



IGNITE Hidalgo County

Igniting Minds. Igniting Involvement. Igniting Economies.



A Comprehensive Economic Development Strategy for Hidalgo County 2011-2015

Foreword



Dear Citizens of Hidalgo County:

I am pleased to present to you the county's first Comprehensive Economic Development Strategy (CEDS).

The CEDS is a five-year plan for economic development in Hidalgo County.

The plan focuses on six economic development goals: 1) grow Hidalgo County's economy 2) create a globally competitive workforce 3) bolster existing and new regional collaboration efforts 4) improve regional physical infrastructure 5) meet the comprehensive mobility needs of the region and 6) establish Hidalgo County as the premier location for healthcare in South Texas.

The plan represents hundreds of hours of research, forums with the public, interviews with key stakeholders, and surveys and interviews with healthcare businesses. I thank the project team lead by The University of Texas-

Pan American, the Strategy Committee for providing input into the development of the plan, my economic development staff who helped coordinate the project, and the hundreds of citizens in Hidalgo County who participated in the Ignite community forums and summits.

Now it is time to put the plan into action. To do that, we need your help. I invite the citizens of Hidalgo County to join us in implementing this plan. If you are interested in being involved, contact my office.

With the development of a CEDS, Hidalgo County is taking a proactive approach to economic development to fuel the county's economic growth now and in the future. Together, we can ignite the Hidalgo County economy.

Sincerely,

A handwritten signature in blue ink, appearing to read "R. Ramirez".

Rene A. Ramirez
Hidalgo County Judge

Acknowledgements

We would like to acknowledge and thank the following persons for their participation in the project.

Hidalgo County

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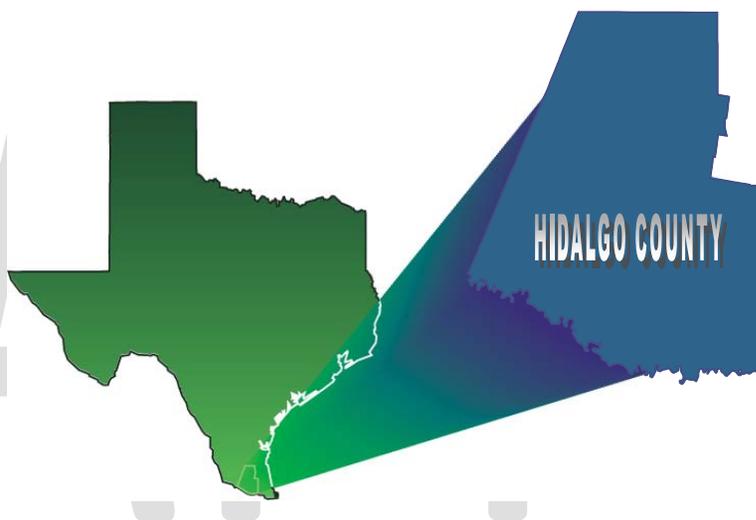
Table of Contents

I.	Background	1
II.	Asset Map Findings	21
III.	Analysis of Economic Development Problems and Opportunities	40
	A. Stakeholder Interviews	40
	B. Community SWOT Forums	42
	C. Healthcare Business Survey	50
	D. Healthcare Interviews	56
IV.	Community and Private Sector Participation	58
	A. Ignite Business Summit	60
	B. Ignite Healthcare Summit	62
	C. Ignite Community Summit	65
V.	Comprehensive Economic Development Strategy	68
	A. Goals, Objectives, Strategic Projects, Action Steps, Performance Measures	69
	B. Timeline	75
VI.	Implementation Strategy	77
VII.	Appendix	82
	A. Healthcare Interviews	83
	B. Stakeholder Interviews	101

I. Background

Geography

- Hidalgo County is located in southernmost tip of Texas along the U.S.-Mexico border (Figure 1). Hidalgo County is one of 254 counties in the State of Texas and is flanked by Starr County to the west, Jim Hogg and Brooks counties to the north, Willacy and Cameron counties to the east, and the Rio Grande River and Mexico to the south.
- Hidalgo County shares an international border running along the Rio Grande River with the Mexican state of Tamaulipas and the cities of Reynosa and Rio Bravo, and has close cultural and economic ties with Mexico.
- The county is 1,569 square miles and has a population density is 472 persons per square mile.
- Hidalgo County experiences a subtropical climate that provides a year-round growing season marked by mild winters, warm and humid evenings, and adequate rainfall to sustain a variety of crops.



- The county seat is located in the City of Edinburg. The largest cities in the county are McAllen (132,225), Edinburg (72,424), Mission (68,990), Pharr (66,231), Weslaco (34,701), and San Juan (34,534). See Table 1.
- Alton (172.7%), Hidalgo (67.3%), Mission (51.9%), Edinburg (49.4%), La Joya (46.0%), Pharr (41.9%), Edcouch (38.4%), Palmview (37.3%), and San Juan (31.7%) were the fastest growing cities in Hidalgo County from 2000 to 2009. See Table 1.

Table 1. Population of Cities in Hidalgo County, 2009

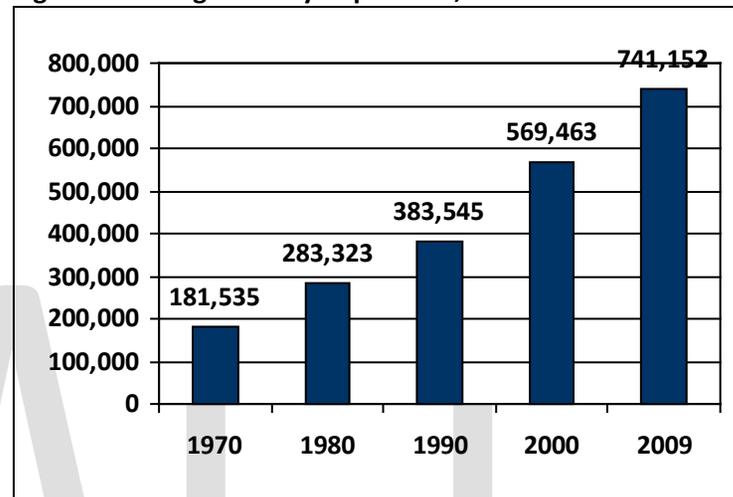
CITIES	2009 POPULATION	2000 TO 2009 % CHANGE
McAllen	132,225	24.3%
Edinburg	72,424	49.4%
Mission	68,990	51.9%
Pharr	66,231	41.9%
Weslaco	34,701	28.8%
San Juan	34,534	31.7%
Donna	17,548	18.8%
Alamo	17,526	18.7%
Mercedes	15,401	12.8%
Hidalgo	12,250	67.3%
Alton	11,954	172.7%
Elsa	6,662	19.8%
Palmview	5,638	37.3%
Progreso City	5,636	16.2%
La Joya	4,821	46.0%
Edcouch	4,625	38.4%
Sullivan City	4,493	12.4%
Palmhurst	2,728	-44.0%
La Villa	1,442	10.5%
Penitas	1,193	2.2%
Granjeno	305	-2.6%
Progreso Lakes	267	14.1%
Hidalgo County Total	741,152	30.1%

Source: U.S. Census Bureau, 2000 Census, 2009 Population Estimates Program.

Population

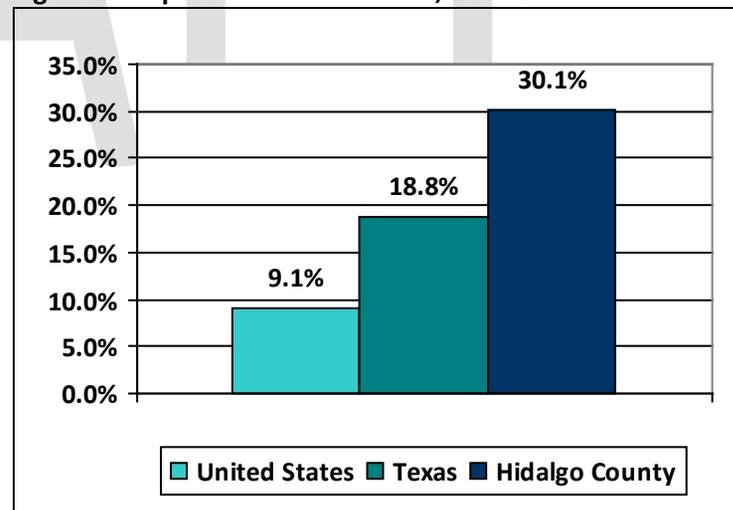
- According to the 2009 estimates from the U.S. Census Bureau, nearly three quarters of a million persons (741,152) live in Hidalgo County. See Figure 1.
- By population, Hidalgo County ranks the 8th largest county in Texas, and the 78th largest in the United States.
- From 2000 to 2009, the population in Hidalgo County increased by 171,689 persons. The majority of the increase came from a natural increase of births minus deaths (70%). Net migration (30%) accounted for the rest of the increase.
- The Hidalgo County population grew 30.1% from 2000 to 2009, 1.6 times faster than the population growth in Texas (18.8%), and 3.3 times faster than the population growth in the United States (9.1%). See Figure 2.
- Hidalgo County was the 14th fastest growing county in Texas and the 123rd fastest growing county in the United States from 2000 to 2009.
- Population growth in Hidalgo County from 2000 to 2009 (30.1%) slowed from the 90s, when the Hidalgo County population grew 48.5% from 1990 to 2000.
- Over a half a million persons (594,475) live in Reynosa, Mexico, and 107,656 persons live in Rio Bravo, the two largest Mexican cities across the border from Hidalgo County in 2009. The Reynosa population grew 47.3%, and the Rio Bravo population grew 34.3%, from 2000 to 2009.

Figure 1. Hidalgo County Population, 1970-2009



Source: U.S. Census Bureau, 2009 Population Estimates Program.

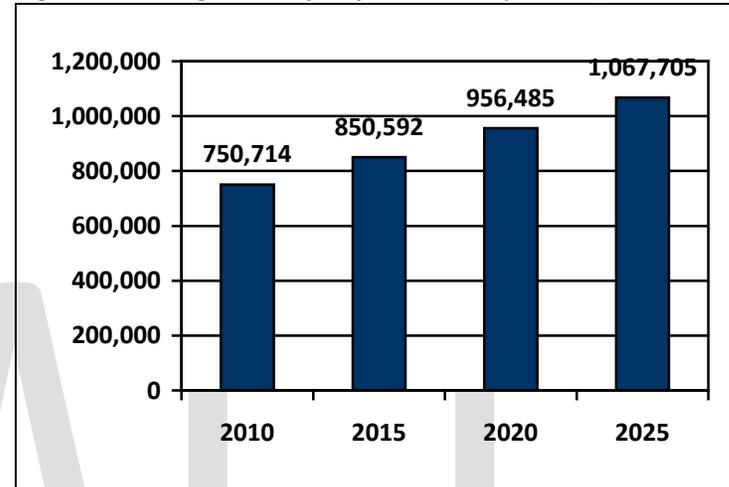
Figure 2. Population Growth Rates, 2000-2009



Source: U.S. Census Bureau.

- The population in Hidalgo County is projected to continue to grow at a steady rate, led by a higher than average birth rate and continued in-migration into the county. The Hidalgo County population is projected to surpass 1 million persons by the year 2025 under a moderate growth rate scenario. See Figure 3.
- The population in Hidalgo County is predominately Hispanic. Nine out of ten residents in Hidalgo County are of Hispanic origin. See Table 2.
- The population in Hidalgo County is young. The median age of the population in Hidalgo County is 27.4 years, versus 36.8 years in the U.S. Forty percent of the population in Hidalgo County is under 19, compared to 27% in the United States. See Table 3.

Figure 3. Hidalgo County Population Projections, 2010-2025



Source: Texas State Data Center, Population Projections, 0.5 Scenario.

Table 2. Hidalgo County Population by Hispanic Origin, 2009

POPULATION BY HISPANIC ORIGIN	NUMBER	COUNTY	U.S.
Non-Hispanic or Latino	75,908	10.2%	84.2%
Hispanic or Latino	665,244	89.8%	15.8%

Source: U.S. Census Bureau, 2009 Population Estimates Program.

Table 3. Hidalgo County Population Age Distribution, 2009

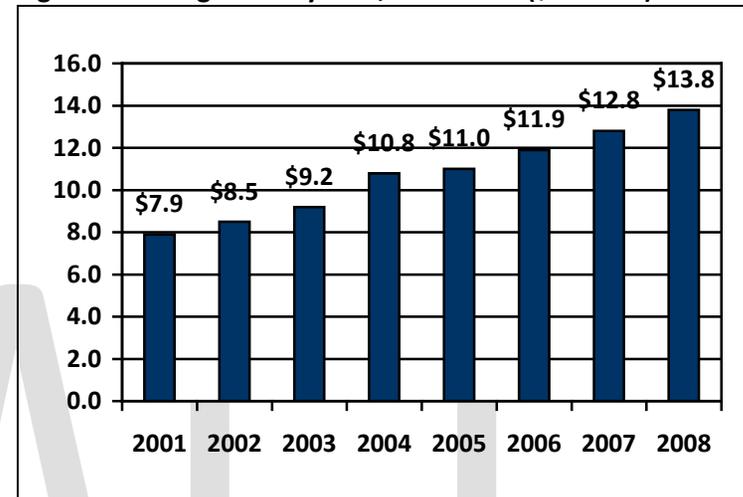
POPULATION BY AGE	NUMBER	COUNTY	U.S.
Under 5 years	88,133	11.9%	6.9%
5 to 19 years	205,510	27.7%	20.2%
20 to 24 years	51,772	7.0%	7.0%
25 to 44 years	195,610	26.4%	27.1%
45 to 64 years	129,683	17.5%	25.9%
65 years and over	70,444	9.5%	12.9%
Median Age	27.4		36.8

Source: U.S. Census Bureau, 2009 Population Estimates Program.

The Economy

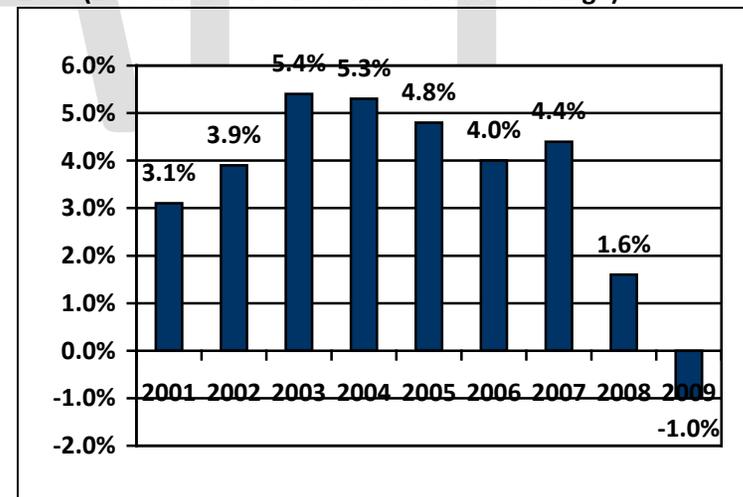
- Hidalgo County exhibited strong economic growth in the early to late 2000s. Gross domestic product in Hidalgo County, a measure of total economic output, grew at an average annual growth rate of 8.2% from 2001 through 2008, to \$13.8 billion dollars (See Figure 4). Hidalgo County’s GDP growth was 1.5 times faster than GDP growth in the U.S. economy (5.0% annual average growth rate) during the same period.
- Economic growth slowed in 2008 and 2009, as the Hidalgo County economy began to feel the effects of a national recession and a downturn in the automotive industry, which affected maquiladora employment in neighboring Reynosa, Mexico. Nonfarm employment growth (See Figure 5), and various key economic indicators such as retail sales, construction permits, etc., (See Table 4), declined, while unemployment rose from a historic low of 6.6% in 2007, to 10.6% in 2009 (See Figure 6). The latest unemployment rate for Hidalgo County was 12.2% for June 2010.
- The maquiladora industry in Reynosa took a hit during the recession. Manufacturing plants in Reynosa, many of them automotive related, declined from 200 factories in 2005, to 142 factories in 2009, while employment at maquiladoras in Reynosa decreased from 88,691 employees in 2005, to 72,916 employees in 2009, affecting the Hidalgo County economy.

Figure 4. Hidalgo County GDP, 2001-2008 (\$ billions)



Source: U.S. Department of Commerce, Bureau of Economic Analysis.

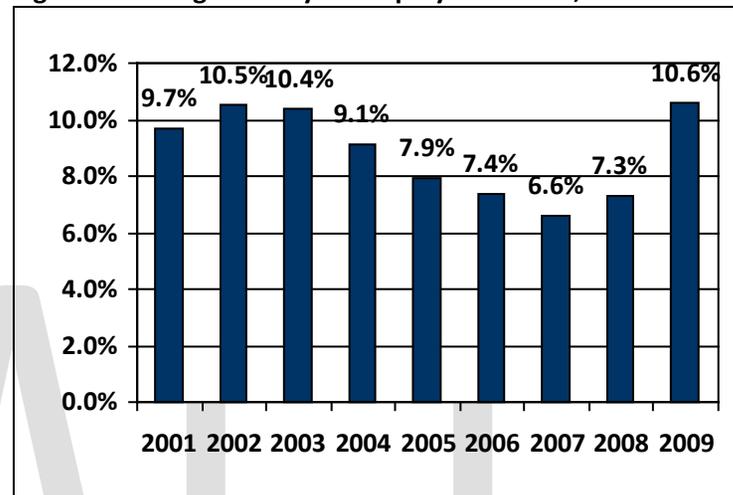
Figure 5. Hidalgo County Nonfarm Employment Growth, 2001-2009 (December over December Percent Change)



Source: U.S. Department of Labor, Bureau of Labor Statistics.

- Hidalgo County has been one of the few areas in the U.S. to have weathered the recession well. Since the recession began in the fourth quarter of 2007, through the first quarter of 2010, the Hidalgo County economy was identified as one of the top 21 strongest performing economies in the U.S. according to MetroMonitor.
- The Hidalgo County economy is showing signs of improvement over 2009 and is forecasted to resume slower economic growth as the national economy recovers according to a forecast by the Dallas Federal Reserve. See Table 4.

Figure 6. Hidalgo County Unemployment Rate, 2001-2009



Source: Texas Workforce Commission.

Table 4. Hidalgo County Economic Indicators, 2009 and 2010

ECONOMIC INDICATORS	2009	2010
	ACTUAL	FORECAST
Retail Sales	-7.2%	2%
New Home Permits	-4.3%	-4 to -6%
Construction Permits	-41.6%	-10 to -12%
Hotel/Motel Tax Receipts	-10.3%	1 to 3%
Car Sales	-25.7%	-7 to -9%
Job Growth (annual average)	.7%	.1% to 2%

Source: Dallas Federal Reserve.

- From June 2009 to June 2010, Hidalgo County added 4,900 jobs. Job growth was mainly in jobs in government, and education and health services. See Table 5.
- Government (56,600 persons), education and health services (56,200 persons), and trade, transportation, and utilities (45,000 persons) are the largest industries representing 25.6%, 25.4%, and 20.3% of nonfarm employment, respectively, in Hidalgo County. See Table 5.

Table 5. Hidalgo County Nonfarm Employment, June 2010

INDUSTRY	JUNE 2009	JUNE 2010
Total Employment	216,400	221,300
Natural Res., Mining and Construction	9,200	8,500
Manufacturing	6,100	6,300
Trade, Transportation and Utilities	44,900	45,000
Information Services	2,200	2,100
Financial Services	7,900	7,700
Professional and Business Services	14,200	13,600
Educational and Health Services	53,400	56,200
Leisure and Hospitality Services	18,700	19,500
Other Services	5,800	5,800
Government (Public Administration)	53,900	56,600

Source: Texas Workforce Commission.

- These same industries—health care, retail trade, and government—were the leading industries in adding the most number of jobs in Hidalgo County over the past 5 years. From 2005 to 2009, health care added 16,557 jobs, retail trade added 8,969 jobs, and government added 8,819 jobs. See Table 6.

Table 6. Hidalgo County Industry Job Growth, 2005-2009

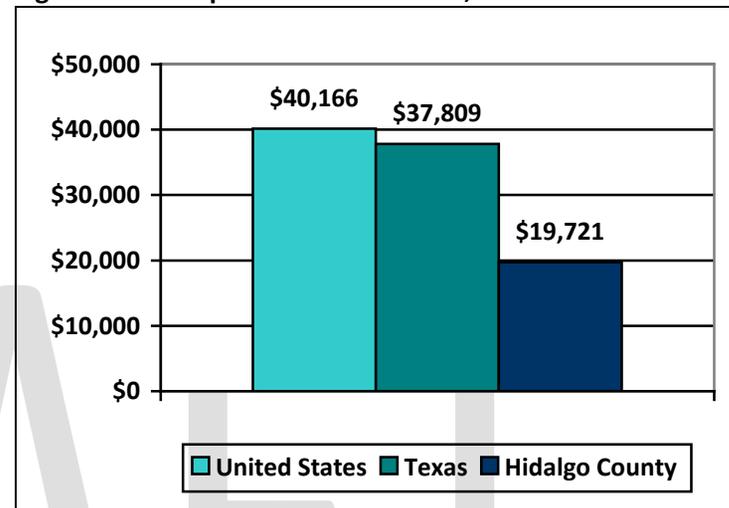
INDUSTRY	2005	2009	CHANGE
Health care and social assistance	40,915	57,472	16,557
Retail trade	33,524	42,493	8,969
Government	46,865	55,684	8,819
Administrative and waste services	13,139	17,756	4,617
Accommodation and food services	17,269	20,701	3,432
Transportation and warehousing	9,076	11,660	2,584
Real estate and rental and leasing	5,251	7,281	2,030
Finance and insurance	7,297	9,253	1,956
Wholesale trade	7,454	8,405	951
Mining	1,841	2,776	935
Professional and technical services	7,056	7,727	671
Other services, except public administration	10,548	11,062	514
Arts, entertainment, and recreation	2,272	2,677	405
Management of companies and enterprises	246	448	202
Utilities	773	890	117
Construction	18,042	18,056	14
Information	2,992	2,576	(416)
Educational services	3,444	2,807	(637)
Agriculture, forestry, fishing and hunting	8,387	6,579	(1,808)
Manufacturing	9,902	7,594	(2,308)

Source: EMSI.

Income and Poverty

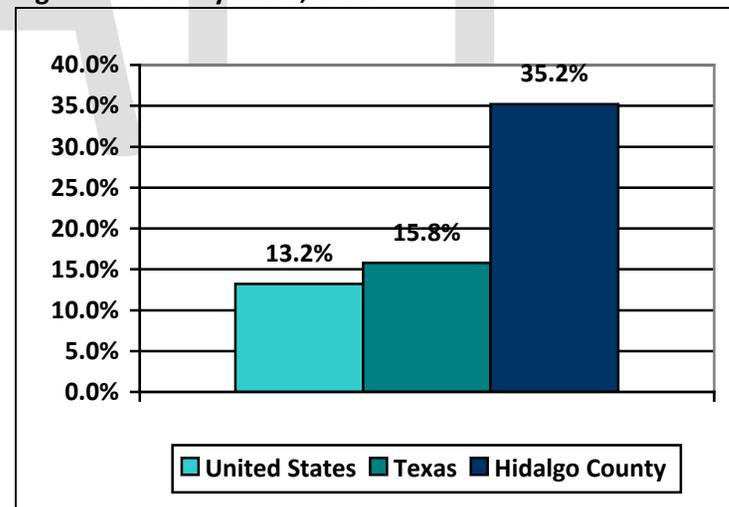
- While Hidalgo County has grown economically, personal income has lagged far behind incomes in Texas and the United States. Per capita personal income of \$19,721 in Hidalgo County ranked nearly dead last (250 out of 254 counties) in Texas and was 52% of the state average, \$37,809, and 49% of the national average, \$40,166. See Figure 7.
- Another indicator of economic distress in Hidalgo County is the high level of personal income transfer receipts, which are payments to persons from government programs such as welfare, food stamps, disability, social security, etc. Twenty-nine percent of total personal income in Hidalgo County is from personal current transfer receipts, twice as high as Texas (14%), and the U.S. (15%).
- One out of every three persons living in Hidalgo County is considered to be living in poverty (35.2%). Poverty rates in Hidalgo County have dropped only slightly from 35.9% in 2000. The percentage of persons living in poverty in Hidalgo County is 2.2 times higher than the poverty rate for Texas and 2.7 times higher than the poverty rate for the U.S. See Figure 8.

Figure 7. Per Capita Personal Income, 2008



Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Figure 8. Poverty Rates, 2008

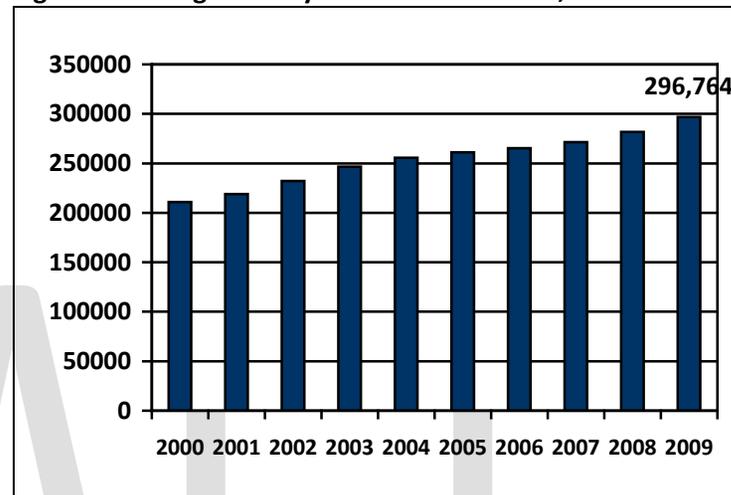


Source: U.S. Census Bureau, 2008 American Community Survey.

Workforce

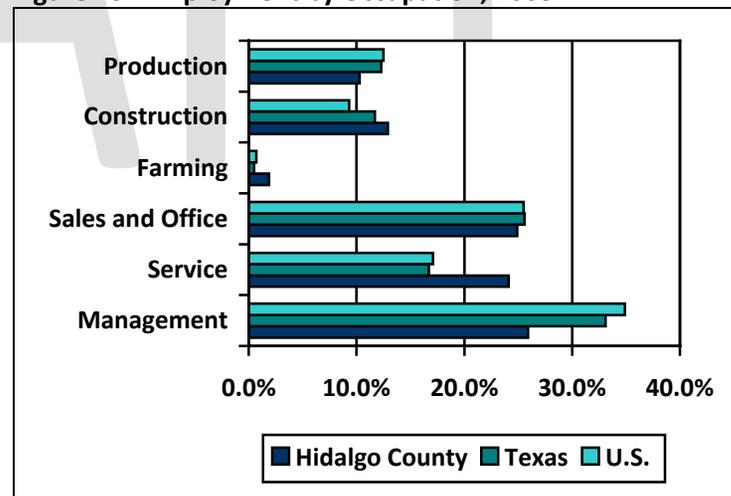
- The civilian labor force, which includes persons who are working (employed) and persons who are not working, are available, and looking for work (unemployed), reached 296,764 persons in Hidalgo County in 2009. See Figure 9.
- The civilian labor force in Hidalgo County expanded at an average annual growth rate of 3.9% from 2000 to 2009, 2.5 times faster than the average annual growth rate of 1.6% for the civilian labor force in U.S.
- Hidalgo County has a smaller share of workers employed in management, professional, and related occupations (25.9%), compared to Texas (33.1%), and the U.S. (34.9%), and has a greater share of workers employed in service occupations (24.1%), compared to Texas (16.7%) and the U.S. (17.1%). See Figure 10.
- Service occupations as a percentage of the labor force rose from 18.5% of employment in 2000, to 24.1% of employment in 2008.

Figure 9. Hidalgo County Civilian Labor Force, 2000-2009



Source: Texas Workforce Commission.

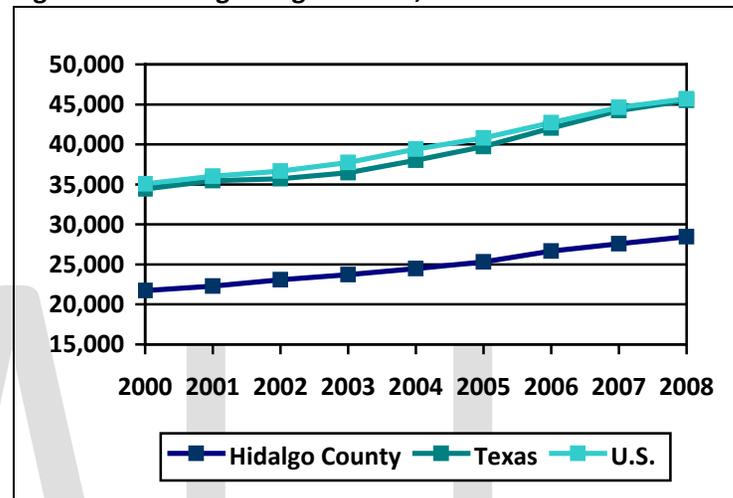
Figure 10. Employment by Occupation, 2008



Source: U.S. Census Bureau, 2008 American Community Survey.

- Wages in Hidalgo County are significantly below wages in Texas and the U.S. The average wage per job in Hidalgo County in 2008 was \$28,451, 38% less than the average wage per job of \$45,517 in Texas, and the average wage per job of \$45,716 in the U.S. See Figure 11.
- Average wages per job in Hidalgo County grew at similar rates for Texas and the U.S. from 2000 to 2008, with the average wage per job growing 3.4% in Hidalgo County, 3.6% in Texas, and 3.4% in the U.S.

Figure 11. Average Wage Per Job, 2000-2008



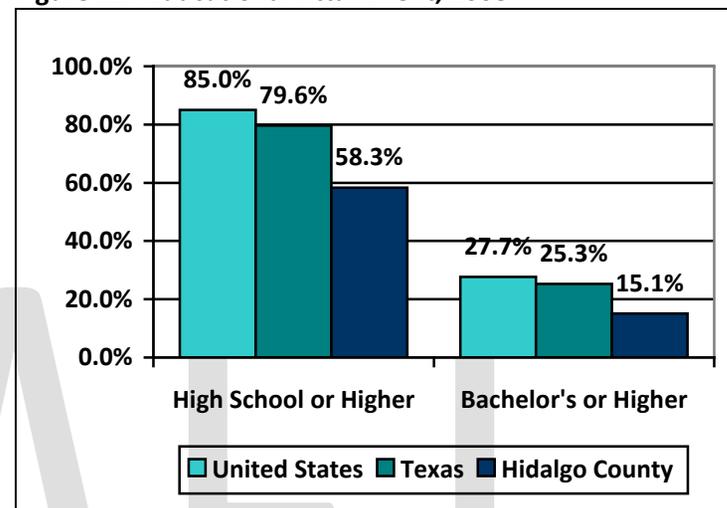
Source: U.S. Department of Commerce, Bureau of Economic Analysis.

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Education

- Hidalgo County residents considerably lag residents in Texas and the U.S. in educational attainment. Only 58.3% of Hidalgo County residents 25 years and over are high school graduates or higher, compared to 85.0% in the U.S. and 79.6% in Texas. And only 15.1% of Hidalgo County residents 25 years and older have a bachelor’s degree or higher, compared to 27.7% in the U.S. and 25.3% in Texas. See Figure 12.
- The majority of persons in Hidalgo County who did not graduate high school have less than a 9th grade education. Over a quarter of the population 25 years and over in Hidalgo County has less than a 9th grade education (28.4%), 4.4 times higher than the U.S. (6.4%) and 2.7 times higher than Texas (10.4%). See Table 7.

Figure 12. Educational Attainment, 2008



Source: U.S. Census Bureau, 2008 American Community Survey.

Table 7. Educational Attainment, All Categories, 2008

LEVEL	HIDALGO	TEXAS	U.S.
Less than 9 th grade	28.4%	10.4%	6.4%
9 th to 12 th grade, no diploma	13.3%	10.0%	8.7%
High school graduate	24.3%	25.4%	28.5%
Some college, no degree	15.5%	22.6%	21.3%
Associate’s degree	3.4%	6.3%	7.5%
Bachelor’s degree	10.4%	17.1%	17.5%
Graduate or professional degree	4.7%	8.3%	10.2%

Source: U.S. Census Bureau, 2008 American Community Survey.

- From 2000 to 2008, educational attainment rates in Hidalgo County improved across the board. The biggest improvements were made in residents with less than a 9th grade education, which dropped 5.4 percentage points, and high school graduates, which increased 4.1 percentage points. See Table 8. However, Hidalgo County still has a lot of catching up to do to raise educational attainment rates to comparable levels in Texas and the U.S.

Table 8. Educational Attainment, 2000 and 2008

LEVEL	2000	2008
Less than 9 th grade	33.8%	28.4%
9 th to 12 th grade, no diploma	15.8%	13.3%
High school graduate	20.2%	24.3%
Some college, no degree	14.5%	15.5%
Associate's degree	2.9%	3.4%
Bachelor's degree	8.4%	10.4%
Graduate or professional degree	4.5%	4.7%

Source: U.S. Census Bureau, 2000 Census, 2008 American Community Survey.

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Transportation

- Infrastructure is one of Hidalgo County’s most valuable competitive advantages over other regions in the U.S. Hidalgo County has several bridges and ports of entry that serve as gateways for commerce with Mexico.
- There are four international bridges in the Hidalgo County that connect Hidalgo County to Mexico: McAllen-Hidalgo-Reynosa, Pharr-Reynosa, and Progreso-Nuevo Progreso, and Anzaldua International. A fifth bridge is planned in Donna.
- There are three airports located in the county: McAllen-Miller International Airport, South Texas International Airport at Edinburg, and Weslaco Mid-Valley Airport. McAllen-Miller International Airport is serviced by American Airlines, Delta, and Continental, and Allegiant Air.
- The county is also served by two major expressways and highways. U.S. Highway 281 runs north-south, connecting Hidalgo County to San Antonio and I37. U.S. Highway 83, runs east and west and connects the cities in Hidalgo County and the Rio Grande Valley and I35. U.S. 281 is part of the designated I69 Corridor to be upgraded to Interstate quality roadways.
- Hidalgo County has accessibility to sea ports along the Gulf of Mexico (Port of Harlingen, Port Mansfield, Port Isabel/San Benito and Port of Brownsville, and accessibility to Mexican sea ports (Lazaro Cardenas, Altamira, & Manzanillo).

