EXECUTIVE SUMMARY

On December 14, 2010, the U.S. Census Bureau released 5-year American Community Survey (ACS) estimates for the first time, making social, economic, housing and demographic statistics available for every community in the nation. The 5-year estimates represent the largest single-day release of data in census history, involving 11 billion pieces of information and 670,000 distinct geographic areas. *Importantly, the 5-year estimates provide the first new U.S. Census Bureau statistics for the entire CAPCOG region since 2000.*

An examination of the recently released U.S. Census Bureau data provides a temporal and geographic context for the dynamics currently operating in the CAPCOG region. Specifically, the information helps measure changes within the CAPCOG region over the past ten years. Additionally, the CAPCOG region's performance across a host of measures can be analyzed in comparison to the rest of Texas and the U.S.

The following analysis focuses on regional trends across 9 critical demographic and economic elements: population growth; age distribution; racial and ethnic composition; educational attainment; unemployment; median household income; mode of commute; housing type; and household type.

POPULATION

The CAPCOG region is at the epicenter of virtually every element fueling population growth in America—the migration of Americans to the South and West portions of the country, the growth of minority and immigrant populations, and the resilience of the regional economy. *During the past decade, the population of the CAPCOG region grew nearly four times faster than the national average.*

AGE DISTRIBUTION

The CAPCOG region is comparatively young but growing older. More than 38 percent of all CAPCOG residents are under the age of 25. Nationally, this figure is less than 35 percent. At the same time, *residents 45 and older were the fastest growing population in the CAPCOG region during the past decade.*

RACIAL & ETHNIC COMPOSITION

The diversity of the CAPCOG region continues to increase. Since 2000, the proportion of non-Hispanic whites dropped from 62.5 percent to 57.4 percent. While Hispanics represented the vast majority of non-white population growth during the past decade, *Asians are the region's fastest growing racial/ethnic group.*

EDUCATIONAL ATTAINMENT

The CAPCOG region is remarkably well educated. CAPCOG residents possess higher levels of educational attainment than either Texas or the U.S. *Today, more than 84 percent of all residents are high school graduates; more than 37 percent possess a bachelor degree; and close to 12 percent hold a professional degree.*

UNEMPLOYMENT

Although the CAPCOG region has not been entirely immune to the current economic downturn, the regional economy continues to outperform most other U.S. communities. At 6.9 percent, *the region's 2009 unemployment rate was 25% below the national average.*

MEDIAN HOUSEHOLD INCOME

Adjusted for inflation, median household income in the Austin metropolitan region dropped from $63,000 to $57,000 during the second half of the decade. *Although median household income in the Austin metropolitan region exceeds that of Texas and U.S., the region suffered a more severe decline in income than both the state and national average.*

TRANSPORTATION

More than 75 percent of commuters in the CAPCOG region drive alone to work, a slight decline since 2000. Telecommuting has allowed the region's workforce to become less auto-dependent; *since 2000, the proportion of individuals working from home has jumped 50 percent.*

HOUSING

Single-family housing remains the fastest-growing and largest housing type in the CAPCOG region; more than 63 percent of all housing structures in the region are single-family homes. An additional 26 percent of the CAPCOG region's housing stock consists of multi-family units.

HOUSEHOLD TYPE

In comparison to state and national averages, families continue to represent a smaller share of total households in the CAPCOG region. Currently, *less than 63 percent of all households in the region are families, a 2 percent decline since 2000.*

A NOTE ON THE METHOLODOLY

Unless otherwise noted, all charts and numbers represent an aggregation of data from the 10-county CAPCOG region (Bastrop, Blanco, Burnet, Caldwell, Fayette, Hays, Lee, Llano, Travis, and Williamson counties). The two exceptions to this methodology include regional median age and regional median income. Due to the inability to aggregate median data, these two data points were obtained for the Austin metropolitan region (Bastrop, Caldwell, Hays, Travis, and Williamson counties). While the source of most data is the 2005-2009 five-year estimates produced by the U.S. Census Bureau's American Community Survey program, some information was obtained through other U.S. Census Bureau programs as well as the Bureau of Labor Statistics.

This report was prepared by the Community and Economic Development Division of the The Capital Area Council of Governments (CAPCOG). For additional information about the content of this report, contact John Rees, Director, Community & Economic Development, CAPCOG, 512-916-6183.

