This project is the result of collaboration with the local governments of the City of McAllen, the McAllen Economic Development Corporation and, most importantly the citizens of McAllen. A special thanks to the many businesses and community leaders of the City of McAllen who shared candid comments and suggestions about economic development in the City.

This plan was developed by the McAllen Chamber of Commerce in consultation with City of McAllen leaders and citizens. It represents an analytical and objective analysis of McAllen’s economy and economic development options and utilizes the preferences of the community in making recommendations that offer the best economic development outcomes.
Fifty years ago, the Rio Grande Valley of South Texas was a rural, agriculture-based economy characterized by sporadic growth. Today, the area is being transformed into a major international trade area.

The City of McAllen economic scan presented here is intended to provide an overview and comparison of both temporal and point-in-time socio-economic data to assist City of McAllen leaders. Objective data is an important component of making sound public policy decisions. Prior to undertaking the economic scan, the McAllen Chamber of Commerce compiled and analyzed data from both public and proprietary sources in order to identify trends in the city that have a significant impact on Hidalgo County’s economy. The resulting data was used to conduct a SWOT analysis, which characterized the County’s strengths, weaknesses, opportunities, and threats (SWOT) in economic development. In some cases, the economic scan builds on previous data from the SWOT analysis. The general layout of the economic scan is to provide information in a written and graphical format that can be updated by county and EDC staff in the future as new publicly available data is released.

The economic scan provides an overview of data important to broadly defined economic development planning, but it cannot capture every indicator or level of detail for all data sections. General observations and notes on the measures provided are included within the economic scan.

The economic scan includes the following sections:
1. McAllen Overview
2. Population
3. Economic Factors
4. Retail Trade
5. Cost of Living
6. Economic Trends
7. Competition
8. Social Factors
9. Health Care Environment
10. Political Factors
11. Infrastructure
12. SWOT Analysis
DEMOGRAPHIC CHARACTERISTICS

McAllen Overview

Fifty years ago, the Rio Grande Valley of South Texas was a rural, agriculture-based economy characterized by sporadic growth. Today, the area is being transformed into a major international trade area by developing first-rate commercial, retail, office, industrial, medical, retirement and educational facilities. The promotion of international and retail trade, tourism and manufacturing is among the most successful along the U.S.-Mexico Border.

The Rio Grande Valley includes the four southern-most counties in Texas: Cameron, Hidalgo, Starr and Willacy. It is in the geographic center of the region most recently termed the Rioplex, which includes the four Rio Grande Valley counties and the Northern Mexico border cities between Matamoros and Ciudad Mier.

The principal cities of McAllen, Brownsville and Harlingen combine to form the northern half of the Rioplex and are among the most rapidly growing region in America. The 2013 Census places the population of the McAllen MSA at 877,959, a 54% increase over 2000. The southern half of the Rioplex includes the Mexico border cites of Matamoros, Rio Bravo and Reynosa, which contribute at least another 1.7 million to the region’s population. The city of Reynosa according the Census of 2010 had a population of 608,891. This brings the total population of this bi-national, bicultural, bilingual, international metropolitan area to 1.4 million.

Hispanics represent 90% of the McAllen area population and individuals under 35 years of age make up between 59.3% of the population. The population, although diverse, is defined by two dominant demographic criteria: Hispanic and young.

Comparison of Population within Selected Metro Areas

<table>
<thead>
<tr>
<th>Metropolitan statistical area</th>
<th>1990</th>
<th>2000</th>
<th>2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Atlanta-Sandy Springs-Marietta, GA</td>
<td>3,068,975</td>
<td>4,247,981</td>
<td>6,162,195</td>
<td>1,914,214</td>
</tr>
<tr>
<td>Dallas-Fort Worth-Arlington, TX</td>
<td>3,989,294</td>
<td>5,161,544</td>
<td>7,206,144</td>
<td>2,044,600</td>
</tr>
<tr>
<td>Detroit-Warren-Livonia, MI</td>
<td>4,248,699</td>
<td>4,452,557</td>
<td>5,314,163</td>
<td>861,474</td>
</tr>
<tr>
<td>El Paso, TX</td>
<td>591,610</td>
<td>679,622</td>
<td>1,044,496</td>
<td>364,874</td>
</tr>
<tr>
<td>Houston-Sugar Land-Baytown, TX</td>
<td>3,767,233</td>
<td>4,715,407</td>
<td>6,508,323</td>
<td>1,792,916</td>
</tr>
<tr>
<td>Las Vegas-Paradise, NV</td>
<td>741,368</td>
<td>1,375,765</td>
<td>2,275,195</td>
<td>899,430</td>
</tr>
<tr>
<td>McAllen-Edinburg-Mission, TX</td>
<td>383,545</td>
<td>569,463</td>
<td>877,959</td>
<td>308,496</td>
</tr>
</tbody>
</table>

Metropolitan statistical area | 1990 | 2000 | 2013 | Change
Atlanta-Sandy Springs-Marietta, GA | 3,068,975 | 4,247,981 | 6,162,195 | 1,914,214 | 45%
Dallas-Fort Worth-Arlington, TX | 3,989,294 | 5,161,544 | 7,206,144 | 2,044,600 | 40%
Detroit-Warren-Livonia, MI | 4,248,699 | 4,452,557 | 5,314,163 | 861,474 | 19%
El Paso, TX | 591,610 | 679,622 | 1,044,496 | 364,874 | 54%
Houston-Sugar Land-Baytown, TX | 3,767,233 | 4,715,407 | 6,508,323 | 1,792,916 | 38%
Las Vegas-Paradise, NV | 741,368 | 1,375,765 | 2,275,195 | 899,430 | 65%
McAllen-Edinburg-Mission, TX | 383,545 | 569,463 | 877,959 | 308,496 | 54%
According to the U.S. Census, the McAllen MSA grew by more than 205,306 people since 2000, a 36.1% growth rate, or 3.61% annually. By 2015, McAllen’s population is projected to exceed 132,041, while the MSA will grow to an estimated 839,625 persons.

The U.S. Hispanic population has soared to 16.7% of the U.S. total. The importance of this explosion in the Hispanic population is pertinent both in sheer numbers and economic impact. Growth indicators project that by the year 2015, Hispanics will be the largest minority group in America.
The McAllen MSA has the 13th largest Hispanic population in the U.S., totaling 707,327. Hispanics comprise 90.7% of McAllen MSA’s population. The table above presents the Metropolitan Statistical Areas with the highest Hispanic population in the U.S. The table does not take into account the population on the other side of the border that in reality increases the market potential for Hispanics in the McAllen MSA.

McAllen City, Texas
General Demographic, Household and Income Characteristics
2014

<table>
<thead>
<tr>
<th>QuickFacts</th>
<th>McAllen</th>
<th>Texas</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General Demographic Characteristics</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Population, percent change, 2000 to 2014</td>
<td>30.0%</td>
<td>29.0%</td>
</tr>
<tr>
<td>Population, 2000</td>
<td>106,414</td>
<td>20,851,820</td>
</tr>
<tr>
<td>Persons under 5 years, percent, 2014</td>
<td>8.07%</td>
<td>7.3%</td>
</tr>
<tr>
<td>Persons under 18 years, percent, 2014</td>
<td>32.04%</td>
<td>26.6%</td>
</tr>
<tr>
<td>Persons 65 years and over, percent, 2014</td>
<td>11.70%</td>
<td>11.2%</td>
</tr>
<tr>
<td>Female persons, percent, 2014</td>
<td>52.15%</td>
<td>50.3%</td>
</tr>
<tr>
<td>White persons, percent, 2014 (a)</td>
<td>45.97%</td>
<td>80.3%</td>
</tr>
<tr>
<td>Black persons, percent, 2014 (a)</td>
<td>51.0%</td>
<td>12.4%</td>
</tr>
<tr>
<td>Living in same house 1 year &amp; over, 2009-2013</td>
<td>85.1%</td>
<td>82.8%</td>
</tr>
<tr>
<td>Foreign born persons, percent, 2009-2013</td>
<td>29.2%</td>
<td>16.3%</td>
</tr>
<tr>
<td>Mean travel time to work (minutes), workers age 16+, 2009-2013</td>
<td>20.1</td>
<td>25.0</td>
</tr>
</tbody>
</table>

