

Everything's bigger

An analysis of Texas' fastest-growing cities

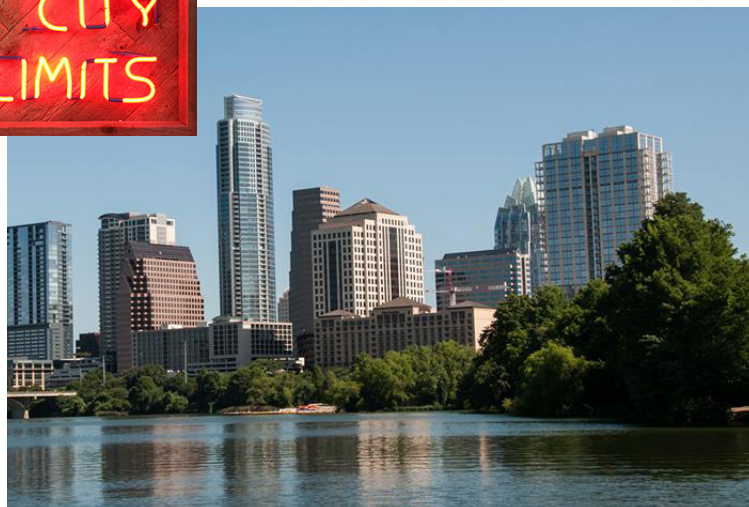
BY BRANDI SMITH



The lists pile up all year, each with their own metrics by which they measure a city's growth. Some factor in physical expansion, while other focus specifically on population or industry. As different as they all seem to be, there's a common thread running through each: cities in Texas are booming.

The explosive growth isn't isolated to a single region in Texas either. There are examples around Dallas, Houston, central Texas and west Texas. For the purposes of this article, we explored * WalletHub's recent compilation of "2017's Fastest-Growing Cities in America" as well as our own assessment of up and coming cities in Texas.

What follows is a profile of some of the state's standout cities, those that are leading the way in a state made of leaders. The saying goes 'Everything's bigger in Texas' and these communities are living up to that.



AUSTIN

You'll fit right in

Topping that *WalletHub* study for the 'Largest City with Highest Growth' is Austin (though it comes in at No. 4 on the overall list). It also made it to the No. 9 spot on *Forbes'* list of 'America's Best Employers.' The Central Texas economic engine is churning along with no signs of slowing.

Now the country's 11th largest city, it also celebrates its quality of life, for which it often gets top marks. Industries there range from healthcare, to technology, to agriculture, each offering a new and unique workforce. Recent successes include July's announcement from Merck that the pharmaceutical giant plans to locate its newest IT hub in Austin.

As the city grows, so do some of its largest employers: the construction, hospitality and retail sectors. Economists suggest the city diversify further to ensure job creation even after people stop moving to Austin.

Unfortunately, Austin has also earned 6th position for "Top 10 Worst US Corridors" from INRIX transportation analysis firm for its southbound I35 corridor.

CONROE

The city north of Houston

When FedEx Freight decided to build a new facility in the Houston area, it was looking for developed infrastructure and a qualified workforce. It found both in Conroe, where it started construction on a 75,000-square-foot cross-dock facility that will add more than 96 full-time and 30 part-time jobs when it's complete at the end of 2018.

Another big project underway is at Falcon Steel's 266,000-square-foot facility that will soon produce high-voltage steel-lattice towers and provide commercial galvanizing dulling operations, according to Danielle Scheiner, the deputy director of the Greater Conroe Economic Development Council.

At least one of the reasons these companies are choosing to move to Conroe, she says, is clear.

"We have a professional economic development staff and local leadership that are pro-business," says Scheiner. "We work with clients to find them a perfect new location."



Danielle Scheiner



The city just north of Houston has been a perfect “new location” for tens of thousands of people in the past two decades. In that time, the population of Conroe more than doubled to about 82,000.

“We have had quite a bit of success in recent years in attracting new jobs to the community, but we are also benefitting from the growth in the larger region,” Scheiner says. “Corporate relocations to The Woodlands and manufacturing and distribution growth in Conroe have created a need for new and better housing options that developers have created in recent years, allowing more people to make their home in Conroe.”

“We have been aggressive in marketing the community and our offerings – Conroe Park North and the Deison Technology Park – to companies looking to relocate and expand,” says Scheiner.

The EDC also offers technical assistance to existing employers through its business retention and expansion program. Performance-based cash incentives are in the mix for qualifying companies, as are tax abatements within the city and Montgomery County, depending on the project size. Those options aren't open to just new businesses, but also existing companies looking to expand.

“There are five taxing entities in Conroe, four of which participate in the Freeport Exemption, which provides a significant tax savings for companies that are inventory intensive,” Scheiner points out. “This is of course in addition to the state incentives that are available.”

On the residential side, two major master-planned developments in the early stages of development are slated to boost the population by 15,000 in the decade to come.

“We don't anticipate the growth to slow substantially for some time,” says Scheiner.

