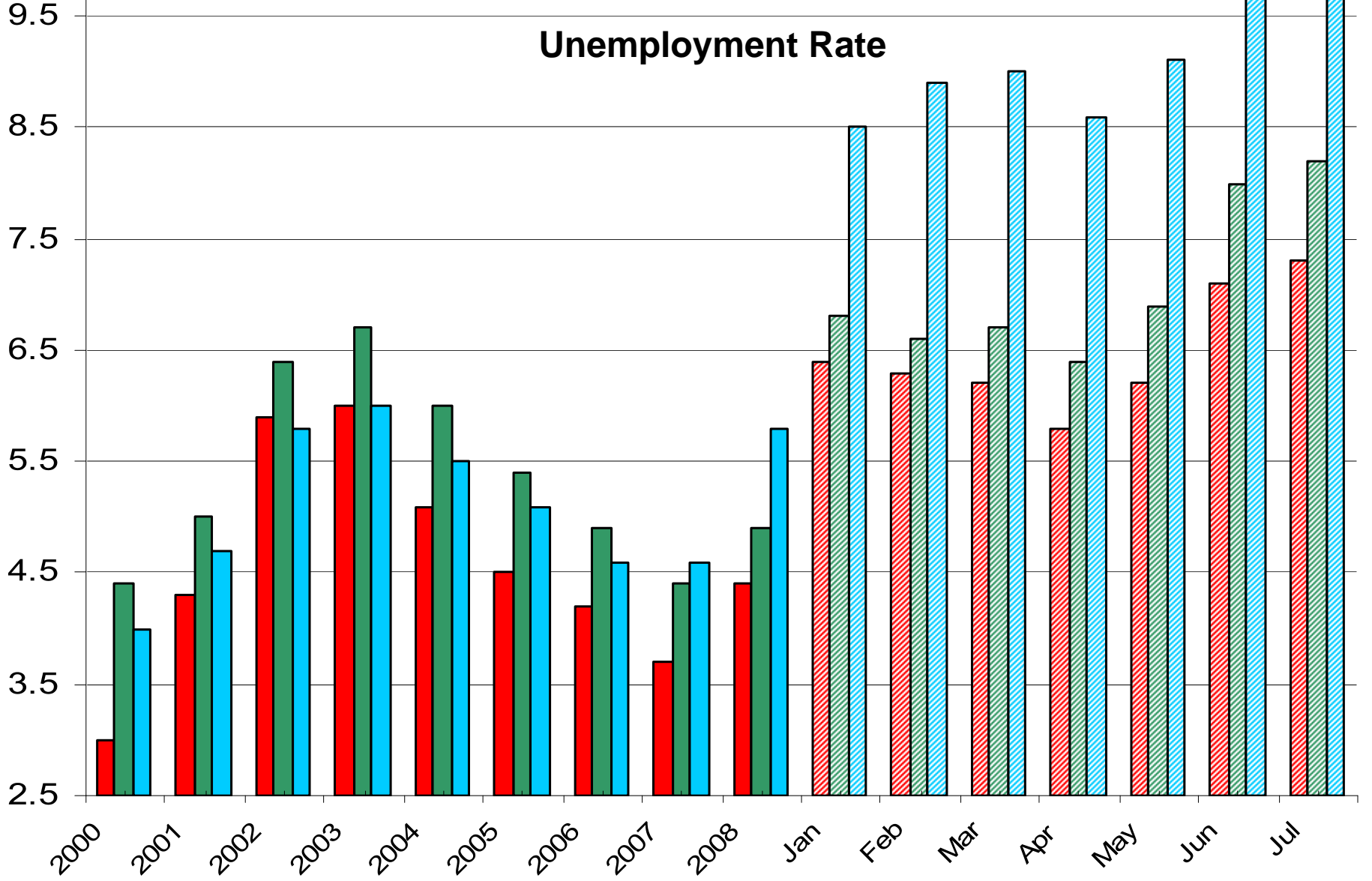
# Unemployment Rate



Source: Texas Workforce Commission

■ Austin, MSA ■ Texas

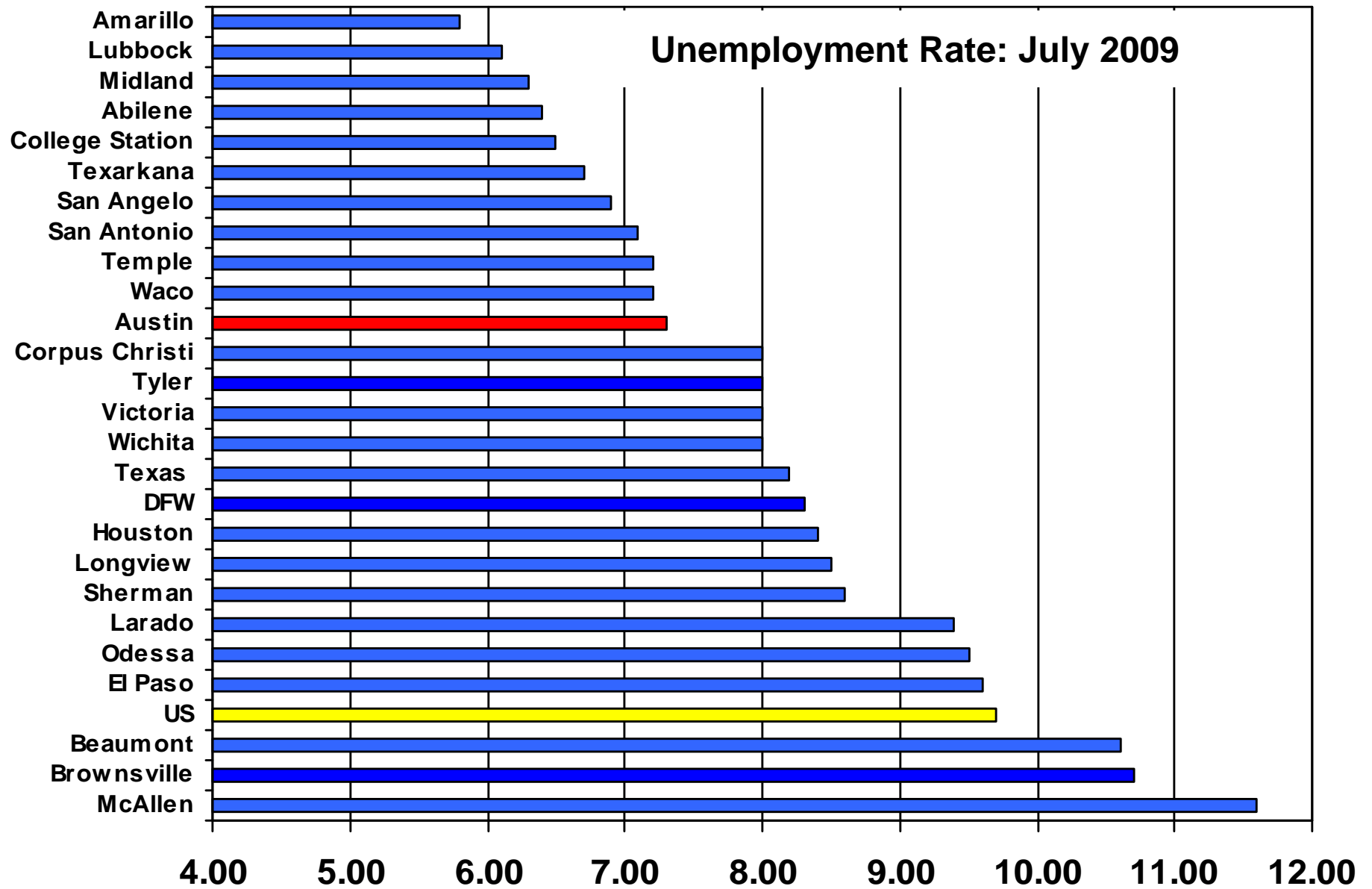
# Unemployment Rate



Source: Texas Workforce Commission