2013

| **Household characteristics** | | |
| Housing units, 2013 | 48,672 | 9,977,436 |
| Homeownership rate, 2009-2013 | 61.4% | 63.3% |
| Housing units in multi-unit structures, percent, 2009-2013 | 25.8% | 24.2% |
| Median value of owner-occupied housing units, 2009-2013 | $108,900 | $128,900 |
| Households, 2009-2013 | 42,061 | 8,886,471 |
Persons per household, 2009-2013  
3.13  
2.82  

**Income characteristics**  
Per capita money income in past 12 months (2010 dollars) 2009-2013  
$20,926  
$26,019  
Median household income 2009-2013  
$41,163  
$51,900  

(a) Includes persons reporting only one race.  
(b) Hispanics may be of any race, so also are included in applicable race categories.  
Source: US Census Bureau State & County QuickFacts  

**ECONOMIC FACTORS**  

McAllen is located at the center of the Rio Grande Valley and provides a direct connection between the international and U.S. markets. Located strategically in the Rio Grande Valley of South Texas, McAllen is only eight miles from the U.S.-Mexico border. The City has made a tremendous effort to enhance McAllen with great amenities, economic and community development projects. The McAllen area is being transformed into a major international trade area by developing first-rate commercial, retail, office, industrial, medical, retirement and educational facilities. The promotion of international and retail trade, tourism and manufacturing is among the most successful along the U.S.-Mexico Border.  

Integral parts of the McAllen economy are visitors and investors from Mexico. They expand the McAllen trade area to Reynosa and Monterrey, Mexico and other cities in the north of Mexico. Reynosa, according the Census of 2010 had a population of 608,891. The Monterrey area, the second most important economic zone in Mexico had more than 4 million in population according to the 2010 Census. This trade area in Mexico is with less than a 3’hour drive, which helps explain the economic benefits that Mexican Shoppers bring to the McAllen area.  

Some important Accolades for the McAllen MSA:  

- **McAllen had the 17th fastest growing employment in the nation during the recovery** – Brookings, 2013  
- **McAllen is the third least expensive urban area in the Cost of Living Index** – C2ER, 2014 and ranked first in 1Q2015.  
- **McAllen area ranks second in U.S. job outlook** – Manpower Group, 2015  
- **The McAllen region ranks 3rd nationwide (in percentage) to have more jobs than before the recession** - U.S. Bureau of labor Statistics, 2013  
- **McAllen MSA ranked #1 in the nation for long term job growth**  
- **McAllen MSA #3 Among Top Mid-Sized Cities in the U.S. for Jobs**  
  - Forbes, 2012  
- **McAllen MSA ranked #18 Best Performing City in the Nation**  
  - Forbes, 2012
- McAllen MSA ranked #7 Fastest Growing U.S. City
  - CNN Money, 2012
- Texas / Mexico corridor was named a Top Region to Watch in 2012 for automotive manufacturing revival
  - Forbes, 2012
- McAllen MSA was named the fastest growing metro area in the nation
  - The Fiscal Times, 2012
- 29% of McAllen’s general population with a bachelor’s degree or higher outperformed state and national averages of 26% and 28% respectively
  - U.S. Census Bureau – American Community Survey, 2012
- McAllen MSA was ranked as the best housing market in the nation

**Retail Trade**

It is an undisputed fact that McAllen is the retail center of South Texas and Northern Mexico, drawing from a consumer base of over 10 million people within a 200-mile radius. In the bi-national metropolitan area, McAllen retailers serve an immediate market population of 1.8 million. McAllen is represented by 40 of America’s top 100 retailers.

The Texas Comptroller tracks the top 20 cities in Texas on a regular basis. Retail sales tax collections provide the clearest illustration of McAllen’s retail sales experience. The table below presents the top 20 cities in Texas in terms of the Sales Tax Collections for 2013. It also presents the most recent census population estimates for 2013. We have included in the Actual Retail Sales in 2013 that occurred in the top 20 cities to highlight the extraordinary strength of McAllen’s ranking within this group of cities.

**McAllen ranks #2 among these cities in Per-capita Retail Sales**

<table>
<thead>
<tr>
<th>Rank</th>
<th>City</th>
<th>Gross Sales Total</th>
<th>Population</th>
<th>Households</th>
<th>Per Capita Sales</th>
<th>HH Sales</th>
<th>Avg HH Income</th>
<th>Actual Retail Sales Above HH Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Houston</td>
<td>$72,259,404,380</td>
<td>2,238,797</td>
<td>835,664</td>
<td>$32,276.00</td>
<td>$86,468.45</td>
<td>$67,536</td>
<td>$18,933.45</td>
</tr>
<tr>
<td>2</td>
<td>McAllen</td>
<td>$3,566,361,554</td>
<td>135,689</td>
<td>43,830</td>
<td><strong>$26,283.35</strong></td>
<td>$81,368.05</td>
<td>$57,055</td>
<td>$24,313.05</td>
</tr>
<tr>
<td>3</td>
<td>San Antonio</td>
<td>$28,973,699,397</td>
<td>1,400,026</td>
<td>509,251</td>
<td>$20,695.12</td>
<td>$56,894.73</td>
<td>$60,185</td>
<td>-$3,290.27</td>
</tr>
<tr>
<td>4</td>
<td>Dallas</td>
<td>$21,916,157,238</td>
<td>1,269,197</td>
<td>486,820</td>
<td>$17,267.73</td>
<td>$45,019.02</td>
<td>$64,693</td>
<td>$19,673.98</td>
</tr>
<tr>
<td>5</td>
<td>El Paso</td>
<td>$8,717,390,875</td>
<td>676,568</td>
<td>229,591</td>
<td>$12,884.72</td>
<td>$37,969.22</td>
<td>$59,859</td>
<td>$21,889.78</td>
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<tr>
<td>6</td>
<td>Austin</td>
<td>$17,267,160,650</td>
<td>874,227</td>
<td>361,063</td>
<td>$19,751.35</td>
<td>$47,823.12</td>
<td>$72,437</td>
<td>$24,613.88</td>
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<tr>
<td></td>
<td>Texas</td>
<td>$436,592,607,432</td>
<td>26,668,922</td>
<td>9,468,956</td>
<td>$16,370.84</td>
<td>$46,107.79</td>
<td>$70,565</td>
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</table>

Source: Source NAI Rio Grande Valley
McAllen ranks #1 among these cities in ACTUAL retail sales per household

<table>
<thead>
<tr>
<th>Rank</th>
<th>City</th>
<th>Gross Sales Total</th>
<th>Population*</th>
<th>Households*</th>
<th>Per Capita Sales</th>
<th>HH Sales</th>
<th>Avg HH Income</th>
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<td><strong>$24,457.21</strong></td>
</tr>
</tbody>
</table>

After analysis, one will find that in 2012, McAllen Ranked 15th in population among the top 20 cities in Texas, but ranks 1st in **ACTUAL** retail sales per household, 2nd in **sales tax** per household and 4th in **per capita** sales tax. McAllen is clearly the dominant retail center in all of South Texas.

**Sales Tax Collection 2008 vs. 2013**

![Graph showing sales tax collection comparison between 2008 and 2013](image)

Considering that the State’s population is about 23 million and statewide retail sales were approximately $300 billion, per capita retail sales statewide amount to $12,945, while McAllen’s is over two times the state average and 140% of the average of the top 20.

In 2014 the City of McAllen achieved over $7.1 billion in total retail sales. This represents 37.9% of all retail sales in Hidalgo County and 86.7% of all retail sales in Cameron County.
### Total Sales 2014

<table>
<thead>
<tr>
<th></th>
<th>Total Sales 2014</th>
<th>% of RGV</th>
<th>McAllen % of Hidalgo County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hidalgo County</td>
<td>$17,542,514,312</td>
<td>69.6%</td>
<td>37.9%</td>
</tr>
<tr>
<td>Cameron County</td>
<td>$7,528,308,337</td>
<td>30.4%</td>
<td>37.5%</td>
</tr>
<tr>
<td>McAllen</td>
<td>$7,113,431,494</td>
<td>26.4%</td>
<td>86.7%</td>
</tr>
<tr>
<td>COMBINED RETAIL SALES</td>
<td>$12,995,136,188</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

**SOURCE:** Michael J. Blum and ourcpa.cpa.state.tx.us/allocation/HistSalesResults.jsp

McAllen is the retail center of South Texas and Northern Mexico, drawing from a consumer base of over 10 million people. This sector has become the driving force in McAllen’s economy, growing a staggering 138% over the last 10 years, to over $7.1 billion and employing 27% of the workforce.