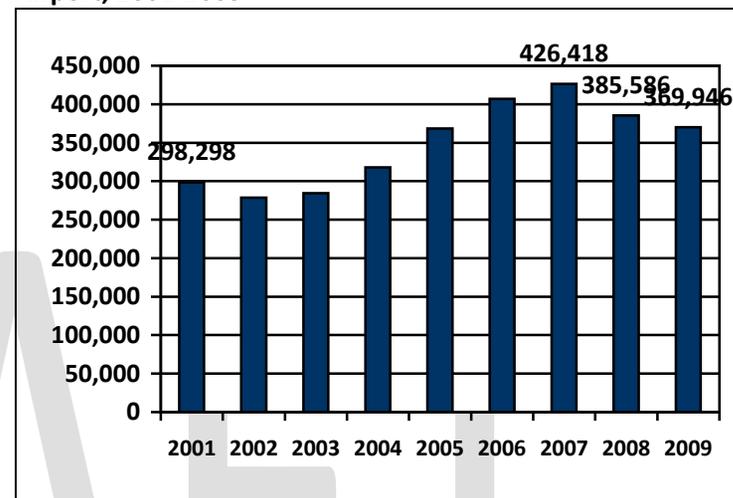
Table 9. Distance to Major Cities

FROM	TO	DISTANCE
Hidalgo County	Laredo	149 miles
Hidalgo County	San Antonio	238 miles
Hidalgo County	Houston	348 miles
Hidalgo County	Dallas	506 miles
Hidalgo County	Reynosa, Mexico	12 miles
Hidalgo County	Monterrey, Mexico	148 miles
Hidalgo County	Mexico City, Mexico	718 miles

Source: Rand McNally, Hidalgo County distances calculated from McAllen, Texas.

- Airline boardings at McAllen-Miller International Airport grew by 24% from 2001 to 2009. Boardings at McAllen-Miller International peaked at 426,418 boardings in 2007, but have since fallen 13.2% in the past two years after the 9/11 terrorist attacks and a national recession.
- Public transportation options are limited in Hidalgo County. Rio Metro provides limited transit service to Edinburg, McAllen, Pharr, San Juan, Alamo, Mission, Mercedes, Weslaco, and Donna. McAllen Express Transit (MET) has seven routes and serves residents and visitors of McAllen. Rio Transit has five routes, providing limited demand service to rural Hidalgo County.
- The McAllen Downtown Terminal Central Station provides connections between McAllen Express Transit and Rio Metro routes, and 14 domestic and international bus lines (Greyhound, VTC, Tornado, Adame, El Expreso, Noreste, Turimex, Transpais, Americanos, ADO, Sendor, Omnibus de Mexico).

Figure 13. Airport Boardings, McAllen-Miller International Airport, 2001-2009



Source: Rio Grande Valley Partnership, Valley Business Barometer.

Healthcare

- Hidalgo County has nine acute and/or general care hospitals with 3,265 licensed beds and 2,201 staffed beds. There are eighteen nursing homes with 2,049 licensed beds and 248 home health agencies in the area serving the older population.
- Hidalgo County is a Health Professionals Shortage Area (HPSA) for primary medical care, dental, and mental health, and a Medically Underserved Area/Population as designated by the federal government.
- Hidalgo County ratios of health professionals to its population are higher than similar health professional ratios for Texas, particularly with direct patient care physicians, optometrists, pharmacists, dentists, psychiatrists, physical therapists, and chiropractors. See Table 10.

Table 10. Health Professionals, 2009

PROFESSIONS/RATIOS	TEXAS	HIDALGO COUNTY
Direct Patient Care Physicians	39,374	802
Ratio of Population per DPCP	632	958
Primary Care Physicians	16,830	436
Ratio of Population per PCP	1,478	1,762
Optometrists	2,987	43
Ratio of Population per Optometrist	8,327	17,870
Pharmacists	19,579	353
Ratio of Population per Pharmacist	1,270	2,177
Occupational Therapists	6,136	171
Ratio of Population per OT	4,054	4,494
Registered Nurses	169,446	3,742
Ratio of Population per RN	147	205
Dentists	10,997	144
Ratio of Population per Dentist	2,262	5,336
Psychiatrists	1,634	17
Ratio of Population per Psychiatrist	15,223	45,200
Licensed Vocational Nurses	69,152	1,864
Ratio of Population per LVN	360	412
Physical Therapists	10,016	166
Ratio of Population per PT	2,483	4,629
Medical Radiologic Technologists	20,559	410
Ratio of 2009 Population per MRT	1,210	1,874
Chiropractors	4,592	69
Ratio of Population per Chiropractor	5,417	11,136

Source: Texas Department of State Health Services, Center for Health Statistics.

- Nearly 40,000 persons were employed in the biomedical/biotechnical (life sciences) cluster in Hidalgo County in 2009. See Table 11.
- Home health care services (21,992 jobs), general medical and surgical hospitals (8,331 jobs), nursing care facilities (1,502 jobs), pharmacies and drug stores (1,283 jobs), and ambulance services (1,088 jobs) were the leading U.S. industries in terms of jobs in the biomedical/biotechnical industry cluster in Hidalgo County. See Table 12.
- The biomedical/biotechnical cluster is projected to continue to enjoy healthy growth rates. The cluster is projected add 16,463 jobs during the next 10 years, an increase of 42%, to 56,126 jobs by 2019. See Table 12.
- Adding the most jobs in the cluster from 2009 to 2019 are home health care services (10,084 jobs), general medical and surgical hospitals (3,149 jobs), cosmetic and beauty supply stores (524 jobs), nursing care facilities (467 jobs), and ambulance services (388 jobs). See Table 12.
- The fastest growing jobs in the cluster from 2009 to 2019 are projected to be outpatient mental health centers (76%), blood and organ banks (56%), diagnostic imaging centers (56%), health and personal care stores (53%), and cosmetic and beauty supply stores (53%). See Table 12.
- Registered nurses, and physicians and surgeons, are the two occupations in Hidalgo County that are most underrepresented when comparing ratios of the occupations to population in the U.S. See Table 13.

Table 11. Hidalgo County Industry Clusters, 2009

CLUSTER	2009 JOBS	CURRENT EPW
Biomedical/Biotechnical (Life Sciences)	39,663	\$30,063
Business & Financial Services	14,137	\$35,938
Energy (Fossil & Renewable)	11,276	\$45,710
Transportation & Logistics	10,968	\$33,751
Agribusiness, Food Processing & Technology	9,327	\$24,993
Arts, Entertainment, Recreation & Visitor Industries	5,546	\$20,054
Information Technology & Telecommunications	3,617	\$36,774
Defense & Security	3,601	\$28,624
Forest & Wood Products	2,497	\$30,090
Printing & Publishing	1,682	\$42,138
Education & Knowledge Creation	1,591	\$28,389
Chemicals & Chemical Based Products	1,388	\$36,326
Advanced Materials	1,217	\$38,803
Apparel & Textiles	784	\$39,474
Fabricated Metal Product Manufacturing	696	\$34,678
Transportation Equipment Manufacturing	553	\$70,388
Mining	376	\$64,902
Machinery Manufacturing	366	\$28,596
Primary Metal Manufacturing	221	\$46,432
Electrical Equipment, Appliance & Component Manufacturing	76	\$19,643
Computer & Electronic Product Manufacturing	73	\$69,575
Glass & Ceramics	62	\$20,957

Source: EMSI Complete Employment, 3rd Quarter 2009.

Table 12. Hidalgo County Biomedical/Biotechnical (Life Sciences)

NAICS CODE	DESCRIPTION	2009 JOBS	2019 JOBS	# CHANGE	% CHANGE	CURRENT EPW	2008 ESTABLISHMENTS
621610	Home health care services	21,992	32,076	10,084	46%	\$18,690	156
446110	Pharmacies and drug stores	1,283	1,532	249	19%	\$41,743	93
423450	Medical equipment merchant wholesalers	330	434	104	32%	\$42,675	50
446199	All other health and personal care stores	472	720	248	53%	\$22,311	46
446120	Cosmetic and beauty supply stores	992	1,516	524	53%	\$11,878	39
621910	Ambulance services	1,088	1,476	388	36%	\$30,556	35
446130	Optical goods stores	185	224	39	21%	\$23,347	25
621512	Diagnostic imaging centers	296	461	165	56%	\$35,299	21
623110	Nursing care facilities	1,502	1,969	467	31%	\$32,551	21
621492	Kidney dialysis centers	372	509	137	37%	\$55,046	19
622310	Other hospitals	681	893	212	31%	\$38,303	17
621511	Medical laboratories	251	312	61	24%	\$26,342	15
622110	General medical and surgical hospitals	8,331	11,480	3,149	38%	\$57,909	14
446191	Food, health, supplement stores	119	173	54	45%	\$14,426	12
623312	Homes for the elderly	173	228	55	32%	\$15,102	12
621498	All other outpatient care centers	157	232	75	48%	\$40,404	10
621410	Family planning centers	60	66	6	10%	\$16,443	8
541720	Social science and humanities research	83	114	31	37%	\$37,318	7
541710	Physical, engineering and biological research	51	27	(24)	(47%)	\$27,472	5
621493	Freestanding emergency medical centers	135	185	50	37%	\$43,984	5
623210	Residential mental retardation facilities	79	58	(21)	(27%)	\$25,362	4
623311	Continuing care retirement communities	540	751	211	39%	\$27,687	4
562211	Hazardous waste treatment and disposal	18	22	4	22%	\$52,810	3
621420	Outpatient mental health centers	96	169	73	76%	\$31,802	3
621991	Blood and organ banks	110	172	62	56%	\$44,151	3
623220	Residential mental and substance abuse care	111	135	24	22%	\$20,164	3
339112	Surgical and medical instrument manufacturing	27	34	7	26%	\$121,409	2
339113	Surgical appliance and supplies manufacturing	26	29	3	12%	\$61,481	2
623990	Other residential care facilities	50	54	4	8%	\$34,216	2
325412	Pharmaceutical preparation manufacturing	13	16	3	23%	\$20,883	0

333314	Optical instrument and lens manufacturing	<10	23	--	--	--	--
339111	Laboratory apparatus and furniture mfg.	<10	22	--	--	--	--
325411	Medicinal and botanical manufacturing	<10	<10	--	--	--	--
325414	Other biological product manufacturing	<10	<10	--	--	--	--
339116	Dental laboratories	<10	<10	--	--	--	--
621491	HMO medical centers	<10	<10	--	--	--	--
621999	Miscellaneous ambulatory health care services	<10	<10	--	--	--	--
622210	Psychiatric and substance abuse hospitals	<10	<10	--	--	--	--
325413	In-vitro diagnostic substance manufacturing	0	0	0	0%	\$0	0
334510	Electromedical and electrotherapeutic apparatus manufacturing	0	0	0	0%	\$0	0
339115	Ophthalmic goods manufacturing	0	0	0	0%	\$0	0
423460	Ophthalmic goods merchant wholesalers	0	0	0	0%	\$0	0
		39,663	56,126	16,463	42%	\$30,063	655

Source: EMSI Complete Employment - 3rd Quarter 2009.

Table 13. Healthcare Industry Occupations Ratios and Under/Over

SOC CODE	DESCRIPTION	HIDALGO JOBS 2009	PER 100,000 PEOPLE	US JOBS 2009	PER 100,000 PEOPLE	UNDER/OVER (D-F)
29-1111	Registered nurses	4,012	551.6	2,610,404	850.3	-298.7
29-1069	Physicians and surgeons	1,193	164.0	889,738	289.8	-125.8
29-2021	Dental hygienists	116	15.9	178,449	58.1	-42.2
29-2011	Medical and clinical laboratory technologists	202	27.8	170,020	55.4	-27.6
29-1021	Dentists, general	95	13.1	98,009	31.9	-18.9
29-2012	Medical and clinical laboratory technicians	233	32.0	155,159	50.5	-18.5
29-1131	Veterinarians	56	7.7	72,996	23.8	-16.1
29-2034	Radiologic technologists and technicians	387	53.2	211,384	68.9	-15.6
29-2056	Veterinary technologists and technicians	77	10.6	78,718	25.6	-15.1
29-1011	Chiropractors	46	6.3	64,129	20.9	-14.6
29-1199	Health diagnosing and treating practitioners, all other	109	15.0	88,543	28.8	-13.9
29-9099	Healthcare practitioners and technical workers, all other	41	5.6	59,583	19.4	-13.8
29-1051	Pharmacists	543	74.7	270,750	88.2	-13.5
29-1071	Physician assistants	89	12.2	77,644	25.3	-13.1

Hidalgo County Comprehensive Economic Development Strategy 2011-2015

29-2053	Psychiatric technicians	30	4.1	52,035	16.9	-12.8
29-9011	Occupational health and safety specialists	43	5.9	54,683	17.8	-11.9
29-2071	Medical records and health information technicians	334	45.9	171,841	56.0	-10.1
29-2031	Cardiovascular technologists and technicians	55	7.6	50,633	16.5	-8.9
29-1129	Therapists, all other	110	15.1	69,950	22.8	-7.7
29-1041	Optometrists	70	9.6	51,607	16.8	-7.2
29-2032	Diagnostic medical sonographers	76	10.4	51,327	16.7	-6.3
29-1122	Occupational therapists	218	30.0	110,687	36.1	-6.1
29-1125	Recreational therapists	14	1.9	23,666	7.7	-5.8
29-2051	Dietetic technicians	22	3.0	26,251	8.6	-5.5
29-1126	Respiratory therapists	209	28.7	104,438	34.0	-5.3
29-1081	Podiatrists	58	8.0	39,983	13.0	-5.0
29-1031	Dietitians and nutritionists	142	19.5	74,797	24.4	-4.8
29-1121	Audiologists	21	2.9	21,313	6.9	-4.1
29-2055	Surgical technologists	189	26.0	91,128	29.7	-3.7
29-1022	Oral and maxillofacial surgeons	21	2.9	18,131	5.9	-3.0
29-1029	Dentists, all other specialists	21	2.9	17,888	5.8	-2.9
29-1024	Prosthodontists	13	1.8	13,974	4.6	-2.8
29-1124	Radiation therapists	20	2.7	16,492	5.4	-2.6
29-1023	Orthodontists	25	3.4	18,239	5.9	-2.5
29-2033	Nuclear medicine technologists	44	6.0	23,954	7.8	-1.8
29-1123	Physical therapists	482	66.3	208,569	67.9	-1.7
29-2091	Orthotists and prosthetists	35	4.8	17,059	5.6	-0.7
29-9012	Occupational health and safety technicians	31	4.3	13,124	4.3	0.0
29-2054	Respiratory therapy technicians	42	5.8	17,596	5.7	0.0
29-9091	Athletic trainers	44	6.0	17,937	5.8	0.2
29-2099	Healthcare technologists and technicians, all other	211	29.0	85,685	27.9	1.1
29-1127	Speech-language pathologists	394	54.2	147,930	48.2	6.0
29-2081	Opticians, dispensing	230	31.6	72,502	23.6	8.0
29-2061	Licensed practical and licensed vocational nurses	1,849	254.2	745,993	243.0	11.2
29-2052	Pharmacy technicians	918	126.2	330,600	107.7	18.5
29-2041	Emergency medical technicians and paramedics	844	116.0	208,139	67.8	48.2

Source: EMSI Complete Employment - 3rd Quarter 2009.

II. Asset Map Findings

As part of the project, the project team prepared an asset map of the assets available for workforce and economic development in Hidalgo County. The project team reviewed economic studies and reports of the region from the past five to seven years. Relevant data from the reports and current data on assets were collected and placed on a Wiki page created for the project. Highlights of the asset mapping findings are presented in this section. Past studies and news articles, asset mapping data, and a GIS-based asset locator can be accessed at <http://hidalgocountyceds.wikispaces.com>.

DRAFT

Human Capital Summary

Talented people generate the new ideas and product enhancements that drive innovation.



Workforce development presents opportunities and challenges for Hidalgo County.

The local economy benefits from a young and growing workforce. The median age in Hidalgo County is 27.4 years, compared to 36.8 years for the U.S. Hidalgo County's total labor force is approximately 296,764 workers.

Hidalgo County has The University of Texas-Pan American and South Texas College which are producing graduates and professionals for the workforce. Approximately 44,671 students were enrolled at UTPA and STC in Fall 2009. These two institutions produced 5,724 graduates in fiscal year 2009. In addition, there are 18 licensed career schools and colleges in Hidalgo County that provide training for a variety of fields/professions in the labor force.

Businesses located in Hidalgo County will benefit from a growing number of graduates in key fields. For example, the number of engineering graduates at UTPA nearly doubled between 2004 and 2008. In addition, approximately 4,800 students

are currently enrolled in health services programs at South Texas College.

Labor supply is not a problem for Hidalgo County, but challenges are evident when looking ahead to future workforce competitiveness. Hidalgo County significantly trails the U.S. in educational attainment. Hidalgo County was ranked 98th out of the nation's 100 largest metro areas based on the proportion of residents with a bachelor's degree. Approximately 58 percent of local residents age 25+ have a high school degree, compared to the U.S. average of 85 percent. Fifteen percent of Hidalgo County residents have a bachelor's degree or higher, compared to 27.7% in the U.S.

Completion rates in K-12 and higher education also need to be improved. The graduation rate for the Class of 2009 in Hidalgo County was 74% compared to 80% for Texas. Increasing graduation rates among students at all levels, enhancing adult education, and building a higher skilled workforce should be a high priority for economic and workforce development efforts.

Human Capital Assets

- Hidalgo County has 21 school districts, including five charters and fifteen independents.
- For the 2009-2010 school year, total enrollment in early education through 12th grade in Hidalgo County was 204,529 students.
- The longitudinal graduation rate for class of 2009 in Hidalgo County was 74.0%; 11.8% of students dropped out. For Texas the completion rate was 80.6% and dropout rate was 9.4%.
- Graduation rates for the class of 2009 were 86.1% for Whites, 70.6% percent for African Americans, and 73.5% Hispanics in Hidalgo County; the dropout rate was nearly twice as high for Hispanics (12.0%) compared to Whites (6.6%).
- There are 18 licensed career schools and colleges in Hidalgo County.
- Enrollment at South Texas College was 26,334 students in the Fall 2009; enrollment increased 146% from Fall 2000; 2,256 graduates in fiscal year 2009; STC offers 42 Certificate, 53 Associate's, and 2 Bachelor's programs.
- STC's Partnership for Business and Industry Training offers training in building trades, business, health, manufacturing, transportation, workplace literacy, customer service, and customized training; the partnership has trained 42,500 persons in past nine years.
- Enrollment at University of Texas-Pan American (UTPA) was 18,337 students in the Fall 2009; enrollment increased 44% from Fall 2000; 3,468 graduates in fiscal year 2009; UTPA offers 57 Bachelor's, 57 Master's, 3 Doctoral, and 2 Cooperative Doctoral programs; UTPA ranked 2nd in nation in number of bachelor's degrees awarded to Hispanics.
- The number of engineering graduates at UTPA nearly doubled between 2004 and 2008.
- UTPA has the only Physician Assistant Program in Texas outside a medical school.
- Hidalgo County has a young population, with a median age of 27.4 years compared to 36.8 years for the U.S.
- Total civilian labor force in Hidalgo County in 2009 was 296,764.
- Hidalgo County significantly trails the U.S. in educational attainment. Hidalgo County was ranked 98th out of the nation's 100 largest metro areas based on the proportion of residents with a bachelor's degree. Approximately 58.3% of the population age 25+ in Hidalgo County has a high school degree, compared to 85% for the U.S. Fifteen percent of Hidalgo County residents have a bachelor's degree or higher, compared to 27.7% for the U.S.

Research and Development Summary

Research and development adds to the knowledge base of a region and is essential to long-term economic growth.



Developing an innovation-based economy requires significant investment in research and development. Companies are built on new ideas for products and services. A region's ability to transform an idea into a commercially-viable product or service is a key component of creating jobs and increasing wealth.

With its faculty and research centers, UTPA is a major source for research and development occurring in Hidalgo County. It has twenty research centers, such as the Computing and Information Technology Center, and the Statistical Consulting Center. UTPA received a \$2.7 million grant to create a Material Science Research Center which will focus on the development of polymeric and nanoparticle-based materials and devices. UTPA was also awarded \$3.4 million from Texas Emerging Technology Fund to support the Rapid Response Manufacturing Center, and research and development in advanced manufacturing. UTPA also houses the Regional Academic Health Center, which is part of University of Texas Health Science Center at San Antonio. The RAHC is conducting research on obesity, diabetes, cancer, and genetics.

Agricultural research is also prominent in Hidalgo County. The U.S. Department of Agriculture's Kika de la Garza Subtropical Agricultural Research Center, Texas Agrilife Research and Extension Center at Weslaco, and Texas A&M University-Kingsville's Citrus Center are conducting research in Hidalgo County.

The research centers in Hidalgo County are significant assets that should be mined for opportunities to drive economic development through entrepreneurship, technology transfer, and commercialization such as the recent launch of FibeRio, a local startup company that will develop and manufacture machinery that employs centrifugal force to create space age nanofibers.

Business incubators and research parks can play a prominent role in innovation-based economic development. The creation of business incubators and the development of research parks, such as the Research and Education Park being developed by NAAMREI, would benefit Hidalgo County's efforts to develop targeted industries, such as healthcare, nanotechnology, and advanced manufacturing.

Research and Development Assets

- Multiple research centers were identified outside UTPA, including the Regional Academic Health Center (part of University of Texas Health Science Center at San Antonio).
- Translational research (medical research that is translated from bench to how it is applied to patients in the bedside) in genetics, cancers, obesity, and diabetes are areas of major funding for the RAHC. Hold potential for the development of patents for vaccines (tuberculosis) and spinoffs for biotechnology.
- There are no environmental testing labs to test bioagents and infectious agents. The RAHC has to send testing to labs outside the area. A lab could perform rapid surveillance for biological agents (infectious agents and chemical agents). Private companies are interested in investing in environmental testing lab for entrepreneurial purposes.
- USDA Kika de la Garza Subtropical Agricultural Research Center, the Texas Agrilife Research and Extension Center at Weslaco, and the Texas A&M University-Kingsville Citrus Center are conducting agricultural research.
- The North American Advanced Manufacturing Research and Education Initiative (NAAMREI) is a U.S. Department of Labor WIRED project to develop a skilled workforce and conduct research and development in the advanced manufacturing industry.
- Twenty research centers were identified within UTPA, including the Texas Manufacturing Assistance Center, The Computing and Information Technology Center, and the Statistical Consulting Center. UTPA has resources in engineering, materials science, computer science that can develop collaborative research.
- The McAllen Creative Incubator, supported by the McAllen Chamber of Commerce, provides studios and technical assistance to artists. The incubator has 13 art studios, exhibition space, and a stage for performances.
- Development of a new nanofiber manufacturing technology by mechanical engineering professors at UTPA is promising; launch of FibeRio, a startup company to commercialize the development and manufacture of nanofibers.
- UTPA received a \$2.7 million grant from the National Science Foundation Partnerships for Research and Education in Materials (PREM). The five-year grant, partners UTPA with the University of Minnesota (UMN) Materials Research Science and Engineering Center (MRSEC), will focus on the development of polymeric and nanoparticle-based materials and devices.

Financial Capital Summary

Access to capital is a vital asset for supporting entrepreneurship and innovation.



Access to capital is a vital part of economic development. Entrepreneurs need seed capital to explore ideas and test innovative products and services. Later-stage businesses need capital for growth and expansion.

Banks have played the primary role in providing access to capital for business expansion and growth in Hidalgo County. Deposits at FDIC-insured institutions in Hidalgo County totaled \$9.3 billion in June 2009. Deposits more than doubled from \$4.5 billion in June 2000, an average annual growth rate of 8.4%. Bank offices and branches increased from 96 to 150 from 2000 to 2009.

Foreign investment and capital from investors in Mexico has also helped fuel growth of businesses, as Mexican Nationals have started or invested in businesses and real estate in Hidalgo County.

Government-backed small business lending is available through local banks. Nineteen SBA loans were made in Hidalgo County between October 2008 and September 2009, totaling approximately \$3.2 million. UTPA's Small Business Development Center and the Women's

Business Center offer assistance with SBA loans in Hidalgo County.

Accion Texas provides microenterprise loans in Hidalgo County. The McAllen Chamber of Commerce provides \$50,000 in innovation grants and \$25,000 in small business grants to entrepreneurs.

There were no identified venture capital firms located in Hidalgo County, and no identified venture capital investments in companies in Hidalgo County. There were no Small Business Innovation Research or Small Business Technology Transfer awards made in Hidalgo County. Rio Tech Fund, Inc., has an angel network.

More work needs to be done to attract venture capital firms, develop angel networks, and help businesses and entrepreneurs tap into existing technology-related funds and grants such as the Small Business Innovation Research, Small Business Technology Transfer Awards, and the Emerging Technology Fund through the Rio Tech Fund operated by the Rio Grande Regional Center for Innovation and Commercialization.

Financial Capital Assets

- There were no venture capital firms located in Hidalgo County. There were no identified venture capital investments made in Hidalgo County by venture capital firms located outside the county.
- Technology-related entrepreneurs in Hidalgo County have access to state funding through the Governor's Emerging Technology Fund through Rio Tech Fund, Inc. UTPA received \$3.4 million from the Emerging Technology Fund to support the Rapid Response Manufacturing Center, and research and development in advanced manufacturing. To date, no companies in Hidalgo County have been awarded any money from the fund.
- Bank offices and branches in Hidalgo County increased from 96 to 150 from 2000 to 2009.
- Deposits at FDIC-insured institutions in Hidalgo County totaled \$9.3 billion as of June 2009. Deposits more than doubled from \$4.5 billion in June 2000, an average annual growth rate of 8.4%.
- UTPA's Small Business Development Center and the Women's Business Center provide assistance with SBA loans.
- Accion Texas provides microenterprise loans to entrepreneurs in Hidalgo County.
- Texas Valley Communities Foundation is the only major foundation in Hidalgo County. The mission of the foundation is to provide funding to nonprofit organizations that support life changing initiatives in the areas of education, children/youth, health, economic and service development.
- According to the U.S. Small Business Administration website, 19 SBA loans were made in Hidalgo County between October 2008 and September 2009, totaling approximately \$3.2 million.
- No Small Business Innovation Research (SBIR) or Small Business Technology Transfer (STTR) awards were made in Hidalgo County between 1983 and 2009.
- The McAllen Chamber of Commerce provides \$50,000 in innovation grants and \$25,000 in small business grants annually to entrepreneurs.

Industry and Economy Summary

Understanding a region's industrial base is an essential step for crafting an effective economic development strategy.



Hidalgo County exhibited strong economic growth in the early to late 2000s. Gross domestic product in Hidalgo County, a measure of total economic output, grew at an average annual growth rate of 8.2% from 2001 through 2008, to \$13.8 billion dollars. Hidalgo County's GDP growth was 1.5 times faster than GDP growth in the U.S. economy (5.0% annual average growth rate) during the same period.

Economic growth slowed in 2008 and 2009, as the Hidalgo County economy began to feel the effects of a national recession and a downturn in the automotive industry, which affected maquiladora employment in neighboring Reynosa, Mexico. Nonfarm employment growth, and various key economic indicators such as retail sales, construction permits, etc., declined, while unemployment rose from a historic low of 6.6% in 2007, to 10.6% in 2009.

Hidalgo County has been one of the few areas in the U.S. to have weathered the recession well. Since the recession began in the fourth quarter of 2007, through the first quarter of 2010, the Hidalgo County economy was identified as one of the top

21 strongest performing economies in the U.S. according to MetroMonitor.

The Hidalgo County economy is showing signs of improvement over 2009 and is forecasted to resume slower economic growth as the national economy recovers.

Government (56,600 persons), education and health services (56,200 persons), and trade, transportation, and utilities (45,000 persons) are the largest industries representing 25.6%, 25.4%, and 20.3% of nonfarm employment, respectively, in Hidalgo County.

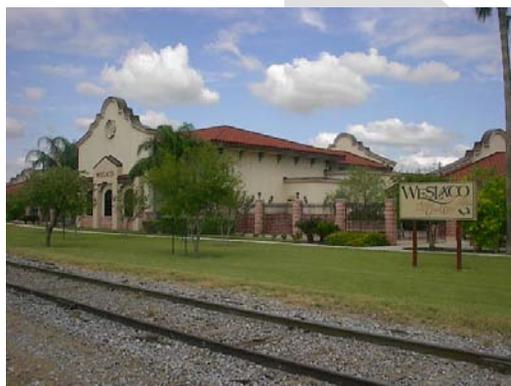
These same industries—health care, retail trade, and government—were the leading industries in adding the most number of jobs in Hidalgo County over the past 5 years. Transportation and warehousing which supports the maquiladora industry (142 plants, 72,916 employees) in Reynosa, Mexico, and trade with Mexico in general, also added employment. Manufacturing; agriculture, forestry, fishing, hunting; educational services; and information, all lost jobs in the past five years.

Industry and Economy Assets

- Average annual growth in real GDP in Hidalgo County was 8 percent between 2001 and 2008. GDP in 2008 totaled approximately \$13.8 billion. Hidalgo County's GDP growth was 1.5 times faster than GDP growth in the U.S. economy (5.0% annual average growth rate) during the same period.
- In 2008, there were 10,683 establishments and 219,390 jobs in Hidalgo County.
- Government (56,600 persons), education and health services (56,200 persons), and trade, transportation, and utilities (45,000 persons) are the largest industries representing 25.6%, 25.4%, and 20.3% of nonfarm employment, respectively, in Hidalgo County.
- Health care, retail trade, and government were the leading industries in adding the most number of jobs in Hidalgo County over the past 5 years. From 2005 to 2009, health care added 16,557 jobs, retail trade added 8,969 jobs, and government added 8,819 jobs.
- Wages in Hidalgo County are significantly below wages in Texas and the U.S. The average wage per job in Hidalgo County in 2008 was \$28,451, 38% less than the average wage per job of \$45,517 in Texas, and the average wage per job of \$45,716 in the U.S.
- Hidalgo County's labor force grew 45% during the last ten years, nearly three times faster than the statewide average in Texas.
- There were 142 factories and 72,916 employees in the maquiladora industry in Reynosa, Mexico, in 2009.
- Through the first quarter of 2010, the Hidalgo County economy was identified as one of the top 21 strongest performing economies in the U.S. according to MetroMonitor.
- The Hidalgo County economy is showing signs of improvement over 2009 and is forecasted to resume slower economic growth as the national economy recovers according to a forecast by the Dallas Federal Reserve.

Connective Organizations Summary

Connective organizations are important first contacts with businesses.



Connective organizations such as economic development corporations and chambers of commerce are strong players in economic development, local business development, and networking in Hidalgo County.

Economic development corporations, including the McAllen Economic Development Corporation and the Edinburg Economic Development Corporation, were identified as being key players in economic development in Hidalgo County.

Economic development corporations are working together cooperatively to promote and market the region as a whole through the Rio South Texas Economic Council (RESTEC). The formation of the council, which was led by the Hidalgo County Judge's Office, includes cities and economic development corporations throughout the Rio Grande Valley. RESTEC has developed a marketing campaign and is promoting the region, a positive development from the past.

Chambers of commerce also play an important role in Hidalgo County related to local business growth. Most of the cities in Hidalgo County have a chamber of

commerce. Chambers of commerce provide training, host social and networking events, promote tourism, and are involved in regional economic development initiatives and activities.

The McAllen Chamber of Commerce has established an Inventors & Entrepreneurship Network designed to facilitate the connection and networking of inventors and entrepreneurs with the end goal of creating businesses, jobs and local wealth. The group meets every month.

UTPA, through its Office of Innovation and Intellectual Property, along with many partners, hosts technology entrepreneurship boot camps aimed at fostering and supporting regional technology-based economic development.

Connective Organizations Assets

- Eight local economic development corporations: Alamo Economic Development Corporation, Edinburg Economic Development Corporation, McAllen Economic Development Corporation, Development Corporation of Mercedes, Mission Economic Development Authority, Pharr Economic Development Corporation, San Juan Economic Development Corporation, Weslaco Economic Development Corporation.
- Eleven chambers of commerce: Alamo Chamber of Commerce, Donna Chamber of Commerce, Edinburg Chamber of Commerce, Hidalgo Chamber of Commerce, McAllen Chamber of Commerce, McAllen Hispanic Chamber of Commerce, Mercedes Chamber of Commerce, Mission Chamber of Commerce, Pharr Chamber of Commerce, San Juan Chamber of Commerce, and Weslaco Chamber of Commerce.
- UTPA, through its Office of Innovation and Intellectual Property, hosts technology entrepreneurship boot camps aimed at fostering and supporting regional technology-based economic development.
- Economic development corporations and cities in Hidalgo County are working together cooperatively to promote and market the region as a whole through the Rio South Texas Economic Council (RESTEC).
- The McAllen Chamber of Commerce has established an Inventors & Entrepreneurship Network designed to facilitate the connection and networking of inventors and entrepreneurs with the end goal of creating businesses, jobs and local wealth. The group meets every month.

Legal and Regulatory Summary

The legal and regulatory environment plays an important role in the success of innovation-based economic development.



The legal and regulatory environments in Hidalgo County are conducive for economic development.

Property tax rates are comparable to similar areas in Texas.

Electricity is provided by American Electric Power and Magic Valley Electric Cooperative. The deregulation of the electric industry has led to more electrical providers competing against each other to offer the most competitive electrical rates.

The water source for Hidalgo County is from the Rio Grande River, which is the sole source of water for residential and commercial use in Hidalgo County. Water is provided through municipalities and water supply corporations. Diversifying and securing additional water sources will need to be addressed for future, long-term growth.

In addition to competitive utility rates and average property tax rates, various state and local incentives are available from economic development organizations for economic development in Hidalgo County. The larger economic development corporations and cities in Hidalgo County are aggressive in offering incentives to

businesses to locate to their cities, including tax abatement, foreign trade zones, infrastructure improvements, land, and assistance with state economic development incentives and funds.