CAPCOG was organized in 1970 as a regional planning commission organized under Chapter 391, Local Government Code, and is one of 24 COGs within the State of Texas. CAPCOG serves Bastrop, Blanco, Burnet, Caldwell, Fayette, Hays, Lee, Llano, Travis, and Williamson Counties.

During the past decade, the CAPCOG region experienced explosive population growth. In 2009, the population of the ten-county CAPCOG region totaled more than 1.8 million, a 33 percent increase since 2000. During this same period, the U.S. population has increased by approximately 9 percent, less than half the 18 percent growth rate of Texas.

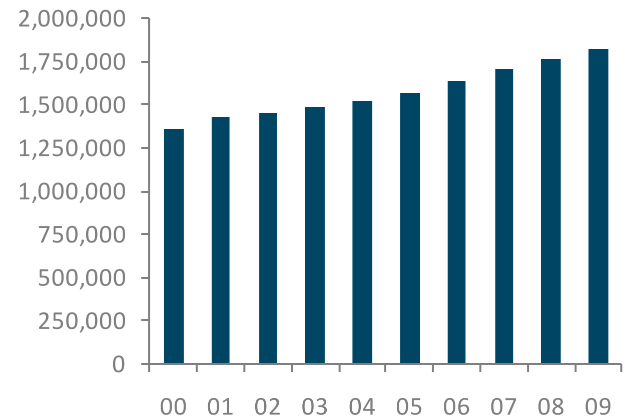
Fueled by economic opportunity and strong growth among existing populations, the CAPCOG region will likely continue to experience significant population increases in the years ahead. According to an analysis by *American City Business Journals*, for example, the population of the Austin metropolitan region will exceed 2.7 million by 2025. This increase represents more than a million new residents for the Austin metropolitan area.

The Austin metropolitan area is not only fast growing, but also young. According to the 5-year estimates of the Census, the median age of the Austin region is 32—four years younger than the national average. As the country becomes older, however, so does the Austin region. The median age of the metropolitan region in 2000, for example, was 30.9.

The demographic story of the broader ten-county CAPCOG region is similar. On the one hand, the region is undeniably young—more than 38 percent of all residents are under the age of 25. At the same time, the three fastest-growing age cohorts are all over 45. In the years ahead, the growth of older populations in the CAPCOG region will present a multitude of challenges, from possible workforce shortages associated with mass retirements to the need for land use patterns that allow for more independent living among senior citizens.

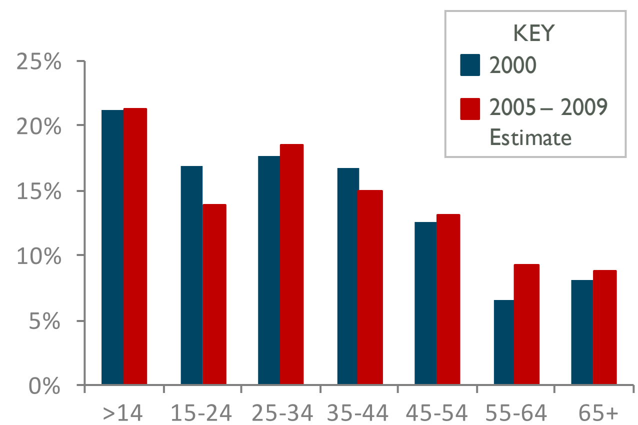
During the past decade, the diversity of the CAPCOG region has increased. The proportion of white residents now stands at approximately 57 percent, bringing the region ever closer to majority-minority status (Texas is currently only one of four majority-minority states). While the growth of minority populations within CAPCOG has been largely fueled by the Hispanic population, the much smaller Asian cohort is actually the fastest growing racial/ethnic group in the region.