McAllen is known to generate an average of 1.8 million visitors per month, which amounts to more than 18 million visitors annually. Many national retailers located there are among the most profitable stores in their chains.

McAllen’s La Plaza Mall has more than 140 specialty stores. Anchors include Dillard’s, Macy’s, Macy’s Home and Children’s Store, JC Penney and Joe Brand.

- When Guess Inc. launched its new clothing boutique, Marciano, in 2004, the company chose Los Angeles, Toronto and McAllen as its three test cities.
- Macy’s, owned by Macy’s in Cincinnati, says operations in McAllen and nearby Laredo are its fastest-growing locations.
- JC Penney says about three quarters of customers at its McAllen store are from Mexico and last year the chain allowed Mexican shoppers to apply for its gift registry and credit card.
Cost of Living

The ACCRA Cost of Living Index measures differences between areas in the cost of consumer goods and services, excluding taxes and non-consumer expenditures, for professional and managerial households in the top income quintile. It is based on 59 items, for which prices are collected quarterly by a chamber of commerce, economic development organization or some similar group in each participating urban area. Small differences should not be interpreted as showing any measurable difference, according to ACCRA.

ACCRA COST OF LIVING INDEX COMPARISON FIRST QUARTER 2015 ANNUAL AVERAGE DATA

<table>
<thead>
<tr>
<th>Most Expensive</th>
<th>COL Index</th>
<th>Ranking</th>
<th>Urban Areas</th>
<th>COL Index</th>
<th>Ranking</th>
<th>Urban Areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York (Manhattan) NY</td>
<td>223.7</td>
<td>1</td>
<td>New York</td>
<td>1</td>
<td>McAllen TX</td>
<td></td>
</tr>
<tr>
<td>Honolulu HI</td>
<td>190.4</td>
<td>2</td>
<td>Harlingen TX</td>
<td>2</td>
<td>McAllen TX</td>
<td></td>
</tr>
<tr>
<td>New York (Brooklyn) NY</td>
<td>175.3</td>
<td>3</td>
<td>Youngstown-Warren OH</td>
<td>3</td>
<td>Harlingen TX</td>
<td></td>
</tr>
<tr>
<td>San Francisco CA</td>
<td>173.2</td>
<td>4</td>
<td>Pueblo CO (tie)</td>
<td>4</td>
<td>Idaho Falls ID (tie)</td>
<td></td>
</tr>
<tr>
<td>Truckee-Nevada County CA</td>
<td>157.5</td>
<td>5</td>
<td>Richmond IN</td>
<td>5</td>
<td>Idaho Falls ID (tie)</td>
<td></td>
</tr>
</tbody>
</table>

McAllen is the third least expensive urban area in the Cost of Living Index – C2ER, 2014 and ranked first in 1Q2015.
<table>
<thead>
<tr>
<th></th>
<th>Area</th>
<th>Index</th>
<th></th>
<th>Area</th>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>Orange County CA</td>
<td>146.8</td>
<td>6</td>
<td>Norman OK</td>
<td>82.8</td>
</tr>
<tr>
<td>8</td>
<td>Stamford CT</td>
<td>144.9</td>
<td>7</td>
<td>Ashland OH</td>
<td>83</td>
</tr>
<tr>
<td>9</td>
<td>Washington-Arlington-Alexandria DC-VA</td>
<td>143.3</td>
<td>8</td>
<td>Tupelo MS</td>
<td>83.4</td>
</tr>
<tr>
<td>10</td>
<td>Oakland CA</td>
<td>143.1</td>
<td>9</td>
<td>Ardmore OK</td>
<td>83.6</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>10</td>
<td>Hattiesburg MS</td>
<td>84</td>
</tr>
</tbody>
</table>

The ACCRA Cost Of Living Index measures relative price levels for consumer goods and services in participating areas. The average for all participating places equals 100, and each participant’s index is read as the percentage of the average for all places. The summary below places the McAllen MSA very favorably on the composite index.

**Economic Trends**

On a monthly basis the Chamber publishes the McAllen Area Economic Pulse. The Pulse measures the economic activity for McAllen, Mission, Pharr and Edinburg in the following areas: retail sales, motor vehicle sales, lodging tax receipts, airline boarding’s, construction permits, new home permits, home sales, average home sale price, Hidalgo bridge crossings, peso exchange rate, wage and salary employment and unemployment numbers. This chart is a graphic representation of the dynamic changes in the economic index January 1996 - May 2015.

As of May 2015, the Economic Pulse index increased to a value of 188.5.
The McAllen Chamber of Commerce, with a membership count of 1500 and a staff of 22, is the largest chamber of commerce in the four county region encompassing the Rio Grande Valley. On a regional level, the majority of the surrounding communities have their individual chambers of commerce, and the McAllen Chamber of Commerce is broadly seen as the most innovative, progressive, and active of the group. As the Rio Grande Valley as a whole is aggressively moving towards developing a regional approach to economic and political activities, so the Valley's chambers of commerce have actively pursued cooperation and position alignment on issues affecting the area’s communities. Several organizations and interest groups, comprised of chambers of commerce, elected officials and other community leaders, have emerged from these common efforts, for example the Greater McAllen Alliance, the Border Trade Alliance, the No Border Wall Coalition, and the RGV Business PAC. The McAllen Chamber of Commerce is frequently either a member and active participant of these groups or aligns its activities with these organizations if they benefit the McAllen Chamber’s members and constituents. In addition, businesses located and operating outside of the City of McAllen make up a substantial number of the McAllen Chamber’s membership.

On a municipal level, the McAllen Chamber of Commerce enjoys a close, strong, and productive working relationship with the City of McAllen and the McAllen Economic Development Corporation. The City of McAllen funds both the McAllen Chamber and the McAllen EDC, yet the two entities serve different purposes in the City’s strategic goals, and therefore do not compete for monies. The three entities collaborate as equal partners on events and activities on a weekly basis, and the President/CEO of the McAllen Chamber of Commerce maintains daily communication with the President/CEO of the McAllen EDC and the McAllen City Manager.

On an educational level, the McAllen Chamber of Commerce frequently cooperates with the McAllen Independent School District, South Texas College and the University of Texas – Rio Grande Valley, as well as other area educational institutions, in efforts aimed at promoting higher standards in education and increased scholastic achievement among the youth and adult population of our community.

On a business development level, the McAllen Chamber’s Business Development Department maintains a strong working relationship with the local affiliate of the Small Business Development Center Network housed at the new University of Texas of Rio Grande Valley, and the regional office of the Small Business Administration. The entities refer each other clients on a daily basis, and regularly co-host and co-sponsor seminars and workshops.

On a government affairs level, the McAllen Chamber’s Governmental Affairs Department maintains a close working relationship with the offices of local, regional, and state elected
officials, as well as the offices of the two area Congressmen. The McAllen Chamber’s Governmental Affairs Council hosts one or two elected officials as guest speakers during each regular council meeting. The meetings are open to all chamber members and are held on the last Wednesday of every month.

Overall, the McAllen Chamber of Commerce operates in a cooperative, not a competitive, environment. Strong working partnerships with all levels of community organizations have grown deep roots over the years, and the Chamber is harvesting the fruit of these positive relationships every day.

**SOCIAL FACTORS**

As outlined in the Demographic Characteristics section, Hispanics represent from 88% to 90% of the Rio Grande Valley population and individuals under 35 years of age make up between 40% and 50%. The population is becoming very diverse with population influx from all over North America and the rest of the World, but is defined by two dominant demographic criteria: Hispanic and Young. The community is also firmly bi-lingual, with English & Spanish spoken fluently and interchangeably by the majority of the populous. Tex-Mex, a local mix of Texas English and Northern Mexican Spanish free of any specific grammar rules, is frequently utilized by local residents in everyday conversation.