Broadband service is available through telephone companies, wireless service providers, and cable and satellite providers including AT&T, Time Warner, Verizon, Sprint/Nextel, and Time Warner, for coverage in most of the area of Hidalgo County. Rates are comparable to rates in the Texas and the U.S.

Telephone and wireless phone service is provided through AT&T, Verizon, Sprint/Nextel, and other providers, providing telephone and wireless coverage to all areas in Hidalgo County.

Sales taxes in Hidalgo County and Texas, in general, are higher than sales taxes collected in other states.

Legal and Regulatory Assets

- Effective tax rates per \$100 for real property range from \$2.16 in McAllen to \$2.54 in Pharr. The effective rate in Travis County, by comparison, is \$2.18.
- Major utility providers in Hidalgo County are: American Electric Power and Magic Valley Electric Cooperative.
- Water source for Hidalgo County is the Rio Grande River, which is the sole source of water for residential and commercial use in Hidalgo County. Water is provided through municipalities and a multitude of water supply corporations.
- Broadband service is available through telephone companies, wireless service, and cable providers including AT&T, Time Warner, Verizon, Nextel, and Time Warner, for coverage in most of the area of Hidalgo County.
- Telephone and wireless phone service is provided through AT&T, Verizon, Sprint/Nextel, and other providers, providing telephone and wireless coverage to all areas in Hidalgo County.
- Various local and state incentives are available for economic development through the number economic development corporations in Hidalgo County.

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Physical Infrastructure Summary

A region's physical infrastructure is an important asset for supporting regional innovation.



Infrastructure is one of Hidalgo County's most valuable competitive advantages over other regions in the U.S.

There are four international bridges in the Hidalgo County area that facilitate the flow of people and commerce between the U.S. and Mexico. The bridges include: Anzuldua, McAllen-Hidalgo-Reynosa, Pharr-Reynosa, and Progreso-Nuevo Progreso. An additional bridge crossing is planned for Donna.

There are three airports located in the county. McAllen Miller International Airport, is the main airport for personal and business travel in Hidalgo County. Passenger traffic at McAllen International Airport increased by an average of nine percent annually between 2003 and 2007. Traffic decreased after the 911 terrorist attacks and the national recession. Hidalgo County also has the South Texas International Airport at Edinburg, and Weslaco Mid-Valley Airport.

The county is served by several major highways, including U.S. 281, U.S. 83. U.S. 281 has been designated for future development as Interstate 69.

There are fourteen business or industrial parks in Hidalgo County, with a combined total of approximately 3,375 acres. Industrial land is available and prices are comparable to industrial land prices in other cities.

Public transportation options are limited in Hidalgo County. Rio Metro provides limited transit service to Edinburg, McAllen, Pharr, San Juan, Alamo, Mission, Mercedes, Weslaco, and Donna. McAllen Express Transit (MET) has seven routes and serves residents and visitors of McAllen. Rio Transit has five routes, providing limited demand service to rural Hidalgo County.

Rio Valley Switching Co. maintains daily freight service out of Hidalgo County. It has 49 miles of track, running from Harlingen to Mission and a branch to the McAllen Foreign-Trade Zone. Rail service in Mexico aboard Ferrocarriles Nacionales de Mexico, includes a passenger train serving Matamoros and Reynosa, Mexico, and continuing to Monterrey, Mexico.

Physical Infrastructure Assets

- There are three airports in Hidalgo County: McAllen International Airport, South Texas International Airport at Edinburg, and Weslaco Mid-Valley Airport.
- Passenger traffic at McAllen International increased by an average of nine percent annually between 2003 and 2007 before declining in 2008 during the recession.
- Major highways in the Hidalgo County area include U.S. 281, U.S. 83, and IH 69 (future).
- There are four international bridges in the Hidalgo County area: Anzulda, McAllen-Hidalgo-Reynosa, Pharr-Reynosa, and Progreso-Nuevo Progreso.
- Fourteen business/industrial parks were identified in Hidalgo County, with a combined total of approximately 3,375 acres.
- Public transportation options are limited in Hidalgo County. Rio Metro provides limited transit service to Edinburg, McAllen, Pharr, San Juan, Alamo, Mission, Mercedes, Weslaco, and Donna. McAllen Express Transit (MET) has seven routes and serves residents and visitors of McAllen. Rio Transit has five routes, providing limited demand service to rural Hidalgo County.
- The McAllen Downtown Terminal Central Station provides connections between McAllen Express Transit and Rio Metro routes, and 14 domestic and international bus lines (Greyhound, VTC, Tornado, Adame, El Expreso, Noreste, Turimex, Transpais, Americanos, ADO, Sendor, Omnibus de Mexico).
- Rio Valley Switching Co. maintains daily freight service out of Hidalgo County. It has 49 miles of track, running from Harlingen to Mission and a branch to the McAllen Foreign-Trade Zone. Rail service in Mexico aboard Ferrocarriles Nacionales de Mexico, includes a passenger train serving Matamoros and Reynosa, Mexico, and continuing to Monterrey, Mexico.

Quality of Life Summary

Perceptions about quality of life in a region can heavily impact attraction and retention efforts of companies, skilled workers, and entrepreneurs.



Quality of life can be described and measured in various ways.

Cost of living in Hidalgo County is approximately 25 percent lower than the U.S. average. According to the Council for Community and Economic Research, a leading source of quality of life data for economic developers, Hidalgo County compares favorably to other Texas regions in several cost of living factors, including food, housing, utilities, and transportation.

Housing is affordable and lower than most areas of the United States. The median home cost in Hidalgo County is \$61,800 vs. \$202,300 for the U.S.

The City of McAllen has developed an entertainment district of clubs, bars, and restaurants in downtown McAllen. Shopping and retail stores are abundant in McAllen, Edinburg, and Weslaco. La Plaza Mall in McAllen and the Mercedes Outlet Mall are two largest retail shopping areas that draw retail sales from residents and Mexican Nationals.

There are plenty of golf courses in Hidalgo County.

Hidalgo County is home to the World Birding Center in Mission, Edinburg, and Weslaco, and is a tourist attraction for bird watchers from around the world.

While it is not located in Hidalgo County, South Padre Island, which is 75 miles east of McAllen, is a major tourist destination for its beach, recreational opportunities, and fishing.

The State Farm Arena in Hidalgo County hosts concerts, sporting, and other entertainment events. The \$20-million multi-purpose complex features a 6,800-seat arena.

Hidalgo County is home to several minor professional sports teams including: Rio Grande Valley Killer Bees (hockey), The Edinburg Roadrunners (baseball), Dorados (arena football), Rio Grande Valley Vipers (basketball).

Crime in Hidalgo County was slightly higher than U.S. averages. Water and air quality were also rated lower. Residents would like to see more attractions and have more things to do in Hidalgo County.

Quality of Life Assets

- Cost of living in Hidalgo County is approximately 25 percent lower than the U.S. average.
- Hidalgo County compares favorably to other Texas regions in several categories, including food, housing, utilities, and transportation. Overall 77 vs. 100, Food 82 vs. 100, Utilities 96 vs. 100, and Miscellaneous 101 vs. 100 according to Sperling Best Places.
- Air quality ranks poorly compared to the U.S. average; air quality in Hidalgo County, Texas, is 19 on a scale to 100 (higher is better). Based on ozone alert days and number of pollutants in the air, as reported by the EPA.
- Water quality in Hidalgo County, Texas, is 60 on a scale to 100 (higher is better). The EPA has a complex method of measuring watershed quality using 15 indicators.
- The average one-way commute in Hidalgo County, Texas, takes 23 minutes vs. 27 minutes in U.S.
- The median home cost in Hidalgo County is \$61,800 vs. \$202,300 in U.S.
- Hidalgo County, Texas, violent crime, on a scale from 1 (low crime) to 10, is 4. Violent crime is composed of four offenses: murder and non negligent manslaughter, forcible rape, robbery, and aggravated assault. The U.S. average is 3.
- Hidalgo County, Texas, property crime, on a scale from 1 (low) to 10, is 5. Property crime includes the offenses of burglary, larceny-theft, motor vehicle theft, and arson. The object of the theft-type offenses is the taking of money or property, but there is no force or threat of force against the victims. The U.S. average is 3.
- The City of McAllen has developed an entertainment district of clubs, bars, and restaurants in downtown McAllen. Shopping and retail stores are abundant in McAllen, Edinburg, and Weslaco. La Plaza Mall in McAllen and the Mercedes Outlet Mall two of the largest retail shopping areas that draw retail sales from residents and Mexican Nationals.
- There are plenty of golf courses in Hidalgo County.
- The State Farm Arena in Hidalgo County hosts concerts, sporting, and other entertainment events. The \$20-million multi-purpose complex features a 6,800-seat arena that will configure up to 5,500-seats for ice hockey, football and soccer and a center stage concert capacity of 6,800-seats.
- Hidalgo County is home to several minor professional sports teams including: Rio Grande Valley Killer Bees (hockey), The Edinburg Roadrunners (baseball), Dorados (arena football), and Rio Grande Valley Vipers (basketball).

Healthcare Industry Summary

Healthcare is one of the fastest growing industries in the local economy.



The health care industry has been one of the fastest growing and leading sectors of the economy in Hidalgo County. Healthcare is one of the largest employment sectors in the county. New hospitals and other facilities have created a diverse industry offering many specialties, which is keeping people in Hidalgo County seeking care locally.

An influx of Winter Texans during half of the year, and Mexican Nationals who come to the U.S. for healthcare, an aging population, rapid population growth, and a large Medicare and Medicaid population are driving the growth of the industry.

Tort reform has attracted more physicians and encouraged business creation. Healthcare organizations have been quick to adopt and use cutting-edge technology. And the area has an emerging niche in cardiology and thoracic surgery.

While growth in the industry has been good, there are areas that could be improved. Infrastructure gaps identified include no medical school, environmental testing lab, or radiology school, lack of residencies for medical students, and local educational institutions not being able to produce enough medical professionals,

especially nurses. The large uninsured population increases charity care costs for local healthcare organizations.

Hidalgo County is also a Medically Underserved Area/Population (MUAP) and a Health Professionals Shortage Area (HPSA) as designated by the federal government.

There are lots of opportunities for continued growth in the industry. The population can support more medical professionals. Linking basic and translational research going on at the RAHC with clinical research taking place in Harlingen could result in more research grants. UTPA's capabilities in engineering, materials science, and computer science are recognized assets that can be leveraged for collaborative research with private sector, especially for National Institute of Health grants and subsequent technology transfer and commercialization. Pharmaceutical testing and research companies were identified as a targeted sector in the healthcare industry to recruit.

Healthcare Industry Assets

- Hidalgo County is also a Medically Underserved Area/Population (MUAP) and a Health Professionals Shortage Area (HPSA).
- Hidalgo County has nine acute and/or general care hospitals with 3,265 licensed beds and 2,201 staffed beds. There are eighteen nursing homes with 2,049 licensed beds and 248 home health agencies in the area serving the older population.
- The Regional Academic Health Center (part of University of Texas Health Science Center at San Antonio) is conducting research in genetics, cancers, obesity, and diabetes.
- Over the past five years, on average, sixty-two percent of UTPA students who apply to medical schools are accepted as compared to the state's average over the same time period of 35 percent.
- Students enrolled in UTPA's Premedical Honors program, a partnership with Baylor College of Medicine, receive conditional admission to medical school, and 87 percent are admitted upon graduation. Ninety-eight percent of the students graduating from the UTPA program in the last three years have entered to medical school.
- UTPA is 4th in total number of Allied Health and Nursing degrees awarded at all senior academic institutions in Texas, 3rd in the number of bachelor's degrees awarded and 7th in the number of master's degrees awarded.
- Nearly 40,000 persons were employed in the biomedical/biotechnical (life sciences) cluster in Hidalgo County in 2009.
- Home health care services (21,992 jobs), general medical and surgical hospitals (8,331 jobs), nursing care facilities (1,502 jobs), pharmacies and drug stores (1,283 jobs), and ambulance services (1,088 jobs) were the leading U.S. industries in terms of jobs in the biomedical/biotechnical industry cluster in Hidalgo County.
- The biomedical/biotechnical cluster is projected to continue to enjoy healthy growth rates. The cluster is projected add 16,463 jobs during the next 10 years, an increase of 42%, to 56,126 jobs.
- Adding the most jobs in the cluster are home health care services (10,084 jobs), general medical and surgical hospitals (3,149 jobs), cosmetic and beauty supply stores (524 jobs), nursing care facilities (467 jobs), and ambulance services (388 jobs).
- The fastest growing jobs in the cluster are projected to be outpatient mental health centers (76%), blood and organ banks (56%), diagnostic imaging centers (56%), health and personal care stores (53%), and cosmetic and beauty supply stores (53%).
- Registered nurses, and physicians and surgeons, were the two occupations most underrepresented in Hidalgo County when comparing ratios of the occupations to population in the U.S.

III. Analysis of Economic Development Problems and Opportunities

The CEDS includes an in-depth analysis of the economic development problems and opportunities that identifies strengths and weaknesses in the regional makeup of human and economic assets, and problems and opportunities posed by external and internal forces affecting the regional economy. These strengths, weaknesses, opportunities and threats were gathered in personal interviews with key stakeholders. SWOT exercises were also conducted in four community forums held throughout Hidalgo County. A summary of the stakeholder interviews and SWOT findings are presented below.

A. Stakeholder Interviews

A total of 20 stakeholder interviews were completed with key stakeholders. They were asked several questions on regional development, networks, general innovation issues, new business formation, private sector research and development, university-business relationships, government, and university research and development, new venture support, and venture capital. A summary of the key interview findings is presented below. Individual interviews are located in Appendix B. Stakeholder Interviews.

STAKEHOLDER INTERVIEWS—OVERALL
Strong performance and reputation relative to other regions, but recession is evident
Region wide coordination of local economic development efforts is needed
Universities and community colleges are key assets for developing a higher skilled workforce
Workforce preparation is top concern
Maquiladoras have been a driver of growth for Hidalgo County, but reliance on them may not be a viable long-term strategy for the region’s economy – “800 pound gorilla for county...when they succeed, we succeed, when they fail, the county fails.”
Hidalgo County needs to embrace an innovation-based, technology-driven future

STAKEHOLDER INTERVIEWS—STRENGTHS
Climate – tourism and relocations
Development of the banking industry
Culture is welcoming – easy for newcomers to integrate
Local governments are helpful and display a pro-business attitude
UTPA and community colleges are responsive to training needs
Region is attractive for foreign investment, especially from Japan
Entrepreneur spirit

STAKEHOLDER INTERVIEWS–WEAKNESSES

- Workforce – availability is good, but education and training needs improvement
- Perception – security concerns; marketing of assets needs more emphasis
- Business formation is slowing compared to previous years
- Need more cooperation between EDCs and Chambers, especially on business development opportunities with companies and entrepreneurs in Mexico
- Lack of diversified water supply
- Not much interaction between companies and research groups – a research park would be helpful for promoting collaboration
- Statewide economic development programs can be slow – need a coordinated local system for encouraging the development of new businesses
- Poor access to capital available for early stage business development
- Relationship between university and business community needs to be strengthened

STAKEHOLDER INTERVIEWS–OPPORTUNITIES

- Trade with Mexico
- Supply maquiladora industry
- Retail. Services. Government
- Regional marketing/collaboration
- Research
- Technology, pharmaceutical companies
- Third coast trade route
- Shopping centers, healthcare
- Tourism, automotive, electronics, advanced manufacturing
- Multimodal infrastructure

STAKEHOLDER INTERVIEWS–THREATS

- Funding for adult education and job training
- The national economy; Mexican economy
- Border violence
- Dropout rates
- Perception of area
- Poverty
- Training human capital
- Not planning
- China
- Immigration issue

B. Community Forums - Strengths

The project team held four community forums throughout Hidalgo County. Forums were held in McAllen, Edinburg, Weslaco, and Penitas. Key community leaders were invited from each precinct to participate in the community forums. At the community forums, the project team presented the findings of the asset mapping research, and then participated in SWOT exercises to identify the strengths, weaknesses, opportunities/projects, and threats for Hidalgo County. A summary of the findings from all four community forums have been combined and presented below.

STRENGTHS–NATURAL ENVIRONMENT/TOURISM	
Fishing and hunting	Long agricultural growing season
Productive soil for agriculture	Mexican nationals shoppers
Nature centers	Beauty of open space and nature
Ecotourism (World Birding Centers, butterfly park, wildlife refuges)	Historic landmarks and buildings
Winter Texans	Basilica of Our Lady of San Juan del Valle (international religious attraction)
Close to South Padre Island	Warm climate

STRENGTHS–EDUCATIONAL ACCESS	
University of Texas-Pan American	Concurrent enrollment programs (high school to college)
South Texas College	Charter schools and early college high school programs

STRENGTHS–STRATEGIC LOCATION	
Commerce opportunities due to closeness to border	Ports of entry (4 international bridges)
Tourism related to proximity to Mexico	Closeness to Mexico (imports and exports)
Largest U.S.-Mexico border area	Excellent geographic location
Proximity to Mexico and its influence on commerce	Railway bridge plans from Brownsville to Hidalgo County
Transportation system (281, 83 and railroads)	Logistically in right place
Good transportation system	Increased number of infrastructure projects

STRENGTHS–DEMOGRAPHICS	
Abundant workforce	Young families/population
Large variable talent pool	Bilingual community
Valley is the 3 rd largest metroplex in Texas; 23 rd largest in the nation	Population growth (strong and steady)
Large enrollment in universities and colleges (44,000 students)	Large labor force

STRENGTHS—CULTURE	
Engaging in city councils	Area history and culture
Relationships of our culture	Local government works together
Educational collaboration	Hard working
Strong working	Welcoming, friendly culture
Family ties and closeness	Good leadership
Sharing	Friendly environment
Welcoming atmosphere	Collaborative work between cities and counties
Safe place (i.e. families and businesses)	Embrace growth and development

STRENGTHS—MISCELLANEOUS	
Creation of jobs and economic growth (continuous)	Affordable cost of living
Growing health care industry	Affordable land for business development
Economic development incentives	Smart growth
Ample land for expansion	Locally-owned banks
Entertainment (i.e. Dodge Arena, Borderfest, Palmfest, Livestock Show)	Semi-professional sport teams (hockey, basketball, football)
Visionary leaders	Embracing opportunities
Variety of restaurants	Embracing technology
Diverse economy	Retail stores (La Plaza Mall and Mercedes Outlet Mall)

Community Forums - Weaknesses

WEAKNESSES—INFRASTRUCTURE	
Traffic	Lack of public transportation
Strain in infrastructure	Need for more public transportation routes
Overall infrastructure improvement including rural areas	Lack of broadband internet in rural areas
Traffic congestion	Expensive to catch flights, no nonstop flights

WEAKNESSES—TALENT DEVELOPMENT AND RETENTION	
Strain in school system	Students cannot understand instructors due to language issue
Limited resources for young children	Low expectations (parents/children, teacher/student, etc.)
High dropout rate	Overall education attainment
Lack of critical thinkers	Lack of access to higher education institutions in rural areas
Brain drain/lack of talent retention	Recruit a creative class of people
Maintain creative class	Brain drain
Lack of high paying jobs	Low wages/income
Lack of competitive wages	Most college students have to work

WEAKNESSES—CAPITAL ACCESS AND AVAILABILITY	
Limited lending	More small business grants
Lack of angel networks	Unwillingness to pay taxes for needed improvements
Funding obstacles	Lack of access to capital

WEAKNESSES—COLLABORATION	
Lack of collaborative efforts among politicians	Integration between the business and academic community
Better communication between cities and counties	Lack of cooperative efforts or participation
Fragmented approach to working together	Fragmented cooperation among cities and county
No regional thinking	Lack of coordination among funding agencies

WEAKNESSES—ARTS/ENTERTAINMENT/RECREATION	
Lack of access to arts	Limited sporting events and entertainment
No connection between parks and recreational facilities	Lack of green space/parks in communities
Beautification projects needed	Insufficient quality of life venues (arts, sports, events, etc.)

WEAKNESSES—MARKETING/AWARENESS	
Negative perception due to drug cartel violence in Mexico	Negative perception of Valley nationwide and locally
Lack of marketing	Lack of exposure of what the Valley has (Mexico and internationally)
Lack of promoting the Valley to Winter Texans	Lack of national exposure of local needs

WEAKNESSES—MISCELLANEOUS	
Quality of life	Lack of code enforcement by the county
Immigration	Real estate market instability, foreclosures on the rise
Dependence on Mexico economy	Inadequate quality of health care
Lack of economic development due to the large area	Lack of industry diversity
High economic cost of undocumented immigrants in the Valley	Dependence on the peso
Lack of hotels around the convention center	Misappropriation of funds
Lack of access to high end technology	Large aggressive tax system
Limited involvement and leadership	Voter apathy

Community Forums - Opportunities

OPPORTUNITIES—HEALTH CARE	
Increased supply of health care professionals	Health care initiatives
Maximize existing health care programs to meet community needs	Increase lab initiatives
Recruit doctors	Medical tourism associated with medical service in Mexico
Medical research center	Biotechnology
Diabetes research center	Medical School
Healthcare reform (supporting increased access to medical services)	Veterans hospital

OPPORTUNITIES—TRANSPORTATION	
County loop	High speed rail
Regional commuter rail	Transit-oriented development plan
Mass transit development	Improve transportation infrastructure (multi-modal)
Expand transportation infrastructure	Passenger rail and freight rail

OPPORTUNITIES—FUNDING	
Access to capital increase	Create venture capital groups
Regional collaborative applications for funding	Increase applications for technology grants
Grant writing center	

OPPORTUNITIES—EDUCATION/RESEARCH	
Increase STEM related training and education	Increase scholarships for higher education
Increase graduation rates at all levels	Increase collaboration between high schools, business sector and colleges
Increase promotion of technical schools	Integration of K through 12, universities and colleges
Linking university programs to cities	Increase university/business partnerships
Federal level research lab	Leverage campus research activities
Center to assist with grant research and development (grant incubator)	Law school
Professional schools	Expand engineering school

OPPORTUNITIES—REGIONALISM	
Regional infrastructure joint projects (cities and counties)	Increase regionalism/regional approach
Greater partnership between private and public in education/employment	Establishing framework infrastructure for implementation of CEDS
Regional marketing of assets	Increase collaboration between economic development corporations
Regional consortium of cities	Coalitions of small cities
Small city specialists and technical support	Special utility districts
Regionalism	Expansion of urban county programs

OPPORTUNITIES—ARTS/ENTERTAINMENT/RECREATION	
Arts museum	Increase promotion of cultural arts
Regional biking/hiking trails (green space)	Major soccer venue
Recreation/family theme park	

OPPORTUNITIES—TOURISM	
Capitalize on Rio Grande River tourism	Tourism
Ecotourism	Historic preservation
Mexican National shoppers	Winter Texans

OPPORTUNITIES—GREEN	
Wind technology	Ocean technology
Green technology	Create regional sustainability (wind energy)
Green initiative (recycle and reuse)/buildings	Renewable energy

OPPORTUNITIES–MISCELLANEOUS	
Border opportunities and initiatives	Military base
Advanced manufacturing; NAAMREI, Wired, rapid response manufacturing	Create cultural event (Fiesta Days in San Antonio, Houston Rodeo)
Handicap, elderly recreational and support services	Build relationships with border patrol customers to overcome stigma
Improve co-op programs	Auto manufacturing plants

Community Forums - Threats

THREATS–CRIME/PERCEPTION	
Border violence	Drugs
Terrorism	Corrupt governments
Drug cartels	Drug-related violence spilling over to U.S. cities, pseudo cop, kidnappings
Excessive reporting on crimes	Corrupt politics
Perception of instability in Mexico	Negative perception of region
Crime	Media distortions

THREATS–WORKFORCE AVAILABILITY	
Disappearing farm labor	Lack of good technicians for small businesses
High dropout rates	Teacher training (certification)
Low pay rate for teachers	Large unskilled workforce
Lack of educational attainment	Accountability of services to the students (public school system)
Lack of managerial expertise	Unskilled labor force
High unemployment	Unhealthy labor force
Lack of work ethic among youth	Brain drain for college graduates
Lack of opportunities to keep skilled employees in the area	Technical vocational training

THREATS–WATER	
Access to water	Water rationing
Limited water supply	

THREATS—INFRASTRUCTURE	
Lack of infrastructure	Less drainage due to less agriculture land
Infrastructure not kept up with local growth	Quality of infrastructure, i.e. levees
Logistical infrastructure lacking	Lack of infrastructure to handle natural disasters
Drainage (lack of proper drainage in McAllen)	Lack of adequate drainage for rapid growth
Rapid growth, cannot keep up with needs	

THREATS—TRANSPORTATION	
Lack of sidewalks	Lack of public transportation
No interstate highway	Accessibility to foreign trade zone road
Inadequate funding for highway and road projects	

THREATS—PLANNING/ENFORCEMENT/COOPERATION	
Lack of standard among city's buildings and infrastructure	Lack of central planning in cities
Zoning and code enforcements	Lack of downtown districts
Lack of implementation of plans	Inequitable planning opportunities for smaller cities
Lack of a joint vision	Lack of collaboration between cities
Lack of dialogue between cities and utility corporations	

THREATS—ECONOMIC FACTORS/FUNDING ISSUES	
Dollar and weakness of the peso	Lack of capital lending in businesses
Lack of money investments	National recession
Declining revenues (sales taxes and property taxes)	High foreclosure rates; McAllen is in the Top 10
Change in Mexican economy	Valley residents not spending as much
Cuts in state funding	Undocumented population not being counted by Census
Banking stability/funding restrictions	Over abundance of lots/vacant lots developed
Access to capital; considered a high risk area	Property valuations in some cities is too high
Inequitable distribution of funding	

THREATS—NATURAL DISASTERS	
Recovery from natural disaster/more money spent	Natural disaster threats (hurricanes)
Hurricane prone area	Areas prone to flooding

THREATS–HEALTH	
National health care reform	Use of emergency services with no health care
Diabetes	

THREATS–MISCELLANEOUS	
Pesticides/citrus screening/agriculture	Loss of mom and pop businesses
Commodities (citrus freeze) agricultures based	Lack of comprehensive immigration reform
Apathy of public to get involved	Pockets of poverty in rural areas (disparity among cities)
Lack of understanding of area, demographics, and markets	Lack of aggressive thinking
Lawsuit happy area/high awards	

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C. Ignite – Healthcare Business Survey

A postcard was mailed out to all healthcare businesses in Hidalgo County asking them to complete an online survey. A total of 30 healthcare businesses responded to the survey. The key findings were of the survey were:

- The availability of a skilled workforce of healthcare professionals and top managers in the region for employers was a top concern for healthcare businesses. Twenty-seven of the healthcare businesses said the availability in the region of workers with the skills they require was harmful or very harmful to their business. Another 25 percent said the availability of top managers with the qualifications they require was harmful or very harmful to their business.

In this section, we are interested in learning about how each of the following factors affects your business. Please rate Hidalgo County’s current performance level on each factor.	Very Harmful to your business	Harmful to your business	Neither harmful nor beneficial to your business	Beneficial to business	Very beneficial to business	Not applicable (N/A)
1. The overall quality of the region's transportation (e.g., roads, air transport, railroads and ports)	4%	10%	24%	44%	16%	2%
2. The quality of the region’s communications infrastructure (e.g., wireless and high-speed internet)	4%	2%	24%	40%	30%	0%
3. The cost of doing business in your region (specifically, the cost of real estate, wages and salaries, and utilities)	6%	10%	21%	33%	27%	2%
4. The region's cost of living for your employees	0%	8%	19%	42%	31%	0%
5. The region’s overall quality of life (e.g., climate, and cultural and recreational opportunities).	0%	10%	27%	31%	29%	2%
6. The overall quality of the region's community and technical colleges	0%	4%	11%	44%	38%	2%
7. The overall quality of the region's four-year colleges and universities	0%	7%	13%	44%	36%	0%
8. The availability of regional college and university apprenticeship/internship programs	2%	9%	24%	36%	27%	2%
9. The quality of technical assistance offered by regional colleges and universities to businesses	2%	7%	24%	33%	29%	4%
11. The availability in the region of workers with the skills your business requires	5%	22%	11%	38%	24%	0%
12. The availability in the region of top managers with the qualifications your business requires	3%	22%	22%	30%	19%	5%
13. The availability in the region of scientists and engineers with the	3%	8%	33%	31%	6%	19%

qualifications your business requires						
14. The availability in the region of information technology professionals with the qualifications your business requires	5%	11%	22%	38%	16%	8%
15. The availability in the region of risk capital from venture capital firms	5%	11%	30%	22%	14%	19%

- Healthcare businesses were also concerned about the level of taxation affecting their business (44% said it was harmful or very harmful to their business), and state and local governmental regulations and permitting procedures affecting business (31% said it was harmful or very harmful to their business).

In this section, we are interested in learning about how each of the following factors affects your business. Please rate Hidalgo County's current performance level on each factor.	Very Harmful to your business	Harmful to your business	Neither harmful nor beneficial to your business	Beneficial to business	Very beneficial to business	Not applicable (N/A)
16. The availability in the region of risk capital from angel investors	3%	13%	52%	3%	6%	23%
17. The availability in the region of capital from banks	0%	16%	26%	35%	13%	10%
18. The availability in the region of specialized facilities and laboratories for product testing and development	6%	13%	44%	13%	13%	13%
19. The quality of the region's specialized suppliers for your business	6%	22%	28%	25%	16%	3%
20. The regional availability of demanding customers for your business	0%	13%	19%	38%	31%	0%
21. The effectiveness of the region's university technology transfer offices	0%	3%	44%	19%	16%	19%
22. State and local governmental regulations and permitting procedures affecting businesses	3%	28%	31%	21%	10%	7%
23. The level of taxation affecting business (relative to other regions)	3%	41%	21%	24%	7%	3%
24. The effectiveness of government-sponsored growth incentives (tax breaks, seed funding, etc.)	10%	7%	38%	17%	17%	10%
25. The quality of promotional and marketing campaigns featuring the region	3%	17%	24%	31%	21%	3%
26. The effectiveness of regional programs to help startup businesses	7%	7%	34%	21%	17%	14%
27. The effectiveness of regional programs to train entrepreneurs	7%	7%	39%	14%	18%	14%

- Universities and four-year colleges (83%), community/technical colleges (82%), regional suppliers (83%), banks (79%), professional service firms (76%), regional customers (76%), and other businesses in your industry (73%) were rated the most valuable (valuable + quite valuable + extremely valuable) to healthcare businesses in their capacity to innovate.

Please rate how valuable interaction with each of the following regional institutions is to your business' capacity to innovate. Innovation includes developing and commercializing new products, as well as making improvements to existing products, services, or business processes.	Not at all Valuable	Somewhat Valuable	Valuable	Quite Valuable	Extremely valuable	Not Applicable (N/A)
30. Universities and four-year colleges	3%	7%	38%	17%	28%	7%
31. Community/technical colleges	0%	10%	31%	17%	34%	7%
32. Public or private research organizations	10%	14%	14%	10%	31%	21%
33. Professional service firms	7%	0%	34%	21%	21%	17%
34. Federal labs	17%	3%	14%	10%	24%	31%
35. Regional customers	3%	10%	21%	17%	38%	10%
36. Other businesses in your industry	7%	3%	28%	24%	21%	17%
37. Regional suppliers	3%	7%	38%	21%	24%	7%
38. Banks	0%	14%	36%	18%	25%	7%
39. Venture capital firms	14%	14%	25%	7%	21%	18%
40. Angel investors	14%	18%	18%	7%	21%	21%
41. Business incubators	18%	14%	18%	4%	25%	21%
42. Industry or cluster associations	4%	18%	36%	7%	18%	18%
43. Non-professional associations (alumni clubs, athletic clubs, etc)	14%	14%	29%	4%	21%	18%
44. Entrepreneurial networks	4%	14%	32%	14%	21%	14%
45. Business assistance centers	7%	7%	25%	7%	32%	21%

- Interaction of people from different industry and economic sectors (62%), the region’s welcoming, tolerant, attractive place (58%), the responsiveness of leaders (52%) scored the highest agreement ratings (agree + strongly agree) among healthcare businesses.
- Business leaders in the region treat entrepreneurs, startups, and new companies as full partners in all aspects of industry cooperation (37%) and regional residents actively participate in community development organizations (35%) scored the highest disagreement ratings (disagree + strongly disagree) among healthcare businesses.