CONROE TARGET INDUSTRIES: professional and business services, advanced manufacturing, life sciences, logistics, avionics, energy services



CONVERSE Expanding horizons

“When you set a stick of dynamite down and light it, be prepared,” laughs Kate Silvas, the executive director of the City of Converse Economic Development Corporation.

‘Explosive’ can describe the city’s growth in a variety of ways. Physically, it is more than tripling its footprint, expanding from 7.1 square miles to 22.6 square miles just northeast of San Antonio.

“It’s an exciting time in Converse,” Silvas says, diving right into a breakdown of platted homes.

For the past 10 years, the city of roughly 23,000 has been growing by 200 homes a year. That number is nominal compared to what’s in the works right now.

“We are currently plotted to expect 1,780 more in our community in the next 24 to 36 months,” she says. “It is explosive growth.”

About 800 of those homes are being built by San Antonio-area developer Gordon Hartman. They’ll go in on the south end of the city, which will be improved with a new intersection.

“When you improve circulation, you improve the community as a destination for businesses to want to locate,” says Silvas.

Another draw is the city’s cooperation with developers. On average, building permits in Converse are turned around within 30 days.

“I think one of the things that makes us unique is our customer service. Converse is willing to meet a business where it is and accomplish what needs to be done,” Silvas says. “We want to get them on the road to providing services and goods to our community as quickly as possible.”

The EDC is working with the city to finalize a community master-plan, which the city council is expected to vote on January 1.

“We now have the ability to control more of our destiny and create that safe environment for businesses and residents in an area that is just virtually undiscovered,” says Silvas. “It won’t be long before businesses will miss out on the opportunity to be here.”

She boasts the EDC’s \$1 billion in buying power, \$100 million in public improvements and 2,200 developable acres as more incentives for companies to move to Converse, where the population is now demanding more restaurant and retail options.

CONVERSE TARGET INDUSTRIES: retail & restaurants, healthcare, hotel, manufacturing, technology

FRISCO Sports City, USA

The city at the top of *WalletHub*’s list is Frisco, a Dallas suburb that stretches between Collin and Denton counties. Back in 1990, it had a population of about 6,500. That number has exploded to 170,922.

“We’re the only city in the country that has seven professional sports teams represented in their city,” Mayor Jeff Cheney boasts, mentioning the addition of the Dallas Rattlers, a professional lacrosse team that is relocating from Rochester to Frisco.

There is considerable opportunity for more of those projects as Frisco builds out. Mayor Cheney says the city is only at about 60 percent, which means there’s 40 percent still undeveloped.

“The city’s well known for being master-planned in all areas, from city development to parks. We have a great

Everything's bigger

An analysis of Texas' fastest-growing cities

< Continued from Page 9



framework ready for even more growth," he says. "With all the deals that we've landed here, it's beginning to feel like there's no deal too big for us now."

That's part of the reason Cheney gives for the city's aggressive bid to be home to Amazon's second U.S. headquarters. He knows there's considerable competition from all over the country, as well as all over Texas, but he's confident in the draw of his North Texas community.

FRISCO TARGET INDUSTRIES: entrepreneurial, sports, medical and medical research, technology

KAUFMAN

The city south of Dallas

"For a town of under 10,000 population, there is an amazing amount of growth and potential growth in a short period of time," says Lee Ayres, Executive Director of Kaufman EDC.

The mission of the Kaufman Economic Development Corporation is to make Kaufman one of the most economically prosperous suburbs of Dallas and one of the best places to work in North Texas and they seem to be well on their way to this goal. Their latest announcements include two recent expansions of manufacturing facilities, Falcon Steel and Tables Manufacturing, adding \$3.2 million collectively in new investment and KLLM Transport has built a \$2 million logistics center.

Retail is well underway with the new Kings Fort Market Center which will add 180,000 sf in retail shopping for the 45 acres purchased for residential development

in the Kings Fort mixed-use development. Other new residential development for the area includes North Texas's largest lot developer with a contract on 800 acres of the 7000 acre former Star Brand Ranch. Also a Kings Fort Developer is negotiating a TIRZ agreement to

build 275 residential lots on 60 acres

LEAGUE CITY

Stay-cation & year round

"League City's strong residential and commercial growth is a result of excellent schools, attractive quality homes, a recreational lifestyle, beautiful parks and proximity to Clear Lake, Galveston Bay, and Galveston Island, a family-friendly, small town atmosphere, and stay-cation events and things to do year 'round," according to Scott Livingston, League City Economic Development Director.

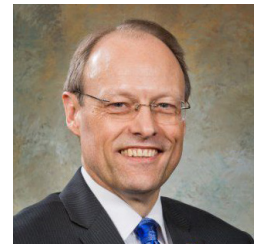
UTMB is scheduled to start construction this month on its \$156 million expansion at its 64 acre campus in League City, while M.D. Anderson's \$134 million cancer out-patient care facility is scheduled to open in June 2018. Memorial Hermann's Convenient Care Center, which is currently the largest in the Memorial Hermann Health System, is scheduled to open in February 2018.