The economic boom experienced by the McAllen area over the past fifteen years has fueled substantial population growth, both through internal factors (birth rate, etc.) as well as an influx of individuals from throughout the State, the Nation, the Continent, and the World. This internal growth and migration has impacted the face of McAllen and profoundly enriched the everyday life of its residents. Gastronomical, musical, and cultural influences from all over the world have exposed the residents of this once isolated community to different world views, and combined with the traditional openness and tolerance of the Valley culture, began creating a multi-national, multi-ethnic, and multi-cultural community. Economic growth and prosperity is seen as a community effort, and newcomers are regarded as assets further enhancing the McAllen experience. Combined with a positive attitude toward life, work, family, and the future, this openness results in an environment low in social tensions and high in entrepreneurial spirit, which enchants local residents as well as visitors every day.

Besides strong economic growth, the three cornerstones and focal points of McAllen social system are it’s high Quality of Place, its exemplary Education System, and its prospering Health Care Environment.
Quality of Place

The Arts
McAllen is an area with a burgeoning arts culture. Known state-wide for the quality and quantity of its artists, the city is now emphasizing and enhancing those resources through many special events such as the McAllen Chamber of Commerce Cultural Arts and Entertainment Series, annual Art and Film Festival, a live outdoor music concert series called Music After Hours which presents local musicians twice per month October through May. The McAllen Chamber of Commerce Creative Incubator, offering support to up and coming artists of all disciplines; Artwalk every first Friday September through May; and the October city-wide arts and entertainment festival Palmfest.

There is public art such as downtown murals, visual art in restaurants and other public buildings, a variety of styles of live music offered at numerous evening restaurants and other establishments, and sculptures along McAllen’s hike and bike trails.

State Farm Arena, the area’s, 6,000 seat arena, is home not only to professional basketball and arena football teams, but also to top name entertainment musicians and other professional entertainers.

McAllen is also home of the International Museum of Art and Science, an educational community center which preserves the past, records the present, and provides perspective for the future. The museum is home of the nation’s largest collection of Mexican folk art, with over 3,000 pieces. Affiliated with the Smithsonian system, the museum has both permanent and visiting exhibitions, and is particularly known for its interactive children’s section.

Wildlife
The Rio Grande Valley is the most popular birding and butterflying location in the U.S., and people visit from all over the globe to see some of the bird and butterfly species that can be found nowhere else in the entire country. The area is the most biologically diverse in the nation, so wildlife watchers and photographers have myriad opportunities to view and record local flora and fauna.

The area hosts dozens of wildlife watching sites. Quinta Mazatlan is now an urban sanctuary working to enrich people's lives by sharing knowledge about birds, plants and environmental stewardship in South Texas. Quinta Mazatlan and its WBC partners promote birding and conservation of Valley habitat, especially as it benefits numerous avian residents and neotropical migrants. The Valley currently has 1.2 million people on the American side (and at least 2.1 million on the Mexican side), and represents the fastest growing metropolitan area in the country. The protection of woodlands and green space is an important goal for the City of McAllen and its neighbors.
McAllen Convention Center
Located in the heart of the Rio Grande Valley, the McAllen Convention Center is the preferred venue in the Region for gatherings.

Outdoor sports
For those who enjoy the outdoors, there are also several fine golf courses that are open year round with very reasonable green fees. And because the weather is so temperate, the courses are filled with avid golfers, often in short sleeves, even in January and February. Other sports such as walking, rollerblading and jogging are popular along the city’s hike and bike trails, and tennis and soccer are other pastimes that locals and visitors can enjoy year-round.

Kayaking and canoeing along the Rio Grande are other activities growing in popularity. Free guided trips are offered each Saturday by the non-profit Los Caminos del Rio. The city’s hike and bike trails and other private and public native landscaping bring the colorful neotropical bird species McAllen is so famous for right into the city.

Winter Texan activities
McAllen is also a major snowbird, or Winter Texan, destination. Many activities are geared to these northern visitors, from entertainment events to volunteer options.

Worship
The area has hundreds of Catholic and Protestant churches, synagogues and mosques, with many offering services in both English and Spanish.

McAllen’s new 175,000 square foot Convention Center hosts state, regional, national and international conventions, bringing in thousands of convention attendees and pouring millions of new dollars into the city economy. It also hosts local events, including professional basketball, adding much to the quality of life for McAllen residents. The Center features a 62,000 square foot Exhibition Hall, a 10,000 square foot Ballroom, 16 breakout rooms, and a spacious foyer/reception area.
City Amenities

Retail and restaurants are two of McAllen’s great strengths. You can find most of the chains you expect to find in a city, and many local specialty shops as well.

While much of the new growth in town is toward the north, McAllen’s Palms Crossing, in the Convention Center District, is the newest large shopping and dining area. New restaurants such Salt Grass, Chipotle, PF Chang’s, and Cheddars, have all opened their doors, along with a vibrant collection of retail stores. The Convention Center District now joins North10th Street, downtown McAllen, the Las Tiendas shopping area, and La Plaza Mall as a major shopping area in the city.

As our City becomes more culturally diverse, a larger number of specialty stores have also appeared. There are Japanese and Filipino groceries stores, several health food stores offering organic products, and fresh fruit and vegetable stores open seasonally.

Accommodations

The City of McAllen has 33 hotels with 3,300 rooms. Over 700 more rooms are scheduled to be built within the next 2 years. Current hotels include many major chains, from full-service convention hotels such as a Renaissance Marriott, Double Tree Suites, and Hilton to economy hotels. Several are extended stay facilities. In addition, some long-term visitors choose to stay in one of the hundreds of area RV parks, second homes or apartments. A limited amount of camping sites is also available nearby.

The city offers in-town bus service, hike and bike trails and a new parking garage downtown. American and Continental provide jet flights daily to McAllen International Airport, and Allegiant flies directly to Las Vegas and, in the summers, Orlando.
**Education System**

**McAllen Independent School District**
Home to state, nationally, and internationally recognized students and teachers, as well as the only International Baccalaureate Program south of San Antonio, the McAllen Independent School District is student-centered and focused on excellence. This past school year, students won an impressive 65 top honors in three national academic programs – the National Merit Program, the National Hispanic Merit Program, and the Advanced Placement Program.

In fact, McAllen ISD consistently produces the highest number of National Merit Scholars in the entire region each year. Further, the International Baccalaureate (IB) Program has had a 100% success rate every year since the rigorous academic program’s inception in 2003. That is the highest recorded diploma-earning rate possible, compared to a success rate average of 76% in Texas and 80% globally. All IB exams are graded in Geneva, Switzerland.

For the 2014-2015 school year, funds are committed to extend the IB program to all levels. This will impact middle school and even elementary school students. At the elementary level, additional staff is being hired to teach art, drama and technology to ensure the whole child is educated to his or her greatest potential.

Recognized as a school district that sets the pace for educational change and innovation, McAllen ISD is an educational system committed to continuous improvement and responsive to the desires of this diverse community. Students have excelled in so many fields of study, and it is all thanks to the excellent instruction found in classrooms throughout the city.

Teachers do not hold back and students reap the benefits. The most recent test results prove that. A preliminary analysis indicates schools earned a combined total of 43 “exemplary” and 81 “recognized” marks in writing, reading, mathematics, science and special education. In fact, these numbers indicate that 14 of the schools have earned a “Recognized” rating, while two have earned an “Exemplary” rating. That’s more than double last year’s numbers and the third year in a row that we have seen marked improvement. The state raised its testing standards three years ago, from TAAS (minimal skills test) to TAKS (higher order thinking skills test).

MISD’s graduates are pushing themselves academically, and those efforts have certainly garnered the support of the greater community. Scholarship amounts went from $7,847,394 in 2005 to $8,597,101 in 2006. That is a $749,707 in just one year!

The younger students also amass accolades. For example, some Gifted and Talented seventh graders in the Duke University Talent Identification Program score higher on a college entrance exam than the national average for high school seniors. This past year, two students earned “National Recognition” and a record 29 students earned “State Recognition.”
McAllen ISD is being recognized for having all 32 eligible schools earn the 2015 National Healthy Schools Bronze Award. Following McAllen ISD’s national recognition under Let’s Move! Active Schools (two straight years), this represents the district’s greater efforts to promote and instill healthy-living habits for its students. McAllen ISD is the largest (25,000 students) school district in the nation to receive this award.

Aside from academics, our students also excel in fine arts, athletics and other programs. We have the State Championship Constitution Team (for 12th time in 14 years), a national cheerleader team, a national dance team, and the highest number of students earning seats in the All Valley fine arts programs, with many representing the region at state. Our people inspire excellence. Teachers from McAllen ISD have garnered the “Regional Teacher of the Year” title in 11 of the past 12 years. In fact, McAllen teachers and other staff members have won titles such as “State Teacher of the Year,” “Tandy Teacher of the Year,” “Disney Teacher of the Year,” “Texas State Teachers Association Administrator of the Year,” and many more.