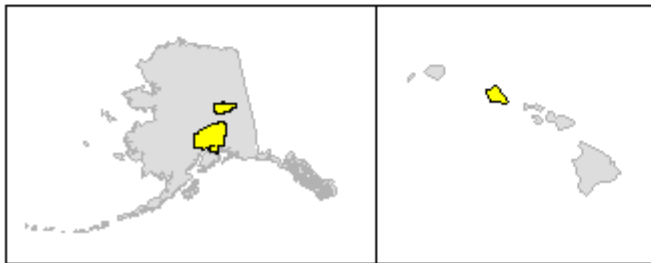
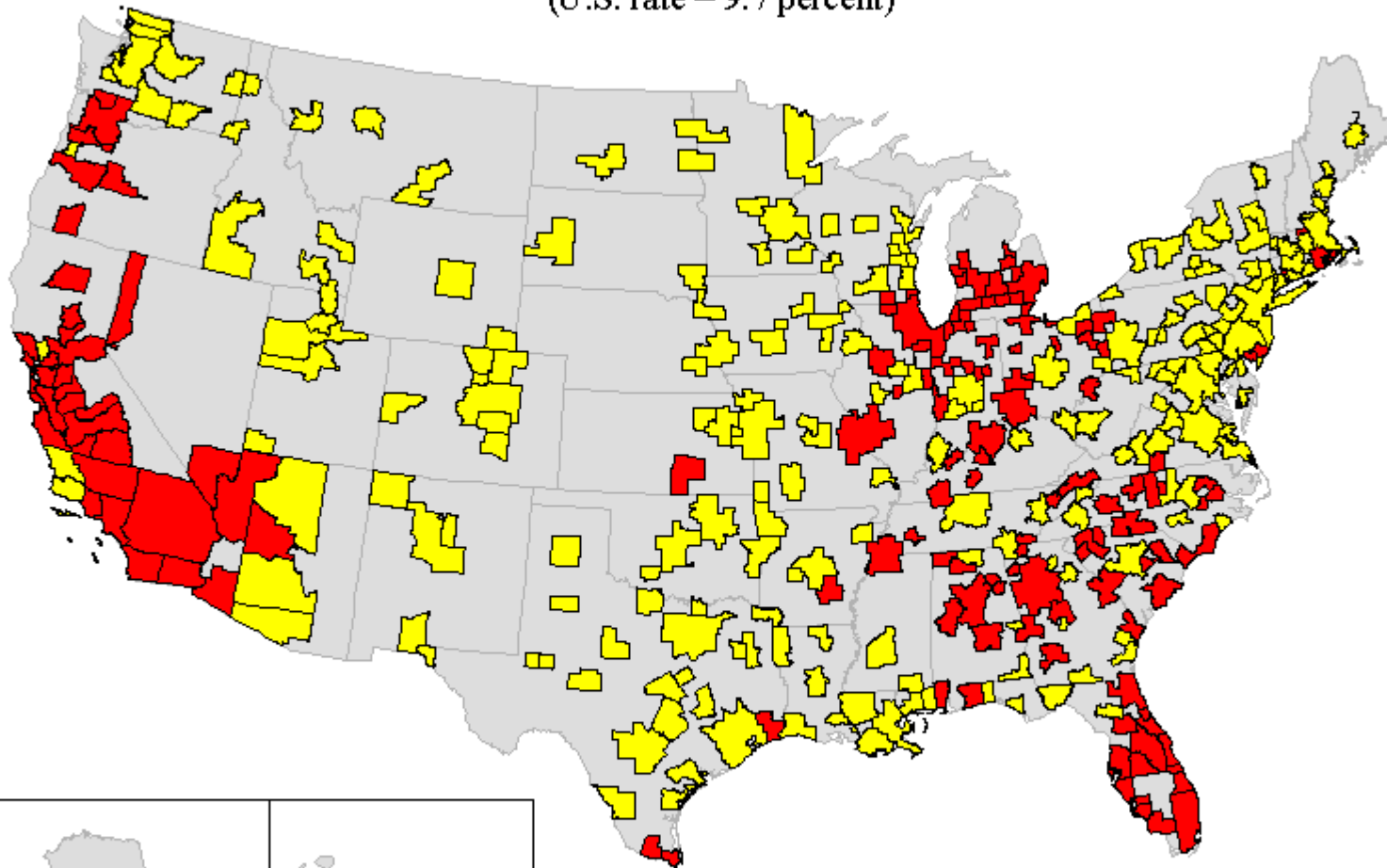
■ Austin, MSA ■ Texas ■ US

## Unemployment Rate: July 2009





# Unemployment rates by metropolitan area, not seasonally adjusted, July 2009

(U.S. rate = 9.7 percent)