In this section, we are interested in learning about the dynamics of the business and civic environment of Hidalgo County.	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
46. New residents can easily integrate into the regional business community	0%	14%	36%	43%	7%
47. The region is a welcoming, tolerant, and attractive place for people of diverse backgrounds	7%	14%	21%	41%	17%
48. Leaders in the region are responsive to the needs of all the regional residents, irrespective of ethnicity, cultural heritage, gender, or lifestyle	14%	17%	17%	38%	14%
49. The business culture in the region understands failure as part of the learning and innovation process	3%	7%	45%	38%	7%
50. People from different industry and economic sectors frequently interact in the region (e.g., bankers and engineers, manufacturers and tourism)	3%	7%	28%	52%	10%
51. The region celebrates the growth of companies, not just the absolute size of companies	4%	15%	30%	44%	7%
52. Local government institutions eagerly partner with the private sector to promote new business development	7%	19%	41%	26%	7%
53. Business leaders in the region treat entrepreneurs, startups, and new companies as full partners in all aspects of industry cooperation	22%	15%	30%	26%	7%
54. Business leaders proactively share information and resources when possible	15%	11%	37%	30%	7%
55. Regional residents actively participate in community development organizations and projects	12%	23%	19%	35%	12%

Which best describes your company?	Response	%
Ambulance Service	0	0%
Blood and Organ Bank	0	0%
Chiropractor	4	14%
Cosmetic & Beauty Supply Store	0	0%
Dental Laboratory	0	0%
Dentist	0	0%
Diagnostic Imaging Center	0	0%
Food Health Supplement Store	0	0%
General Medical and Surgical Hospital	2	7%
Health & Personal Care Store	0	0%
Home Health Care Agency/Service	3	10%
Medical Equipment & Supplies Retailer	1	3%
Medical Equipment & Supplies Wholesaler	1	3%
Medical Laboratory	1	3%
Mental Health Practitioner (Counselor, Psychologist, Psychiatrist)	1	3%
Nursing Care/Assisted Living Facility	0	0%
Optical Goods Store	0	0%
Optometrist	0	0%
Outpatient Care Center	0	0%
Pharmacy & Drug Store	0	0%
Physician/Clinic	7	24%
Podiatrist	0	0%
Psychiatric & Substance Abuse Hospital	1	3%
Surgical & Medical Instrument Manufacturer	0	0%
Physical Therapy/Rehab Center	2	7%
Testing Laboratory	0	0%
Other	6	21%
Total	29	100%

How many workers does your company employ in Hidalgo County?	Response	%
1-4 employees	9	30%
5-9 employees	4	13%
10-19 employees	5	17%
20-49 employees	6	20%
50-99 employees	2	7%
100-249 employees	1	3%
250-499 employees	1	3%
500-999 employees	1	3%
1,000-4,999 employees	1	3%
5,000+ employees	0	0%
Total	30	100%

What best describes your position in your company?	Response	%
Administrator	3	10%
Chief Executive Officer	4	14%
Executive Director	0	0%
Manager	6	21%
Owner	11	38%
President	1	3%
Other	4	14%
Total	29	100%

How long have you lived in the region?	Response	%
Less than 2 years	0	0%
2 to 5 years	1	3%
5 to 15 years	8	27%
More than 15 years	21	70%
Total	30	100%

D. Healthcare Interviews

As part of the analysis of the healthcare industry, the project team interviewed healthcare businesses. A total of 16 persons were selected from different types of healthcare businesses in the public and private sector to represent the industry. They included nursing home, home health agency, adult day care, behavioral health center, hospital, magnetic resonance imaging facility, pharmacy, medical research facility, and physician, dentist, and public clinic, private clinics, and equipment manufacturer. A summary of the responses are presented in the table below. Individual interviews are in the Appendix A. Healthcare Business Interviews.

HEALTHCARE BUSINESS INTERVIEWS—OVERALL
Health care representatives concur with other interviewees—Hidalgo County economy has fared better than most U.S. regions during the recession and its outlook is positive
New hospitals and other facilities have created a diverse industry offering many specialties, which is keeping people in Hidalgo County seeking care locally
Winter Texans and demographics are a competitive advantage
HEALTHCARE BUSINESS INTERVIEWS—STRENGTHS
Health care representatives recognize the value of local workforce development organizations and are taking advantage of services for hiring and training needs
Relationships with educational institutions are cultivating the talent pipeline—e.g., internships held by students at San Antonio College of Medical & Dental Assistants and UTPA
Winter Texans and young population boost demand for health care facilities and services
Tort reform has attracted more physicians and encouraged business creation
Rapid adoption of cutting-edge technology among health care practitioners
Demonstrated track record of recruiting top researchers and surgeons
Emerging niche in cardiology and thoracic surgery
Large population of Medicare and Medicaid patients boosts earnings for general practitioners—wages can be twice the U.S. average which makes attraction easy
HEALTHCARE BUSINESS INTERVIEWS—WEAKNESSES
Infrastructure gaps—e.g., no medical school, environmental testing lab, radiology school
Large uninsured population increases charity care costs
Lack of education and skills among existing workers; work ethic a problem among youth

HEALTH BUSINESS INTERVIEWS—OPPORTUNITIES

Growing population can support many more physicians

Linking basic and translational research going on in Hidalgo County with clinical research taking place in Harlingen—diseases that are “germane to our population” can be focus areas

UTPA’s capabilities in engineering , materials science, and computer science are recognized assets that can be leveraged for collaborative research with private sector, especially for NIH grants and subsequent technology transfer and commercialization

Health care professionals should be more engaged with youth to generate awareness about career opportunities in the field

Service demand study—what specialties will we need that we don’t currently have?

Stand-alone veterans hospital—could build experience in orthopedics

Recruit a pharmaceutical testing and research company to start building a pharmaceutical industry—create a strong partnership with UTPA (e.g., Covance and UW-Madison)

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IV. Community and Private Sector Participation

CEDS Development

The development of the CEDS was a broad-based, public-private effort involving business leaders, elected officials, economic developers, and citizens. The Strategy Committee oversaw the development of the CEDS. The strategy committee met several times throughout the project to provide input, review findings, and develop strategies and activities for the CEDS.

Ignite Community Forums were held throughout Hidalgo County to solicit public input into the development of the CEDS. A SWOT exercise was conducted at each of the public forums to get public input into the strengths, weaknesses, opportunities, and threat in different parts of the county. Participants also prioritized opportunities/projects. Meetings were held in Edinburg, McAllen, Weslaco, and Penitas in January and February of 2010.



Input gathered from the community forums was consolidated and summarized into the top issues and projects. These issues and projects were presented at the Ignite Community Summits in Edinburg where participants using interactive polling equipment voted on the top issues and priorities for the county. Community summits were done with business leaders (Ignite Business Summit), healthcare leaders (Ignite Healthcare Summit), and the public (Ignite Community Summit) in Edinburg.



An analysis of the polling results were used to establish CEDS' six strategic planning components: economic competitiveness; workforce competitiveness; regionalism; physical infrastructure; mobility and healthcare. The polling results from the three community summits are presented below.

A. Ignite Business Summit

What contributes most to the Hidalgo County's economy?	BUS	
Commerce with Mexico	13	54.17%
Abundant labor force	3	12.50%
Tourism	0	0%
Affordable land	0	0%
Growing health industry	8	33.33%
Totals	24	100%

What is the greatest challenge facing Hidalgo County's economy?	BUS	
Workforce quality	15	60%
Quality of transportation system	3	12%
Lack of regional planning / collaboration	4	16%
Negative image	3	12%
Quality of drainage infrastructure	0	0%
Totals	25	100%

What is the greatest quality of life asset in Hidalgo County?	BUS	
Climate	6	24%
Safety	1	4%
Affordable living	15	60%
Culture	2	8%
Recreation Opportunities	1	4%
Totals	25	100%

What hinders economic growth the most in Hidalgo County?	BUS	
Lack of public transportation	0	0%
Limited access to capital	13	52%
Inadequate infrastructure	8	32%
Limited cooperation among cities	4	16%
Totals	25	100%

The #1 economic development priority for the next five years should be?	BUS	
Transportation infrastructure	11	44%
Green technology	1	4%
Increase graduation rates (high school and college)	13	52%
Drainage infrastructure	0	0%
Medical school	0	0%
Tourism	0	0%
Expansion of University professional schools	0	0%
Totals	25	100%

The #1 transportation priority for the next five years should be?	BUS	
Hidalgo County Loop	6	24%
Regional passenger and freight rail	1	4%
Improve U.S. 281 to interstate quality	4	16%
Countywide public transportation system	2	8%
Identify new revenue options/increase funding	12	48%
Totals	25	100%

The Rio Grande River should be developed as a tourist attraction.	BUS	
Agree	16	66.67%
Disagree	8	33.33%
Totals	24	100%

The #1 need for economic development in Hidalgo County is?	BUS	
Broadband/internet access	2	8%
Diversified water supply	5	20%
Transportation	7	28%
Roads	7	28%
Drainage	4	16%
Totals	25	100%

Which of the following would you most like to see in Hidalgo County?	BUS	
Medical School	6	24%
Veteran's Hospital	4	16%
Military Base	1	4%
Research labs	3	12%
Auto Plant	11	44%
Spaceport	0	0%
Totals	25	100%

A regional approach is most important in?	BUS	
Grant development	1	4%
Major infrastructure projects	8	32%
Economic development planning	11	44%
Public transportation	1	4%
Marketing	4	16%
Totals	25	100%

What type of recreational venue would benefit the economy the most?	BUS	
Regional biking / hiking trails	7	28%
Major Soccer Venue	7	28%
Increased access to the arts	9	36%
More nature centers	2	8%
Totals	25	100%

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B. Ignite Healthcare Summit

I work for, or I am a:	HEA	
Health care provider (Private)	6	42.86%
Health care provider (Public)	2	14.29%
Education / training provider	4	28.57%
Other	2	14.29%
Totals	14	100%

The organization I work for employs:	HEA	
1-4 employees	0	0%
5-9 employees	1	6.67%
10-19 employees	1	6.67%
20-49 employees	2	13.33%
50-99 employees	2	13.33%
100-249 employees	1	6.67%
250-499 employees	1	6.67%
500-999 employees	4	26.67%
1,000+ employees	3	20%
Totals	15	100%

The outlook for our organization to add new employees over the next 12 months is:	HEA	
Very likely	2	13.33%
Likely	4	26.67%
Uncertain	4	26.67%
Unlikely	4	26.67%
Very Unlikely	1	6.67%
Totals	15	100%

The healthcare industry should be a high priority area in Hidalgo County's 5-year plan.	HEA	
Yes	14	100%
No	0	0%
Totals	14	100%

Hidalgo County needs more physicians.	HEA	
Strongly Agree	8	53.33%
Agree	5	33.33%
No Opinion	1	6.67%
Disagree	1	6.67%
Strongly Disagree	0	0%
Totals	15	100%

The Valley needs a veteran's hospital.	HEA	
Strongly Agree	6	42.86%
Agree	4	28.57%
No Opinion	0	0%
Disagree	3	21.43%
Strongly Disagree	1	7.14%
Totals	14	100%

Hidalgo County needs more locally-trained nurses.	HEA	
Strongly Agree	14	100%
Agree	0	0%
No Opinion	0	0%
Disagree	0	0%
Strongly Disagree	0	0%
Totals	14	100%

Hidalgo County needs more locally-trained physical therapists.			HEA
Strongly Agree	10	66.67%	
Agree	3	20%	
No Opinion	2	13.33%	
Disagree	0	0%	
Strongly Disagree	0	0%	
Totals	15	100%	

The quality of health care in Hidalgo County is as good as other areas of the U.S.			HEA
Strongly Agree	1	6.67%	
Agree	8	53.33%	
No Opinion	0	0%	
Disagree	5	33.33%	
Strongly Disagree	1	6.67%	
Totals	15	100%	

Local training providers in Hidalgo County are meeting the needs for health care professionals.			HEA
Strongly Agree	0	0%	
Agree	2	13.33%	
No Opinion	1	6.67%	
Disagree	10	66.67%	
Strongly Disagree	2	13.33%	
Totals	15	100%	

Residents no longer need to go out of the area to get quality medical care in Hidalgo County.			HEA
Strongly Agree	3	20%	
Agree	5	33.33%	
No Opinion	0	0%	
Disagree	7	46.67%	
Strongly Disagree	0	0%	
Totals	15	100%	

What grade would you give to the quality produced by local health care professionals?			HEA
A	3	20%	
B	7	46.67%	
C	3	20%	
D	1	6.67%	
F	0	0%	
Don't Know	1	6.67%	
Totals	15	100%	

What does your organization need to grow or expand?			HEA
Better trained workforce	2	13.33%	
More access to capital/loans	1	6.67%	
Tax incentives/breaks	0	0%	
Business training/technical assistance	0	0%	
Networking opportunities for the industry	0	0%	
Increase reimbursement rates for Medicare and...	4	26.67%	
Increase government funding for treating the ...	3	20%	
Less government regulation	5	33.33%	
Totals	15	100%	

How can we increase medical research that is being done in Hidalgo County?	HEA	
Write and apply for more research grants	0	0%
Increase research funding for the Regional Ac...	8	53.33%
Publicize medical research that is being done	0	0%
Encourage more doctors to engage in research	1	6.67%
Recruit more scientists and researchers	6	40%
Totals	15	100%

What would help the healthcare industry in Hidalgo County grow the most?	HEA	
Increase medical research	0	0%
Recruit more doctors	3	20%
Train more local nurses	1	6.67%
Create more internships for doctors	0	0%
Create a medical school	6	40%
Recruit a pharmaceutical testing and research...	0	0%
Provide more loans / capital	1	6.67%
Build collaborative efforts with private sect...	2	13.33%
Create a campaign to educate youth on health ...	2	13.33%

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C. Ignite Community Summit

What city are you from?	COM	
Edcouch-Elsa	1	1.30%
Edinburg	19	24.68%
La Joya	1	1.30%
McAllen	30	38.96%
Mission	6	7.79%
Pharr	2	2.60%
Weslaco	0	0%
Other	18	23.38%
Totals	77	100%

What contributes most to the Hidalgo County's economy?	COM	
Commerce with Mexico	40	52.63%
Abundant labor force	17	22.37%
Tourism	6	7.89%
Affordable land	4	5.26%
Growing health industry	9	11.84%
Totals	76	100%

What is the greatest challenge facing Hidalgo County's economy?	COM	
Workforce quality	29	37.66%
Quality of transportation system	7	9.09%
Lack of regional planning / collaboration	21	27.27%
Negative image	17	22.08%
Quality of drainage infrastructure	3	3.90%
Totals	77	100%

What is the greatest quality of life asset in Hidalgo County?	COM	
Climate	20	25.97%
Safety	0	0%
Affordable living	46	59.74%
Culture	10	12.99%
Recreation Opportunities	1	1.30%
Totals	77	100%

What hinders economic growth the most in Hidalgo County?	COM	
Lack of public transportation	11	14.47%
Limited access to capital	24	31.58%
Inadequate infrastructure	16	21.05%
Limited cooperation among cities	25	32.89%
Totals	76	100%

The #1 economic development priority for the next five years should be?	COM	
Transportation infrastructure	11	14.47%
Green technology	4	5.26%
Increase graduation rates (high school and college)	45	59.21%
Drainage infrastructure	3	3.95%
Medical school	3	3.95%
Tourism	1	1.32%
Expansion of University professional schools	9	11.84%
Totals	76	100%

The #1 transportation priority for the next five years should be?	COM	
Hidalgo County Loop	9	11.69%
Regional passenger and freight rail	11	14.29%
Improve U.S. 281 to interstate quality	14	18.18%
Countywide public transportation system	26	33.77%
Identify new revenue options/increase funding	17	22.08%
Totals	77	100%

The Rio Grande River should be developed as a tourist attraction.	COM	
Agree	54	70.13%
Disagree	23	29.87%
Totals	77	100%

The #1 infrastructure need for economic development in Hidalgo County is:	COM	
Broadband / internet access	4	5.19%
Multiple water supply sources	14	18.18%
Mass transit (e.g. rail, airport, bus)	35	45.45%
Roads	15	19.48%
Drainage	9	11.69%
Totals	77	100%

Which of the following would you most like to see in Hidalgo County?	COM	
Medical School	20	25.97%
Veteran's Hospital	15	19.48%
Military Base	4	5.19%
Research labs	12	15.58%
Auto Plant	17	22.08%
Law School	9	11.69%
Totals	77	100%

Regional collaboration is most important for:	COM	
Grant development	2	2.60%
Major infrastructure projects	30	38.96%
Economic development corporation's planning e...	27	35.06%
Public transportation	8	10.39%
Marketing	10	12.99%
Totals	77	100%

What type of recreational venue would benefit the economy the most?	COM	
Regional biking / hiking trails	16	20%
Major soccer venue	16	20%
Performing and visual arts facilities	40	50%
More nature centers	8	10%
Totals	80	100%

Increased collaboration among cities and Hidalgo County is necessary for growth.	COM	
Agree	79	98.75%
Disagree	1	1.25%
Totals	80	100%

Education programs are meeting the training needs for health care professionals.	COM	
Strongly Agree	2	2.53%
Agree	11	13.92%
No Opinion	9	11.39%
Disagree	36	45.57%
Strongly Disagree	21	26.58%
Totals	79	100%

The healthcare industry should be a high priority in Hidalgo County's 5-year plan.	COM	
Agree	68	88.31%
Disagree	9	11.69%
Totals	77	100%

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V. CEDS

The CEDS goals, objectives, strategic projects, action steps and performance measures are a direct result of the input obtained from asset map findings, precinct-based community forums, a countywide Ignite Community Summits and ongoing CEDS strategy committee planning sessions. Regional expectations focus on the following six priority economic development and wealth creation areas.

Economic Competitiveness - Commitment to addressing the challenges of globalization, building infrastructure, improving educational performance and strengthening cooperation between public and private institutions in an effort to increase the region's economic competitiveness is at the forefront of Hidalgo County's economic strategy. Leveraging of resources, building capacity and regional collaboration are the primary factors to be pursued.

Workforce Competitiveness - Labor market assessments have identified an abundant, young and trainable workforce as one of the primary assets of The South Texas region. Research shows that investing in programs that support children during their earliest years yields high returns for the U.S. economy. Hidalgo County's strategy for workforce competitiveness will have a primary focus on youth. Developing a *skilled* labor force is the vision set forth to address high levels of unemployment and underemployment, a large grey economy, and low levels of economic activity.

Regionalism - Regional innovation has become an essential approach to community and economic development. Regionalism has also become a standard policy strategy employed by the federal government. In an effort to align with national policy, Hidalgo County will pursue regional innovation as a priority goal for the strategic vision.

Physical Infrastructure - Physical infrastructure is a critical element in economic and community development; it is the underlying resource on which all development depends. Leveraging resources and collaboration across jurisdictions is necessary for true development to take place. Hidalgo County will set the standard across South Texas in its approach to comprehensive infrastructure development.

Mobility - Mobility is critical to business and community development. It supports the retention and expansion of business opportunities by the rapid movement of commercial goods to local, regional and national markets. It also provides access to workforce, tourism and recreational opportunities. Mobility is an essential pillar of Hidalgo County's economic development strategy.

Healthcare - Healthcare is one of the few sectors in the U.S. that is creating jobs and is projected to add more jobs in the future. The healthcare industry is and will continue being a primary driving force of the local and regional South Texas economy. Hidalgo County's vision is to become the leader of the healthcare industry in the region.

A. Goals, Objectives, Strategic Projects, Action Steps, Performance Measures

REGIONALISM
Goal: Bolster existing and new regional collaboration efforts.
<p><u>Objectives</u></p> <ul style="list-style-type: none"> • Increase awareness of ongoing collaborative initiatives. • Provide regional network planning support and technical assistance to small cities. • Establish a system for regional collaboration on major infrastructure projects. • Increase membership in Rio South Texas Economic Council.
<p><u>Strategic Projects</u></p> <ul style="list-style-type: none"> • Develop a web page designed to collect and share best regional innovation practices. • Establish a technical assistance center supported by the region to provide training and technical assistance to small cities. • Support a campaign to inform all cities about Rio South Texas Economic Council membership.
<p><u>Action Steps</u></p> <ul style="list-style-type: none"> • Maintain Ignite Hidalgo County Wiki page as a resource for regional stakeholders. • Develop a plan for the creation of a small cities technical assistance center. • Conduct regional innovation awareness workshops for local leaders. • Create a scholarship fund to Rio South Texas Economic Council to support the inclusion and the expansion of small cities.
<p><u>Performance Measures</u></p> <ul style="list-style-type: none"> • Resource development plan for establishing a small cities technical assistance and leadership development center. • Ongoing register of visits made to wiki page. • Regional innovation material distribution to the leadership of Hidalgo County. • Increased membership of small cities in Rio South Texas Economic Council.

ECONOMIC COMPETITIVENESS

Goal: Grow Hidalgo County's economy.

Objectives

- Support increased cross-border trade, commerce and cooperation.
- Increase access to capital for business retention, expansion and creation.
- Ensure that current and ongoing industry cluster and emerging sector data is available to economic development organizations, small businesses and financial institutions.
- Ensure that sufficient community and economic development training and technical assistance opportunities are available in the county.
- Increase access to broadband service, especially in rural areas.

Strategic Projects

- Establish a venue and process for networking and capacity building of existing and emerging cross border trade and commerce efforts.
- Create an angel investor network.
- Maintain ongoing regional industry cluster and emerging sector research.
- Pursue the establishment of a regional leadership training and technical assistance center.
- Integrate current efforts with regional broadband expansion to rural, underserved communities.
- Identify and promote business lending options that are nontraditional and meet the needs of local new and emerging microenterprises.

Action Steps

- Create a consortium of cross-border trade organizations to develop strategies for increased cross border commerce.
- Maintain an inventory of the region's community development, economic development and business development initiatives to emphasize assets and capacity.
- Facilitate the development and implementation of a comprehensive image campaign designed to recruit support and convey an image that "we are open for business".
- Develop and maintain an inventory of microenterprise lending organization profiles.
- Pursue funding resources for implementation of strategic projects.
- Explore the feasibility of developing current estimates for Winter Texans and demographic characteristics of the Mexican population that should be considered as part of the Hidalgo County market.

Measures

- Establish a baseline of economic development and commercial activity for the region.
- Measure the number of new business licenses issued for the region.
- Measure percentage increase of cross border trade revenue as measured by the state of Texas or the department of commerce.
- Measure the number of small businesses in the region who succeeded in obtaining access to capital through the various venues.
- Number of positive media stories generated that promote economic development and commerce in the region.

WORKFORCE COMPETITIVENESS

Goal: Create a globally competitive workforce.

Objectives

- Improve secondary and postsecondary education completion rates.
- Prioritize the completion of vocational and technical training programs for workers in Hidalgo County.
- Increase adult education and literacy rates.
- Support the development of career pathways for K-16 students to generate awareness about career opportunities in Hidalgo County's targeted industries.
- Expand capacity for customized training and education to support business and industry needs.

Strategic Projects

- Identify and replicate *best practices* retention and graduation (K-12) initiatives.
- Reconstitute and implement the *Building Future Talent* workforce development plan.
- Facilitate an annual regional career awareness symposium for students from middle school through college.

Action Steps

- Establish an inventory of retention and graduation best practices initiatives.
- Reinstate the *Building Future Talent* implementation task force.
- Sustain existing business, industry, education and government planning group to develop and implement a comprehensive training, education and employment strategy.
- Maintain an active campaign of information sharing and advocacy with key stakeholders, elected officials, government entities, etc.
- Measure number of students hired by local industry or small business after graduation.
- Establish and maintain an ongoing baseline of students graduating from high and moving on to community college, four year institution or university, vocational or technical training or certificate programs, military service.

Performance Measures

- Increasing graduation rates by 10% in all of the region's school districts.
- Increase the number of students enrolled in community college, university programs and vocational and technical programs.
- Increase the number of private employers involved in workforce training network.

PHYSICAL INFRASTRUCTURE

Goal: Improve regional physical infrastructure.

Objectives

- Support and sustain existing regional efforts.
- Increase collaborative efforts supporting regional infrastructure development and expansion.
- Participate and integrate the Rio Grande regional water planning group efforts.
- Integrate and support regional drainage master plan.
- Help economic development organizations generate awareness about industrial parks, transportation assets, and other components of Hidalgo County's competitive advantage.
- Protect Hidalgo County's natural environment and promote it as an economic asset.

Strategic Projects

- Conduct a comprehensive review of existing infrastructure plans for consistency with the comprehensive economic development strategy.
- Create a Geographic Information Systems (GIS) profile of current infrastructure projects, approved projects and future projects.
- Monitor the Connected Texas initiative commissioned by the Texas Department of Agriculture to obtain broadband coverage maps of Hidalgo County and work with providers and residents to expand broadband access.

Action Steps

- Establish a collaborative project review team for leveraging resources for existing and potential regional infrastructure projects.
- Maintain a current assessment of all major regional infrastructure needs including; water, water treatment, transportation, broadband and communications.
- Establish a local government, state, and federal government working group for infrastructure resource development.

Measures

- Increase in the number of residents receiving clean water support by the infrastructure plan.
- Increase in the volume of water treatment capacity created by the infrastructure plans.
- Decrease in the number of residents and businesses negatively impacted by poor drainage.
- Increase in the number of state and federal dollars received for infrastructure development.
- Increase the number of cross jurisdictional infrastructure projects.

MOBILITY

Goal: Meet the comprehensive mobility needs of the region.

Objectives

- Support and integrate existing MPO/MPT plans.
- Support and promote regional transportation networks/systems.
- Develop strategy for freight and passenger rail systems.
- Construct key trade corridors that connect ports to U.S. 281.
- Support development of interstate quality corridor using existing routes.
- Diversify funding streams for transportation projects.

Strategic Projects

- Develop strategy for freight and passenger rail systems.
- Secure funding for construction of trade corridors and other regional mobility projects as identified by stakeholders.
- Complete upgrades to U.S. 281 to interstate standards.
- Identify best practices in other U.S. regions that could be replicated in Hidalgo County to deal with the current and expected future shortage in federal and state transportation funding.

Action Steps

- Build on findings from the community meetings and regional summit by polling businesses and residents in more detail about their expectations for a comprehensive regional transit system.
- Identify cost-effective solutions to workforce commuting challenges that have been successfully adopted in other regions and work with employers to determine feasibility of replicating best practices in Hidalgo County.
- Survey employers about their experience with telecommuting, flexible work schedules, and other strategies for offering meaningful work to aging members of the workforce who may not be ready or able to retire.
- Continue efforts by the county's economic development corporations and U.S. 281 Coalition.

Measures

- Reduced travel times resulting from congestion delays.
- Reduced commute times for workers.
- Increase in number of employers with active telecommuting programs.

HEALTHCARE

Goal: Establish Hidalgo County as the premier location for healthcare in South Texas.

Objectives

- Support advancement of specialized research and development initiatives that enhance the region's competitiveness in healthcare and address community health needs, such as heart disease, diabetes and obesity.
- Strengthen partnerships between nursing, allied health and workforce programs.
- Increase K-16 science, technology, engineering, and mathematics (STEM) curriculum options to prepare students of all ages for high-growth, high-wage job opportunities of the future.
- Encourage and build new healthcare systems.
- Increase the use of new clinical technology.
- Recruit and retain a competent healthcare workforce from inside and outside the region.

Strategic Projects

- Create a clearinghouse of funding sources for research and development in healthcare.
- Establish a system to track quality of healthcare in the county and compare to other regions.
- Launch an image campaign related to quality healthcare in the region.
- Replicate best practices in the provision of healthcare for underserved populations.
- Maintain a task force to oversee implementation of strategic projects and action steps.
- Facilitate ongoing dialogue among hospitals, health care providers, institutions of higher education, K-12 and workforce development systems to increase job growth in healthcare fields.

Action Steps

- Inventory and share an ongoing list of best practices and funding opportunities for research and development, K-16 STEM projects, healthcare related workforce and training projects, etc.
- Seek and secure targeted investments to enhance quality of care and patient outcome.
- Participate in ongoing congressional advocacy efforts.

Measures

- Bi-annual IGNITE Hidalgo County healthcare symposiums will be held in January and June.
- Annual benchmark reports will be published and distributed.

B. Timeline

ECONOMIC COMPETITIVENESS	2011	2012	2013	2014	2015
Create a consortium of cross-border trade organizations	■				
Maintain an inventory of the region's community development assets		■	■	■	■
Facilitate development/implementation of a comprehensive image campaign	■		■		■
Develop and maintain an inventory of microenterprise lending organizations		■		■	
Pursue funding resources for implementation of strategic projects	■	■	■	■	■
Explore compiling demographic data for Winter Texans and Mexican population		■			
WORKFORCE COMPETITIVENESS	2011	2012	2013	2014	2015
Establish an inventory of retention and graduation best practices initiatives	■				
Reinstate the <i>Building Future Talent</i> implementation task force	■				
Sustain existing business, industry, education and government planning group	■	■	■	■	■
Maintain an active campaign of information sharing and advocacy		■	■	■	■
Measure students hired by local industry or small business after graduation		■		■	
Establish/maintain an overall and ongoing baseline of student graduation rates	■	■	■	■	■
REGIONALISM	2011	2012	2013	2014	2015
Maintain Ignite Hidalgo County Wiki page	■	■	■	■	■
Develop a plan for the creation of a small cities technical assistance center		■			
Conduct regional innovation awareness workshops for local leaders		■	■	■	■
Create a scholarship fund to Rio South Texas Economic Council		■		■	

PHYSICAL INFRASTRUCTURE	2011	2012	2013	2014	2015
Establish a collaborative project review team					
Create an inventory of current infrastructure plans					
Maintain a current assessment of all major regional infrastructure needs					
Maintain a GIS profile of current and future infrastructure projects					
Establish a local government, state, and federal government working group					
MOBILITY	2011	2012	2013	2014	2015
Develop strategy for freight and passenger rail systems					
Secure funding for construction of trade corridors and other regional mobility projects as identified by stakeholders					
Complete upgrades to U.S. 281 to interstate standards					
Identify best practices in other U.S. regions that could be replicated in Hidalgo County to deal with the current and expected future shortage in federal and state transportation funding					
HEALTHCARE	2011	2012	2013	2014	2015
Create clearinghouse of funding sources for research and development					
Establish a system to track/compare quality of healthcare in the county					
Launch an image campaign related to quality healthcare in the region					
Replicate best practices of healthcare delivery for underserved populations					
Maintain a taskforce to oversee implementation of strategic projects					
Facilitate ongoing dialogue among hospitals, health care providers, institutions of higher education, K-12 and workforce development systems					

VI. Implementation Strategy

Transition to New Administration

Implementation of the Ignite Hidalgo County CEDS will warrant special consideration due to the transition of county leadership taking place in 2011.

The recommendations described in this section are based on proven practices and are provided as a resource for the new administration to consider in implementing the CEDS. Given the extensive time and far-reaching community outreach efforts related to the creation of the CEDS, moving forward with the Ignite Hidalgo County CEDS is highly recommended.

Kathleen Paris, from the University of Wisconsin–Madison, has published the six characteristics or best practices associated with successful strategic plan implementation. Ms. Paris' findings are based on years of research. The literature suggests the following steps:

1. Involve community in plan development
2. Obtain input before planning
3. Obtain input on draft strategic plans
4. Collective review of data to identify measures of success
5. Differentiate between short-term goals and longer-term goals
6. Monitor progress through periodic checks

Items 1-3 were fundamental in the development of the CEDS. The plan was entirely community driven. The goals and strategies evolved from numerous community forums, focus groups, interviews with key stakeholders, and surveys. Items 4-6 are incorporated into the proposed implementation plan described in this section.

Recommended Implementation Strategy

This section presents the recommendations for the implementation of the Ignite Hidalgo County Comprehensive Economic Development Strategy. This implementation process was created with the following assumptions related to the combined role of the county, the public sector and the private sector in bringing the CEDS to fruition:

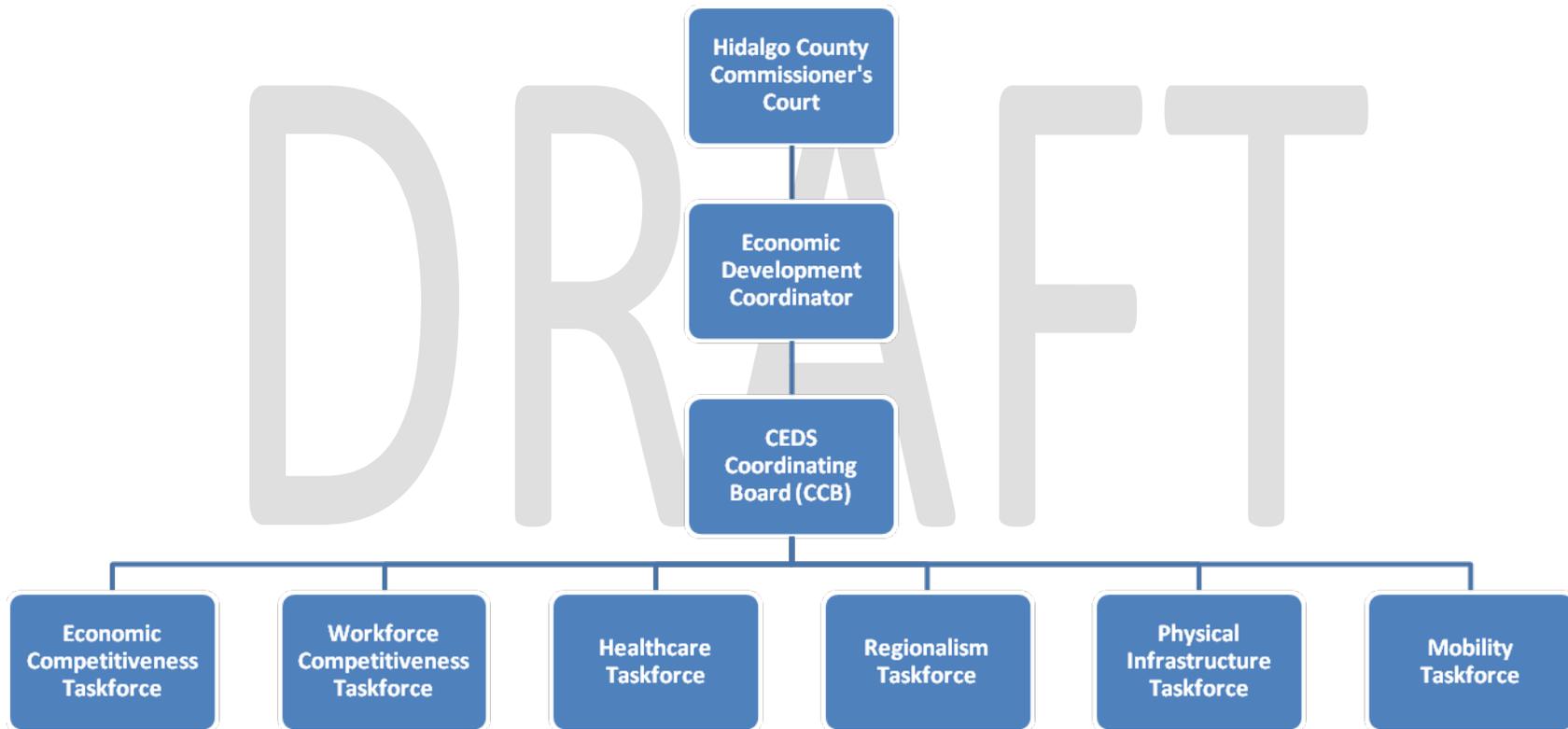
1. The County—although the scope of the goals and objectives outlined in the CEDS are beyond the capacity of one entity, the County’s scope of responsibility for implementation is the broadest.
2. The Public Sector—the scale of the required institutional capacity is beyond that of any one public sector entity. Only by leveraging the resources of public institutions and non-profit organizations will the scope of the plan be achieved.
3. The Private Sector—the challenges faced by the county are beyond the capacity of the public sector. Private sector investment is critical to the success of this economic development strategy

A review of proven practices found that formal structures for implementation of strategic plans are essential for the achievement of goals and objectives. The most successful implementation strategies involved the establishment of some type of entity with the exclusive function of overseeing the implementation of the plan. A formal structure may be a taskforce, a coordinating board, an organization (nonprofit or for-profit) or a combination of the previous with sub-committees reporting to the one coordinating entity.