McAllen ISD provides a flexible, student-centered learning environment which meets the needs of each student and empowers all students to become successful citizens who are motivated to improve society in a rapidly changing world. This is an educational mission that can only be accomplished in collaboration with the parents, citizens, instructors, and the business community. Our innovativeness is seen in a number of new programs implemented to address specific needs.

The cornerstone for this academic excellence includes such applied concepts as site-based shared decision-making, systematic mapping, planning recognition and cultivation of cultural responsibility, self-discipline and ethical values. Efficiency measures and increased enrollment has resulted in the highest fund balance in McAllen ISD’s history. This has made it possible for the district to finance several much-needed projects. For the second year in a row, the MISD Board of Trustees set aside funds to take care of construction needs that have been identified by staff. This year, they set aside $1.845 million for summer projects at various campuses. Also, the Board approved $251,000 for the purchase of surveillance equipment at three high schools.

Committed to excellence at every turn, the Board had assembled a community-based committee to provide an honest assessment of a district’s needs before the bond was even proposed to voters. But trustees went even further than that. After the bond’s approval, McAllen ISD expanded the committee’s role to continue to follow the bond’s progress until all new construction is completed. Trustees asked the citizens to help them monitor the bond as they worked diligently to fulfill their charge to the children and taxpayers of our community.

It is a commitment to “unflinching thoroughness” that permeates throughout the district. We focus on doing what’s right for children and, for McAllen ISD; this is a venture of the heart.
Private Schools

Central Christian School
The Central Christian School was started in 1979. It serves children from 3 years old to 7th grade levels. There are currently 200 students enrolled. The school offers after school daycare for each age during the school year. In addition to the ABEKA curriculum, Central Christian School offers computer, art and Spanish courses, as well as piano lessons. Athletic competition is provided for upper grades. For more information call (956) 687-2340.

Covenant Christian Academy
Covenant Christian Academy serves McAllen and the surrounding communities with a challenging, nondenominational curriculum for grades K3 - 8th grades. Over 25 churches are represented in the student body. You will find a safe and well disciplined environment that focuses on academic excellence. CCA has an experienced faculty that loves kids. Spanish is taught to all students, as well as music, art and computer. If you are looking for a private Christian school that has that warm, safe feeling, call for a tour. The number is (956) 686-7886.

Our Lady of Sorrows Catholic Church
Our Lady of Sorrows School is located in the heart of McAllen and has an established tradition of excellence that spans over 60 years. Approximately 600 students are enrolled. The school provides a Catholic faith-based, educational preparatory program that includes a Montessori pre-kindergarten and kindergarten program, a comprehensive elementary program for first through fifth grade, and a quality junior high school sixth to eight grade program. It also provides a well-rounded athletic program, an after-school program, a summer school program and an academic support program that includes: online access to school information, faculty homework pages, online homework websites, and one-on-one and group tutorial support from teachers.

Continuing its tradition of "excellence in education," the school instills in children Catholic values, a strong academic preparation, critical thinking skills, and inculcates active community service responsibility at the middle school level. The curriculum is designed to insure strong academic expectations and the development of the whole child’s unique social, physical, emotional and academic needs. It meets the standards of the State of Texas - Texas Essential Knowledge and Skills (TEKS) and is aligned with National Benchmarks and Stanford Achievement Test Objectives.

The faculty is a strong support to students, allowing them to take risks and assume personal responsibility. A variety of enrichment classes and programs are provided that support students’ learning allowing them to pursue academic excellence within their individual potential. Consistently, students perform above grade level and have received numerous awards at local and state level competitions. OLSS graduates are also well known in the community for their academic achievements at the high school level and beyond.
The school is fully accredited by the Texas Catholic Conference Education Department sanctioned under the state-approved Texas Private School Accreditation Commission under the auspices of the Texas Education Association. Other memberships include the National Catholic Education Association, the National Middle School Association and the South Texas Junior High League.

For more information, an application or to take an online virtual tour visit our website at www.olsschool.org or call (956) 686-3651 to schedule an appointment.

**St. John’s Episcopal Day School**

St. John’s Episcopal Day School has served McAllen and surrounding counties for over 48 years. Currently the school has over 200 students and has a permit to expand its facilities. The school also offers an after-school Day Care Program.

The goal of St. John’s Episcopal Day School is to offer a thorough academic program that meets the needs of the students in a Christian environment. Students are enrolled from 2 years old through 5th grade level in small classes so that the students may receive the individual attention they need to excel. All of this is done in a religious and patriotic environment.

The core curriculum consists of reading, math, grammar, spelling, science, social studies, handwriting, music, physical education and Spanish. A computer lab allows the students to enhance their learning experience. Extracurricular activities include choir, athletics, and visits to the library, ballet and theater productions. For more information call (956) 686-0231 or http://www.stjohnskids.org. Laying the foundation for a bright future through challenging educational opportunities combined with religious, spiritual and moral values.

**St. Paul Lutheran Church and School**

St. Paul Lutheran School was established in 1943. It offers a Christian Day School as well a Child Care program. The student body of 370 children range in age from 18 months through eighth grade.

The classrooms have an average student/teacher ratio of 20:1 and are taught by Certified Christian teachers. Students are given every opportunity to develop academically, socially, spiritually, emotionally and physically. The students will receive a well-rounded education in the basics, plus instruction in computers, music, art, physical education and Spanish. Students have daily Bible study and worship and also enjoy a number of extracurricular activities.

The program of education is supported by an experienced and degreed teaching staff. One area of the program that is especially important is a comprehensive music program for all children. Vocal, band and orchestra are elements of a program that allows students to grow in self-expression. St. Paul Lutheran Church and School invites your family to consider enrollment. Please call the office at (956) 682-2345 or visit their Web site at www.stpaullutheran.com for more information.
The Discovery School

The Discovery School is the most established Montessori School in the upper Valley. It was founded as a parent cooperative, non-profit organization in 1974. The Montessori Method is an individualized, educational approach that offers a unique program of instruction to its students. Teachers travel to special training centers to receive Montessori training in order to become certified Montessori Guides (teachers). The Discovery School is home to over 200 students ranging in age from 18 months to 12 years old. Its new campus was specially designed to enhance this child-centered approach to life. Each classroom is equipped with its own microwave, refrigerator, kitchen sink and bathroom. All classrooms also have their own backyards with garden plots. Additionally, there are over five acres of fenced playground with three large man-made hills, mesquite trees, and even a wildlife habitat. This outdoor environment is a crucial extension of the Montessori classroom. Curriculum is designed to fit each child’s individual needs while incorporating traditional educational objectives in all academic areas. Specialists teach Spanish, music and physical education as well as topics of special interest. For more information about this unique school, please call (956) 381-1117.

Professional Education

South Texas College

Since opening its doors, South Texas College (STC) has grown to educate more than 17,000 students annually with a faculty and staff of more than 1,600 working across five campuses and centers in McAllen, Weslaco and Rio Grande City. The college offers more than 90 degree and certificate program options, including associate’s degrees in a variety of art and science fields of study and a Bachelor of Applied Technology. Additionally, STC provides a wide variety of course scheduling options with flexible hours to include evening and weekend classes and Web-based courses. However, the college goes well beyond these options to meet the higher education needs of the communities it serves.

Bachelor of Applied Technology

STC began offering a Bachelor of Applied Technology (BAT) degree in Technology Management in 2005. The college was one of the first Texas community colleges accredited to offer a limited number of bachelor’s degrees in applied technology as part of a 10-year pilot project approved by the Texas Legislature.

Dual Enrollment Opportunities

STC offers dual enrollment programs with high schools throughout Hidalgo and Starr counties. The programs allow eligible students to take college courses while attending high school.

STC has developed two intensive academic programs for students interested in pursuing degrees in the medical and engineering fields. The Dual Enrollment Medical Science Academy (DEMSA) and the Dual Enrollment Engineering Academy (DEEA) consist of
concentrated two-year programs of study and internship opportunities for qualified students to pursue associates of science degrees during their junior and senior years in high school.