Other new businesses are investing in League City to take advantage of the new growth: Abuello's Restaurant (7,600 sf), Olympia Grill (10,000 sf), Red River BBQ (10,000 sf), Red River Cantina (8,800 sf), Roux House (2,600 sf), King's Bierhaus (4,000 sf), Thai River Restaurant (1,800 sf), Craft 96 Draught House + Kitchen (4,500 sf). In order to facilitate this new growth, TXDOT has started road expansion projects for Five Corners, SH 146, I-45, FM 517, and FM 646.

Most of the community's highly trained professionals in aerospace, life sciences, energy, advanced manufacturing, financial services, and other technical



Barry Shelton



Darrell Auterson



fields endure long commutes to work each day, so League City is poised to attract astute employers that want to relocate their office, or open a new office, to attract and/or retain a quality workforce. Great opportunities are available for investments in family-oriented entertainment, cinemas, mixed-use developments, and Class A Office projects.

MCKINNEY

Unique by nature

When Barry Shelton moved to McKinney in 2001, the North Texas community was what he'd call a 'small town' with a population around 54,000.

Now the assistant city manager, he recalls that when he interviewed for his first job, there were virtually no restaurant options. Compared to now, Shelton says it's a night-and-day difference.

"Our downtown has grown tremendously. Looking for great restaurants in McKinney today, downtown's a great spot," he says.

Those eateries have cropped up as the city grew to approximately 180,000, but other growth didn't keep pace.

"For years, McKinney had explosive growth residentially, but it wasn't the same with regard to commercial and industrial growth," says McKinney Economic Development Corporation president Darrell Auterson. "That's starting to change now."

Auterson relocated to McKinney from York, Pennsylvania, in 2016 and brought 37 years of economic development experience with him. One of his first priorities was assembling and executing a new strategic plan.

"It laid out a great road map for where we want to try to take the community forward in terms of economic



< Continued from Page 10

development vision. We have a very supportive board and a very supportive city government right now," Auterson says. "They all are very focused on making McKinney one of the best business addresses here in North Texas. We definitely want to make sure that we're building that reputation and attracting high-quality, high-caliber, very-impactful development projects."

One of those that is underway right now is McKinney's Southgate, a 57-acre business campus at the confluence of U.S. 75 and the Sam Rayburn Tollway.

"That's our prime piece of real estate for class-A office development," says Auterson. "We created a new vision for what we want to have happen there and we're starting to get very aggressive with our marketing to both office users and targeted retail users as well."

That development is on the south end of the city, but the north also provides plenty of opportunity for interested parties.

MCKINNEY TARGET INDUSTRIES: light industrial development, Class-A office, retail and restaurant

MIDLAND Feel the energy

In another corner of the state, business is booming and driving population gain.

Midland's economy grew nearly 9 percent, according to a third-quarter report from the Midland Development Corporation. Largely boosted by the recovery of oil and gas, the city of 132,950 made it to the top of *WalletHub's* list for highest regional GDP growth, tying communities such as San Jose and Santa Clara, California.

Listed as one of Sperling's Best Places, Midland's unemployment rate is a full percent lower than the national average and its future job growth is estimated around 29 percent.

median income in Midland bests the Texas and U.S. by \$16,000.

The development corporation offers a variety of locations for new projects, including downtown's 3.8 million square feet of multi-tenant office space, the 2-million-square-foot Claydesta Business Park, 71-acre David Mims Business Park and 40-acre Midland Spaceport, which is located at the Midland International Airport.

MIDLAND TARGET INDUSTRIES: aerospace & aviation, commercial spaceport development, downtown development, business services, energy, warehouse

PEARLAND Young & diverse workforce

The fastest-growing city in the Houston area is the southern suburb of Pearland. Growing 142 percent since 2000, the city's population is now up to 113,570.

What makes it stand out from some of its neighbors is Pearland's young and diverse workforce. The average age of a resident is just 33, while about half the population is made up of Latino, African-American, and Asian ethnic groups, according to the city's Economic Development Corporation. Rushi Patel, the organization's chair, says that in 2016, the PEDC "partnered with companies to bring in more than \$95 million in new capital investment."

Pearland is already the home to some company headquarters, including Kelsey-Seybold, a private, multi-specialty physician group. Its administrative team is based in its 170,000-square-foot HQ, which sits on an 18-acre site. Others include Baker Hughes, TurboCare, Weatherford and Aggreko.

SEABROOK Quaint & resort-like

The city of Seabrook is a quaint, resort-like small city located 30 miles south of the Houston CBD.

With the expansion of SH 146 which parallels I45, this highway will be expanded from its current 5-lane profile to 11-lanes when completed.

New opportunities are developing for savvy real estate brokers who are assembling pieces along the highway and building sizable parcels for new commercial development post SH146 expansion.

The Grand Parkway will ultimately bisect SH 146. Additionally, NASA Parkway and the Repsdorph Circle areas are continuing to draw prospects seeking new opportunities in the Clear Lake region.

*** WalletHub examined more than 500 cities across the country, evaluating them based on 15 different metrics, which include population growth, job growth, unemployment rate decrease, median house price growth, growth in regional GDP and increase in number of businesses.**