The Ignite Hidalgo County CEDS proposes the following three-pronged approach for implementation:

1. The formation of a CEDS Coordinating Board (CCB) to ensure continuity of the Ignite vision and execution of the goals, objectives and tasks outlined in this five year economic development plan.
2. The creation of six implementation taskforces, representing the six CEDS priority areas, to work in collaboration with the CCB.
3. The involvement the County’s Judges Office and the Commissioners Court to facilitate the development and implementation of this formal structure.

Proposed CEDS Implementation Structure



CEDS Coordinating Board (CCB)

The CCB will serve as the structure for ensuring that the plan is implemented as proposed. It is recommended some of the CEDS Strategy Committee members serve on the CEDS Coordinating Board to ensure continuity, since they were involved in and are familiar with the development of the plan. The purpose of the CCB will be to coordinate the implementation of the CEDS with technical support from the County's Office of Economic Development. The CCB's function will be to:

- A. Differentiate between short-term goals and longer-term goals to prioritize projects
- B. Identify and establish measures of success
- C. Monitor progress through periodic checks
- D. Facilitate leveraging of public and private resources for projects
- E. Report outcomes

CCB Taskforces

The CCB will appoint chairs to six implementation taskforces, representing each one of the six CEDS planning areas: *Economic Competitiveness*, *Workforce Competitiveness*, *Healthcare*, *Regionalism*, *Physical infrastructure and Mobility*. Chairs will recruit and select members from respective fields to serve on the various taskforces. The function of the six taskforces will be to:

- A. Oversee and facilitate the implementation of strategic projects and action steps
- B. Identify leveraging partners for implementation of projects
- C. Report back to the CCB periodically

Hidalgo County Economic Development Coordinator

The Economic Development Coordinator will facilitate and support the functions of both the CCB and the CEDS taskforces. Staff support is crucial for the continuation of the vision detailed in the CEDS. County staff will:

- A. Help identify leveraging resources and partners
- B. Provide meeting space for CCB and taskforce meetings
- C. Create agendas for meetings
- D. Send out notices of meetings
- E. Document proceedings from meetings
- F. Report CEDS status and progress

Transitional Implementation Steps

A three month transitional period is recommended to execute the CEDS.

Year 1 – Tasks	Responsibility	Months 1-12
1. Adopt Plan	County	Month 1
2. Create CEDS Coordinating Board <ul style="list-style-type: none"> a. Develop CCB selection criteria b. Identify members c. Appoint members d. Conduct orientation 	County	Month 1-2
3. Establish Six Taskforces <ul style="list-style-type: none"> a. Develop selection criteria b. Identify members c. Appoint members d. Conduct orientation 	CCB and County	Month 2-3

4. Establish Economic Development Coordinator	County Judge's Office	Month 3
a. Assign staff		
b. Determine roles and responsibilities of assigned staff		
c. Create an implementation action plan		

Additional Sources for Consideration

The implementation plan is presented for review and consideration by the new administration. Additional information related to existing models, best practices and successful implementation strategies for comprehensive economic development plans may be found in the following links:

1. NADO Innovation Awards <http://www.nado.org/rf/award.php>
2. EDA Innovation Awards <http://www.eda.gov/NewsEvents/InnovationAwards.xml>
3. Brownsville Comprehensive Plan <http://www.imaginebrownsville.com/home.php>

VII. APPENDIX

A. Healthcare Business Interviews

Adult Day Care Center Director
How would you describe the Hidalgo County economy?
Our economy is “not as bad as everyone else, we are still striving.”
Why did you choose Hidalgo County for your business’s location?
Chose this area because of the business we are in, which is the elderly health care. There is a huge need for the elderly in this area.
What major events have impacted the local health care industry? (positive/negative)
The negative publicity from the New York Times article has had a negative impact on her organization. Other than that does not see a decrease in business or in the industry.
Will the health care industry continue to grow in Hidalgo County? Why or why not?
Feel that the government needs to stabilize the health care issue, and states that despite their differences her organization is supporting the reform.
What steps need to be taken to promote growth of the health care industry in Hidalgo County?
She quotes that “the issues that need to be address are with the Medicare and Medicaid fraud.” A focus needs to be on the policies and regulations for these procedures.
Have you worked with local education or training programs? Why or why not?
Uses Workforce Solutions for employees. They do allow for student nurses to do their clinical hours with them for the hands on experience.

Optometrist/Business Owner
How would you describe the Hidalgo County economy?
Growing and good economy.
How do you explain Hidalgo County’s economic performance compared to other regions?
In her profession–better than other regions; this area underserved compared to other areas in Texas and professionals come back to Valley and practice, positive impact.
Why did you choose Hidalgo County for your business’s location?
Lives in local area; good to serve community in which one lives in.
What are Hidalgo County’s key assets or strengths in health care? Weaknesses?

Strengths—a lot of opportunity due to big population; indigent population faces challenges with diabetes (undetected); eye diseases—one year she had 100 cases of glaucoma alone; big need. Weaknesses—finding the right workforce; need well-trained paraprofessionals to assist doctors, gap exists.
What major events have impacted the local health care industry? (positive/negative)
Positive—new growth in north McAllen; huge impact on her practice; building of the Doctors Hospital at Renaissance big boom for her business; expansion of new business coming to area. Negative—people become more isolated as to where they seek health care; residents living in north McAllen once travelled to south McAllen for health care but now they stay closer to home and seek health care in north McAllen.
Will the health care industry continue to grow in Hidalgo County? Why or why not?
Definitely, due to need of indigent population; room for a lot more health care professionals in area.
What steps need to be taken to promote growth of the health care industry in Hidalgo County?
Start with basics—lack of motivation for kids in area to become educated; very disturbing fact and health care professionals need to be more up front and centered and geared at influencing kids at the high school level and try to steer them into the optometry profession and not just into nursing, for example. Need technicians to have higher goals.
Do you network with other local health care industry professionals?
Yes and no; yes, on an impersonal level because she communicates with colleagues and friends she knows in the medical field to get inter-referrals; no official organizations; ophthalmologist organization does not network with optometrists; gap exists; if more positive relationships exists, then better service to same community, they are primary gatekeepers but reciprocal relationship does not exist.
What are the main networking organizations? How have they been helpful to your business?
Belongs to the Hidalgo County Optometric Society.
How would you evaluate the workforce in Hidalgo County?
Unfortunately, very difficult finding people with good work ethic; huge need for training for good work habits in area; chamber of commerce, instead of just networking with businesses, needs to do something with Workforce Solutions where they teach people basic skills of customer service and taking interest in job, not just doing the work.
Do you have access to the type of workers you need in Hidalgo County to grow your business?
Not really; very difficult and very limited.
What education or training programs are particularly important? Are they available locally?
STC interns—very few, would like to see more students interested in field; if somewhat trained then they can employ the students and further train them.
Have you worked with local education or training programs? Why or why not?
Not really, would like to see a pre-optometrist program in local area.

Medical Equipment and Supplies Manufacturer Owner

How would you describe the Hidalgo County economy?
Seems to be doing well; better than average nationwide; in healthcare we have not suffered as compared to other areas of our nation; business is going up rather than declining.

How do you explain Hidalgo County's economic performance compared to other regions?
We do not depend on heavy duty industry; most of the industry he sees is across river in Reynosa; this part of Texas not affected much; we have a sheltered economy.
Why did you choose Hidalgo County for your business's location?
He ran a company in Minnesota and moved to Hidalgo County because mother-in-law lived here; he has been in area since 1987 and wife is from area.
What are Hidalgo County's key assets or strengths in health care? Weaknesses?
Large labor pool; a lot of weaknesses in labor pool due to limited education; type of business does not required highly educated workforce, except for certain key positions; strengths–business is competitive nationwide due to cost of labor, not as expensive compared to Midwest and California.
What major events have impacted the local health care industry? (positive/negative)
Winter Texans–clients include nursing homes, rehabs, and hospitals; he does not deal with physicians unless they have a small nursing home as investment; most products he provides are made out of PVC for nursing homes and hospitals, such as linen carts, hampers, shower; particularly if nursing homes are staying busy, then they benefit.
Will the health care industry continue to grow in Hidalgo County? Why or why not?
Will grow due to winter Texans because Hidalgo County has a sheltered economy. New healthcare bill–if Winter Texans cannot travel and spend down here then it will be critical for Hidalgo County; they keep pointing to Hidalgo County as one of the spenders in healthcare but they are not taking into consideration of the number of winter Texans 65+ who come and stay here. He has been in healthcare for 50 years; and what is in the news is not right; they are targeting us for over payment of Medicare; we have a few bad doctors but if you go to Houston, Dallas, you'll find a lot more bad doctors.
What steps need to be taken to promote growth of the health care industry in Hidalgo County?
Slowly getting more hospitals and places to treat people; more doctors; new medical facility being built in Harlingen; veterans are doing their own facility to give treatment here instead of San Antonio. Hidalgo County needs to continue on its path forward and let's hope our new administration does not wreck our healthcare.
Do you network with other local health care industry professionals?
Not locally; deals with a lot of people from all over the country; has clients in Wisconsin and California.
What are the main networking organizations? How have they been helpful to your business?
His business is very particular–he is a supplier; networks with the Workforce Solutions; does not belong to any organization but his clients do.
How would you evaluate the workforce in Hidalgo County?
Fairly good but has issues with Workforce Solutions; instead of sending top of the line employees, they get the bottom of the line; most of his workers are not skilled workers–they must be trained; for example, bookkeeper may need help with customer service or bookkeeping but they have problems getting good trained employees for that field.
Do you have access to the type of workers you need in Hidalgo County to grow your business?
Yes, right now looking for people to do specific jobs; use Workforce Solutions; currently looking for bookkeeper.
What education or training programs are particularly important? Are they available locally?
He started in the area 25 years ago and not much available then; now growing.

Have you worked with local education or training programs? Why or why not?

Yes, currently working with UTPA to try to set up a program for an intern; looking for someone to learn the business; hard to find someone; most of the youth now expect to start at top, different work ethic.

Physician, Family Practice Clinic, Private

How would you describe the Hidalgo County economy?

Developing economy due to high population in poverty; large informal sector who work in places like “La Pulga”; overall—better than other areas.

How do you explain Hidalgo County’s economic performance compared to other regions?

Nation going through economic turmoil—Valley faring better partially due to the large informal sector of our economy; high unemployment rate in Valley but people do with what they have; also our close proximity to Mexico has helped Valley; young population has helped with a lot of births in Valley.

Why did you choose Hidalgo County for your business’s location?

Have ties to community—from area.

What are Hidalgo County’s key assets or strengths in health care? Weaknesses?

Weaknesses—high uninsured population; undocumented population; does obstetrics and many ladies without prenatal care, very sad. Strengths—Medicaid patients are very appreciative of coverage and very compliant; many colleagues, specialists, and primary care providers help each other with taking good care of the patients.

What major events have impacted the local health care industry? (positive/negative)

Positive—Texas Tort Reform has allowed keeping more physicians, like obstetricians, in area; before reform not too many obstetricians would open business in areas like Rio Grande because they were so afraid of lawsuits and reform has allowed more obstetricians to stay in area; Medicare Part B—allows more coverage on medicine; elderly could not afford it, now more compliance.

Will the health care industry continue to grow in Hidalgo County? Why or why not?

Yes, as long as the birth rate continues to grow in Hidalgo County; people are living longer; as long as winter Texans continue to come; deliver between 600-800 babies a month at Doctors Hospital at Renaissance—that’s enough for one elementary school.

What steps need to be taken to promote growth of the health care industry in Hidalgo County?

Medical School—no other area in Texas is growing as rapid as the Valley; “No other area in Texas has the least amount of available medical education—ideally, the Valley is the place for a medical school”; problem is to attract good professors because not everyone wants to live down here; if there’s any other medical school to be opened in Texas, it should be down here.

Do you network with other local health care industry professionals?

Yes, other doctors, consultants, pharmacists, physical therapists.

What are the main networking organizations? How have they been helpful to your business?

Doctors Hospital at Renaissance and The American Academy of Family Practice.

How would you evaluate the workforce in Hidalgo County?

No so well educated; lower skills; a negative in healthcare industry; need better educated workforce; young workforce—their minds are so malleable, and we need to encourage them, prepare, and train them; work ethic—lacking in young kids.

Do you have access to the type of workers you need in Hidalgo County to grow your business?
Plenty of medical assistants; clerical staff; it's a gamble to hire someone and then they don't work out due to their work ethic; every now and then you run into employees who have very good work ethic and we keep them. Hospitals—For example, DHR, does not have enough RNs and it's a disgrace that we have to import them from Canada, India, and the Philippines; it's a shame because down here we such a wealth of young people who can be tracked to get their RN degrees and be encouraged from as early as middle school.
What education or training programs are particularly important? Are they available locally?
San Antonio College of Medical and Dental Assistants, UTPA nursing program.
Have you worked with local education or training programs? Why or why not?
Yes, we have a PA (physician assistant) that is rotating through our office; many medical assistant students and physician assistants rotating through our office from San Antonio College of Medical & Dental Assistants and UTPA nursing students.

University Health Science Center Director

What kind of medical research are you doing?
Basic research or bench research. Not clinical. With animals and micro bacteria. Molecular, genetics, and infectious diseases (TB, diabetes, cancer, and osteoporosis) prevalent with Hispanics.
What are your main sources of funding for medical research?
Research funding from state and federal (NIH). Seeking additional funding from foundations. Majority of funding is from state and federal grants.
What opportunities do you see to increase medical research in the Valley?
NIH funding dollars huge infusion from stimulus. Opportunity for medical research in genetics and diabetes. Will blossom into a major area of research. Major problem in Valley. Linking basic research and Edinburg RAHC with clinical research in Harlingen RAHC. Translational research in diseases (research that is translated from bench to how it is applied to patients in the bedside). Thrust of funding from NIH. Billions of dollars earmarked for research. Focus is on translational research, which we are conducting. Opportunity: translational research in diseases that are germane to our population (diabetes, certain cancers, obesity, etc.). Opportunities for the development of patents for vaccines (TB). Spinoffs for biotechnology. Collaborating with UTPA. UTPA has excellent resources in engineering, materials science, computer science that can develop collaborative research. Working with biology and chemistry departments. Was able get a big NIH grant last year.
What is needed to support the development of medical research and healthcare/bioscience industry in the Valley?
Research dollars are competitive and shrinking. Major funder of research around the country. Mega dollars (NIH). We want to be competitive at the national level. Requires infrastructure development (funds to recruit scientists, endowed chairs for research, research equipment, facilities), community support. One of things I believe we direly need is laboratories to be involved in bioterrorism. Surveillance of biological agents. To be able to have labs to test for example, Dengue Fever. Referring to environmental testing labs. Test biological agents, testing infectious agents. Don't have environmental testing labs here. Need to send off somewhere else. It would be a reference lab where we could have samples sent. That lab could serve as a rapid surveillance for biological agents (infectious agents and chemical agents). Environmental testing lab would encompass all of that. Could be a public private venture. Private companies interesting investing in environmental testing lab for entrepreneurial purposes here in the border area. Public component is university, HSC, and RAHC. Our scientists (molecular biologists, geneticists, microbiologists) would do the work. Would be a spinoff related

to industry benefits.
What are Hidalgo County's key assets or strengths in healthcare? Weaknesses?
Strengths: Medical expertise (broad array of specialists and subspecialists). More than in past. Have latest technology. Technology is rapidly applied here. Diagnostic technology, imaging technology, treatment technology. The whole spectrum. Have excellent facilities. Have been successful in recruiting top researchers. Weakness: Most medically underserved in primary care and specialty care. "We are one of the most medically underserved in the whole country". Not enough residencies in the Valley. Physicians stay in the places where they trained. Major cities have training facilities for doctors. Up until the RAHC arrived we did not have any place or medical education in Valley. "There is probably not another community in the country with a population of 1.2 million that has so few residences. Have two small residency programs in family practice and one small residence program in internal medicine. We don't have training programs where physicians can train here and stay and practice." Students have to leave here to get their residence training. Residencies are very expensive. Federal government capped funding for residencies in 1997. Falls on local community (hospitals, community in general) to support the development of residencies.
What is the outlook for the Valley to get a medical school
Senate Bill 98 establishes the UTHSCC South Texas Medical School. Medical school includes residencies, in addition to medical school education, research, and other programs. When that is going to occur is unknown because the legislation leaves that up to the Board of Regents and the Legislature to provide the funding. The legislation doesn't provide a specific date or amount of funding.

Public Health Clinic Executive Director
How would you describe the Hidalgo County economy?
Very vital; a lot of retail due to border business; part of economy depressed—unique border issues-dropout rate; some businesses do very well but many residents poverty stricken.
How do you explain Hidalgo County's economic performance compared to other regions?
Better overall compared to other regions.
Why did you choose Hidalgo County for your business's location?
Started clinic due to need for health care in economically challenged population.
What are Hidalgo County's key assets or strengths in health care? Weaknesses?
Strengths—Wide variety of medical attention available; hospitals are flourishing; every specialty available, patients do not have to go to Houston or other key cities for medical attention. Weaknesses—affordability for secondary care; primary care more accessible; Hidalgo County has the Hope Clinic, El Milagro Clinic and others who help indigent patients; doctors offer payment plans and reduced costs; specialty care is very difficult due to expensive treatments. Medical grant—Hidalgo County received grant which allowed specialty care for indigent patients but grant ended in April 2008 and not renewed due to cut backs; gaps exist in specialty care funded by government for indigent patients.
What major events have impacted the local health care industry? (positive/negative)
Negative—economy; high unemployment rate; transient population.
Will the health care industry continue to grow in Hidalgo County? Why or why not?
County medical professionals and leaders will have to meet medical needs of population.

What steps need to be taken to promote growth of the health care industry in Hidalgo County?
Affordable providers—more support of public clinics to continue providing medical care for indigent patients so they will not fall through cracks. Healthier population—need to address needs of young single parents; the uninsured; our population is very young and works but businesses like the mall keep employees on a part-time basis so benefits are not provided.
Do you network with other local health care industry professionals?
Yes, partnered with local physicians who come to clinic and offer services at reduced costs; clinic serves population with two staffed doctors; they also work with Nuestra Clinica del Valle. Viable alternative/outreach—clinic also works with small, local businesses who cannot afford expensive insurance and clinic provides affordable medical care to their employees; clinic provides preventive medical care.
How would you evaluate the workforce in Hidalgo County?
Tenured employees—worked at clinic for more than ten years. Pool of students becomes workforce if position is opened and they reflect good work ethic.
Do you have access to the type of workers you need in Hidalgo County to grow your business?
STC provides medical assistants; Vocational schools—South Texas Vo-Tech; San Antonio College of Medical and Dental Assistants; Southern Careers; Clinic used as training site—Texas A&M Health Science Center brings interns such as dental assistants; UTPA brings their nursing students and shadow providers.
What education or training programs are particularly important? Are they available locally?
Texas A&M, STC, UTPA—nursing students, medical assistants, LVNs, clerical support; communication skills and work ethic very important; sensitivity towards population; Texas A&M has different conferences & seminars which provide education to staff and patients; graduate students do individual practicum at clinic; worked with UTPA program on improving medical Spanish terminology to better understand Spanish speaking patients.
Have you worked with local education or training programs? Why or why not?
Yes, all the time; coordinate and recruit people from community.

Behavioral Health Center CEO

How would you describe the Hidalgo County economy?
The economy has been very strong, lots of development in infrastructure has created growth.
How do you explain Hidalgo County’s economic performance compared to other regions?
Unemployment is high however not as high as other areas and this county.
Why did you choose Hidalgo County for your business’s location?
Need for services.
What are Hidalgo County’s key assets or strengths in health care? Weaknesses?
Hidalgo’s key assets are the extra hospitals that have been established, given more choices to where people want to go. As a result of this, Hidalgo has more specialists in almost every area. This has given the people of Hidalgo County more employment and opportunity. Ten years ago people would travel to Houston or San Antonio for treatment, today it is not the case. Some of the weaknesses are that there needs to be some control in the health care. Need to take a closer look at the spending is something we need to do. Some other weaknesses are the fact that we are close to Mexico which has a lot of the illnesses that trickle down to this area. Other weaknesses this area are the fact that there are lots of indigent patients with many not having health

insurance.
What major events have impacted the local health care industry? (positive/negative)
Negative article published recently on the health care costs, people are automatically assuming that the Valley is doing everything illegal.
Will the health care industry continue to grow in Hidalgo County? Why or why not?
The population growth has a lot to do with the continuing growth in health care. Many more students who graduate from this area are staying in the area or coming back here has created more expansion and growth for the area.
What steps need to be taken to promote growth of the health care industry in Hidalgo County?
To promote growth every hospital, administration, and all other entities need to work together. Share the same issues with having the same type of patients that share the same illnesses. Working together with the regions and the government is also vital so that many programs that service the patient don't go away.
Do you network with other local health care industry professionals?
Networks with other training and educational entities.
What are the main networking organizations? How have they been helpful to your business?
Tropical Texas and MHMR. Works very closely with other coalitions in the area. They are been helpful with them in providing health care to indigent patients and referring patients to them and vice versa.
How would you evaluate the workforce in Hidalgo County?
Workforce has gotten better in the health care industry. More nurses and technical professionals are being produced in the area. The coming of the medical school in Harlingen, coordination with UTPA in Edinburg will create a bigger wave of medical professionals. There is more selection for the employer when recruiting new employees, and choosing from within the organization has helped in the cost process.
Do you have access to the type of workers you need in Hidalgo County to grow your business?
Looks for new talent from the local university and colleges. Hire a wide range of professionals from doctors to LVNs to assessment referral professionals.
What education or training programs are particularly important? Are they available locally?
The most important profession is nursing. There is a huge demand for nursing in this area.

Hospital CEO
How would you describe the Hidalgo County economy?
Even though high employment, Hidalgo County's economy is booming; secondary to construction and changes in border relationships, maquiladoras still bringing a lot of people, but some industries have capabilities to bring more commerce to Hidalgo County.
How do you explain Hidalgo County's economic performance compared to other regions?
"Last frontier"—believes a lot of people are very entrepreneurial; young population, median age, 28, next boomers. Pediatrics population—growing; people moving down to Valley. Other regions—harsh economic times due to factory closings (i.e., auto factories in Michigan). Hidalgo County is a mecca for growth in education and healthcare industry.
Why did you choose Hidalgo County for your business's location?
Need—young booming population with a lot of children. Other phenomena—during winter months Hidalgo County has influx of approximately 150,000

winter visitors who make Valley their home and need their services.
What are Hidalgo County's key assets or strengths in health care? Weaknesses?
Assets—availability of care; several hospitals in vicinity; Unique—system has been a pioneer; first kidney transfer center at McAllen Medical; population high for renal disease—center met those needs; First children's hospital in area—closest one in Corpus Christi, 3.5 hours from Valley; many opportunities for technology and growth in health care in area; historically, people travelled to Houston, San Antonio, Dallas for care—now care provided locally.
What major events have impacted the local health care industry? (positive/negative)
Positive—growth of population has allowed different companies and organizations to build and increase investments for services in health care. Negative—high charity expenses in South Texas due to high unemployment rate and huge population of uninsured and coupled with that are the undocumented who arrive to hospital and have no benefits; government was subsidizing 1011 funds to cover expenses for undocumented, but in 2008 subsidies stopped and this adds another burden to healthcare expenses in Hidalgo County.
Will the health care industry continue to grow in Hidalgo County? Why or why not?
Yes. Service lines need to be researched as to what our community needs; goal is to build children's service lines; increase specialty for diabetes and childhood obesity—looking at what are the major health problems affecting our children and develop service lines. McAllen Medical—lead trauma center in Hidalgo County; looking to improve and develop service lines for trauma patients. McAllen Heart Hospital—cardiovascular disease prevalent in our community; continuing to develop service lines to improve cardiac care in Valley.
What steps need to be taken to promote growth of the health care industry in Hidalgo County?
Funding—federal government and state need to continue to fund programs such as Medicaid and Chips; high pediatric population in Valley—only way to assure continuity of care and chronic diseases is to fund programs which focus on prevention, key to improving our healthcare in Valley. Educating our community—committee on childhood fatality looks at what causes death and develops programs to prevent childhood fatality.
Do you network with other local health care industry professionals?
Yes.
What are the main networking organizations? How have they been helpful to your business?
Network with all local hospitals; member of chambers of commerce; part of a regional trauma organization that looks at prevention of trauma in Valley; work with county officials and look at potential pandemics like effects on H1N1; work with local educational institutions—UTPA, UTB, and STC to assure enough healthcare professionals in area.
How would you evaluate the workforce in Hidalgo County?
Lack of healthcare professionals to accommodate needs of local hospitals. Recruitment—for nursing professionals, occupational therapists, and pharmacists done sometimes outside Valley; hired several nurses from Philippines, India, and other nations due to need of nurses; Partners—local universities and colleges; mentor students and help them promote their graduates from their programs, still unable to meet their needs. Legislature—part of testimony to allow bill to pass for a finite number of registered nurses from other countries to practice on border towns since they are bilingual.
Do you have access to the type of workers you need in Hidalgo County to grow your business?
Yes, but limited; she a board member of a nonprofit that works with cities in Valley to engage employees who have lost their jobs and helps to identify areas of employment such as healthcare; helps students with funding in programs offered at colleges such as STC and helps in graduating them either as LVNs or RNs—very successful thus far.

What education or training programs are particularly important? Are they available locally?
They work with LVN and RN programs but need people from any of the rehab services such as occupational therapy, physical therapy, speech therapy, and need all the assistants that come with those disciplines, such as physical therapy assistants, nursing staff, radiology techs, laboratory techs, pharmacy techs. , coding and billing professionals—they are unable to find them, very difficult.
Have you worked with local education or training programs? Why or why not?
STC, UTPA, and UTB, San Antonio College of Medical and Dental Assistant, vocational schools in Weslaco, Texas A&M; trying to get some more programs through Texas A&M.

Hospital Human Resources Director
How would you describe the Hidalgo County economy?
Overall—limited to two primary industries, healthcare and education; compared to other border economies, strong. We are in growth mode and population is young, tremendous potential for growth and opportunity.
How do you explain Hidalgo County’s economic performance compared to other regions?
Compared to other border towns, very strong but hard to compare with other regions like San Antonio or Dallas. Our performance standpoint, housing is booming and school districts are booming. Health care industry is booming—hospital has gone from 400 beds to 500+ in four short years.
Why did you choose Hidalgo County for your business’s location?
Physicians in community grew up locally, went to school and came back to offer something different for citizens in Hidalgo. Huge need for more beds in Valley.
What are Hidalgo County’s key assets or strengths in health care? Weaknesses?
Strengths—offer state of the art technology; cancer center has state of the art technology in radiation oncology machines that are cutting edge; and radiological procedures that are cutting edge which can help diagnose patients very quickly; a lot of manpower; their nurse to patient ratio is one of the best in Valley—more people to take care of patients; Weaknesses—limited number of schools which produce professionals in medical field; Hidalgo County has two schools—STC produces associate degreed nurses twice a year and UTPA produces one batch of nurses a year which are bachelors prepared; we do not have radiology schools which focuses on ultra sound technology; they are in high demand. Only school for this field in Brownsville; we do not have a physical therapy program in Hidalgo County; we have an occupational therapy program but it only graduates 6 or 8 students per year; very few certified physical therapy and occupational assistants. There are more home health care facilities here than anywhere else in terms of gross population and they pay more competitively than in hospitals. The pool of professionals is small and hospitals and home health care facilities are competing for same pool; changes are happening though.
What major events have impacted the local health care industry? (positive/negative)
Increase in population; growing as a community and places more burden on hospitals. Indigent population—and uneducated population, so they wait until their illness is no longer tolerable; they have limited access to primary care; visits to emergency room are more expensive for this population and this takes hospital beds.
Will the health care industry continue to grow in Hidalgo County? Why or why not?
Absolutely; growing community and growth expected within industry; not limited to Hidalgo County; nationwide.

What steps need to be taken to promote growth of the health care industry in Hidalgo County?
Reaching out to high school students; help increase awareness in terms of needs from a professional standpoint; need more programs to start at that level. Increase funding for colleges and professors of nursing and healthcare programs.
Do you network with other local health care industry professionals?
Yes, nothing formal; networks with other human resource directors; keeps in touch with other healthcare professionals who went to school with her and keeps us with what's happening in their areas.
What are the main networking organizations? How have they been helpful to your business?
Human Resources Directors from the Valley get together once in a while; Chief Nurses Officers from all local hospitals meet once a month; speak about different challenges faced in their organizations.
How would you evaluate the workforce in Hidalgo County?
Can be better; generation has a sense of entitlement; graduate from college and expect a management position; does not see critical thinking skills. Education now is so focused on passing tests and strategies to pass tests but no critical thinking skills. Traditional Hispanic culture—diehard work ethic and drive to work; but filtered through a younger generational gap due to sense of entitlement; no sense of accountability; not limited to Hidalgo County; nationwide.
Do you have access to the type of workers you need in Hidalgo County to grow your business?
Need access to more skilled workforce; sometimes use recruiters who place people; have not gone to the Philippines in a long time; strong Filipino and Canadian nurse population in Valley due to strong recruitment in 90s; STC was producing very few nurses but program has now grown; more degrees offered; early in year hospital went to Canada to recruit because vacancies need to be filled permanently.
What education or training programs are particularly important? Are they available locally?
Nursing programs—UTPA one bachelors and one master; STC produces between 120-130 nurses a year—associates degrees; nurses in high demand.

Former Hospital Administrator

How would you describe the Hidalgo County economy?
“The Hidalgo County economy is a rapidly growing economy. It is built on foundation of health care, which is the fastest growing component of the economy.” “Healthcare is one of the largest growing sectors of the economy.” Some agriculture, light industry (maquiladora suppliers and assembly). Potential for area to support automobile assembly plant. Retail industry with Mexico and healthcare industry insulates the economy from national economic swings.
What are Hidalgo County’s key assets or strengths in health care? Weaknesses?
Area developing reputation in cardiology, thorasic surgery (2 of the best surgeons in the county), and oncology (less extent). Doctor told him of patients coming from Houston to the Valley to be treated. Strengths: thorasic surgery, cardiology (2 nd leading # of heart caths surgeries in Texas back in 1995 (400 a month); two world-renown heart surgeons: Dr. Lester Dyke and Dr. George De La Garza. Weaknesses: biggest weakness is the overall physician to population ratio, population growth rate is faster than we can bring physician into the area; “We don’t have enough doctors. It’s an endemic situation.” See Texas Hospital Association (THA) for ratios. Across the board. High incident of TB being near the border. Probably use more infectious disease specialists. Have Michael Jelink one of the best.

<p>What major events have impacted the local health care industry? (positive/negative)</p>
<p>The building of McAllen General Hospital (formerly McAllen Methodist). Hospital started attracting competent and significant providers. Was impetus for development of healthcare in Hidalgo County. McAllen General Hospital (city) sold to Methodist Central (private) sold to Universal Health (private). Spurred development of Rio Grande Regional. The construction of Valley Cancer Center in '82 or '83 (now named Vannie Cook Cancer). Spurred development of two other cancer centers: McAllen Medical Cancer Center and South Texas Oncology. STC is a group of Oncologists. Not just practicing oncology. Developing own protocols and doing own research. Have development therapy (experimental treatment) experience. Medical liability insurance is longer an issue for area with medical malpractice caps that were implemented (6 years ago). Before was losing lots of physicians. Started bringing physicians back to the area.</p>
<p>Will the health care industry continue to grow in Hidalgo County? Why or why not?</p>
<p>Yes, because of income stream. General practioners in Valley can make more money here compared to other areas because of high incident of Medicare and Medicaid patients: \$130K a year vs. \$65K a year for beginning general practioner. Hospitals get millions of dollars in Dispro funding. High volume business. Yes getting higher wage earners moving here because of maquiladoras and light industry. "The more we bring people here that are higher wage earners, the more recognition we will get, the more recognition we get, the more medical school instructors will illustrate this area as a good place to move to." Health care reform is a very big unknown. Could have \$500 billion dollar cut over a 10-year period in Medicare. Trickle down to Medicaid. Could have negative impact.</p>
<p>What steps need to be taken to promote growth of the health care industry in Hidalgo County?</p>
<p>Need medical school so can build own inventory of own physicians. Need stand-alone veteran's hospital, per capita we probably have one of the biggest veterans population in the U.S. Would attract more physicians in subspecialty areas such as orthopedics. Pool resources for recruitment among facilities to bring in more physicians. Get medical school here to shore up physician/patient ratio which would improve our mortality and morbidity rates which would help attract more physicians. Bring in one of biggest components to healthcare there is, that's the pharmaceutical industry. Best way to get pharmaceutical industry here is to go after the pharmaceutical service companies that provide the testing and research on new meds, i.e., Covance. These companies require very significant university biological services support. The Covance facility was built in Madison strictly because the University of Wisconsin provided some significant support. UTPA can do the same thing. We are perfectly positioned to handle that. Needs to be in basic science. Coming out of Biology or Chemistry department. RAHC could be resource to do tissue studies. Usually done through university hospital or RAHC. RAHC plays key secondary role. Pitch company like Covance for the RAHC to coop pharmaceutical development. Once a testing and research company is here the pharmaceutical companies will follow because they need to be close to. Investing hundreds of millions of dollars in new med development. "Once you bring in something like that, the nature of this area will change dramatically. Because now you are not just a large medical service provider community, but now you are a research facility. And at that point you will have a new tier of physicians that will come to this area, that's primarily the research academic types. It is a symbolic relationship. One thing feeds another. And it elevates the overall medical community tremendously. The day a facility like that opens you will forever have changed the nature of this community. Now you have elevated it from a big massive healthcare area to being a world-class research center where developmental therapies are developed. At that point you end up with more physicians who have patients travel from different parts of the county for treatment. Will develop a completely different persona for this area."</p>
<p>Do you network with other local health care industry professionals?</p>
<p>Yes.</p>
<p>What are the main networking organizations? How have they been helpful to your business?</p>

Associations: AHA and THA. Medical staff leadership at each hospital (chief of staff).