**Workforce Training**

The college’s Partnership for Workforce Training and Continuing Education provides opportunities for lifelong learners to upgrade their skills, change careers or seek personal enrichment. The division offers a variety of courses that satisfy employer needs for customized training to upgrade the skills of current employees and prepare new employees.

**Articulation Agreements**

For those students who wish to continue their education beyond an associate’s degree, STC has worked hard to put a variety of articulation agreements in place with colleges across the country.

**The Faculty**

STC’s faculty is among the most qualified at any community college in the nation. 245 faculty members hold master’s degrees, 37 hold double masters, three hold triple master’s and 74 hold doctorate degrees. In certificate and other programs, there are 38 faculty members holding bachelor’s degrees and 39 holding associate’s degrees.

For more information about STC, please visit the website at www.southtexascollege.edu.

**The University of Texas-Rio Grande Valley**

The University of Texas Rio Grande Valley was created by the Texas Legislature in 2013 in a historic move that brings together the resources and assets of UT Brownsville and UT Pan American and, for the first time, makes it possible for residents of the Rio Grande Valley to benefit from the Permanent University Fund—a public endowment contributing support to the University of Texas System and the Texas A&M University System.

Our new university will also be home to a School of Medicine and will transform Texas and the nation by becoming a leader in student success, teaching, research, and health care. UTRGV will enroll its first class in the fall of 2015, and the School of Medicine will open in 2016.

**UT Brownsville and UT Pan American**

The shared history of The University of Texas Pan American and The University of Texas at Brownsville goes back to 1927, when Edinburg College was founded. In 1973, Pan American opened a second campus in Brownsville, which later became an independent institution of The University of Texas System in 1991. Over the years, the missions and the identities of these great institutions have continually evolved to serve the communities of the Rio Grande Valley.

Now, the evolution and connection between these two institutions is coming full circle as UT Brownsville and UT Pan American are being established as a single, new university and medical school, with a single, new identity—The University of Texas Rio Grande Valley.
The Partnership for Workforce Training and Continuing Education

The Partnership for Workforce Training and Continuing Education at South Texas College was formed to provide business and industrial customers as well as the community with alternative solutions to their training needs. The STC Partnership program provides a full range of educational assistance and training services to meet the client’s specific needs. The Partnership will also locate and complete applications for necessary funding sources. Call (956) 283-3807 for more information.

Health Care Environment

Doctors Hospital at Renaissance

Since its inception in 1997, Doctors Hospital at Renaissance has been committed to setting the standard of excellence in all aspects of patient care. Unlike any other healthcare organization of its scale in the Rio Grande Valley, DHR was established by a group of local physicians seeking to provide only the best means of treatment for their patients.

Having recently expanded in capacity to 180 beds-including a Hyperbaric & Wound Care Center, a 38 Bed Rehab Center, four free-standing Imaging Centers, an Outpatient Infusion Center, Doctors Hospital at Renaissance is fulfilling its mission to maintain and operate a cutting edge acute care facility in tune with the community’s rapid growth.

Equally exciting is what Doctors Hospital at Renaissance has planned for the future: a 150-bed Women’s Hospital, a Cancer Treatment Center, a Behavioral Health Center, Medical Office Buildings and a small hotel.

Doctors Hospital at Renaissance is proud to have over 450 physicians on its medical staff representing over 40 different specialties. Over 1,700 highly skilled employees coupled with the most state-of-the-art equipment and dedicated physicians deliver the most optimal care to the residents of South Texas.

The Facility can be reached at 5501 S. McColl Road, Edinburg, Texas 78539 - (956) 661-7100

McAllen Medical Center

McAllen Medical Center is considered one of the nation’s “Top 100 Hospitals” by HCIA and The Hospital Network three years in a row (1997, 1998 and 1999). Physicians and staff are among the best in the country. A respected healthcare institution for more than 70 years, McAllen Medical Center is recognized as having established “benchmarks for success.”
With current capacity of 630 beds, McAllen Medical Center is the largest full-service hospital in the upper Rio Grande Valley. The parent company, Universal Health Services, Inc., is the nation’s third-largest healthcare management organization.

More than 400 physicians representing over 45 different specialties are members of the medical staff. Heart Center of South Texas, a Level III Neonatal Intensive Care Unit and Comprehensive Diagnostics are the much sought-after disciplines offered.

Patients come from all over the Rio Grande Valley and Northern Mexico for the expertise of leading physicians, highly developed technology and precision equipment. The Facility can be reached at 301 W. Expressway 83, McAllen, TX 78503 - (956) 632-4000

**Rio Grande Regional Hospital**

Well known for patient safety and clinical excellence, Rio Grande Regional Hospital is ranked among the top 5% of hospitals in the country by the nation’s leading healthcare ratings organization, HealthGrades, Inc. With more than 500 physicians representing over 35 specialties, Rio Grande Regional Hospital offers a wide array of outpatient services in addition to its full-service HCA-affiliated hospital.

In the Valley for 25 years, Rio Grande Regional Hospital was the recipient of the Distinguished Hospital Award for Clinical Excellence™ from HealthGrades, Inc. (2004-2006). One of only three hospitals in the state of Texas to be recognized for Clinical Excellence™ and Patient Safety™ by Healthgrades, Inc.; the only Accredited Chest in Center in the Rio Grande Valley. Accredited Diabetes Management Center by the American Diabetes Association; CLIA and CAP Accredited Laboratory Services; Level III NICU with 24/7 in-house Neonatal coverage; delivered more than 6,000 babies in 2005; recipient of the Maternity Care Specialty Excellence Award™ by HealthGrades, Inc. (2003-2006); recipient of the Pulmonary Specialty Excellence Award™ by HealthGrades, Inc. (2005); recipient of the Stroke Specialty Excellence Award™ by HealthGrades, Inc. (2005). The Facility can be reached at 101 E. Ridge Rd., McAllen, TX - (956) 632-6000

**Other Health Care Providers**

Besides the three major healthcare providers mentioned above, McAllen is home to a prosperous and rapidly expanding network of individual medial offices who serve the community and its visitors at the highest levels of excellence, comparable or superior to facilities in the large metropolitan areas of the U.S.

**POLITICAL FACTORS**
On a regional level, the Rio Grande Valley is comprised by a four county region of Hidalgo, Cameron, Starr and Willacy Counties. The area is federally represented by three U.S. Congressmen, and has the strong support of the two Texas members of the U.S. Senate. In the State of Texas, the area is represented by eight State Representatives and three State Senators. The City of McAllen is the largest municipality in Hidalgo County and is directly represented by the two Texas members of the U.S. Senate, two U.S. Congressmen, two State Senators, and two State Representatives. The City of McAllen is lead by the innovative, visionary, and very business friendly Mayor Richard Cortez, and the cities administration is handled by the progressive City Manager Mike Perez. The City Commission is made up of six members with a strong pro-business and pro-growth agenda.

The working relationship between the City Government and the McAllen Chamber of Commerce is very close, strong and highly productive. The City of McAllen funds the McAllen Chamber of Commerce, and the two entities coordinate their efforts on a daily basis. City representatives are almost always present at McAllen Chamber of Commerce events, and the Mayor, City Manager, and Commissioners are guest speakers during McAllen Chamber of Commerce Board of Directors meetings. In addition, the Governmental Affairs director of the City of McAllen is in daily contact with the Vice President of Governmental Affairs for the McAllen Chamber of Commerce.

On a County level, the municipalities of Hidalgo County have very strong working relationships with each other, and the county government headed by County Judge J.D. Salinas is a strong proponent of regional economic development, and frequently reaches out to the McAllen Chamber of Commerce, as well as other chambers in the area, for advice and support. On a State level, the local Representatives and Senators are frequent guests at McAllen Chamber of Commerce events, and are invited on a regular basis to address the membership during Legislative Update events and Governmental Affairs Council meetings. On a federal level, the offices of the two local Congressmen frequently reach out to the McAllen Chamber’s Business Development and Governmental Affairs departments to discuss legislative issues and coordinate or co-host events.

The McAllen Chamber of Commerce’s involvement in furthering art, culture, and education in the City of McAllen has earned it a very positive reputation among the citizenry, and the growth and business oriented community is generally highly supportive of our efforts. Since the Chamber of Commerce does not involve itself in the election process by endorsing, and/or hosting political candidates, it is generally regarded as a neutral and impartial institution, further improving its image and standing in the community.