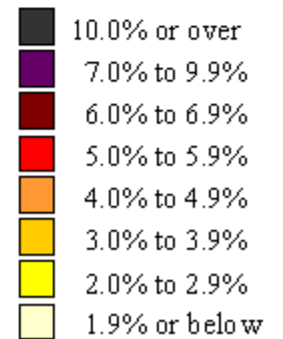
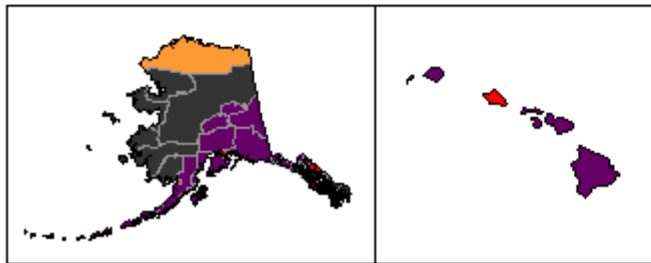
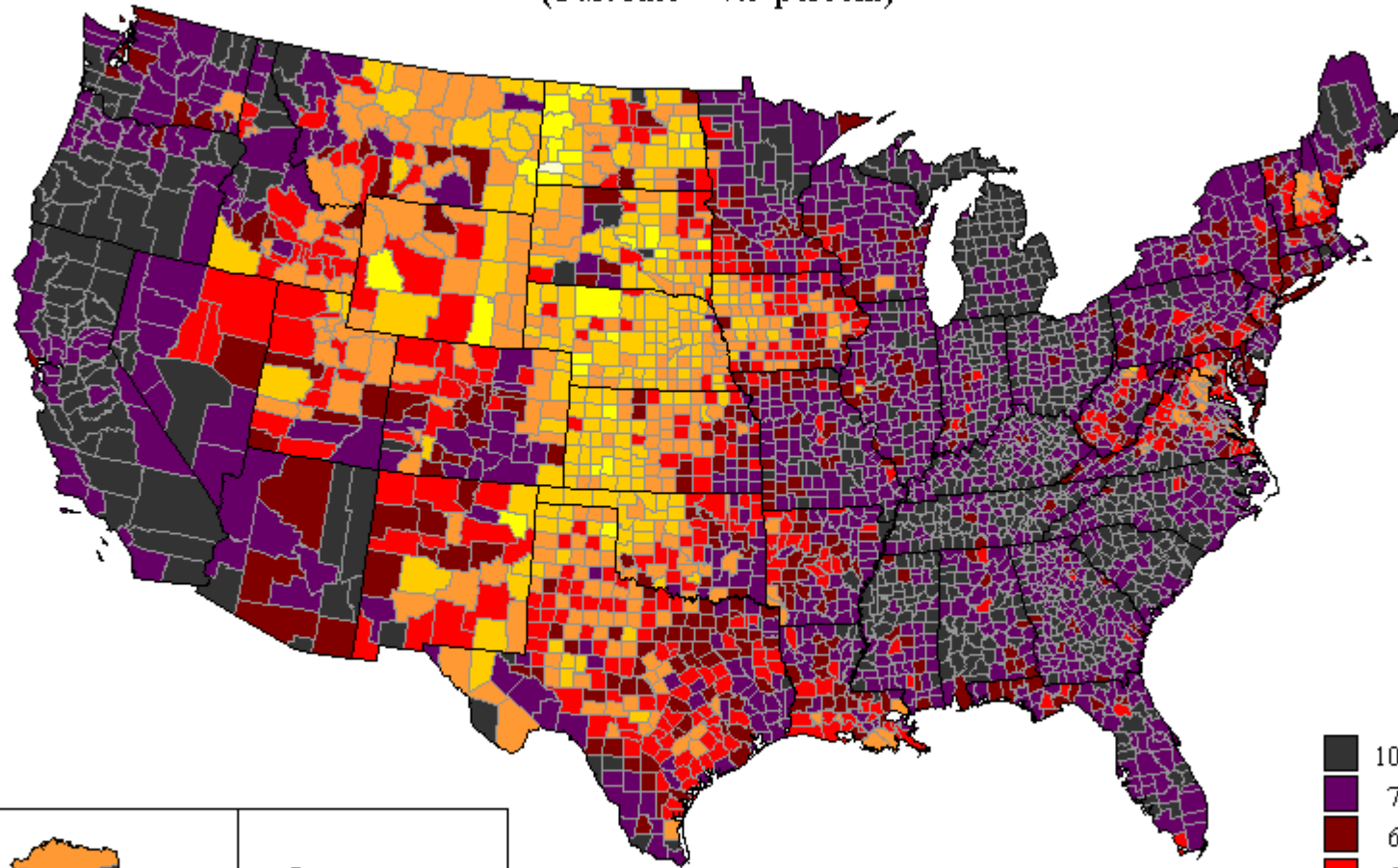
SOURCE: Bureau of Labor Statistics  
Local Area Unemployment Statistics

NOTE: Map includes data for 372 metropolitan  
areas based on Office of Management  
and Budget Bulletin No. 09-01.

 Above U.S. average  
 U.S. average or below

# Unemployment rates by county, August 2008 – July 2009 averages

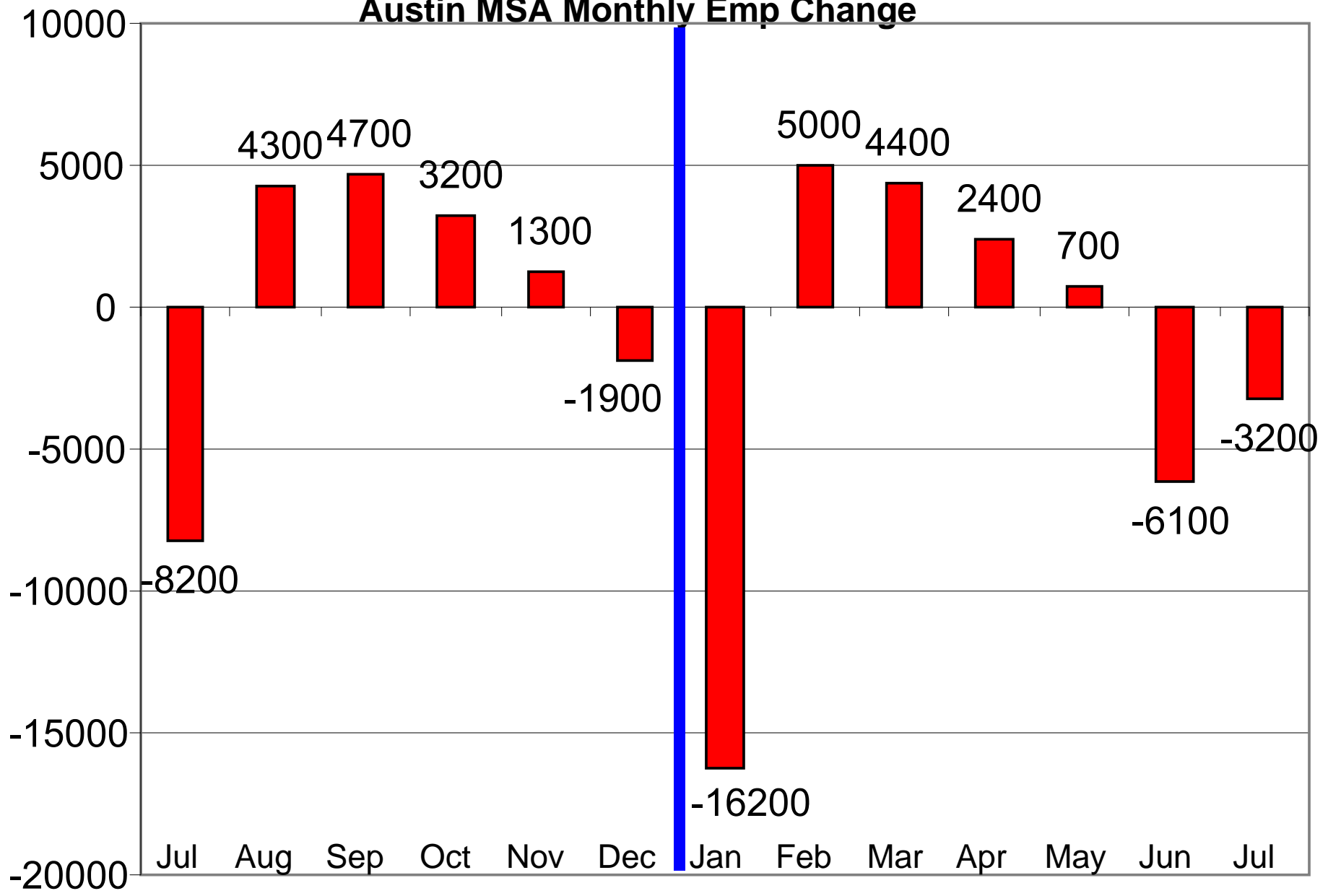
(U.S. rate = 7.9 percent)