POPULATION



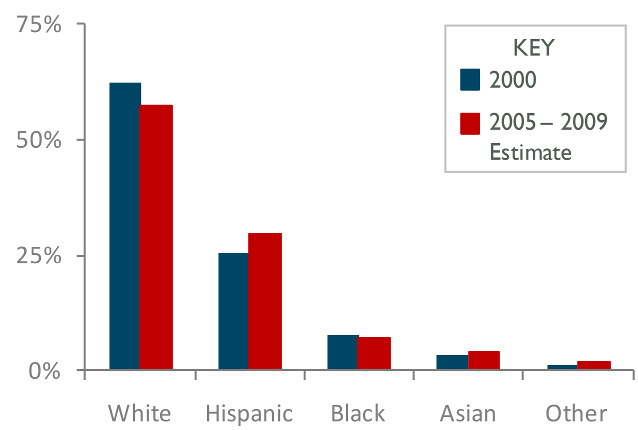
SOURCE: U.S. Census Bureau

AGE DISTRIBUTION



SOURCE: U.S. Census Bureau

RACIAL & ETHNIC COMPOSITION



SOURCE: U.S. Census Bureau

The CAPCOG region enjoys remarkably high levels of educational attainment. From high school to college to graduate level completions, the CAPCOG region possesses greater levels of educational attainment than either the Texas or the U.S average. During the past decade, education at every level has increased. Today, more than 84 percent of all residents are high school graduates; more than 37 percent possess a bachelor degree; and close to 12 percent hold a professional degree.

Educational attainment within the CAPCOG region, however, remains unequally distributed among the region's populations. The college graduation rates of white and Asian populations, for example, far outpaces their black and Hispanic counterparts. As the region cannot succeed if it becomes at once more diverse and less educated, future economic growth will remain limited unless the CAPCOG region is able to leverage the full potential of its human capital.

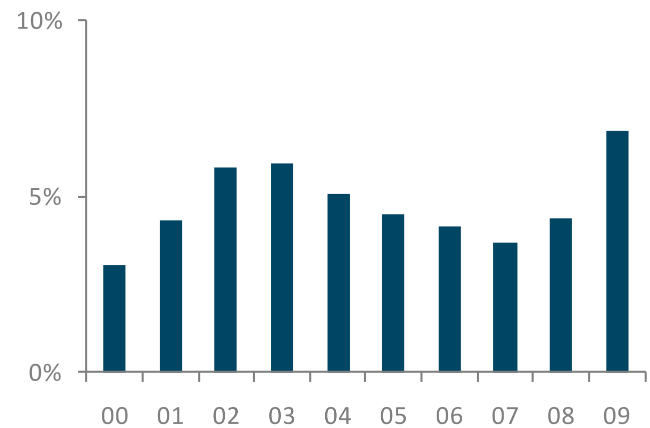
Although the CAPCOG region has not been entirely immune to the current economic downturn, the regional economy continues to outperform most other U.S. communities. In fact, a recent analysis by the *Brookings Institution* identified Austin's economy as the best performing in all of North America. Although unemployment in the CAPCOG region nearly doubled from 2006 to 2009, at 6.9 percent the area's unemployment rate remained significantly below the national average of 9.3 percent.

The effects of the recession are most readily apparent in statistics concerning median household income. Adjusted for inflation, median household income in the Austin metropolitan region dropped from $63,000 in 2000 to $57,000 during the second half of the decade. While Texas and the U.S. also experienced declines in median household income, neither was as severe as the drop experienced by the Austin region. Median household income in the Austin metropolitan region, however, remains more than 16 percent higher than the national figure and more than 22 percent higher than the Texas figure.