INFRASTRUCTURE
The Rio Grande Valley in general, and the City of McAllen in particular, is located at a strategic point of a logistical artery, commonly referred to as the “NAFTA Highway”, connecting the North American continent. This strategic location has fueled a substantial portion of the local economic growth and also increased the importance of regional infrastructure activity, not only on a local level, but also from a regional, national, and international economic perspective. Community growth and infrastructure development has been focused in the areas of Highway Infrastructure, Bridge Crossings, Air Transportation, Public Transportation, Railroads and General Construction.

**Highway Infrastructure**

In November 1996 the 1996-2016 Rio Grande Valley Mobility Plan was adopted by the Hidalgo, Brownsville, and Harlingen/San Benito Metropolitan Planning Organizations (MPO’S) and presented it to the Texas Department of Transportation for implementation. The Mobility Plan provides for the maximum amount of mobility for the residents and visitors within the urbanized areas of the Rioplex. It recognizes the importance of adequate links to destinations outside the area, especially international. This is important to Texas and the nation as a whole because:

- U.S.-Mexico trade grew from $60 billion in 1991 to $205 billion in 2000, a 341% increase. Texas-Mexico trade during the same period grew from $28 billion to $159 billion, a 568% increase. In 2000, the Rioplex Ports of Entry accounted for $25 billion or 12% of the U.S. total. This is more trade than Arizona and New Mexico combined (8%) and nearly as much as California (14%). And this was accomplished without an Interstate highway.

- In 2000, 84 million autos crossed the Texas-Mexico border, and 46% of these auto crossings occurred at Rioplex Ports of Entry. From 1991 to 2000, the Rioplex saw an increase of 76% in total crossings.

- The Rio Grande Valley experienced an 83% increase in retail trade ($4.1 billion to $7.5 billion) between 1990 and 2000. Nearly 100% of all retail goods sold in the Rio Grande Valley is transported over land by cargo trucks using the existing highway network. Only Houston, Dallas, Ft. Worth, Arlington, Austin and San Antonio have more retail trade than the Rio Grande Valley.

Future Highway Development Clearly the highway infrastructure in the Rio Grande Valley is being utilized to an extent far greater than anyone ever anticipated. In 1999, Congress passed the Transportation Efficiency Act for the 21st Century (TEA-21). This landmark legislation will have profound effects on the nation over the next seven years. Among its provisions are sections dealing with the establishment of Interstate 69 (I-69), a vital new link connecting all three NAFTA partners which must pass through what some have called the “neck of the hourglass.” The natural meeting place of the Americas is the narrowest point in the hourglass:
The Rio Grande Valley Rioplex. The extension of I-69 from the Rioplex to its current terminus at Indianapolis will greatly enhance trade between the NAFTA partners. It will link two-thirds of the population of both the U.S. and Mexico at this strategic geographic location. It will stimulate the already dynamic growth of the Rioplex, what promises to be the new center of international trade and commerce in this hemisphere.

In September 1999 TxDOT announced a bold increase in border infrastructure. Its plan included the expenditures on NAFTA-related border projects of $1.8 billion, up from $761 million already approved. The report recommends increasing this share of funds for the Rio Grande Valley from $290 million to $730 million. Much of these increased dollars are necessary to bring Valley highways to Interstate standards and to prepare the Valley for eventual connection with the future Interstate 69. “Future Interstate corridors” signs have been installed on US 281 and US 77 signaling recognition by TxDOT that these two highways will become future legs of Interstate 69.

### Bridge Crossings

The City of McAllen has owned and operated the international bridge at Hidalgo/Reynosa since 1960. On a typical day, two-way traffic will consist of 33,000 cars and trucks and over 19,000 pedestrians. The Pharr-Reynosa International Bridge, located four miles east of the Hidalgo/Reynosa crossing, opened in January 1995. Two-way traffic is currently 14,809 cars and trucks per day. The trend is clear. At the present rate of growth, a third international bridge will be needed in the near future. On July 27, 1999, President Clinton issued the long awaited Presidential Permit for the proposed Anzalduas International Crossing. While this crossing is not likely to be operational until March 2009, the approval of the permit is viewed as a positive step into the next millennium.

The table below presents the historical trends of vehicular and cargo traffic across the three international bridges in Hidalgo County (Hidalgo, Pharr, and Progreso). The tripling of cargo traffic and doubling of vehicular traffic in two years is convincing evidence of a growing cross-border market.

### Border Crossing

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Vehicle Crossings</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Northbound</td>
<td>32,945,601</td>
<td>16,990,822</td>
<td>49,936,423</td>
<td>59%</td>
</tr>
<tr>
<td>Southbound</td>
<td>19,064,976</td>
<td>15,924,282</td>
<td>34,989,258</td>
<td>41%</td>
</tr>
<tr>
<td>McAllen (combined)</td>
<td>7,205,922</td>
<td>5,935,022</td>
<td>13,140,944</td>
<td>15%</td>
</tr>
<tr>
<td>Total</td>
<td>52,010,577</td>
<td>32,915,104</td>
<td>84,925,681</td>
<td></td>
</tr>
<tr>
<td><strong>Pedestrian Crossings</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Northbound</td>
<td>16,369,668</td>
<td>8,385,401</td>
<td>24,755,069</td>
<td>60%</td>
</tr>
<tr>
<td>Southbound</td>
<td>8,279,218</td>
<td>7,905,164</td>
<td>16,184,382</td>
<td>40%</td>
</tr>
<tr>
<td>McAllen (Combined)</td>
<td>3,381,239</td>
<td>2,911,096</td>
<td>6,292,335</td>
<td>15%</td>
</tr>
<tr>
<td>Total</td>
<td>24,648,886</td>
<td>16,290,565</td>
<td>40,939,451</td>
<td></td>
</tr>
<tr>
<td><strong>Truck Crossing</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Northbound</td>
<td>3,671,415</td>
<td>2,339,174</td>
<td>6,010,589</td>
<td>51%</td>
</tr>
<tr>
<td>Southbound</td>
<td>3,086,120</td>
<td>2,591,021</td>
<td>5,677,141</td>
<td>49%</td>
</tr>
<tr>
<td>Total</td>
<td>6,757,535</td>
<td>4,930,195</td>
<td>11,687,730</td>
<td></td>
</tr>
</tbody>
</table>

*Texas Center for Border Economic and Enterprise Development*

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**Texas Center for Border Economic and Enterprise Development.**

**Regional Indicators – Tax-Allocations - Texas**

<table>
<thead>
<tr>
<th>CITY</th>
<th>2014</th>
<th>2015 (MAY-YTD)</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>BROWNSVILLE</td>
<td>35,372,002.00</td>
<td>15,651,902.87</td>
<td>51,023,904.87</td>
</tr>
<tr>
<td>DEL RIO</td>
<td>5,876,909.00</td>
<td>2,566,434.15</td>
<td>8,443,343.15</td>
</tr>
<tr>
<td>EAGLE PASS</td>
<td>4,893,439.00</td>
<td>2,427,187.66</td>
<td>7,320,626.66</td>
</tr>
<tr>
<td>EL PASO</td>
<td>78,615,132.00</td>
<td>35,195,788.57</td>
<td>113,810,920.57</td>
</tr>
<tr>
<td>HARLINGEN</td>
<td>21,473,966.00</td>
<td>9,477,259.46</td>
<td>30,951,225.46</td>
</tr>
<tr>
<td>LAREDO</td>
<td>40,242,402.00</td>
<td>17,889,173.69</td>
<td>58,131,575.69</td>
</tr>
<tr>
<td>MCALLEN</td>
<td>32,545,258.00</td>
<td>32,545,258.00</td>
<td>65,090,516.00</td>
</tr>
<tr>
<td>PHARR</td>
<td>14,661,615.00</td>
<td>6,532,835.80</td>
<td>21,194,450.80</td>
</tr>
<tr>
<td>PRESIDIO</td>
<td>495,457.00</td>
<td>187,244.69</td>
<td>682,701.69</td>
</tr>
<tr>
<td>ROMA</td>
<td>1,170,101.00</td>
<td>505,243.37</td>
<td>1,675,344.37</td>
</tr>
<tr>
<td>Total</td>
<td>235,346,281.00</td>
<td>90,433,070.26</td>
<td>325,779,351.26</td>
</tr>
</tbody>
</table>

*Note:* The sales tax allocation (also known as sales tax rebate) historical summaries show the total dollars returned to a local sales taxing city, county, special purpose district or transit authority by the Comptroller's office for their local sales tax collections. Allocation amounts are dependent upon the timing and accuracy of taxpayers’
returns, but generally represent taxes collected on sales made two months or more prior to the allocation payment.