SOURCE: Bureau of Labor Statistics  
Local Area Unemployment Statistics

NOTE: County data for 2008 reflect  
revisions issued on April 17.

### Austin MSA Monthly Emp Change

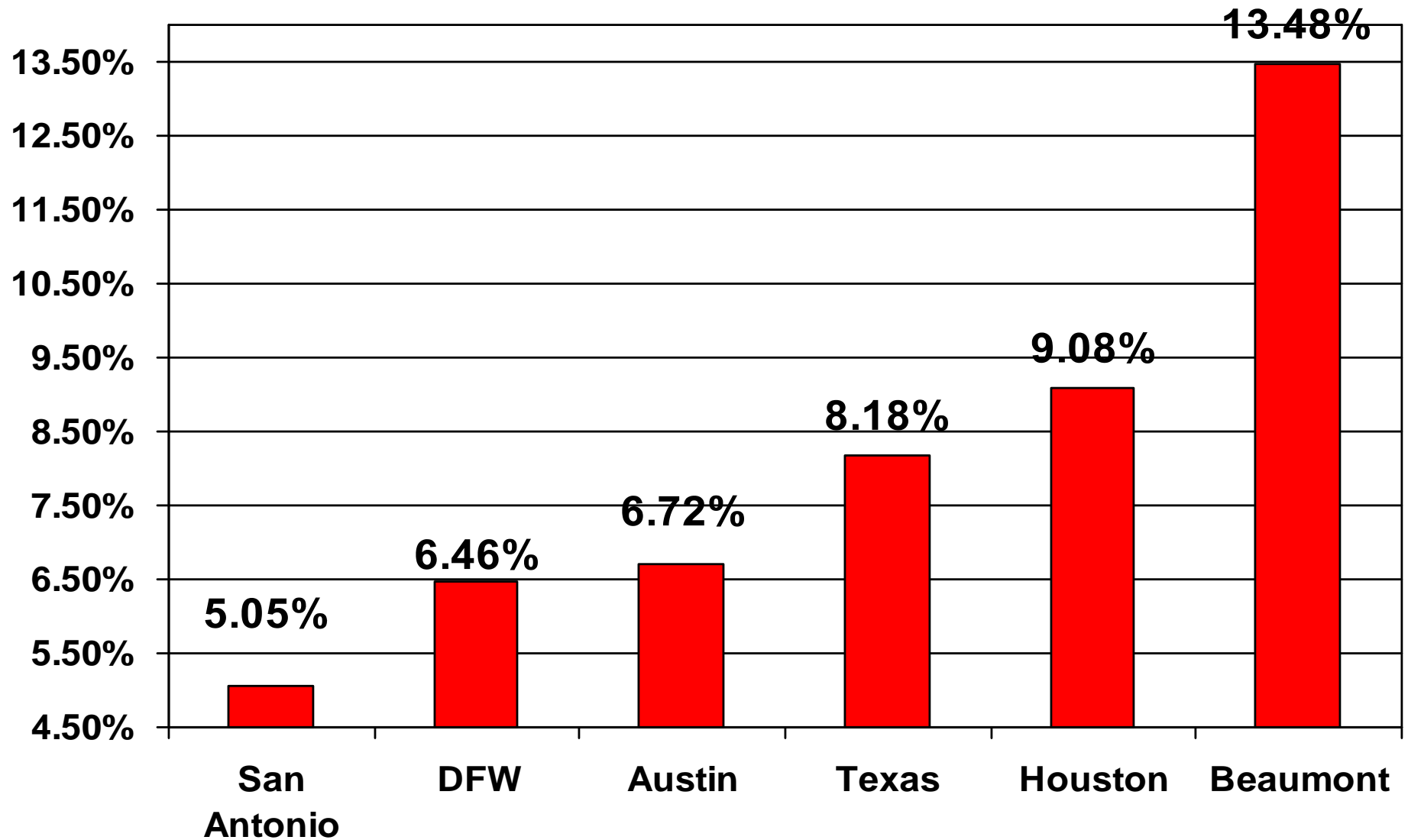


Source: Texas Workforce Commission

# WORKFORCE COMPOSITION

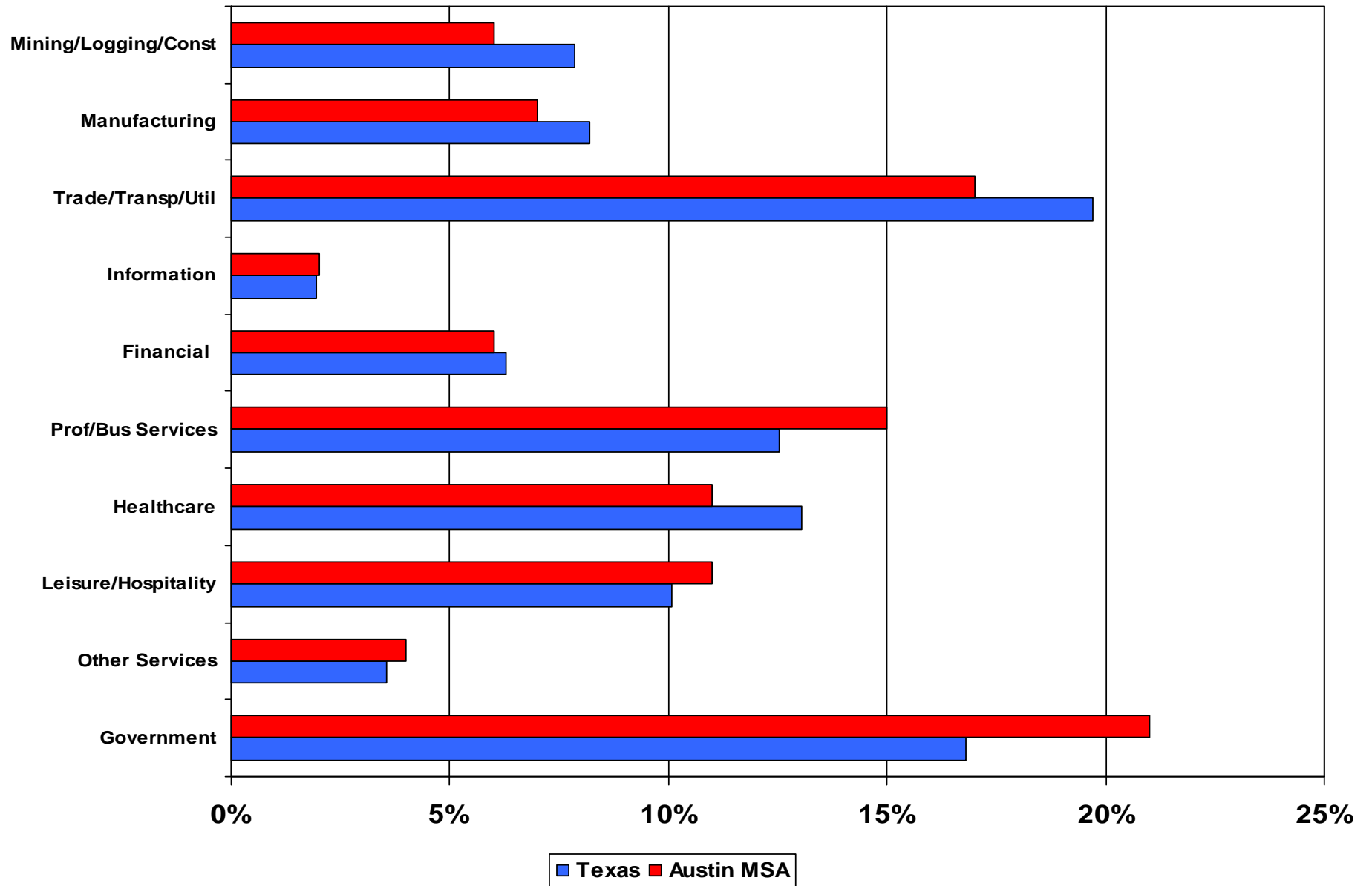
# **% Manufacturing: July 2009**

## **MSA Jurisdiction**



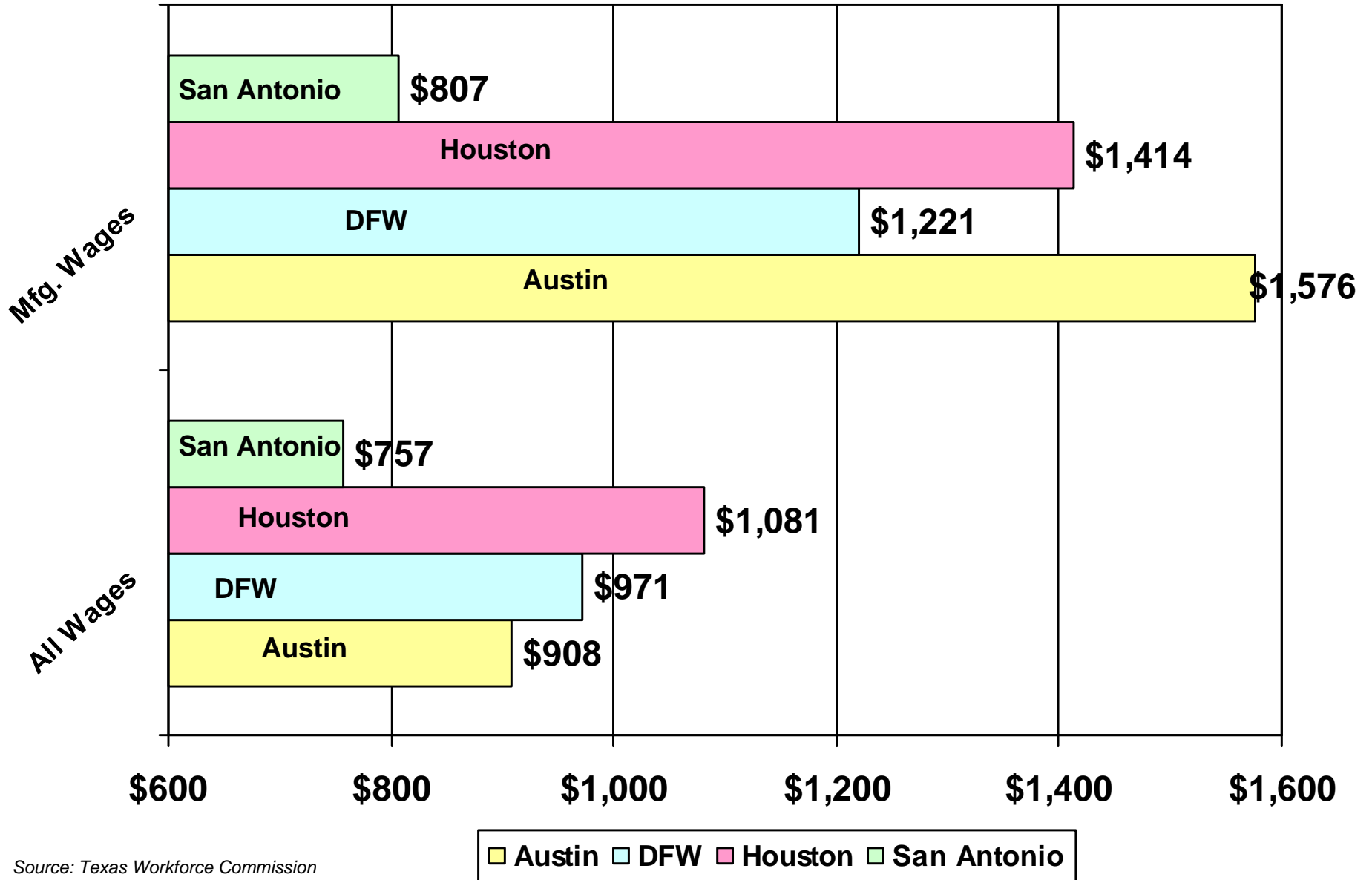
Source: Texas Workforce Commission

# Non Farm Employment by Industry 2007



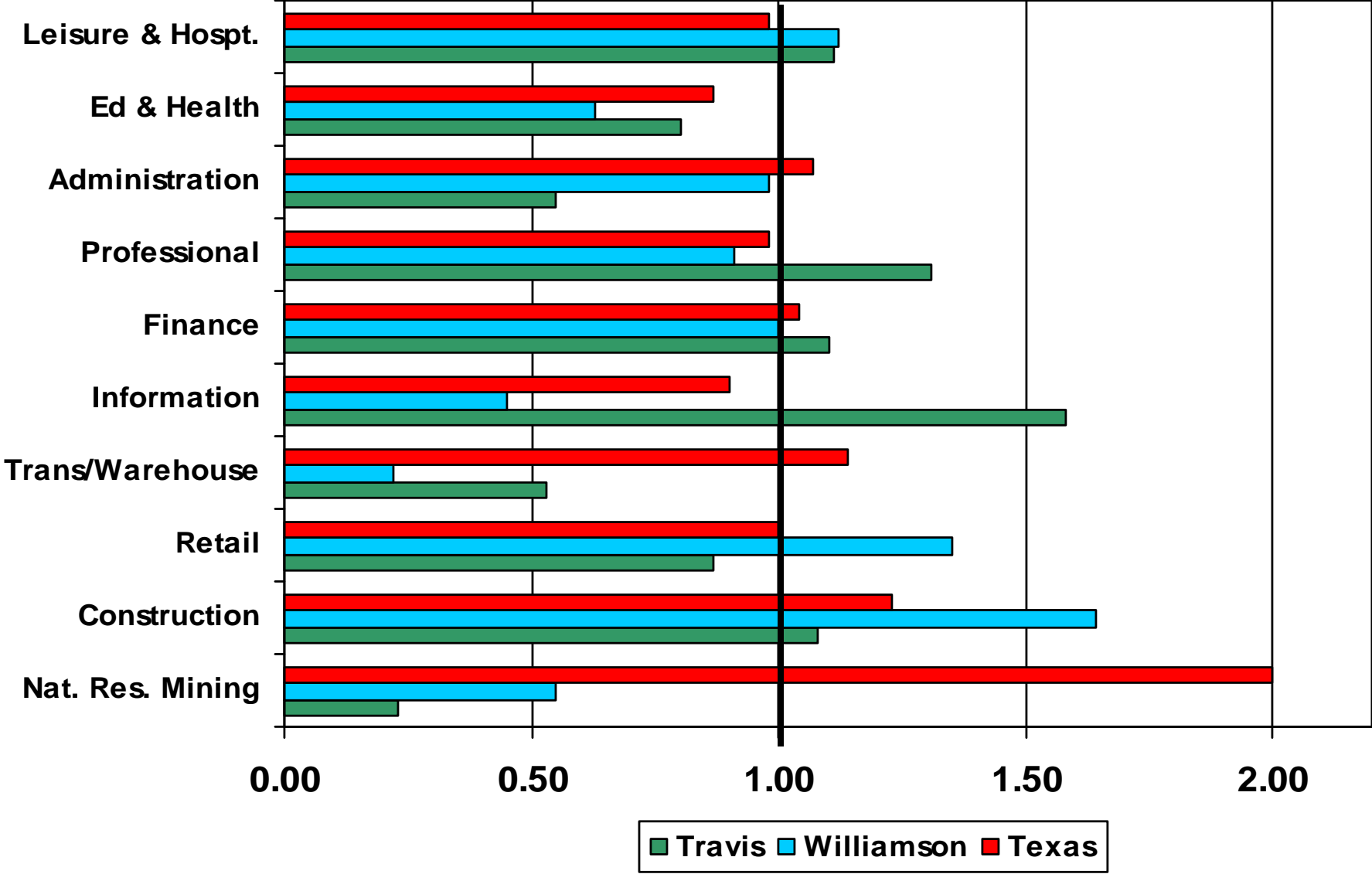
Source: Bureau Economic Analysis

# Average Weekly Wages: 1<sup>st</sup> Q 2009



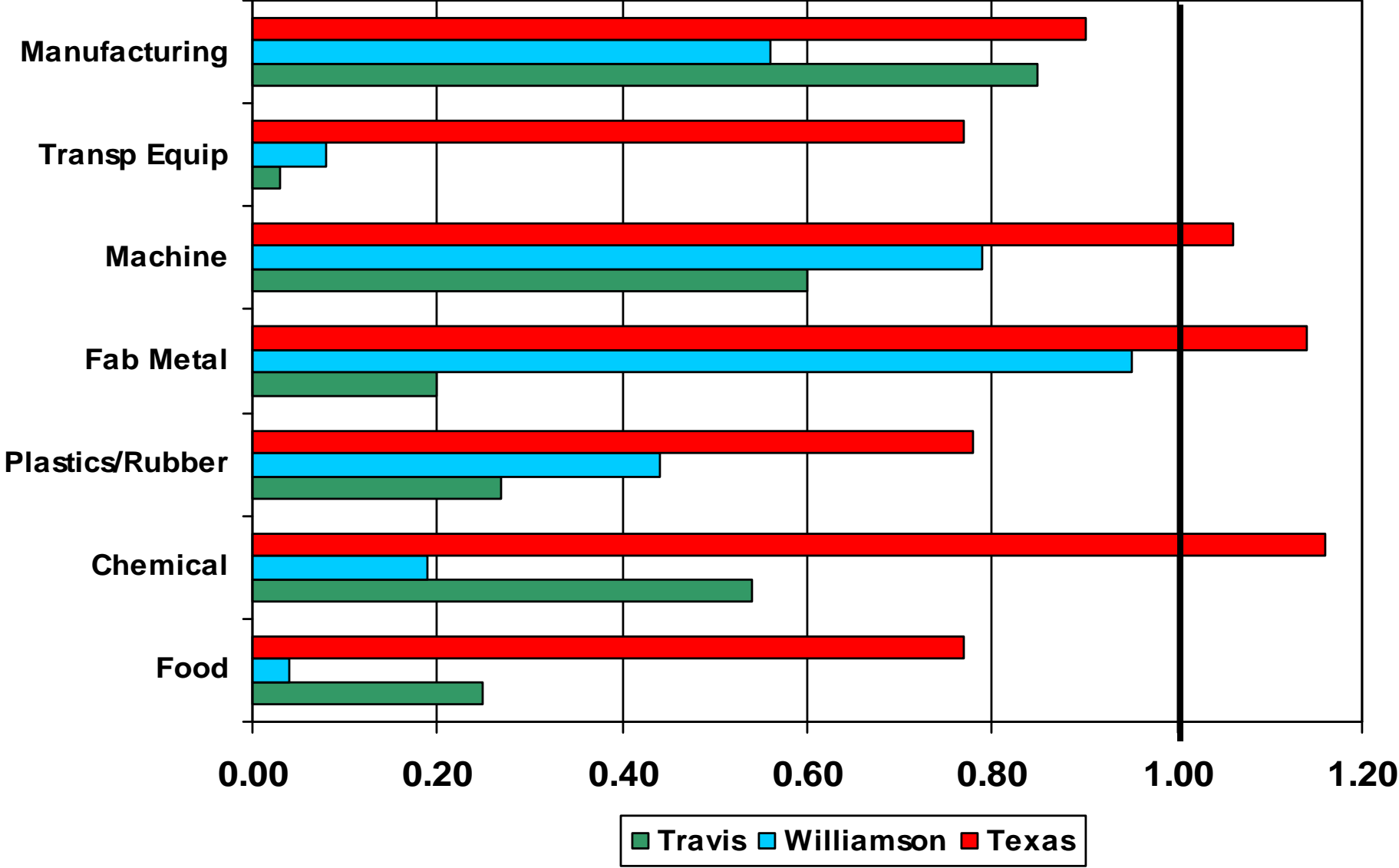
Source: Texas Workforce Commission

# Location Quotient Comparison 2008 Compared to U.S.



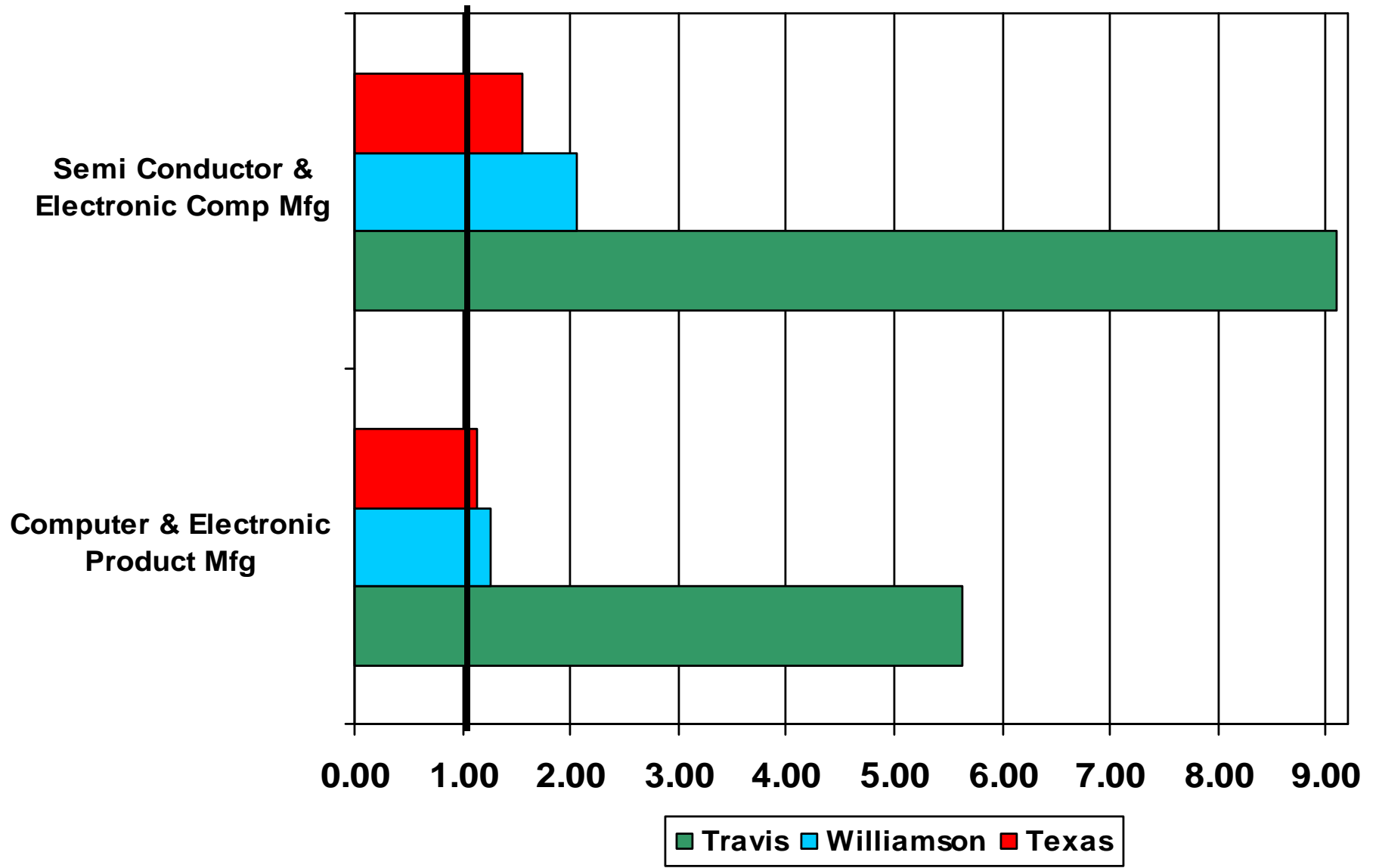
Source: Bureau of Labor Statistics

# Location Quotient Comparison 2008 Manufacturing Compared to U.S.



Source: Bureau of Labor Statistics

## Location Quotient Comparison 2008 High Tech Manufacturing Compared to U.S.



Source: Bureau of Labor Statistics