EDUCATIONAL ATTAINMENT

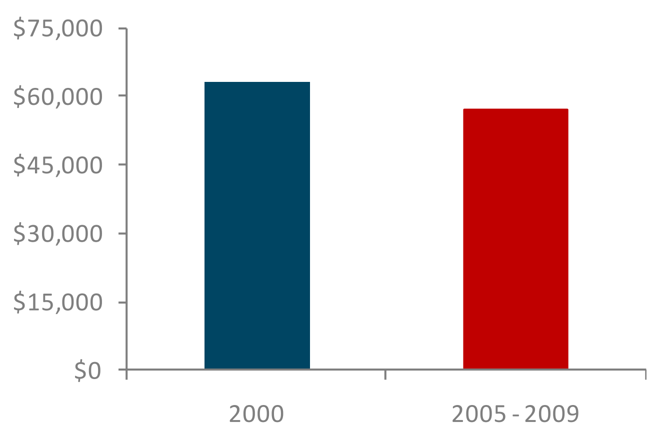
SOURCE: U.S. Census Bureau

UNEMPLOYMENT



SOURCE: U.S. Bureau of Labor Statistics

MEDIAN HOUSEHOLD INCOME



SOURCE: U.S. Census Bureau

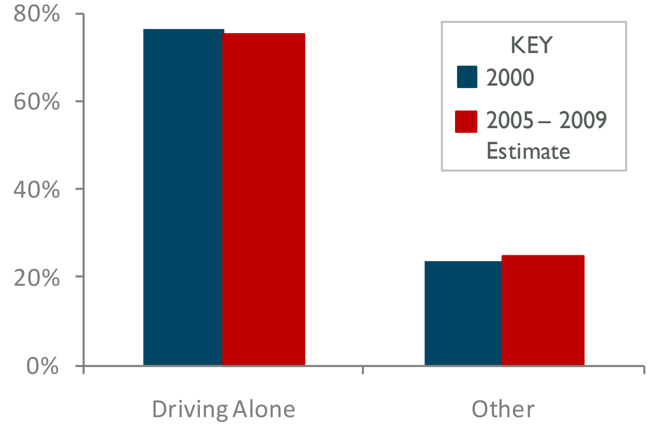
The personal automobile remains the primary mode of transportation for workers in the CAPCOG region. According to 2005-2009 estimates, nearly 75 percent of commuters drive alone to work, slightly less than both the national and Texas average. In 2000, more than 76 percent of workers in the CAPCOG region drove alone to work, slightly more than the national average.

While the region's commuters have become less auto-dependent during the past decade, workers have not widely embraced alternative means of transportation. The total proportion of workers in the CAPCOG region taking public transit, carpolling, walking, or biking to work remains largely unchanged since 2000. Instead, a growing share of employees in the CAPCOG region now regularly work from home, thereby eliminating the need to commute.

The proportion of both single-family and multi-family units in the CAPCOG region has increased slightly since 2000. Single-family housing is the fastest-growing and largest housing type in the CAPCOG region; more than 63 percent of all housing structures in the region are single-family homes. An additional 26 percent of CAPCOG residents reside in multi-family units. The number of people living in duplexes or other housing types such as mobile homes has declined since 2000. Today, fewer than 10 percent of housing structures in the region fall into either housing type category.

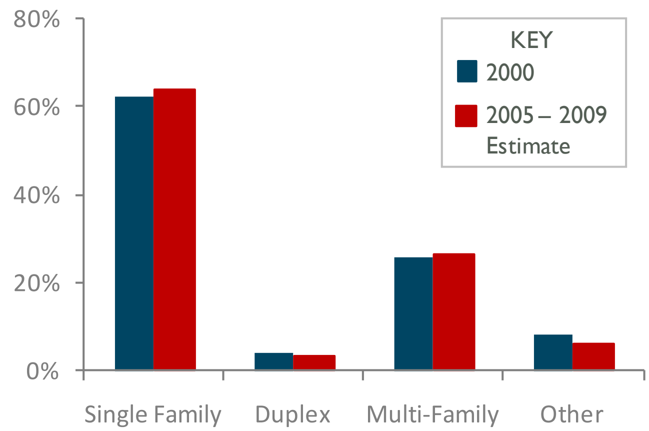
Families represent less than 63 percent of all households in the CAPCOG region, 7.5 percent lower than the Texas average and nearly 4 percent lower than the U.S. average. Since 2000, the proportion of family households in the CAPCOG region declined nearly 2 percent. During this same period, the proportion of family households at the state and national level experienced greater levels of decline. If these trends continue in the years ahead, the changing composition of households in the CAPCOG may hold important long-term consequences for housing type demand.

MODE OF COMMUTE



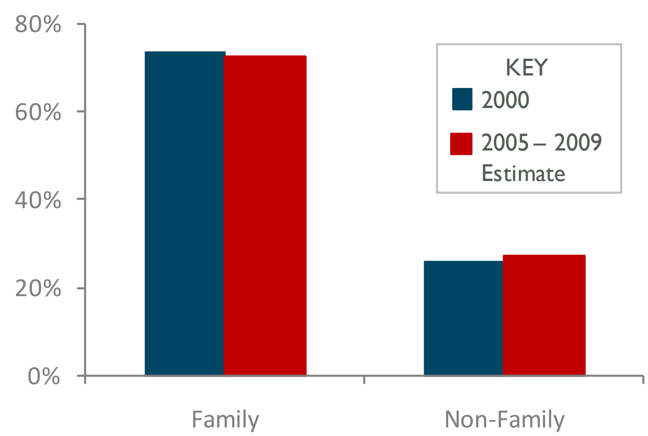
SOURCE: U.S. Census Bureau

HOUSING TYPE



SOURCE: U.S. Census Bureau

HOUSEHOLD TYPE



SOURCE: U.S. Census Bureau