How would you evaluate the workforce in Hidalgo County?

“It is a growing, technical workforce, but it is not quite where it needs to be. It’s getting better, a lot better. It needs a tipping point. It needs some event or major industry to move into the area, which will really tip the community toward moving from agriculture, what is left of it. A major automotive industry, a medical school, or a pharmaceutical development program would be that tipping point.”

Home Health Agency Director

How would you describe the Hidalgo County economy?

Economy as emerging, has a lot of potential, and in the past few years we have seen an influx of businesses with the help of the Winter Texan, the Mexican consumer, and a continue need for health care the region is doing well.

How do you explain Hidalgo County’s economic performance compared to other regions?

Compared to other regions the county is doing better than most other areas.

Why did you choose Hidalgo County for your business’s location?

There is a huge need for a new kind of health care provider, and we feel we have filled the void that was here. We felt a responsibility to approach the same problems with new solutions.

What are Hidalgo County’s key assets or strengths in health care? Weaknesses?

Some of the key assets are the increase in physicians, more hospitals, and more companies coming in together in cohesiveness to address of the issues such as diabetes, obesities, and heart diseases which are more costly diseases and if address as a whole is a lot better than piece meal it together.

What major events have impacted the local health care industry? (positive/negative)

Some of the major events that have affected the region, the health care reform which has touched everyone, which makes no one is immune to it. Everyone is looking for reassuring that the system will stabilized. In the end we want to provide the patient with the care they need, without negatively impacting their health care. We want to make sure we have sufficient personnel, that we have the proper medications for them, and that they have communication with their physicians. Until we know that the hospitals and physicians are comfortable with the system that they will be taken care of, then they health care reform issue is impacting everyone. The solution for reform is where full spectrum of the health care industries are winners in the health care reform, not just doctors and hospitals are the wealthy interest groups and unfortunately they what drives our government, but the health care and home care agencies also benefit. Congressmen and senators should get on board to find a permanent solution to the health care issue where no one gets left behind.

Will the health care industry continue to grow in Hidalgo County? Why or why not?

The health care industry will continue to grow because it is a numbers game. The population here continues to grow faster than any region elsewhere, and the locals are aging as well, which means that all of us will require more care. The way to promote is to making sure enough resources are available to fill the need. The need is here and someone will meet that demand.

What steps need to be taken to promote growth of the health care industry in Hidalgo County?

Educating more doctors and nurses in the area to service the people in need is important.

Do you network with other local health care industry professionals?

Networks with other organizations and associations, not just in the same field but in other areas such as doctors, physical therapist, chiropractors, because this will impact his organization in understanding more of the issues and problems that are out there to better serve his client. Active with anything that will improve the patient’s care, and while engaging in networks. Means uniting their voices to address some of the issues to politicians to listen to them and better hear their issues.
What are the main networking organizations? How have they been helpful to your business?
Member of Texas Association of Health Care.
How would you evaluate the workforce in Hidalgo County?
“The workforce is getting better, coming along. The local universities are providing more professionals, however we are getting on the curve and falling behind everybody else. The education system needs to be revamped and unfortunately we do not have enough educators.”
Do you have access to the type of workers you need in Hidalgo County to grow your business?
The organization has had to hire a mix from inside and outside the county for professionals. This is a bilingual community which also created some issues, and is important for us to groom individuals from here who are fluent in Spanish that can better communicate with the patients.
What education or training programs are particularly important? Are they available locally?
What is really lacking here in this area are there are not enough, if any of physical therapist and assistants, and speech therapy, occupational therapy, and so forth, there are no actual programs in the area.
Have you worked with local education or training programs? Why or why not?
Has mentored nurses.

Dentistry Center Practice Manager

How would you describe the Hidalgo County economy?
Faring better than other areas in nation.
How do you explain Hidalgo County’s economic performance compared to other regions?
Even though area is economically depressed, Hidalgo County doing good. Business opportunities–growth in Hidalgo County whereas other areas businesses are closing.
Why did you choose Hidalgo County for your business’s location?
To provide access to dental care.
What are Hidalgo County’s key assets or strengths in health care? Weaknesses?
Strengths–larger cities have better infrastructure and more conducive to medical business. Weaknesses–smaller towns do not have funding for better infrastructure due to smaller tax base and medical care of lower caliber.
What major events have impacted the local health care industry? (positive/negative)
Negative–people have scaled back on spending; people with dental insurance are using insurance but those without are waiting until dental emergency or pain. Positive–their business is experiencing steady growth; added staff; added six more operatories within the last six months; plans to acquire more offices.
Will the health care industry continue to grow in Hidalgo County? Why or why not?

Yes, steady growth now—once people feel better about the economy they will spend money.
What steps need to be taken to promote growth of the health care industry in Hidalgo County?
More support for better infrastructure will allow smaller communities to provide better health care.
Do you network with other local health care industry professionals?
Yes, do local health fairs and very involved with local chambers of commerce. Referrals to specialists such as oral surgeons, endodontic specialists, periodontists, and orthodontists.
What are the main networking organizations? How have they been helpful to your business?
Rio Grande Valley Dental Association, Kiwanis, Edinburg Chamber of Commerce board, McAllen Chamber of Commerce.
How would you evaluate the workforce in Hidalgo County?
Lack of education—some students coming out of the local trade schools not as prepared as they should be. Today’s generation—not very service oriented; businesses have to change their interview strategies; younger employees want everything handed to them; looking for people who are more service minded, good worth ethic, and sense of respect for authority.
Do you have access to the type of workers you need in Hidalgo County to grow your business?
Usage of local trade schools—San Antonio College of Medical and Dental Assistants, South Texas Vo-Tech; able to use internships for hands-on training; if students excel, they hire them.
What education or training programs are particularly important? Are they available locally?
San Antonio College of Medical and Dental Assistants—state allows students to do internships with them and within one year students are able to take license and get certified; beneficial to them to have certified dental assistants.
Have you worked with local education or training programs? Why or why not?
Yes, San Antonio College of Medical and Dental Assistants will soon become Kaplan University; more opportunities for local students.

Nursing Services Director

How would you describe the Hidalgo County economy?
Hidalgo County’s economy is strong.
How do you explain Hidalgo County’s economic performance compared to other regions?
The downturn did not affect our business much. Business is mostly comes from Medicaid, and along as that’s fine, business is too.
Why did you choose Hidalgo County for your business’s location?
Chose this area because he feels this area is a great location for Hispanic retirees. Since many of the elderly here have many ties with their families from Mexico, this area has become a huge retirement location for the Hispanic community. There is a huge portion of people in this area who are low-income families, which make it easier for them to qualify for Medicaid, bring plenty of business to the adult day centers.
What are Hidalgo County’s key assets or strengths in health care? Weaknesses?
Some of the key assets are that we now have more doctors and doctors with specialties than we had in the past five years or ten years. That number has increased dramatically. There are more facilities to choose from than before. The negative is seen with the veterans who don’t have a hospital in the area they can go to, and they usually don’t qualify for adult day care business, which means traveling to San Antonio.

What major events have impacted the local health care industry? (positive/negative)
The major events that have affected the health care industry are the Medicaid and Medicare fraud. There has been a great surge in auditing from the state fraud division.
Will the health care industry continue to grow in Hidalgo County? Why or why not?
The industry will continue to grow because there is still a big population spurt happening. In 1991 to 2000, there were only 35 adults day cares in the area; today we have over 150 businesses, a minimum of four adult day care centers per city.
What steps need to be taken to promote growth of the health care industry in Hidalgo County?
Education on the benefits that are out there. Many people still don't know about the benefits. The Social Security and Medicaid offices also need to education and explain correctly to some people here why they don't qualify for some of the benefits. Education of the resident or client on benefits is a key ingredient for improvement of the health care issues. In this area most elderly residents are not fluent with English which is a lot more difficult for them to know about the programs that are offered. It is important to continue to teach the residents and help in the process of getting approved or just simply answering the questions they have.
Do you network with other local health care industry professionals?
Yes.
What are the main networking organizations? How have they been helpful to your business?
Networks with local home health agencies, home providers, DMEs, pharmacies, and doctors when taking our clients from and to. They have to work together to better service the client. It is vital for all organizations to have good communication between them so when dealing with a client everyone is on the same track for the proper diagnose of the client. The center is a member of an adult's daycare association, Border Alliance, which discuss the issues and needs of the area to better supply the residents and provide them with the best care.
How would you evaluate the workforce in Hidalgo County?
The workforce is quite stable.
Do you have access to the type of workers you need in Hidalgo County to grow your business?
Employs one LVN, one RN, one Certified Nursing Assistance and administration staff. Have easy access to medical professions in the area, and work closely with schools.

Pharmacist
How would you describe the Hidalgo County economy?
Hidalgo County's economy is growing due to the growth in the population. The economy has taken its hits and he has seen it first hand with clients not able to pay or afford their medications. Most pharmacies business has seen a downfall with revenues due to the economic downturn. Most people would rather not visit their doctor in place of buying groceries for them to eat.
Why did you choose Hidalgo County for your business's location?
Originally from Valley and saw a big potential need for pharmacies in the area.
What are Hidalgo County's key assets or strengths in health care? Weaknesses?

Some of the key assets of Hidalgo County are the offered various health programs such as the indigent program. Another program that is sponsored by the county is the discount card program which has been instrumental in the helping people pay for their medications. The county is taking some proper steps in helping with the issues, and improving their citizen’s health. The county has done a better job of managing their monies and benefits dollars, stretching the dollars to last until the end of the year. At times he can remember that by September the county would usually run out of money, and over the years they have done a better job with cost management with the help of the business pharmacy community. The progress has gotten better. The weakness falls under when comparing our county to other counties we seem to have different programs because of our low levels of income. We need different plans and a bigger budget with different types of programs to help accommodate the people here who are in need of prescription coverage or health care specifically to this area.
What major events have impacted the local health care industry? (positive/negative)
Some of the major events have been some bills that have passed and bills that are currently being introduce that might affect the pharmacy community as far as how they get paid and how much they get paid. Keeping abreast with the political area is important because the industry is changing from day to day affecting everyone not just pharmacist.
Will the health care industry continue to grow in Hidalgo County? Why or why not?
The health care will continue to grow because of the population. Do not see a slowdown. There has also been an increase in more people retiring in the area and so more health facilities will be needed to cover the demand. He sees a huge expansion coming soon in the health care arena.
What steps need to be taken to promote growth of the health care industry in Hidalgo County?
A road to a community-based education on health care is one way of promoting the industry. There are lots of people out there who might need health care but are afraid to go into an office because of documentation issues or billing issues. Lots of people with documentation issues or bilingual are hesitant to get care and perhaps cause a negative effect on the business.
Do you network with other local health care industry professionals?
Yes.
What are the main networking organizations? How have they been helpful to your business?
They are members of the RGVIPG and Texas Pharmacy Association. With the help of the Medicare, which introduced part D drug program, this has reunited the group and initiated a good step in helping the people with medical needs.
Do you have access to the type of workers you need in Hidalgo County to grow your business?
We employ pharmacists and pharmacist assistants. There has always been a deficiency for pharmacists in the area, which have lead to higher wages for pharmacists. New schools are being opened around Texas, and all together there is a good workforce out there for pharmacists.

MRI Facility Owner
How would you describe the Hidalgo County economy?
Hidalgo’s county economy is strong. Winter Texans and cross-border business, the attitude of the leadership of county judges and city mayors as far as having a pro growth mentality rather than an isolationist mentality.
What are Hidalgo County’s key assets or strengths in health care? Weaknesses?
Some of the key strengths for the county are the first class physicians, hospitals and facilities. Hospitals today are younger and built for more modern

<p>procedures and technologies. They have more advanced operating rooms which have been able to bring in a bigger variety of physicians with more experiences. Weakness is the issue with all the frivolous lawsuits brought up against everything and anything with health care. "That's the real issue here!"</p>
<p>Will the health care industry continue to grow in Hidalgo County? Why or why not?</p>
<p>The health care industry has become a mature industry and like any other industry, some make it through while others don't.</p>
<p>What steps need to be taken to promote growth of the health care industry in Hidalgo County?</p>
<p>To promote growth the county needs to curbe the lawsuit abuses. One other thing is to try not to have exclusive or limited access contracts. There needs to be an open door policy, "open access" to provide the best care and at the best suitable cost for the patient. The patient should be able to migrate to offices where they have the best service, quick turnaround, and best pricing.</p>
<p>Do you network with other local health care industry professionals?</p>
<p>Yes.</p>
<p>What are the main networking organizations? How have they been helpful to your business?</p>
<p>The risk management organization and independent adjusters for industrial areas have been helpful. Also the doctors, transplant groups all been vital to their growth. Medical specialty, cancer groups, urgent care industry are just some of the few organizations they work in conjunction with.</p>
<p>How would you evaluate the workforce in Hidalgo County?</p>
<p>The workforce here is undertrained and trained in the wrong areas. The problem in the medical profession is the jobs that are becoming available are not what the schools are graduating. There is a mismatch or disconnection with the local health entities and with the nursing programs of the region. There are not enough nurses coming out of school and they don't have enough of x-ray technicians that can do multiple things, such as ultrasound x-rays hearts or vascular techs. There is a shortage of those. The schools are continuing to put out the same professionals with the same bread and butter fashion they've been doing for years when that's not where the need is. The problem with the schools is their academia follow only what the hospitals need and not what the community needs, and not on future jobs for people. Have to hire lots of Filipino nurses because we don't have enough nurses today.</p>
<p>Do you have access to the type of workers you need in Hidalgo County to grow your business?</p>
<p>Do not have access to the medical professionals needed to grow his business. Has to import about 50% of them from outside the community. Had to train his employees by sending them to Dallas, incurring extra cost for training for medical billing and coding. There is a real problem with the disconnection with the real job needs and with what the workforce has to offer.</p>
<p>What education or training programs are particularly important? Are they available locally?</p>
<p>Nurses, x-ray technicians.</p>
<p>Have you worked with local education or training programs? Why or why not?</p>
<p>The four schools that offer medical professionals are the San Antonio College of Medical and Dental Assistance, STC, UTPA, and a couple of vocational schools, which they reach out to all of them and say "if you got students we are more than happy to have them come though and let them see the real world." They can do their clinical or internships with us, which most of them end up getting hired. If they are motivated, enthusiastic, and we can train them, we go as far as paying for their education for retention and motivation. There are not enough of them in these programs.</p>

B. Stakeholder Interviews

K-12 Administrator
REGIONAL DEVELOPMENT
How would you characterize Hidalgo County's economy?
Long-term improved, diversified, dependent on trade and tourism from the maquiladora industry.
What are the greatest strengths for economic development in Hidalgo County?
Location, growth and youth of population, STC expanding rapidly. UTPA upgrading and better quality. More concurrent enrollment programs.
What are the greatest weaknesses for economic development in Hidalgo County?
Infrastructure, educational levels among adults.
What are the greatest opportunities for economic development in Hidalgo County?
Being on the border and location for trade and opportunity. Labor force, capacity, opportunity. More schooling at all levels.
What are the greatest threats for economic development in Hidalgo County?
Short on a unified vision and plan for the future. Funding for adult education and job training is inadequate.
Do you think Hidalgo County has been successful over time?
Yes, from decades of agriculture the economy has diversified and grown. County has taken advantage of NAFTA, new bridges. Achieved progress in international ties and trade.
What are some recent examples of key success or failures in Hidalgo County?
STC growth, 1000's graduate yearly. UTPA upgrading and offering more programs. Numerous manufacturing companies have located to area. Infrastructure development of two bridges.
NETWORKS
What sorts of professional networks or network organizations have helped Hidalgo County develop?
Economic development corporations, chambers of commerce, and P16 network.
Are existing networks readily accessible to new businesses and residents of Hidalgo County?
Chambers are helpful.
Should creating and/or improving networks be a priority for Hidalgo County?
Expanding and linking existing networks should be a priority.
GENERAL INNOVATION ISSUES
What have the major sources of new ideas and information for innovation been in Hidalgo County?
Power generating plants. Emphasis to get an auto plant here. Work on county loop.
Where or who did they come from?
MEDC, cities, government, and others.

What environmental, cultural, or business factors are important to, or have an impact on, innovation in Hidalgo County?
Regional marketing. Area seen as far away from everything. Now being marketed and viewed differently by countries.
NEW BUSINESS FORMATION
How does new business formation happen in Hidalgo County? Is it predominately home-grown businesses or do you attract most new business from outside the county?
Most new businesses are home grown. Bigger businesses are from the outside, and some local as well.
Are company founders typically from Hidalgo County, or are they people who have moved to Hidalgo County to start a company?
Most are from home grown.
Do networks—social, cultural, or professional—play a role in business formation in Hidalgo County?
Yes.

Communications Consultant
REGIONAL DEVELOPMENT
How would you characterize Hidalgo County's economy?
Weak per capita income equals low disposable income; too dependent on Mexico; a lot of room for improvement.
What are the greatest strengths for economic development in Hidalgo County?
Proximity to Mexico; multiple ports of access; low cost of labor force; weather; good small business climate; good family environment; culture; good airport structure; stable transportation system.
What are the greatest weaknesses for economic development in Hidalgo County?
Weak property values; economic downturn keeps prices too high; declining investments in real estate market; low education attainment; low-skilled workforce; area is disparate with regional marketing and cooperation strategies; weak drainage system; marketing perceptions of crime and Mexico's violence; transportation; government's push for border wall; weak marketing public relations with different municipalities.
What are the greatest threats for economic development in Hidalgo County?
Shutting borders down; economic downturn; swine flu; lack of funding in education; political winds of Republican versus Democrats in Texas Legislature-affect Hidalgo's funding; weather—hurricane alley.
Do you think Hidalgo County has been successful over time?
Successful—McAllen-Mission-Edinburg MSA—maquiladora efforts from marketing perspective (800 pound gorilla for county “when they succeed, we succeed, when they fail, county fails”); precincts need to collaborate in economics, healthcare, education efforts; good work in advocating education efforts, economic initiatives, I69 corridor; concerns with: lack of regional cooperation, infrastructure, drainage issue (big concern), tax appraisal system-unfair and inequitable - favoritism against small property owner and big property owners know how to play the system.
What are some recent examples of key success or failures in Hidalgo County?
Failures: drainage bond approved for \$100M—money diverted to construction on border wall instead of Raymondville drain; need more emphasis on advocacy in educational attainment and raising skills sets—initiative stopped. Successes: I69 Corridor initiative; county does not have a strong public relations arm—does not “tout itself enough.” RMA initiative—Nolana Loop, good start.

NETWORKS
What sorts of professional networks or network organizations have helped Hidalgo County develop?
RIO South Texas Economic Council—deemed a success, but ball dropped from consultants—SWOT analysis not very comforting; asset mapping—a plus in networking; regional mobility authority and the transportation networks have emerged.
Are existing networks readily accessible to new businesses and residents of Hidalgo County?
Outside of the local area chambers, no real networks between county and small businesses; some non-government organizations like National Hispanic Professional Organization and local chamber networks.
Should creating and/or improving networks be a priority for Hidalgo County?
Yes, stronger healthcare network can better address community indigent healthcare needs; need better tax appraisal networks; would like to see urban and rural community networks to share resources and opportunities—now, non-existent; some networks already overlap with existing municipal chambers.
GENERAL INNOVATION ISSUES
What have the major sources of new ideas and information for innovation been in Hidalgo County?
University innovation from research and development, manufacturing, engineering, some from medical side; South Texas College and UTPA; McAllen and Mission economic development corporations tied to UTPA; rapid response initiatives, NAAMREI and affiliation with Mexico; nanotechnology pushing concept to market within 30 days; McAllen Medical Center and South Texas Health System, Doctors Hospital at Renaissance—all have their own different innovation communities within their own systems, real estate industry, banking industry, etc.
What environmental, cultural, or business factors are important to, or have an impact on, innovation in Hidalgo County?
Nurturing of small business and entrepreneurship—does not really exist in Hidalgo; no real regional angel investing; Rio Tech Fund out of Weslaco trying to create an angel investor network between McAllen and Brownsville; most regional investment tied to real estate or healthcare. Education, arts, and industry have impact on developing and nurturing innovation but needs to have good communication, education, land, and we are missing the building of the “creative class” who may be financed through capital in order to solve or advance regional issues.
Some people argue that the interaction between firms in different industries is a major source of innovation. Is there much of this creative interaction between different firms in Hidalgo County?
Only five to six thriving clusters and county must focus on them to nurture innovation, networks, and connectivity between clusters. Healthcare most advanced and connected cluster in supporting and nurturing innovation; some innovation in banking and tourism; logistics has a lot of connectivity due to the maquiladora industry.
NEW BUSINESS FORMATION
How does new business formation happen in Hidalgo County? Is it predominately home-grown businesses or do you attract most new business from outside the county?
Mostly within the county, local, and home-grown; nurtured by chambers, family, and needs of community; some industries such as maquiladora industry has come in from outside region; Hidalgo County at the cusp of emerging clusters but we don’t have our identity yet, like Austin, Houston, San Antonio, close with bordering emerging clusters but not there yet.
Are company founders typically from Hidalgo County, or are they people who have moved to Hidalgo County to start a company?
Mostly from Hidalgo County.

Do networks – social, cultural, or professional – play a role in business formation in Hidalgo County?
“Compadre” networks—the wealthy stay connected to wealthy; ranchers stay connected to ranchers; bankers stay connected to other bankers, they help and bring others into their own clusters; example of home-grown leaders are Alonzo Cantu—has matched opportunity with finance; Glenn Roney in banking; Jim Collins in real estate; only a handful in Hidalgo County; no system in place to stay connected, only individuals.
PRIVATE SECTOR RESEARCH AND DEVELOPMENT
Why is your company located in Hidalgo County?
Lives in region and has family connections; McAllen—favorite community in region—good for family, business, and cultural development; lives in area by choice.
How does your company foster innovation?
Company practices, methods, and resources are technology based; always utilizing different applications and technologies or processes that are constantly being upgraded, innovated, and changed.
What is your company’s R&D policy? What is R&D as a percent of sales?
R&D as a percent of sales under 10%; policy—keeping up with the latest, greatest, and affordable technology in his field.
Do you partner in R&D with other companies in your industry? Your suppliers?
With advertising vendor; sometimes will go in together with them to purchase certain applications that will help move his clients.
What mechanisms help move research from the lab to prototyping and to business development?
Informal; mostly service provider not creation of product; market in public relations field.
Are there mechanisms or organizations that support quick diffusion of technical or market information to companies in your industry?
Uses global mechanisms or organizations rather than local; none are based here.
UNIVERSITY-BUSINESS RELATIONSHIPS
How do universities in Hidalgo County support your industry?
University has provided manpower to his business; if he needs an intern or researcher he would know what department to go to and the university can provide him with one due to established relationships; evolving process since 2002.
Has your company licensed technology form a university, private research institution, or federal lab?
No.
Would more emphasis on commercializing university research benefit Hidalgo County?
Yes, mechanical engineering at UTPA can grow faster and nanotechnology being created. Maquiladora industry can benefit. Regional healthcare industry slowly tapping into our resources, slowly becoming an MD Anderson, thanks to Alonzo Canto and the South Texas Healthcare System; hopes that biomed and nanotechnology can merge.
GOVERNMENT
How effective is your state and local government in fostering the development of innovative firms?
Local government lacks resources, time, and manpower due to overwhelming focus on local needs; inertia; all resources going to current challenges instead of focusing on future initiatives and plans on innovation; education initiative with county got overwhelmed and they stopped; federal level—many R&D funds cut due to economic downturn; no local resources going to R&D. Hidalgo County relies more on state and federal funding for R&D.

Which policies have helped firms innovate? Which policies have hindered innovation?
Yes, some policy efforts have helped in different clusters example: Texas Emerging Technology Fund got a few million for R&D efforts; auto initiative helping local car dealerships.
Does the state and local government work with the private sector to attract suppliers, manufacturers, and service providers related to business needs in Hidalgo County?
Government help of private sector to attract suppliers –not enough.
Does the state and local government sponsor or support forums to bring together government, industries, and education institutions in Hidalgo County?
Aside from traditional regional economic development entities, or COSTEP and SBA, the bureaucracy may be too complicated for local manpower.
How open are local government officials and economic development organizations to collaborating to promote the region as a whole, instead of promoting their own cities/interests?
Collaboration between local government officials—a lot of challenges, difficulties, big divide; problem—too many politicians see each other as competitors, “old school” but county starting to weed out “old school”; new progressive young thinkers promoting innovation and fresh ideas.
NEW VENTURE SUPPORT
Is there a strong group of local business support and strategic advising services for startups in Hidalgo County? How have they been helpful to you?
Not much; no one helped him.
What alliances or networks provide access to capital in Hidalgo County?
McAllen Chamber has innovation grants that help with \$25,000.
How rapidly can new ventures or expansions be financed locally?
Time in financing new ventures or expansions—long and complex process; financing through compadre system; who you know, who has money; usually under \$100K; informal process in Hidalgo County.
Does Hidalgo County have a culture that fosters entrepreneurship?
Hidalgo County has no mandate, not wired to foster entrepreneurship.
How does government in Hidalgo County support the needs of startup companies?
County government support of start-ups—it does not; comes from university; local chamber but not the county; county not wired for that; county has specific mission but we have infrastructure issues, healthcare issues, etc.

University Administrator Innovation
REGIONAL DEVELOPMENT
How would you characterize Hidalgo County’s economy?
Rapid growth not impacted by the current economic crisis.
What are the greatest strengths for economic development in Hidalgo County?
Location gateway to trade to both locations. Young population more educated becoming pool of employees to attract manufacturing, health industry, education. New skills in different arenas.

What are the greatest weaknesses for economic development in Hidalgo County?
Very low level of education as drawback to economic development.
What are the greatest opportunities for economic development in Hidalgo County?
Trade gateway between Mexico and U.S. Businesses opportunities. Supply chain large plants in Mexico. Retail. Services. Government.
What are the greatest threats for economic development in Hidalgo County?
Anything that interferes with the flow from both sides of the border.
Do you think Hidalgo County has been successful over time?
Programs. Availability. Attracting businesses.
NETWORKS
What sorts of professional networks or network organizations have helped Hidalgo County develop?
EDC, Hidalgo County judge, work together, attract people.
Are existing networks readily accessible to new businesses and residents of Hidalgo County?
Access to people good.
Should creating and/or improving networks be a priority for Hidalgo County?
Yes.
GENERAL INNOVATION ISSUES
What have the major sources of new ideas and information for innovation been in Hidalgo County?
Transfer of knowledge and universities are the driving forces for that.
Where or who did they come from?
Individuals. Entrepreneurial. More accessing through universities.
What environmental, cultural, or business factors are important to, or have an impact on, innovation in Hidalgo County?
Recognized and supported. Environment nurture. Innovation not isolation. Support to take market. Recognized more cultural universities working with development. Agencies to transfer new knowledge.
NEW BUSINESS FORMATION
How does new business formation happen in Hidalgo County? Is it predominately home-grown businesses or do you attract most new business from outside the county?
Attracting more home grown.
Do networks – social, cultural, or professional – play a role in business formation in Hidalgo County?
They should and we should work on that.
GOVERNMENT
How effective is your state and local government in fostering the development of innovative firms?
Technology. Texas work force. County. Statewide resources. Providing own. Leverage opportunities. State and federal.
Which policies have helped firms innovate? Which policies have hindered innovation?

Anything some support through Texas manufacturing. Government policies programs. State policy.
Does the state and local government work with the private sector to attract suppliers, manufacturers, and service providers related to business needs in Hidalgo County?
Would like to do more.
Does the state and local government sponsor or support forums to bring together government, industries, and education institutions in Hidalgo County?
North American advance manufacturing. NAMERI. Education. Leader public schools in Laredo. Regular basis. Executive monthly. Public school model.
In addition to your organization, are there any other important government offices or non-profit organizations that support business development in Hidalgo County?
Education entities. Bring in new industries.
How open are local government officials and economic development organizations to collaborating to promote the region as a whole, instead of promoting their own cities/interests?
Huge change. Move toward unified plan. RSTEC. Chambers need to do much more to bring to the area.
UNIVERSITY R&D
How do universities in Hidalgo County interact with businesses? Has this relationship changed or improved over the past years?
Several small groups do that in general not enough support. Capabilities yes internal system needs to be improved. Understood community some level University. Work linkages with business. More opportunities. Faculty brain asset sharing with business. Isolate business and university. Both directions. Lack of a Portal where to approach the university. Daunting. Hard. Has to be situation where services known to business and identify needs. Published recognized possible.
Are research partnerships with business prevalent in Hidalgo County?
No wonderful lab entrepreneur academic exercise.
Are the partnerships focused around basic research or technology commercialization?
Not as much. Identify needs. Understanding to partner on research needs to stimulate.
Does business frequently and clearly state their needs from the university partnership?
No vice versa.

Physician
REGIONAL DEVELOPMENT
How would you characterize Hidalgo County's economy?
Due to economic downturn, Hidalgo has felt some impact but not as great as compared to rest of nation—our economy protected by Mexico; through manufacturing and construction (number of new homes) and growth, area proved strong—listed in Forbes as one of fastest growing communities before national economic downturn; potential to be robust.
What are the greatest strengths for economic development in Hidalgo County?
Healthcare—continued growth; has different aspects, educational, delivery of services, occupational, research—room for improvement for innovation; Doctors Hospital at Renaissance—to implement an integrated electronic health record (will be leaders of system); manufacturing—different manufacturers

to come to area; new construction—robust; potential for eco-friendly homes.
What are the greatest weaknesses for economic development in Hidalgo County?
Lack of high-tech (ex. Austin, Silicon Valley); need skilled workforce; lack highly educated workforce; future possibility bio-technology (educated workforce, scientists, labs); poverty; illness; this area has specific medical needs—diabetes, obesity, heart disease—challenges.
What are the greatest threats for economic development in Hidalgo County?
Latino high school drop-out rate; problem with young teen pregnancies; mothers cannot effectively join the workforce; handicapped newborns; crime in area—spill on cross border violence.
Do you think Hidalgo County has been successful over time?
Successful over time—yes, due to proximity to Mexico; success over time in attention and awareness to education; park development; running trails; more restaurants; we should look at certain pockets of population—aging, veterans, young workforce, and address their needs.
What are some recent examples of key success or failures in Hidalgo County?
Grants in Weslaco area to address unemployment; rates reflected a decrease in unemployment; UTPA and STC address healthcare issues through nursing programs and advanced education—masters, etc.; Failures—regional academic health center—move to Cameron County due to flight of healthcare professionals—big loss for Hidalgo County—short-sighted decision; research shows communities who have a healthcare center—higher service delivery level, fosters medical research, very beneficial for community health.
NETWORKS
What sorts of professional networks or network organizations have helped Hidalgo County develop?
Educational networks—South Texas College and UTPA; workforce networks—Workforce Solutions, addresses employment needs; doctor’s network—Hidalgo-Star Medical Society.
Should creating and/or improving networks be a priority for Hidalgo County?
Yes, due to limited resources, area should take advantage of different skills people bring to table; waiting on solutions to come from state or federal level may not always come in time; must harvest energies from everyone involved should be a priority.
GENERAL INNOVATION ISSUES
What have the major sources of new ideas and information for innovation been in Hidalgo County?
Development of better facilities for concerts (Dodge Arena); community events, attention to parks, Doctors Hospital at Renaissance—community leader, reinvests in community.
Where or who did they come from?
Come from—mostly business leaders; DHR—community leaders and local physicians reinvesting in community to help address medical concerns and have a vision on how local healthcare can meet community needs; DHR—grown very quickly, to implement electronic community health record different than other systems because a patient’s health information follows the patient regardless of what hospital he/she attends—resource ties hospital to community; new Edinburg convention center—will help local education of physicians and future medical students by bringing them together into one arena.
What environmental, cultural, or business factors are important to, or have an impact on, innovation in Hidalgo County?
Mexico—our protection from economic downturn; culture of coming to U.S. is what many people from other countries want—this happens in Hidalgo County at many levels, retail, healthcare, real estate, banking, investments.

Some people argue that the interaction between firms in different industries is a major source of innovation. Is there much of this creative interaction between different firms in Hidalgo County?
Creative interaction—starting, not much here yet; well known in science field—sometimes scientists do not look for innovation in their fields but ask help from others in other disciplines because others may think about problems from other perspectives; county innovation important because it can gather different perspectives from different people across numerous fields, industries, etc.
NEW BUSINESS FORMATION
How does new business formation happen in Hidalgo County? Is it predominately home-grown businesses or do you attract most new business from outside the county?
Home-grown, mostly from local area (mom and pop).
Are company founders typically from Hidalgo County, or are they people who have moved to Hidalgo County to start a company?
New businesses coming in and expanding in Hidalgo County; home-grown businesses flourish but big retailers or companies look at their growth potential and come in and take advantage of opportunity.

Banker
REGIONAL DEVELOPMENT
How would you characterize Hidalgo County’s economy?
Hidalgo County’s economy is characterized as far better off than other counties, on the other hand the county has seen a decline in real estate development, and housing development, retail sales, and overall business have been affected.
What are the greatest strengths for economic development in Hidalgo County?
Normally the climate is our greatest strength, but not these days. The area close to the Gulf of Mexico, adjacent to the border, and mild winters attracts Midwesterners, those things are important, relatively good city and county government are important, and having a strong comprehensive economic development counsel for the region as a whole is also the key.
What are the greatest weaknesses for economic development in Hidalgo County?
A well-trained work force, young population, UTPA and STC have done a great job of providing training and skills sets for students and have seen a growth in recent years.
What are the greatest opportunities for economic development in Hidalgo County?
This area is not a well known region for many people. People have the wrong perception of this area; need a method of selling ourselves around the country, perhaps more traveling and road shows to market the region, more visitors from the East Coast than the West Coast.
What are the greatest threats for economic development in Hidalgo County?
The thing that causes concern today is the paper headlines of killings and kidnappings, security issues along the border all relating to the drug cartels in Mexico. When new companies are looking in the area they are asking about the security in the area and it is a concern. Bribery issues along the border also a concern.
Do you think Hidalgo County has been successful over time?
The county has been successful over the years, if you look at our track record about anyway you what to measure it. The bank industry is measured by the

growth of the banks with many branches in the area. In 1961 there were only two banks, now 15 to 20 bank branches just in McAllen, the county as experience a growth as well. All these things are a measure of the growth along with the street development in each city.