# HUTTO ECONOMIC SNAPSHOT

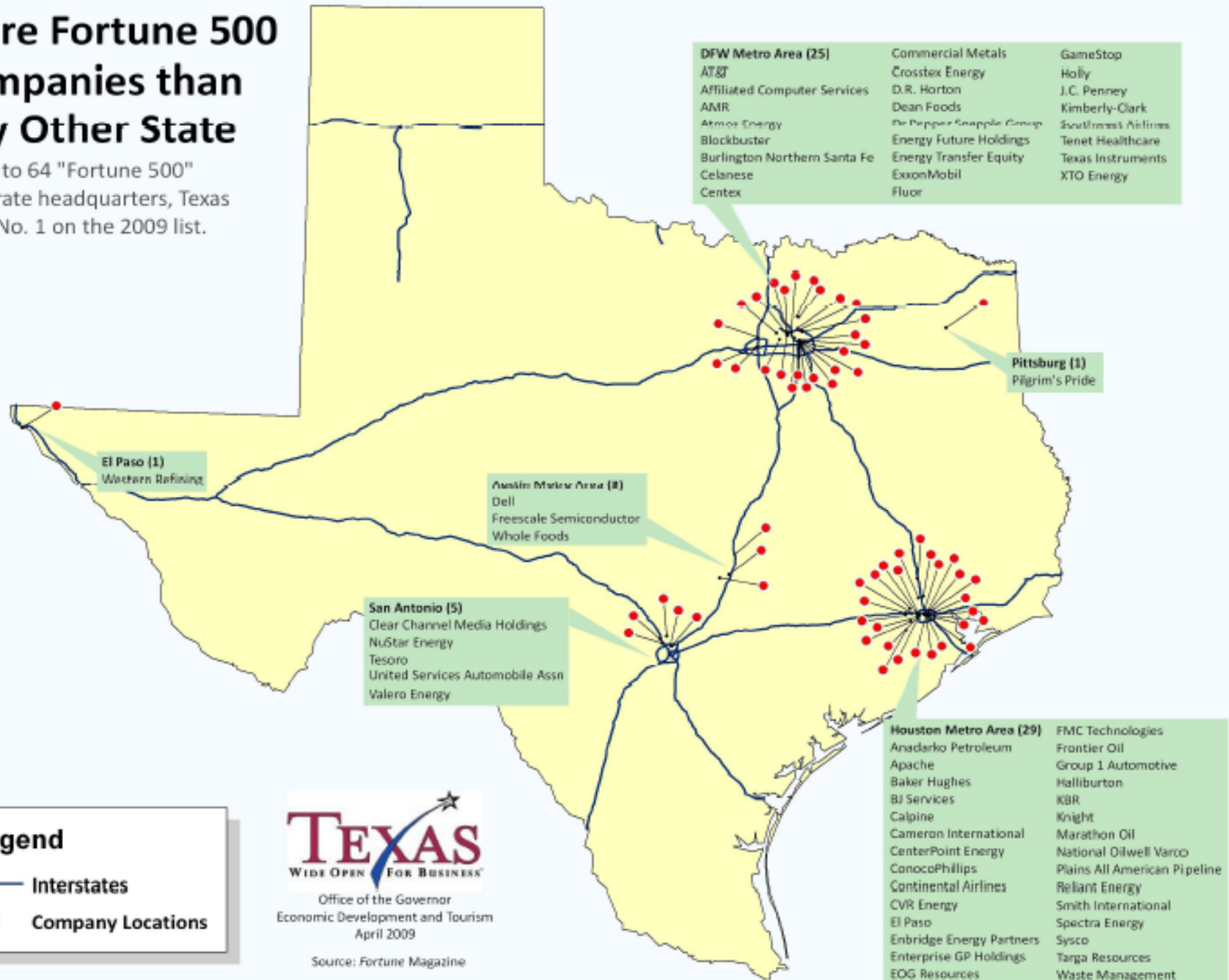
<b>County</b>	<b>Taxable Retail Sales 2007</b>	<b>Population</b>	<b>Per Capita</b>
<b>Texas</b>	<b>\$128,968,809,683</b>	<b>24,326,974</b>	<b>\$5,301</b>
<b>Austin MSA</b>	<b>\$10,471,494,163</b>	<b>1,652,602</b>	<b>\$6,336</b>
<b>Austin</b>	<b>\$6,072,453,918</b>	<b>757,688</b>	<b>\$8,014</b>
<b>Williamson</b>	<b>\$630,516,225</b>	<b>373,363</b>	<b>\$1,689</b>
<b>Hutto</b>	<b>\$10,628,887</b>	<b>13,879</b>	<b>\$766</b>

Source: Texas Comptroller & US Census

# **BUSINESS TARGETS**

# More Fortune 500 Companies than Any Other State

Home to 64 "Fortune 500" corporate headquarters, Texas ranks No. 1 on the 2009 list.



# Texas Industry Cluster Initiative

- **Advanced Technology and Manufacturing Industry Cluster**
  - Advanced Manufacturing
  - Nanotechnology
  - Semiconductors
  - Automotive Manufacturing
- **Aerospace & Defense Industry**
  - Aircraft Parts
  - Navigation Technology
  - Weapons Technology
  - Space Research & Tech
- **Bio-Technology**
  - Life Science
  - Nano Health
  - Bio Medicine & Pharma
  - Medical Device & Agriculture
  - Environmental Biotechnology and Biofuels
- **Energy**
  - Fossil Fuels
  - Nuclear
  - Renewable Energy
- **Information & Computer Technology**
  - Computers
  - Software
  - Telephone & Communications
  - Gaming
- **Petroleum Refining & Chemical Products**
  - Transportation Fuels
  - Household Products
  - Life Sciences

# In The News

<b>Location</b>	<b>Company</b>	<b>Product</b>
<b>Oregon</b>	<b>ReVolt Technology</b>	<b>Rechargeable Battery</b>
<b>Wisconsin</b>	<b>WeEnergies</b>	<b>Biomass Plant</b>
<b>Michigan</b>	<b>GE</b>	<b>Advanced Software &amp; Tech R&amp;D</b>
<b>Indiana</b>	<b>Scale Computing</b>	<b>Mfg. Data Storage Technology</b>
<b>Connecticut</b>	<b>Darkfield Technologies</b>	<b>Laser &amp; Camera Inspection</b>
<b>Georgia</b>	<b>Dendreon</b>	<b>Prostate Cancer Drug Mfg.</b>
<b>Texas</b>	<b>Farouk Systems</b>	<b>Cosmetics Mfg.</b>
<b>Texas</b>	<b>TD Ameritrade</b>	<b>Data Center</b>