NETWORKS

What sorts of professional networks or network organizations have helped Hidalgo County develop?

The network that has help Hidalgo County has been the economic development organizations and the larger cities chambers of commerce beginning to work together and continuing that practice, if I can't get it for myself let's get it for others. That mentally has fostered growth to encourage governments working together on a more comprehensive level. The economic times and the improvement of the workforce are expanding.

GENERAL INNOVATION ISSUES

What have the major sources of new ideas and information for innovation been in Hidalgo County?

The source of innovation goes back to the leadership from the chambers and the economic development organizations in the large cities, county level or state level or business level. Attracting new businesses to the area to continue the growth extends to what the area has to offer, such as convention centers, libraries, schools all are important for manufacturing companies looking to move to the area.

Where or who did they come from?

The larger businesses are from outside of the county and the smaller organizations are more homegrown that are very important to the area like the local restaurants and retail stores. If you are looking for job opportunities then looking at the outside is what you do, and word of mouth from business people is a great tool for marketing this area. Labor cost is a big factor and ours is relatively inexpensive as compared to other areas. Cost is a big issue when relocating.

What environmental, cultural, or business factors are important to, or have an impact on, innovation in Hidalgo County?

The Valley is an easy place to move into and you get a warm welcome. It's easy to get involved in the community. The reason they started the bank here was because of the new developing, expanding population, and large company stores, for example, electronics and furniture stores who have been very successful in McAllen and has been amongst the top producing stores in Texas. The general practice in the banking industries is looking for contact opportunities, provide assistance as a management team looking for new families settling in the area, helping through financing or simply just referral resources. The bank counsels with each other in the industry more on political issues, such as Texas Bankers Association, without infringing on each other's customer base. In the banking industry, high tech companies are always making pitches of their new innovative products and this is how we find out about new products.

NEW BUSINESS FORMATION

How does new business formation happen in Hidalgo County? Is it predominately home-grown businesses or do you attract most new business from outside the county?

There is plenty of support for new business formation from the chambers of commerce and other offices that offer services for new start up businesses. The local banks serve as the starting point for venture capital and at least direct you to a source of financing. New venture processes have been much slower turnaround than in past years. The local government has been very open in discussion for finding new ways of financing. In the banking industry, a good referral and word of mouth, has been the bank's major source of deal flow. Having a good community and satisfied customers are the keys in their success.

UNIVERSITY-BUSINESS RELATIONSHIPS

How do universities in Hidalgo County support your industry?

<p>UTPA has supported the banking industry pretty strongly and other industries. The bank has had a good relationship with the business school providing scholarship funding and other things. They have been very active in the building and growth of Pan American and that has added creditability to the University.</p>
<p>GOVERNMENT</p>
<p>How effective is your state and local government in fostering the development of innovative firms?</p>
<p>Local government such as county and city government have strong innovative ideas to sprout growth in the area and have been effective generating growth. At the state level, have been disappointed with the lack of support beginning from the Governor's office solely because the county is such a huge Democratic political base region and the fact that the Governor is a Republican there has been to some extent sort of drawn party lines that has affected businesses in this area. As changes are made and new people move into new political offices we are going to see hopefully more cooperation with businesses, politicians and government offices regardless of their affiliations with political parties. The goal is to have the cities working together and it could improve.</p>
<p>Which policies have helped firms innovate? Which policies have hindered innovation?</p>
<p>The economic downturn environment that we are in today has created more regulatory issues for the banking industry then we have had in the past, and to some extent, makes doing business more difficult. We disagree with the new body of government being created to control and protect the consumer more; the banking industry already has the Federal Reserve Board and the SEC regulating them, so let them do their job.</p>
<p>VENTURE CAPITAL</p>
<p>Is there an angel community in Hidalgo County or nearby areas providing seed capital where traditional venture capital does not?</p>
<p>Seed capital has been available in the past, however has not seen any in present times.</p>

Research/Innovation	
<p>REGIONAL DEVELOPMENT</p>	
<p>How would you characterize Hidalgo County's economy?</p>	
<p>The Hidalgo County economy has a lot of potential that is not being realized. There are a lot of potential future possibilities as the area gains a higher level of educational attainment among the residents. There are pockets of technology-based companies. But they need to be nurtured. Right now there is very little, consistent technology-based employment in the area at the college and graduate level. Local economy defined by manufacturing, logistics, and healthcare services. Healthcare services is moving federal \$ around, not generating wealth. When it comes to healthcare, need to get into healthcare research to build economy. Medical devices and biotechnology. Research is one of the primary drivers of developing a technology-based economy and raising wages. There is a tremendous opportunity right now in Hidalgo County. I think we are on the cusp of some new companies coming in and new areas. Example, ALPS moving their headquarters down here. Very interested in building partnership with UTPA School of Engineering and the Rapid Response Manufacturing Center. Boon to the area. Focused on advanced manufacturing concept to make manufacturers more competitive. Use competitiveness to build higher wage jobs. Also think building a strong logistics infrastructure is a big competitive advantage in this region. Third coast concept. Products would be shipped from Asia into Mexico. Significant potential for the future and could be a comparative advantage. Key piece would be investing in infrastructure, like light rail, to move products from Valley through Texas. Could be an incredible economic boom for the area and Texas.</p>	
<p>What are the greatest strengths for economic development in Hidalgo County?</p>	

<p>Location and third coast concept. Advanced manufacturing. Almost all the medical here is service-provided medical, not research in the biomedical area. Hopefully that will grow. There is opportunity with the RAHC. Proximity to Mexico is a competitive advantage. Lower labor costs on their side and cheaper cost of capital and cheaper power costs on this side. Other strength is the cooperative atmosphere that is being developed not just on this side, but on the other side also. New bridge, which is going to increase access back and forth to Mexico. Emphasis at looking at Hidalgo County and Reynosa as one entity. Not looking at the river as a barrier. Major Fortune 500 companies, Nokia, Alps, TRW, LG, Brunswick within a 150 mile radius. There are major players in the world technology marketplace today. Having that here is an advantage.</p>
<p>What are the greatest weaknesses for economic development in Hidalgo County?</p>
<p>The lack of adequate infrastructure. The infrastructure to engage the interests of people who locate here. There is no way we are going to be able to educate all the people that are going to be needed as the economy starts to grow. How do we make the area attractive enough to be a place where people want to come and are engaged and excited about what is happening here. We are starting to do that, like the arts incubator in McAllen, the symphony. These are things that people expect and are a draw in the urban environment. For example, Minneapolis cold. Quality of life high. They have symphony, arts, sports teams, major attractive venues and opportunities. It becomes imperative that we have those kinds of amenities that make people want to stay here. I think a weakness is the reliance on health care services as a mechanism for economic growth, not for a sustainable, long-term period. Another weakness is the lack of interest politically of the state in the region.</p>
<p>What are the greatest threats for economic development in Hidalgo County?</p>
<p>Violence on border. Economic threat. In terms of bio safety issues related to infectious agents. Diseases transfer easily across border, more readily than in other environments. Poverty level is a threat. Negative aspect of media stories of border violence. Losing the cooperative atmosphere is a threat. We are many small cities, not one big area. It is imperative that cities cooperate for growth. Proposed state legislation restricting the number of universities that can become "Tier 1" research institutions and access to state research funding.</p>
<p>Do you think Hidalgo County has been successful over time?</p>
<p>Been successful in fostering a more collaboration environment for entities working together to promote economic development. Together we succeed. Has been a significant shift in mindset to collaboration/cooperation among cities during the last 10 years.</p>
<p>What are some recent examples of key success or failures in Hidalgo County?</p>
<p>One of the biggest successes has been NAAMREI. DOL WIRED project. Involved partners from Laredo to Brownsville. New consideration on how to work together successfully. Effort by higher education institutions, K-12, workforce, and EDCs, that led to the creation of the Rio Grande Regional Center for Innovation and Commercialization 5 years ago. Started people thinking about, promoting, and understanding of technology-based development in area. Located in Weslaco, headed by Fernando Gonzales. ALPS deciding to bring their headquarters to area is a huge success. Once you get one. You can get more. Brining the major companies and divisions down here is going to drive wage growth.</p>
<p>NETWORKS</p>
<p>What sorts of professional networks or network organizations have helped Hidalgo County develop?</p>
<p>EDCs have been invaluable. Their focus is on outcomes. Network is a critical one as are the chambers of commerce.</p>
<p>Should creating and/or improving networks be a priority for Hidalgo County?</p>
<p>Always. Essential.</p>
<p>GENERAL INNOVATION ISSUES</p>
<p>What have the major sources of new ideas and information for innovation been in Hidalgo County?</p>

I think the university has been a tremendous source for ideation and has been fostering among faculty and students the idea of thinking about the commercial potential of their ideas and entrepreneurship. Partnered with other entities such as EDCs and chambers of commerce. Example, McAllen Chamber small business development awards and technology innovation awards. Hispanic culture tends to be very entrepreneurial. Tend to be service based-businesses. Mindset is there. Education has helped. Hispanic Chamber of Commerce and Hispanic professional business association are good examples of supporting entrepreneurship. University offers technology boot camps.
What environmental, cultural, or business factors are important to, or have an impact on, innovation in Hidalgo County?
Entrepreneurship, Hispanic culture. Beneficial impact is the rise of middle class in Monterrey, Mexico has helped the region's retail sector in the last 10 to 15 years.
Some people argue that the interaction between firms in different industries is a major source of innovation. Is there much of this creative interaction between different firms in Hidalgo County?
Good interaction in the manufacturing area on both sides of the border through the South Texas Manufacturers Association.
NEW BUSINESS FORMATION
Do networks – social, cultural, or professional – play a role in business formation in Hidalgo County?
Lacking angel networks for seed investments. No venture capital firms. Most of the large investors in the area are individuals that don't go outside their own social networks to jointly fund new ventures. There is wealth in Hidalgo County. Look at bank deposits. Most of the people invest their wealth in real estate here, not in new venture development.
UNIVERSITY-BUSINESS RELATIONSHIPS
How do universities in Hidalgo County support your industry?
Partner with businesses a lot on their innovation processes, especially in the last few years in specific industries.
How do universities in Hidalgo County interact with businesses? Has this relationship changed or improved over the past years?
We interact on a lot of levels. Faculty members, programs, graduates produced, engineering, rapid response manufacturing center, senior design projects, sponsored research activities, testing of materials, There are stronger research partnerships then there has even been around basic research needs. More medical research being done, i.e. RAHC. Working on clinical test. Tuberculosis. Advanced manufacturing area. More inter
NEW VENTURE SUPPORT
How does government in Hidalgo County support the needs of startup companies?
New venture support. Finance locally. Small Business Development Center. Traditional service industry. Seed funding little to not existent. Outreach to community. High risk tech. Traditional investment route. Environment. Culture. Current economic climate not negative. No venture capital in the region. University/research funds not existent to 25 millions. Big move. Innovation. Patenting. Started in 2006. Four years max to create the environment. Tech incubators. No incubators. SBDA. Technology based incubators. Discussions to create that. EDC proof of concept. Cycle of commercialization. Valley of death. Hard to get proof of concept. Faculty members. Licences. Royalties shared 50/50. Positive environment to disclose and move forward. Invest in business rather than real estate. Technology incubation. Marketing evaluation. Budget constraints. Funds needed. More research funds more research produced.

Government Official

REGIONAL DEVELOPMENT
How would you characterize Hidalgo County's economy?
Texas and HC Resilient. Businesses, Mexican Economy. Economy shortfall/great opportunities. 35 of top cities 4500 /more coming. Auto industry branching out Detroit Michigan State represents a great opportunity.
What are the greatest strengths for economic development in Hidalgo County?
Young population. Biggest metro area with Mexico. Infrastructure. Ports of entry. Workforce. Fishing, hunting. Flexibility. Climate business and weather.
What are the greatest weaknesses for economic development in Hidalgo County?
Banks do not have borrow.
What are the greatest opportunities for economic development in Hidalgo County?
Regional collaboration. Strong. Ports. Rails. Inexpensive to invest in land. Infrastructure. Levy 3 million invested. Region: political will. Need to work as a region hurricane. Economic development. Population of Mexico.
What are the greatest threats for economic development in Hidalgo County?
Human capital trained and educated. Make sure skill level attractive to companies. Not service job like McDonald but more skillful jobs. Nokia. National atmosphere being to the border. Medias threat problem. El Paso may be but not here. Violence/Mexico no. Pressure. Border patrol. Jails crowded. Hindrance. Negative image perception in the media. We need to work hard to change to perception. 80% spent on talking to people to work with people 22 cities mediator referee. Challenge. Need full time in this capacity.
Do you think Hidalgo County has been successful over time?
Yes some to catch up. 35 out of 4,500. 3.4 million. 3.5 mi. 200. Lot work to do. Expanding federal ports. Railroad systems. Feasibility study to connect Brownsville Community rail. O'sullivan bridge.
What are some recent examples of key success or failures in Hidalgo County?
Secure money for levy. Education. College. Rank at top university. Hidalgo high school. 88% students 9-12 have college hours. 1% drop out. 60-70 hours type of things. College should not be an option. Going to college. Education money and skills quality jobs. Collaboration. \$1.6 billion more money into the economy if the graduation rate high school 50% state average. Key to future. 400 millions more college degree. 80% vs. 50%. Close the gap. Hidalgo County doing it. Enrollment. Programs to increase rates. 2007: future talents best practices. Dr King. Replication of efforts.
GOVERNMENT
How effective is your state and local government in fostering the development of innovative firms?
State funds for technology. Real technology funds. Board engaged commercialization. Baby steps. Fostering innovation. County policy?. Don't have any policy. Future. As a government. Money UTPA medical school. Foster creativity.
Which policies have helped firms innovate? Which policies have hindered innovation?
Problems local government and county government. State legislator. City can do anything. Code. Hands tight. County government explicit . Open from legislators. Cities 200.000 limit restricted. Bill impossible. Rate: low. Bills very specific. Larger pieces. Property taxes. No sale taxes. Raise fees no. Flexible funds no. No Property tax. Limited in revenue generating. No fees. Flexible funding needs to be innovative to attract businesses. Regional economic council 1 yr to interpret statute.
Does the state and local government work with the private sector to attract suppliers, manufacturers, and service providers related to business needs in

Hidalgo County?
Economic development corporations rebate tax for some businesses industries. Lowa insurance project rebate tax. Indirect tool tax. 5 to 10 yrs. Criteria. Shops Edinburg 281. Partner with cities. After 5 years 100% tax. General funds.
Does the state and local government sponsor or support forums to bring together government, industries, and education institutions in Hidalgo County?
STC and UTPA region 1 building future talents educators' local and leg together. Road map. Graduate from school. Rio from quarterly to monthly meetings. Economic Opportunities. Market area region. Great will to support the region.
In addition to your organization, are there any other important government offices or non-profit organizations that support business development in Hidalgo County?
EDC./partner # 1. Advisors. UTPA/response center. Board on workforce/ train people. STC. 41 centers head start. Break poverty cycle. Ngo funded through county. Some impact small and indirect. Boys and girls club. United way. Vida. Discuss the options offered through vida. Free tuition. 240 thousands. Star. Academia scholarship general funds. Vida. 900 NGO. Housing services. Abuse and neglect crisis. Spectrum. Education. Majority social support. Business dev. Not really connected.
How open are local government officials and economic development organizations to collaborating to promote the region as a whole, instead of promoting their own cities/interests?
Not easy. Rio st 2000 business background how can the county help you to do job?. Called EDC to work county. Infrastructure. Levy. Work drop out. Everybody on the same page. Has not been easy. Our game plan/roadmap. Initiative working. Better roads. 1500 trucks/day. Levy. Nissan attract. High work force. Staff. EDA grant. 300000. Asset mapping. Weaknesses/strengths. Us metro. What else. Hindrance. 12 hours Texas. Geography. Makes it difficult for businesses. University of Northern Mexico. Stress the regional aspect of Hidalgo. Regional economic think thank. Cities together. Jump hoops to move forward sometime fast grow to the south not to the west. Natural partners across the border. Share the same region. River separate point. Mexico universities. Provide information. Educational and training programs can be a lesson to learn from or best practice Bureaucracy? County government mentality. Not rural. 750 thousands. Acting as rural. Commissioner to get to understand. Property larger picture and vision. Politics. Do better. Making an impact.

Planning Organization	
REGIONAL DEVELOPMENT	
What are the greatest opportunities for economic development in Hidalgo County?	Young workforce and availability of workforce; our reasonable cost of living; tax rates; quality of life; educational institutions.
Do you think Hidalgo County has been successful over time?	Successful in maximizing fund availability; one indicator is unemployment rates; ripple effect of overall national economy has not impacted this area as compared to others; Hidalgo County's unemployment rate went down single digits, not as high as the rest of the nation and state of Texas.
What are some recent examples of key success or failures in Hidalgo County?	Success- their role in the dissemination of hurricane Dolly's disaster recovery funds of \$55 million the first round, the second round will be under three times as that- that will have a great impact; plus recent \$3.5 million grant from the economic development organization to do a master drainage project – not to duplicate what other counties have done but to connect the dots between all three counties in terms of which project need to be targeted to

address the drainage problem; need to do a capital improvements program to prioritize and make a list and seek additional federal funds so full burden is not on tax payers.
NETWORKS
What sorts of professional networks or network organizations have helped Hidalgo County develop?
Key networks are the local economic organizations and the city chambers and local county officials.
Are existing networks readily accessible to new businesses and residents of Hidalgo County?
Yes, local networks always trying to do as much outreach as possible.
Should creating and/or improving networks be a priority for Hidalgo County?
it should be a priority but nothing is as good as it could be; priority for building on and enhancing existing networks – constant priority goal because entities change, people change, and partnering with existing networks should be a priority for county.
GENERAL INNOVATION ISSUES
What environmental, cultural, or business factors are important to, or have an impact on, innovation in Hidalgo County?
Over 30 years in the business; the county and region has advanced quite a bit in partnering with others in order to advance common goals; there is always room for improvement but there has been advancement within public entities; environmental issue – county has been wrestling with this issue for quite some time and water quality issues; key aspect to not only our life sustainability but to any key industry like manufacturing, commerce, and transportation; culture – capitalizing on the history and diversity we have in the area; in time it can be enhance through collaboration & networking; culture marketing can be done through one city, one county at a time and to the valley as a whole; economies of scale –resources could be pulled together.
UNIVERSITY-BUSINESS RELATIONSHIPS
How do universities in Hidalgo County support your industry?
Not much; can access some statistical data and information from UT-Pan American and from UTB; collaboration is there but not much reliance on what his organization does based on the economic section of the university and what it can provide.
Are they valuable partners in your innovation processes? How?
They collaborate and his organization makes sure universities are a part of what they do.
Would more emphasis on commercializing university research benefit Hidalgo County?
Any expansion over what the university is doing now and targeted to needs – beneficial; anticipate university would involve business leaders directly and preferably local leaders rather than leaders from outside the region.
GOVERNMENT
How effective is your state and local government in fostering the development of innovative firms?
Local governments probably do more than state; state targets larger entities based on funding; local and city government, more proactive and try to leverage as many of the state and federal funding to help innovative firms.
Which policies have helped firms innovate? Which policies have hindered innovation?
Can't think of any; state can make additional regional incentives but state leaders know what policies are holding back any additional funds.
Does the state and local government work with the private sector to attract suppliers, manufacturers, and service providers related to business needs in

Hidalgo County?
Mostly local governments rather than state.
In addition to your organization, are there any other important government offices or non-profit organizations that support business development in Hidalgo County?
Several state agencies and federal agencies who indirectly help; workforce boards, Texas TCQ – requirement for cities to comply with portable water supplies; nonprofits – assist local business communities; sometimes non-profits are part of their network – depends on the issue and how active it is; sometimes non-profits contract with the aging program but not directly linked to business development.
How open are local government officials and economic development organizations to collaborating to promote the region as a whole, instead of promoting their own cities/interests?
They are open to encourage the momentum.
VENTURE CAPITAL
Apart from actual deals, what are the most prominent ways you are connected to the business community in Hidalgo County?
No, but in terms of statewide future venture capital investing, the Rio Grande Valley is where it’s happening; something we need to question is whether or not venture capital firms have an interest in relocating here or opening satellite offices out of the Valley.

Real Estate Developer
REGIONAL DEVELOPMENT
How would you characterize Hidalgo County’s economy?
Hidalgo county’s economy is characterized as not doing as bad as other areas.
What are the greatest strengths for economic development in Hidalgo County?
The greatest strength of the Hidalgo County is the abundance of a young labor force when companies are looking to relocate, this is a key factor.
What are the greatest weaknesses for economic development in Hidalgo County?
The greatest weakness is the education levels; some of the jobs and companies that are looking to move here has brought up the issue that this area has such a low level of education and has hindered the county.
What are the greatest opportunities for economic development in Hidalgo County?
The fact that we are on the border has two effects, it can either help us or hurt us. We have to partner up with Mexico, the bilingual and bicultural workforce environment we have here should be taken advantage of. The fear is that the crime in Mexico has spilled over to our region and has caused some concerns, however it’s the perception that has stalled the area.
Do you think Hidalgo County has been successful over time?
The county has been successful over the years, and has not reached a trough. They are still expanding and companies have relocated here, and a lot of activity is still going on. Because of the economy the production levels have slowed down a little in the hidalgo county but not by much.
What are some recent examples of key success or failures in Hidalgo County?
The Economic development organizations and the chambers have helped in the growth of the cities. In the past you would have all individual efforts

coming from each city and it would be nice to see a seamless alignment amongst the cities since this area is one region it would be a better for the whole of the community, because it is just five minutes to get from one city to another.

NETWORKS

What sorts of professional networks or network organizations have helped Hidalgo County develop?

There is a new association beginning to develop that will collaboration with the private and public sectors mainly for economic development to bring in a research development park, researching for automotive and manufacturing here in the area.

GENERAL INNOVATION ISSUES

What have the major sources of new ideas and information for innovation been in Hidalgo County?

Major sources of new ideas come from STC or the University which helps those stay informed in new products and innovations. They help new companies reduce cost and also this area is pro business and very pro- active. When companies are moving to this area they are looking for labor force, the cost of doing business, the environment, it is easy to get things done. The cities are very pro active and very helpful in helping new comers come in and setting up.

NEW BUSINESS FORMATION

How does new business formation happen in Hidalgo County? Is it predominately home-grown businesses or do you attract most new business from outside the county?

Most businesses are attracted from outside the valley. Networks and organizations play a small role in their industry. We fit the demographic profile and that's a key factor in our industry, and probably has drawn companies to the border, there is a niche here. Verde Reality is here because they see many opportunities here in the area along the border. They focus primarily on the activities on the border and saw a need for companies and industrial space. We are located all along the border and our headquarters is in El Paso.

Do networks – social, cultural, or professional – play a role in business formation in Hidalgo County?

STMA and Workforce solutions have been useful in our industry. Local government and local economic development have partnered up in recent years to promote the county and has done a great job in collaborating between the cities. Ms. Garrett sees the area as one region and not different cities so that needs to change along with its perception.

GOVERNMENT

How effective is your state and local government in fostering the development of innovative firms?

The state and local government are very helpful in communicating and keeping us inform and the of the activities that are going on. There is definitely a good collaboration between the local government and cities in communicating a new projects and activities.

Which policies have helped firms innovate? Which policies have hindered innovation?

Real Estate Developer

REGIONAL DEVELOPMENT

How would you characterize Hidalgo County's economy?

We have a very vibrant, growing, diverse, bi-national, international economy that is poised for significant raise ones the global economic situation reverses itself. The poised growth driven by education, infrastructure help transition and create a very strong valley economy. Given the growth in population and

demographics of diabetic, and cardio vascular population the health care industry is poised for growth and the economy is health care driven. The valley serve has a test tube for health care industry. Its going to attract more health care professionals.
What are the greatest strengths for economic development in Hidalgo County?
Population/ very young vibrant, better educated workforce who are staying back in the valley. Two nation's one region. Population is larger than 30 states by themselves in the country.
What are the greatest weaknesses for economic development in Hidalgo County?
Proximity to Mexico is hurting us, due to the international drug cartel. So people outside the valley have a wrong perception on the valley.
What are the greatest opportunities for economic development in Hidalgo County?
If the automobile industry becomes a reality for the region. Valley most rapidly growing region in the nation, location wise we must be best bet for the rest of the nation for business transactions.
What are the greatest threats for economic development in Hidalgo County?
Policies of the Mexican govt/ politics. Water problem/ the reservoirs are 85% capacity already and they are not doing anything to fix it with growing population. Due to the water shortage most of the agriculture industry has shifted to Mexico.
Do you think Hidalgo County has been successful over time?
Retail industry and retail pockets have established in smaller populous cities too. None of the cities have surplus budget or reserves except for McAllen in the county.
What are some recent examples of key success or failures in Hidalgo County?
Construction of Anzaladous bridge, it was culmination of 20 years of hard work. Improved Levees and border wall will help reduce the insurance or no flood insurance at all and more protection. HYW 281 must be designated as interstate HWY in order for the valley to become closer to the bigger cities. It changes the travel time and helps decide many big box companies and manufacturing companies to consider the county as a place to relocate as they consider interstate Hwy as one of their deciding criteria. The University and STC.
NETWORKS
What sorts of professional networks or network organizations have helped Hidalgo County develop?
There exists very active groups when need raises and become dormant when less needed. For example the 281 coalition group which went lobbying for Interstate 281. Hidalgo county bar association. Texas Border Infrastructure Coalition.
Are existing networks readily accessible to new businesses and residents of Hidalgo County?
Networks are accessible if you know the right people.
GENERAL INNOVATION ISSUES
What have the major sources of new ideas and information for innovation been in Hidalgo County?
Chamber provides incubator program grants in \$10,000 dollars to help propel any business who comes with a great idea. Texas valley communities foundation does assistance to the local not for profit organizations.
NEW BUSINESS FORMATION
How does new business formation happen in Hidalgo County? Is it predominately home-grown businesses or do you attract most new business from outside the county?

60 to 75% of businesses are from within the region. Predominantly people doing businesses locally.
UNIVERSITY-BUSINESS RELATIONSHIPS
Are they valuable partners in your innovation processes? How?
In house research, in need of creation of databases which has market value. Ex: all the retail, industrial tenants, vacancy rates, real estate information , we need to emulate the Metro study that’s been done in San Antonio area. Better educated and trained workforce. Not much direct support to the community or business and went on to say that UTPA is the best kept secret in Edinburg and second best kept secret in Hidalgo County. They need to be on local boards. They don’t want to partner with businesses. UTPA needs to be on all the city boards, chamber of commerces and they need to come up with ideas and encourage local businesses to participate.
GOVERNMENT
How open are local government officials and economic development organizations to collaborating to promote the region as a whole, instead of promoting their own cities/interests?
Hidalgo County has to take serious look at the Metro Govt so many overlaps, in administration, and even day to day operations of the county, overlaps has to addressed.
NEW VENTURE SUPPORT
Is there a strong group of local business support and strategic advising services for startups in Hidalgo County? How have they been helpful to you?
Economic development corporations.
VENTURE CAPITAL
Is there an angel community in Hidalgo County or nearby areas providing seed capital where traditional venture capital does not?
Group of local entrepreneurs and angel investors consider case by case and project by project to provide support.

Consultant
REGIONAL DEVELOPMENT
How would you characterize Hidalgo County’s economy?
Hidalgo County’s economy is characterized as comparably speaking is relatively flat, however compared to the rest of the country it has upward mobility and has a lot of leeway for growth.
What are the greatest strengths for economic development in Hidalgo County?
Strength—our physical position is the great strength, from a distribution perceptive we are dead center from the East Coast and the West Coast. A young labor force coming from Reynosa which is becoming more highly educated is also strength of ours. Their skills sets are ripe for development in this area. We used to be on the low level assembly side and now we are moving towards the high level assembly side where the jobs require high skill sets.
What are the greatest weaknesses for economic development in Hidalgo County?
Weakness –the valley’s individual perception from a leadership position that this area is still an agrarian community and we haven’t been in an agrarian community for many years. We are moving rapidly towards a high technological community. Some government officials who are in leadership roles are some of the throwbacks to some of the older generations and they still perceive this area as a low tech community and so subsequently the expectations are not set where they should be.

What are the greatest opportunities for economic development in Hidalgo County?
Opportunities—obviously technology; one of the other areas is biogenetics technology at Pan American. We should be literally going after companies such as Covance a pharmaceutical company, which is a drug development company for most of the big pharmaceutical companies. We have the micro biological advances here and so we need to go after this type of industry.
What are the greatest threats for economic development in Hidalgo County?
Threats—we have developed into a bi-directional economy between ourselves and Mexico, it is the perception that the problems in Mexico are getting out of hand. Particularly as it relates to the various cartels in Mexico. Cartels even come as far as Russia and are providing logistics to the Zetas, a huge drug cartel in the area. Two of the groups have ties with Hezbollah and Hamas. For marketing purposes the economic development organizations need to work with the local securities agencies to instill confidence for new companies and their employees.
Do you think Hidalgo County has been successful over time?
Every economic development community has a different take on how they see economic development. Judge Ruiz had a different perceptible, Judge Garcia as well, and now Judge Salinas has his own perspective. If there is one thing that hinders the county it is that we do not have continuity, one view on economic development. Every time a new administration comes in they go through the stop and go process and there is no continuity from the past administrations. There needs to be something established already like a comprehensive plan that can be carried out with every new administration. We done have independent continuity and it's just the nature of our county government. There needs to be a federal agency that does not waiver with each new administration that comes in.
What are some recent examples of key success or failures in Hidalgo County?
Hidalgo County successes are in technology, sub assembly facilities and the educational opportunities, particularly the Japanese companies. They indicated that this part of the country is conducive. The Japanese people do not have a high regard for Japanese universities, but they do for American education. Japanese companies reward their senior staff with moving them to an area where there is an American university that their children can get educated. We have an unusual culture that is appealing to the Japanese companies.
NETWORKS
What sorts of professional networks or network organizations have helped Hidalgo County develop?
Professional associations are crucial at the leadership level of government and with the economic development organizations. A mass transit project that is being purposed is very important in the development of this area, especially when we get an automobile manufacturing plant.

Workforce Administrator
REGIONAL DEVELOPMENT
How would you characterize Hidalgo County's economy?
Not as bad.
What are the greatest strengths for economic development in Hidalgo County?
Teamwork-county government/young population is greater.
What are the greatest weaknesses for economic development in Hidalgo County?
Weakness- Interstate, more rail service.

What are the greatest opportunities for economic development in Hidalgo County?
Demographics-higher educational achievement and proximity to Mexico.
Do you think Hidalgo County has been successful over time?
Constant need to replenish, pro-business, asset part of our success.
What are some recent examples of key success or failures in Hidalgo County?
Succeeded in recruiting retail and hospitals.
NETWORKS
What sorts of professional networks or network organizations have helped Hidalgo County develop?
Networks- society for human development chapter, South Texas Manufacturers Association
GENERAL INNOVATION ISSUES
What have the major sources of new ideas and information for innovation been in Hidalgo County?
UTPA.
Where or who did they come from?
Increase interaction between University and private sector.
Some people argue that the interaction between firms in different industries is a major source of innovation. Is there much of this creative interaction between different firms in Hidalgo County?
We need foster more awareness.
NEW BUSINESS FORMATION
How does new business formation happen in Hidalgo County? Is it predominately home-grown businesses or do you attract most new business from outside the county?
It is 50/50.
Do networks – social, cultural, or professional – play a role in business formation in Hidalgo County?
UNIVERSITY R&D
How do universities in Hidalgo County interact with businesses? Has this relationship changed or improved over the past years?
Increase collaboration-streamline interns, career placement, engineering very involved with businesses.
NEW VENTURE SUPPORT
Is there a strong group of local business support and strategic advising services for startups in Hidalgo County? How have they been helpful to you?
Chamber has grants for innovative new ideas.
How rapidly can new ventures or expansions be financed locally?
Limited incentives, harder to get financing for existing companies, banks, water park-lost for failure and backed by city. It is always a challenge.
Does Hidalgo County have a culture that fosters entrepreneurship?
Strong on entrepreneurship, it is our culture.
VENTURE CAPITAL

What is your primary source of deal flow in Hidalgo County?

They do commercial loans, typically are able but recently having trouble.

Private Developer

NETWORKS

What sorts of professional networks or network organizations have helped Hidalgo County develop?

There are numerous number of network groups.

Are existing networks readily accessible to new businesses and residents of Hidalgo County?

The relationship between them is not good, not clean, they do not have a means of sharing information between them. For instance the city councils and the county commissioners don't have clear understanding and they don't share information nor have good relationship. Everyone has great desire and great ideas to move forward, and they all move forward without looking beside them to find out who is doing what, several organizations trying to do the same thing. All the networks are good in their own way but they should be gathering resources a lot better.

GOVERNMENT

How effective is your state and local government in fostering the development of innovative firms?

They need to put the politics aside to move the region forward. The outlook of the politics is very short term and private business as long outlook. Politics should never lead, but it is not possible without them.

Does the state and local government work with the private sector to attract suppliers, manufacturers, and service providers related to business needs in Hidalgo County?

We need strong private business groups that could drive the economic growth of the region. We can emulate the ideas from our neighbor, they have strong private business groups which are privately funded which have a long term agenda and the government participates, the real longevity and the driving force is private businesses not the government not the politician, they have the stamina to move forward beyond politician, we don't have it here. The private business groups are creating a long term economic focus.

Economic Development Official

REGIONAL DEVELOPMENT

How would you characterize Hidalgo County's economy?

Hidalgo's County economy is characterized as vibrant and growing; it has diversified from agrarian to industrial.

What are the greatest strengths for economic development in Hidalgo County?

Our close proximity to the border is our greatest trend; the fact that we are one of the largest border areas in the United States is important and that no other area can identify with is a key.

What are the greatest weaknesses for economic development in Hidalgo County?