<b>Florida</b>	<b>InViSiON</b>	<b>Entertainment Equip Mfg.</b>
<b>Alabama</b>	<b>Toyota</b>	<b>Mfg. Expansion</b>

# Top 2008 Site Selection Factors

<b>1. Highway Accessibility</b>	<b>11. Availability of Buildings</b>
<b>2. Labor Costs</b>	<b>12. Proximity to Major Markets</b>
<b>3. Occupancy &amp; Construction Costs</b>	<b>13. Right to Work State</b>
<b>4. Tax Exemptions</b>	<b>14. Environmental Regulations</b>
<b>5. Energy Availability &amp; Costs</b>	<b>15. Fast Track Permitting</b>
<b>6. Availability of Skilled Labor</b>	<b>16. Proximity to Suppliers</b>
<b>7. State &amp; Local Incentives</b>	<b>17. Availability of Long Term Financing</b>
<b>8. Corporate Tax Rate</b>	<b>18. Availability of Unskilled Labor</b>
<b>9. Low Union Profile</b>	<b>19. Training Programs</b>
<b>10. Available Land</b>	<b>20. Raw Materials Availability</b>

# Incentives Defined



# Incentive Type

## Statutory

- Mostly State Based
- Mostly Geographic Based
- Targeted to Specific Industries
- Mostly Credits
- Performance Based

## Discretionary

- Mostly Grants
- More “Up Front”
- Mostly Local Based
- Property Tax Almost Always
- Tax Rebates

# TAX INCENTIVES

## STATE

- Corporate Income/Franchise Tax Credit
  - Investment Based
  - Jobs Number Based
  - Payroll Based
  - Research & Development Based
- Sales Tax
  - Rebate
  - Exemption
- Payroll Tax
  - Rebate

## LOCAL

- Property Tax (Based on Investment)
  - Abatement
  - Rebate
  - TIF Districts
  - Exemptions
- Sales Tax
  - Rebate
  - Sharing Agreement
- Other

# NON – TAX INCENTIVES

## STATE

- Grants
  - Infrastructure
  - Moving Costs
  - Job Training
- Financing
  - IRB's

## LOCAL

- Grants
  - Infrastructure
  - Moving Costs
  - Job Training
  - Geographic Grants
  - Land Costs
  - Building Costs
- Financing
  - IRB's

# The Secret...

- 1. Understand Your Local Economy & Advantages**
- 2. Understand Your Business Prospects & Targets**

# Hutto, Texas

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**Where Do  
We Fit In?**

**Jubal Smith  
PricewaterhouseCoopers  
Dallas, Texas**