Having a not so talented workforce and a young labor workforce is a weakness and we need to make sure that our students are getting prepared for the type of industries we have in this area. Renewable energy and things of that nature are just a few examples.

What are the greatest opportunities for economic development in Hidalgo County?
The biggest opportunity is the fact that we are close to Mexico, with NAFTA and maquiladoras there is some growth and exporting to the U.S has been expanding. Many companies are completing their product here in the USA. Utilities rates are a lot less and the fact that it is a USA product that is an important concern to manufactures from Mexico. Some companies are also bringing their research development divisions here for special reasons.
What are the greatest threats for economic development in Hidalgo County?
Some of our biggest threat is water and the access to it. The fact that we rely too much on the Rio Grande River is a threat as well, we need to garner other sources of water.
Do you think Hidalgo County has been successful over time?
The region has been ranked as 3 rd in the state of Texas in population wise when you include the northern cities of Tamaulipas and the other counties, with 2.5 million and known as a NAFTA community.
What are some recent examples of key success or failures in Hidalgo County?
Some of the successes for the county are the levy wall that was built for protection of flooding low areas, which before added cost to businesses in the area with flood insurance because this area was known as a high risk flooding area. Some of the failures are the graduation rates that we are producing, and the low percentages of college grads and master's students that are registering have been is a major concern for our area. There is a serious literacy issue in the workplace and it goes back to how we reared up our children. The mandated test has taken away from other core values and the preparation for college has been hindered.
NETWORKS
What sorts of professional networks or network organizations have helped Hidalgo County develop?
The Wired program has been a great success with alliances forming with the economic developing groups, school systems, workforces and training, and construction businesses. This has been great in getting everyone on the same page and working together. RESTEC is more focus on private investment as a region has also been a useful network. Creating networks should be a priority in forming network organizations.
GENERAL INNOVATION ISSUES
What have the major sources of new ideas and information for innovation been in Hidalgo County?
The University has a rapid respond with innovation; it is a great way to nurture new ideas and commercializing it into the market place. Cost for innovation is the biggest issue when commercializing a product. We need a research park like around the country, along with incubators which have been useful setting up in this way. There is not much interaction between firms for innovations in the county.
NEW BUSINESS FORMATION
How does new business formation happen in Hidalgo County? Is it predominately home-grown businesses or do you attract most new business from outside the county?
There is a combination of outside and homegrown businesses in the area with expansions and relocations happening all the time. The perception is that the chamber only deals with outside firms relocating in the county, however seventy five percent of the people at the chamber deals with are people from here, with existing businesses that are growing. Networks play a huge role with companies getting started.
What mechanisms help move research from the lab to prototyping and to business development?
The state has created a program called the Rio Grande Center of Innovation and Commercialization located in Weslaco and has as well created a grant

<p>called Emerging Technology Fund. The grant is for businesses that are starting out, which created different regions and are there to recruit new projects that qualify for this fund. Any new technology companies or business are referred to them for potential funding.</p>
<p>UNIVERSITY-BUSINESS RELATIONSHIPS</p>
<p>How do universities in Hidalgo County support your industry?</p>
<p>The chamber works in conjunction with the UTPA and works closely with the small business center. The University as grown tremendously over the years and for the chamber learning of the latest resources of UTPA as been part of their priorities. There needs to be more research activities and the communities have to work closely with the school to attract these research departments.</p>
<p>GOVERNMENT</p>
<p>How effective is your state and local government in fostering the development of innovative firms?</p>
<p>On the state level there has been too much red tape for the Emerging Technology Fund, and on the local level the university has been great in their research divisions. The Texas Enterprise Fund is also a helpful tool for starting up projects here in the county. We don't have many innovation project but we do have the resources with the University's research divisions. The state works well in recruitment efforts with leads of projects. For example, there are 150 American companies in Reynosa and they need suppliers. We need to create our own clusters and help with those suppliers, which is a great start for economic development and brings plenty of opportunities for this county.</p>
<p>NEW VENTURE SUPPORT</p>
<p>Is there a strong group of local business support and strategic advising services for startups in Hidalgo County? How have they been helpful to you?</p>
<p>Renewal energy needs attention. Women's Business Center and South Texas Development center have been helpful and RESTEC as been a great addition. The University Annex department is also a good resource for start up help or for business proposals. New ventures are difficult to start up in the county. The networking with the EDCs and the University collaboration has been great in fostering new businesses. Depending on their needs such as technical assistances, funding, feasible market analysis, the chamber directs new businesses and has them attend seminars and workshops.</p>
<p>VENTURE CAPITAL</p>
<p>What is your primary source of deal flow in Hidalgo County?</p>
<p>Primarily deal flow is the existing business and word of mouth as help in business attracting business. The chamber has no relationships with angel capitalist. The chamber is also involved with Trade Association, STMA, TMAC, and ICAC (retail association) to provide data. Seed funding is not available.</p>
<p style="text-align: center;">Publisher</p>
<p>REGIONAL DEVELOPMENT</p>
<p>How would you characterize Hidalgo County's economy?</p>
<p>A lot of potential.</p>
<p>What are the greatest strengths for economic development in Hidalgo County?</p>
<p>Lots of young people and at one time unskilled but now with UT and STC to McAllen, much better people.</p>
<p>What are the greatest weaknesses for economic development in Hidalgo County?</p>
<p>Most leaders are territorial, afraid of losing identity. They prefer not to discuss unity.</p>
<p>What are the greatest opportunities for economic development in Hidalgo County?</p>

Last frontiers, beginning.
What are the greatest threats for economic development in Hidalgo County?
Threats not to plan. Leaders understand.
Do you think Hidalgo County has been successful over time?
Growth is already here. Growth, line of separation.
What are some recent examples of key success or failures in Hidalgo County?
We would have been subject to high rates of insurance. The levee system reinforced and saved the cities from this.
NETWORKS
What sorts of professional networks or network organizations have helped Hidalgo County develop?
Economic development corporations, councils, authorities, and all promote area and bring industry. Key factor.
Are existing networks readily accessible to new businesses and residents of Hidalgo County?
Yes improving in the sense of making it much easier to set up shop. Crucial and has very difficult applications and codes and guidelines to follow.
GENERAL INNOVATION ISSUES
What have the major sources of new ideas and information for innovation been in Hidalgo County?
Based on three sectors: business, education and economic development. They are feeders to the economy.
PRIVATE SECTOR RESEARCH AND DEVELOPMENT
Why is your company located in Hidalgo County?
Big industry from 'maquiladoras'. Very strategic, proximity to the country of Mexico, and that plays a key role in businesses. Provides 30-40% of sales.
How does your company foster innovation?
Promoting business at all levels.
UNIVERSITY-BUSINESS RELATIONSHIPS
How do universities in Hidalgo County support your industry?
UTPA, through College of Business, also through efforts of STC, possibly schools and universities work together with economic development.
NEW VENTURE SUPPORT
Is there a strong group of local business support and strategic advising services for startups in Hidalgo County? How have they been helpful to you?
UT has a SBDC, they try to promote but due to the economic situation, bankers are not lending.

Banker
REGIONAL DEVELOPMENT
How would you characterize Hidalgo County's economy?
Hidalgo County's economy is characterized as a lot better than other parts of the country, it is one of the best economies of Texas, the fact that we are close to the border, and the county is a lot diversified than the past.
What are the greatest strengths for economic development in Hidalgo County?

Strength – a lot of our employers is government, such as schools, cities, counties and municipalities. Our proximity to Mexico is very important. The border is still providing for Maquilas to relocate on our side and look for more efficiency and cost reductions, which is an advantage for us. There is still a big demand of homes ranging from \$100K to \$175K here in the county. A mix of lot of good things is creating wealth.
What are the greatest weaknesses for economic development in Hidalgo County?
Weakness – the construction development boom has taken a back seat these days. The credit markets are become a problem for banks. They need the regulators to ease up with their rules and policies. The Examiners are requiring the banks to raise their capital and reduce its risk, which means shirking portfolios creating major issues in the banking industry.
What are the greatest opportunities for economic development in Hidalgo County?
Opportunities – there is still lots of need for housing; Mexico will continue to be a source of income for this area. People from Mexico are not very comfortable with the security in Mexico, and so they are looking for residential or/and bringing their businesses over to this area. Hidalgo County will be the strongest economy of Texas in the next five to seven years. Also the area serves as a huge shopping market for the Mexican resident which is creating success in the retail department. (e.g. the Outlets Stores in Mercedes).
What are the greatest threats for economic development in Hidalgo County?
Threats – the threats is the crimes that are occurring across the border creates issues for us and for businesses who are wanting to relocate to area, at the same time creating some opportunities for us when people are fleeing to this side.
Do you think Hidalgo County has been successful over time?
The county has been successful with a lot of investments and a lot of good work such as the levy situation, turning a bad situation into a good one. The other is the infrastructure with the roads and streets, it seems as we are always behind with the building of them.
What are some recent examples of key success or failures in Hidalgo County?
There has been lots of development such as the added subdivisions and the added commercial real estate in the past 10 years which have been a major success. Area has grown so much and we need to keep improving and make sure everything has been done properly like such as in preparation for the hurricanes.
NETWORKS
What sorts of professional networks or network organizations have helped Hidalgo County develop?
The networks that have helped Hidalgo County development are the university and the other colleges in the region have been extremely important. Networking should be a priority in sharing, digesting, and availability of information is important.
GENERAL INNOVATION ISSUES
What have the major sources of new ideas and information for innovation been in Hidalgo County?
The county has been stagnating in the area of innovation and new ideas. Hispanic market has grown very rapidly. The make up of this area is mostly home grown and not much of corporations. More social and professional played a role in the economy. The bank has been here since the 1930s and has grown State wide which gives them enough to chew on for a while.
How does your company foster innovation?
The bank looks at technologies for new ideas; they look at associations in the banking for new ideas, and other sources of software. The banks objective is to keep up with the bigger firms that can afford better solutions. The bank does not have R&D. They simply follow the market.

What is your company's R&D policy? What is R&D as a percent of sales?
The bank looks at technologies for new ideas; they look at associations in the banking for new ideas, and other sources of software. The bank's objective is to keep up with the bigger firms that can afford better solutions. The bank does not have R&D. They simply follow the market.
GOVERNMENT
How effective is your state and local government in fostering the development of innovative firms?
Local government has not been much of a support as he wanted them to be. The Federal government has been more deterrent to the banking industry than the local government because of their tight regulations.
NEW VENTURE SUPPORT
Is there a strong group of local business support and strategic advising services for startups in Hidalgo County? How have they been helpful to you?
There are not many local agencies that support business developments in the area, aside from the public entities which are important. There needs to be more collaboration between cities and less of the self-interest that you see today. We need a representative of the whole Valley of itself, because whatever happens in the valley has an impact in Hidalgo County. There is not much of help for start-up business and it's not that aggressive. SBA is probably the only source for start-ups. Today ventures are not being started as easy as before because of the banking regulations. Cities do a better job than the county at helping with incubators and other sources of incentives for new businesses. Primarily deal flow with the bank is the word of mouth and the multiple branches in the region. There are not many of angel investors providing seed money. Perhaps there are too many bureaucracies. Most of the bank's business is commercial, and not much of manufacturing business. Has a great relationship with Hidalgo County.

Business Services
REGIONAL DEVELOPMENT
How would you characterize Hidalgo County's economy?
Opportunity, movement, and people from everywhere investing in the area is what characterizes Hidalgo County's economy.
What are the greatest strengths for economic development in Hidalgo County?
The greatest strengths for economic development are that we are next to the border, Reynosa is right across the border and we have Monterrey close by as well which is the richest industrial city in Mexico.
What are the greatest weaknesses for economic development in Hidalgo County?
The greatest weaknesses for economic development are that people from here don't realize that people from Mexico come here to shop and invest. Also the Economic Development Corporations and the Chamber of Commerce should work together to promote more business to Hidalgo County.
What are the greatest opportunities for economic development in Hidalgo County?
The greatest opportunities for economic development are more shopping centers, health care like hospitals and doctors, and more bridges.
What are the greatest threats for economic development in Hidalgo County?
The greatest threats for economic development are that if the economy affects Mexico, it affects it here in Hidalgo County. If the maquiladora industry is bad, it will affect us here as well.
Do you think Hidalgo County has been successful over time?
Overall, Hidalgo County's economy has been a success because we are together with the border, we depend on Mexico and a lot of people are investing

here.
What are some recent examples of key success or failures in Hidalgo County?
Examples of some key successes are several new bridges (Anzalduas, Mission, & Donna bridges and Railroad bridges in Donna and Brownsville), hospitals in Edinburg, and the prices of homes are still good.
NETWORKS
What sorts of professional networks or network organizations have helped Hidalgo County develop?
The professional networks that have had more of an impact on Hidalgo County's development are the economic development corporations from Edinburg, Mission, and McAllen. The chamber on the other hand, is only here to help local businesses and we need the chamber to help promote more businesses from Mexico. Existing networks are accessible, but not for every business. Most of the new businesses have access to the economic development corporations. What happens is that businesses go with the chamber of commerce instead of the EDC's and chamber of commerce has very little information. We need to have a committee that goes out to every business to support our local businesses.
GENERAL INNOVATION ISSUES
What have the major sources of new ideas and information for innovation been in Hidalgo County?
The major sources for new ideas and information for innovation for Hidalgo County have come from San Antonio, Dallas, California, people from Mexico and from the university.
What environmental, cultural, or business factors are important to, or have an impact on, innovation in Hidalgo County?
The environmental, cultural, or business factors that have had an impact on Hidalgo County is the maquiladora industry for the most part. Twelve to fifteen countries are here in the maquiladora industry here in Reynosa and McAllen - from Korea, Germany, Japan, Finland, Swiss, Italy. The way that each country works really affects the people here in Hidalgo County. Also, there has been a lot of new technology since the maquiladora industry was created about 35 years ago.
NEW BUSINESS FORMATION
How does new business formation happen in Hidalgo County? Is it predominately home-grown businesses or do you attract most new business from outside the county?
The businesses here in Hidalgo County are mainly home grown businesses, but every year we attract more businesses from outside the country. More people move from other areas to start a business here in Hidalgo County. People from Reynosa, Monterrey, Victoria, Queretaro, Veracruz, Brownsville and Laredo are just a few of places where people come from to start a business.
Do networks – social, cultural, or professional – play a role in business formation in Hidalgo County?
Social, cultural or professional do play a very important role for business formation. For example, the Hispanic people have their own way of doing business. We tend to help our compadre, which is our friend first before anybody else.

Chamber of Commerce
REGIONAL DEVELOPMENT
How would you characterize Hidalgo County's economy?
Hidalgo County's is characterized as overall fairly strong and position to do well and compete in the 21 st century; growth and sophistication have been

remarkably well.
What are the greatest strengths for economic development in Hidalgo County?
Strength – the proximity to Mexico, manufacturing operation, young workforce, the demographics is in our favor, and higher education is now more available. There will be a huge pipeline of talent in the next 5 -10 years and an explosion of new opportunities to come.
What are the greatest weaknesses for economic development in Hidalgo County?
Weakness – we have a generation and segment of the population with low education levels and who speak very little English. This population will not be able to complete in the 21 st century and will drag the per capita income and drag the educational attainment. It hasn't been a factor for us today but will be a major concern in the years to come. If companies see that as too much of a negative it could hurt us in the long term when competing with other regions.
What are the greatest opportunities for economic development in Hidalgo County?
Opportunities – you will see it in auto, in electronics, in manufacturing, in tourism, and in with the cross flow of business with Mexico and this region.
What are the greatest threats for economic development in Hidalgo County?
Threats – our biggest threats are more of external forces like the U. S. Federal Government, bad policy, implementation of bad policy, fixing the immigration issue, for example building a border wall that does not address the issue of immigration.
What are some recent examples of key success or failures in Hidalgo County?
Key successes are the creation of RESTEC, people recognizing that we have common things and eventually morph into something more sophisticated. Networks that have helped are the Wire project, RESTEC, and 281 projects joint project that will be the seeds to spur the economy. No networks are ready accessible for start up business and its still very disjointed. Different rules and regulation amongst cities make it difficult for business to start up and makes it confusing making it not seamless.
NETWORKS
Should creating and/or improving networks be a priority for Hidalgo County?
Creating networks should not be a priority but a byproduct of some honest common efforts. It should not be political driven but it should all work together building relationships and becoming a great network such as a biological ecosystem.
GENERAL INNOVATION ISSUES
What have the major sources of new ideas and information for innovation been in Hidalgo County?
Chamber's biggest challenge and has not done enough to foster innovation that well. Innovation is the foundation for economic development for creating jobs and producing. For example, Silicon Valley innovation is the core for economic development and it's critical and how do you foster it in the community. Instead of companies going to the west coast or other cities to get their concepts and ideas off the ground, they should start here. Foster and create here. Small business grants have also been helpful in the process. The question is, "How do you create wealth within the community." In terms of jobs your creativity is your asset and resource.
What environmental, cultural, or business factors are important to, or have an impact on, innovation in Hidalgo County?
We are still in our infancy stages. There is great opportunity for "cross cultural" for the next wave of elite managers to come here bringing creativity and innovation to this area, which mostly all new ideas come from Mexico and they feel comfortable here. So why don't we foster it here. One of the strategies for economic development is looking at the clustering of industries and the region. Then you look at the collaboration of those industries and

<p>what’s coming out of those innovations. We have not done a good job of coordinating and supporting this companies fostering clusters and getting communication and information across. If comparing ourselves to other around the United States we are behind the curve.</p>
<p>NEW BUSINESS FORMATION</p>
<p>How does new business formation happen in Hidalgo County? Is it predominately home-grown businesses or do you attract most new business from outside the county?</p>
<p>There is a very strong entrepreneur spirit in this region. Seeing a lot of “micro businesses” or people that have regular eight to five jobs and have a small business on the side based out of their home or an office. A lot of people are coming from Mexico because of security issues and are bringing there business over to our side. There is not much of a networking of entrepreneurship here in the area as compared to other regions. Looking at the local business mix, such as the franchises versus the corporations and the local start up business, two thirds of the activities are coming from the local start up businesses.</p>
<p>Do you partner in R&D with other companies in your industry? Your suppliers?</p>
<p>Tracked of the number of patents formed in the past years and the region has done a poor job in this area. In the past 10 year, the community has patented around 50 as compared to other places like Travis County who had about 3,000 and Bexar County which had 1,500 patents within the same ten years. Patents filed are an indication of research and development. A key component of research and development will be higher education. UTPA has tried and is trying to make that transition from being a typical teaching university to a research university. It is still in the transition period. There is no partnering with other research and developing firms for innovation in the area, it is still very disjointed. There is still very little activity of research labs and developing departments on innovation. When looking at other models in terms of research and innovation the university plays a critical component in the innovation process and it’s still not happening here.</p>
<p>UNIVERSITY-BUSINESS RELATIONSHIPS</p>
<p>How do universities in Hidalgo County support your industry?</p>
<p>There is a huge disconnection between UTPA and the community it serves. There are not much of relationships with the university.</p>
<p>GOVERNMENT</p>
<p>Does the state and local government work with the private sector to attract suppliers, manufacturers, and service providers related to business needs in Hidalgo County?</p>
<p>The state government has supported very little, such as Enterprise Fund and Emerging Technology Fund but has not seen many projects. Thinks that bringing a federal research lab such as in Boston, South Carolina, and Silicon Valley, will create wealth and is critical to the community.</p>
<p>In addition to your organization, are there any other important government offices or non-profit organizations that support business development in Hidalgo County?</p>
<p>Each city with has its own economic development center and they all play a role working to recruit their own suppliers are having some success, and still very “old fashion.” The higher level activities such as the research and development, the county has still not gotten their arms around it.</p>
<p>VENTURE CAPITAL</p>
<p>What is your primary source of deal flow in Hidalgo County?</p>
<p>There is not much of help with the start up businesses in the area. They are too risky for the banks and are not supported very well. The primarily resource of deal flow is with the credit cards, next are the angel investors however very little of it.</p>

Do you have involvement in industry associations?
The chamber is involved with the STMA, maquila managers and RESTEC.
Is there an angel community in Hidalgo County or nearby areas providing seed capital where traditional venture capital does not?
Some of our weaknesses are not having venture capitalist, no angel networks and if we are trying to compete against other counties that something we have to work at. There is not a network that is solely for entrepreneur or micro businesses. Very little relationships with angel investors and is part of their goal is to grow their membership and angel investors network. Can count the number of angel investors in one hand and that is a problem.

Community College Workforce Development
REGIONAL DEVELOPMENT
How would you characterize Hidalgo County's economy?
Hidalgo County's Economy- McAllen MSA – ranked one of the top in nation in terms of job growth; economy-faring better than rest of nation and the state of Texas.
What are the greatest strengths for economic development in Hidalgo County?
Greatest strengths – good business climate; Hidalgo County positioned globally; has regional strategy on economic development. Rio South Texas Economic Council– identified 6 target industries to grow – aggressive economic strategy; national and global exposure; WIRED Project – created network of talent developed strategy; RAPID Response Manufacturing Center connected with UTPA; STC- five campuses; STC's current Fall enrollment 25,000; College 15 years old (Star County, Pecan Campus, Weslaco Campus, Regional Allied Health Campus, & Technology Campus) UTPA extensions on STC property in Star, outreach center at Pecan Campus & at the Technology Campus; master plan- expected growth in 2020 - 45,000 enrollment; future talent will attract future companies; talent and skill set ranked 3 rd for company site selection, so a skilled workforce is paramount for Hidalgo County.
What are the greatest weaknesses for economic development in Hidalgo County?
Weaknesses – high school drop-outs; our competition is between other states and other countries like India, China, etc.; our demographics – 40% of our pop. with no high school diploma; Hidalgo must close education gap; company now looking to open company & create 500 jobs but their concern is skilled workforce; regional council has set up training and contextual models for technical training & literacy skills; workforce solutions Bonnie Gonzalez –CEO- investments on literacy training, GED, occupational and literacy skills; regional plan in place to address needs; Hidalgo must show numbers to reflect high school drop-out rate is decreasing.
What are the greatest opportunities for economic development in Hidalgo County?
Greatest opportunities – Hidalgo County located strategically as third coast; distribution trade routes from deep Mexico run through McAllen; proximity to Mexico great asset; “as maquiladoras grow, we grow”; Japan came to visit and pleased with UTPA engineers– UTPA produces very specialized type of engineer; Japan bringing division down and wants to align world class curriculum standards; our culture positions us globally on how we do business; trade routes, bridges, multi-modal infrastructure- great opportunities; Panasonic moving corporate office to McAllen.
What are the greatest threats for economic development in Hidalgo County?
Greatest threats – China was- outsourcing molds, now tool shops are coming here; companies are now restructuring; our niche – rapid response manufacturing – from idea to production in the least amount of time; a company's design phase will be here and, thus, the need for higher skilled workforce but the production will be in Mexico; Dr. Miguel Gonzalez – associate dean for Dept. of Engineering at UTPA- worth interviewing.

What are some recent examples of key success or failures in Hidalgo County?
Examples of recent successes – Panasonic’s announcement of moving corporate headquarters to McAllen; Edinburg- awarded multi-million superiority grant; plants announced in Edinburg; expansion of new companies replacing plant closures.
NETWORKS
What sorts of professional networks or network organizations have helped Hidalgo County develop?
WIRED – based on the social network model; NAAMREI – three alliances (UTPA, Region One, and STC) - measures how we are interfacing and communicating through the professional network; RIO South Texas Economic Council – network holds weekly meetings through webcam platform with STC and California.
Are existing networks readily accessible to new businesses and residents of Hidalgo County?
Network accessibility - South Texas Manufacturing Association is a network to support retention and growth of STC students and the Maquila Association is a network, and all the Economic Development Corporations; business network of boards report to each other and stay connected.
Should creating and/or improving networks be a priority for Hidalgo County?
Creating and/or improving networks as priority – yes, Judge Salinas good leadership within county level, education level, and regional level; as culture of networking and collaboration is built and rises, then it will be easier for business models to change and integrate; RIO South Texas website up in September – “Collaborate to Compete”.
GENERAL INNOVATION ISSUES
What have the major sources of new ideas and information for innovation been in Hidalgo County?
Niche – RAPID Response Manufacturing Center – innovation catalyst; moving toward entrepreneurship model; changing engineer’s mindset and working on a research culture; UTPA is growing on our research model; UTPA’s engineer’s are hired around the world – our talent is getting experience but we need to capture and identify them and recruit them; Ireland – good example of talent recruited to other countries but then recaptured talent to work in native country after high-tech companies moved to Ireland.
Where or who did they come from?
STC traveled to North Carolina research triangle- learned culture of research environment must be created first within university and cities; evidence is showing we’re making strides, enough for relocating companies to come; Vision - Congressman Hinojosa helping on world-class research center here- Verde – has a 110 acres to build an innovation park with the City of McAllen - companies to attract are R&D; need more support from the state legislature – need more funds for research; land and investment are here but more support from legislature; need to be designated as a tier-two research institute- not here yet; superiority grant awarded for RAPID Response project, trying to recruit someone from Japan (ALPS Company) for superior research around the RAPID project.
What environmental, cultural, or business factors are important to, or have an impact on, innovation in Hidalgo County?
Companies together serving on action committees and working with the university and collaborating already; university asking what do we need to provide for the innovation bubble to help businesses and companies; Dr. Gonzalez can answer many of these questions; also, Dr. Lloyd from the RAPID Response will be good to interview.
NEW BUSINESS FORMATION
How does new business formation happen in Hidalgo County? Is it predominately home-grown businesses or do you attract most new business from

outside the county?
New business formation – looking for incentives; from manufacturing context – small business development is mostly home-grown; from economic development context – Edinburg first for site certification for projects – national certification, investors will look to see if area meets certain standards and if its site certified and then invest; Edinburg first to be certified in state of Texas; tremendous asset to market our region; initially, area attracted home-grown businesses, now investors are coming in from all over the world.
Are company founders typically from Hidalgo County, or are they people who have moved to Hidalgo County to start a company?
Company founders - regional marketing development is coming out of the RIO project to go after new business formation; also, each economic development chamber is an arm to new business formation– Report on Hidalgo County ranked high on growth through expansion; example- Hunt Development did not originate here but is now headquartered here; investment dynamics have changed over the years, now at a global level.
Do networks – social, cultural, or professional – play a role in business formation in Hidalgo County?
Role of social, cultural, or professional networks – play important part in business formation and bring forth a competitive edge; before area much divided for years but mindset has changed and now we are a defined region rather individual competitive cities. RIO asset mapping to be launched first week in September.
UNIVERSITY-BUSINESS RELATIONSHIPS
How do universities in Hidalgo County support your industry?
University- part of the network; STC daily on phone with UTPA; quarterly reports on NAAMREI website; we must demonstrate how many companies are being serviced through RAPID Response – we have met the target; RAPID Response network is their arm; seven counties on their network from Brownsville to Webb County; next year STC will be working with UTB (wind energy) and Texas A&M (supply chain area) -these are different centers of innovation; Zapata got funding for industrial parks around community services and centers and Rapid Response will work with engineers to design and manufacture something...; lines are fluid and STC is servicing them.
How has this changed over time?
Transformation from 2006 – since bond got passed; regional economic development is part of STC guiding principles – part of mission statement; STC Technology campus is headquarters to NAAMREI Project; they are part of the STEM system; teachers and students are getting educated in the lab at Region One; 485 student activities are there for student utilization.
Has your company licensed technology form a university, private research institution, or federal lab?
Emphasis on commercializing research – superiority grant will bring accredited individuals; emerging technology fund – all about the commercialization, applied research, & innovation.

University Researcher
REGIONAL DEVELOPMENT
How would you characterize Hidalgo County’s economy?
Growing quickly.
What are the greatest strengths for economic development in Hidalgo County?
Demographics. Marketing support levels of jobs attract and grow the county. High level job.

<p>What are the greatest weaknesses for economic development in Hidalgo County?</p> <p>Perception and expectations difference b/w state and federal no preconceived notion. State: Austin preconceived harder to get people to come. Chin up tend to continue to repeat where we come from moving forward. Remind ourselves to look forward to horizon and focus on the growth.</p>
<p>What are the greatest opportunities for economic development in Hidalgo County?</p> <p>Great resources to attract wide variety of corporations tied with threats: resources missing. Step forward challenge. Private and public. Us and Brownsville. STC and UTPA. Focus we were good at it then we can more successful. Synergy rather than competition. Great but no place like R&D. Discussion but finding right investor businesses and capitalize on invention but right now is mom and pop business. Incubation. Where to go. Find money. Set of angel investors for technology development. Education yes. But need to figure out educate other kind of Investments.</p>
<p>Do you think Hidalgo County has been successful over time?</p> <p>20 years ago. University much more reflective it will be like. Long and slow movement but surely. Part of UT System. People come here and believe and from within support growth. Directors of EDC significant impact on marketing the region. Nowhere in terms of growing middle class and professionals well education.</p>
<p>What are some recent examples of key success or failures in Hidalgo County?</p> <p>A lot details on failures from EDC. Success: recent recommendation by PTEF board for funding \$2.5 million to recruit world class in manufacturing engineering UTPA takes the lead. Experience perception in Austin this is not possible. Not give up. Got to do it. Develop image program greater than imagined. Not UTPA alone plus industrial industrial EDC/partners. Work together. Great example. Patents issued. License agreements. UTPA growing research based success.</p>
<p>NETWORKS</p>
<p>What sorts of professional networks or network organizations have helped Hidalgo County develop?</p> <p>Biased/position. Collaboration b/w EDCs McAllen, Mission, and Edinburg. Three work together. Network folks RD issues involve EDC land developers and city representatives. Nature of job not related county but federal agencies/Washington DC. NSF/regular basis. Strong relationship. Companies work within agencies connected to their network. Outside the county. Larger network. Positive asset for the county. Even students move away still from county.</p>
<p>Are existing networks readily accessible to new businesses and residents of Hidalgo County?</p> <p>Terms of businesses, do know networks bring in from capital, bearing to restaurants connected. Sport events. Social networks. IBM/ private schools/ Influence some of the development of county. Positive things done in the county.</p>
<p>Should creating and/or improving networks be a priority for Hidalgo County?</p> <p>Should do nothing from stopping from happening. How to build since networks built relationships. Kind of interaction sustainable acquaintance than true edge ground. Places to get people involved angel funding. Industries multi million dollars that we do not know about. Lab work and UTPA. Manufacturing areas not necessarily TMAC eventually. People do not think about UTPA to do research. Professional schools yes. But with UTPA: Bachelor/ not information on what the UTPA does. Difference between job and education. Community does not know what UTPA does. Communication department to do press release weekly basis. Limited budget. Shift resources to run the press release. Merging and consolidating different services. Marketing University taken a change focus VP for advancement understand role of marketing. All aspects of UTPA. All we had was HESTEC /FESTIBA/international week. Airways. Broader view. We need to do more.</p>
<p>GENERAL INNOVATION ISSUES</p>

What have the major sources of new ideas and information for innovation been in Hidalgo County?
Faculty storage dissemination. Growing entrepreneurship. On campus. County has phenomenon entrepreneurial initiatives but just not called that buzz word. Businessman not seeing himself as entrepreneurial all mom and pop as enterprises. Niche discovered and filled. Risk taking. But in terms UTPA. Transfer inventions and innovations to community at large. College of Business with the City of McAllen boot camp. Social innovation/entrepreneurship/ formal started couple of words. Got to figure out how to do it. Expertise. Discussion but not formal attempt.
What environmental, cultural, or business factors are important to, or have an impact on, innovation in Hidalgo County?
Position: witnesses change in environment/culture. UT system brings more faculty with research. Late 90s to talk about research. More formalized. Early 2000 release program 3 years redirection of workload. Formalized. Emphasis and more support. Culture to have or create research agenda. Slow move forward. Time and corporation like IBM and seen slow change and idea how to develop and move. Tension between business and university. Regulations. Tax dollars. EDC McAllen. Advocate. Behave like nothing to lose. Judge Salinas. Decided to step up. Change. Tired of situation. Synergy.
Some people argue that the interaction between firms in different industries is a major source of innovation. Is there much of this creative interaction between different firms in Hidalgo County?
Perspective: social around develop. Research multi discipline. Personal bias science is not in a closet. Incredible bright people. Did science by themselves. Communal activity. Research activity. Innovation. Going on at UTPA. Land developers. Impact of innovation.
NEW BUSINESS FORMATION
How does new business formation happen in Hidalgo County? Is it predominately home-grown businesses or do you attract most new business from outside the county?
Mix of both. EDC. UTPA: work at it. Product from inside. Corporations executives from valley work a person serious entrepreneurial with technology start up.
Are company founders typically from Hidalgo County, or are they people who have moved to Hidalgo County to start a company?
Produce cities restaurants from elsewhere. Existing cities. Advantages of the valley. Demographics. Mexico.
UNIVERSITY R&D
How do universities in Hidalgo County interact with businesses? Has this relationship changed or improved over the past years?
UTPA interacts with TMAC, small businesses, community engagement, research, academics. Some schools. Interact support business. Contract research. Senior projects. Local but corporations. Partners with other business feasibility with state. Support proof of concept. Advancement of manufacturing. Work members of community. Development research based. Incubation and research park.
Are research partnerships with business prevalent in Hidalgo County?
Not as prevalent. Contracts from outside state. 400 thousands/ year research railroad. Connection.
Are the partnerships focused around basic research or technology commercialization?
Based around applied research and research. Last few years more focus on research technology commercialization new. Standard format for a cie to do business. Formal contract. Fairly clear. Investigate. Sponsored project.
VENTURE CAPITAL
Do you have linkages with university R&D initiatives or technology licensing offices in Hidalgo County?
Work with the county. Judge involved. Councils. Help what UTPA can do. Judge hires them as consultants when needed.

Is there an angel community in Hidalgo County or nearby areas providing seed capital where traditional venture capital does not?

Some support for incubation. Network not been helpful. Doing not in technology. Contact of Houston and Austin engaged with them. Involved in network branch here. To fund projects not in the valley. Raise money. Entrepreneurship is there. Innovation see not huge but happening. Weslaco bus incubator. Risk high and chance to be here low. Group working on road park. Funding. Commerce pre incubator. Working for incubation.

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