Last updated on August 17 | 2015

*Data (preliminary figures subject to revision) provided by the Texas Workforce Commission and compiled by Texas A&M International University, Texas Center for Border Economic and Enterprise Development.

Note: Cities and State of Texas numbers represent 'Actual' figures U.S.A. numbers represent 'Seasonally Adjusted' figures

Last Updated on August 17 | 2015

Air Transportation

In McAllen has emerged as a regional air transportation center serving the 4th fastest growing metropolitan area in the United States. Frequent daily flights between McAllen-Miller International Airport and major airline transportation hubs in Dallas and Houston provide easy access to any destination in the world. American and Continental Airlines serve the airport with 737 and DC-9 equipment. Continental Airlines offers seven daily flights to Houston’s Bush Intercontinental, and American Airlines has three daily flights to Dallas-Fort Worth International. Together they link McAllen to more than 200 major destinations with only one intermediate stop. There are several air charter services, aircraft maintenance and two FBO’s - McCreery Aviation and MFE International-serving the McAllen area.

McAllen-Edinburg-Mission Market Overview 2014-2013

<table>
<thead>
<tr>
<th>McAllen Airline Activity</th>
<th>CY 14 Enplaned passengers</th>
<th>CY 13 Enplaned passengers</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>McAllen International Airport (MFE)</td>
<td>378,219</td>
<td>335,483</td>
<td>12.74%</td>
</tr>
</tbody>
</table>

Source: FFA.GOV
Public Transportation

In 1997 Greyhound Bus Co. and Valley Transit Co. (VTC) merged to form a single operating company. VTC has served the Rio Grande Valley for nearly 70 years. VTC services Valley cities from its McAllen and Harlingen transit centers. It also provides service to all parts of the U.S. In addition, VTC is a major transit link between McAllen and Reynosa, Mexico. VTC has more than 600,000 passengers into and out of McAllen’s downtown each year. There are four Mexican-owned bus lines serving the McAllen area. They include Tamaulipas/Noreste Bus Company, Autotransportes CD Mantes, Autobus Turismos Management and ADO Management. In addition, the City of McAllen began local transit services in June 1997 with the creation of the McAllen Express (ME). ME has seven routes serving 60% of the McAllen population from the McAllen downtown area. ME operates six days a week, 12 hours per day. The fare is $1.00 for adults and $.50 for children, seniors, and handicapped. Rio Transit, a regional rural transit provider that connects other Hidalgo County cities and rural communities, is also in operation. The new Central Station transit terminal located downtown accommodates ME and the other local, national, and international carriers. It opened in 2000. It is the hub of regional transportation services in the Rio Grande Valley, providing services to nearly one million passengers annually.

Railroads

Railroads Rio Valley Switching Co. maintains daily freight service out of Hidalgo County. It started operating in March 1993. Rio Valley Switching Co. 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, the national railway company, includes a passenger train serving Matamoros and Reynosa, Mexico, and continuing to Monterrey, Mexico. Same-day connections to Mexico City can be easily made in Monterrey.

General Construction

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Value All Construction Permits (Feb)</td>
<td>$18,936,737</td>
<td>$36,695,972</td>
<td>$35,771,132</td>
<td>-2.5%</td>
<td>88.9%</td>
</tr>
<tr>
<td>Value All Construction Permits (YTD)</td>
<td>$37,359,675</td>
<td>$67,695,719</td>
<td>$68,503,957</td>
<td>1.2%</td>
<td>83.4%</td>
</tr>
</tbody>
</table>

Source: MEI Economic Pulse Feb. 2015
Building permit values in Rio Grande Valley cities rose from $573 million in 1996 to an all time high of $1.3 Billion in 2004 and $1.2 Billion respectively in 2005. McAllen leads the Valley with $263 million respectively.

This graph represents the number of single-family homes permitted during the period indicated. While McAllen continues to maintain its standing as the Valley’s economic “HOT SPOT” and the fastest growing metro area, Mission is clearly demonstrating rapid growth as well.

This graph represents the dollar values of permitted single-family construction during the period indicated. These values represent construction cost only. Within the McAllen MSA, growth in values is reflected in future advalorum tax revenues, which, by this graph, bodes well for both McAllen and Mission.

**SWOT ANALYSIS**
Due to its size, activity level, and standing in the community, the McAllen Chamber of Commerce’s success is directly tied to the economic prosperity of the City of McAllen and the Rio Grande Valley overall. Therefore, the Strengths, Weaknesses, Opportunities, and Threats of the community are also closely related to the Strengths, Weaknesses, Opportunities and Threats of the McAllen Chamber of Commerce.

**Strengths**

As indicated in the previous sections of the environmental scan, the City of McAllen and the greater McAllen area are experiencing strong and sustained economic growth as expansion, as well as an improvement in the quality of life for its residents. Some of the key strengths of the City of McAllen are:

**Low Cost of Living**

- The ACCRA Cost of Living Study ranked McAllen’s Cost of Living Index as the 1\textsuperscript{st} lowest in the Nation for the First Quarter of 2015, 3\textsuperscript{rd} lowest in the Nation for the Fourth Quarter of 2014

**Entrepreneurial Opportunity**

- Inc. Magazine recognized McAllen as one of the Nation’s Boomtowns, or hottest cities for entrepreneurs. The McAllen MSA was ranked 5\textsuperscript{th} in the Nation Overall, and 2\textsuperscript{nd} among Midsize MSAs.

**Career Opportunity**

- Forbes Magazine recognized McAllen as one of the Nation’s Best Cities for Jobs. McAllen was ranked, 2\textsuperscript{nd} in the Nation for Income Growth, and 1\textsuperscript{st} for Job Growth.

**Quality Schools**

- Texas Monthly recognized 3 McAllen Schools among Best Public Schools in Texas. Ben Milam Elementary, Cathey Middle School, and McAllen Memorial High School received the prestigious distinction.

**Superior Retail Performance**
• The Texas Comptroller ranks McAllen 3\textsuperscript{rd} in the State for Sales Tax collections per capita.
• McAllen’s total population is 15\textsuperscript{th} among Texas cities, yet it ranked 13\textsuperscript{th} in overall Retail Sales, and 1\textsuperscript{st} in the State in total Retail Sales per household.

\textit{Strong Real Estate Market}

• According to a RealtyTrac, out of the 100 largest metropolitan areas, the McAllen MSA was ranked 97\textsuperscript{th} in the nation in terms of foreclosures per total number of household, with only .132\% of all MSA households foreclosed or under foreclosure.
• In addition, the McAllen MSA showed one of the nation’s sharpest declines in foreclosures, with a year-over-year decrease of 19.74\% from 2006 to 2007.

These key factors have a positive impact on the McAllen business community, strengthening the economic outlook for member businesses, thereby strengthening the foundation of the McAllen Chamber of Commerce.

The strong working relationships with the major stakeholders and resource partners within the City of McAllen, the County of Hidalgo, and the overall Rio Grande Valley, as well as productive partnerships with State and Federal Legislators & Governmental Entities, provide the McAllen Chamber of Commerce with the strength to leverage its efforts and activities on a regional level with full financial, logistical, and legislative support.

As indicated in the Social Factors section, the Rio Grande Valley growth has also made the area a ethnically and culturally diverse region, attracting individuals and businesses for throughout the state, the nation, the continent, and the world. The McAllen Chamber of Commerce in large extent reflects this diversity, with a staff comprised of Rio Grande Valley natives, as well as individuals originating from other regions in the State of Texas, other areas of the United States, as well as staff members of Mexican, Canadian, British, and German nationality. Between its 22 staff members, the McAllen Chamber of Commerce can fluently communicate with its clients in seven different languages: English, Spanish, French, German, Greek, Polish, and Hebrew.

\textbf{Weaknesses}

As indicated throughout the environmental scan, the City of McAllen, and the Rio Grande Valley as a whole, has experienced tremendous growth and transformation in the recent decades, particularly in the last fifteen years. This rapid pace of expansion has been experienced by all sectors of the community, yet they have adjusted at varying rates, resulting in some areas
experiencing growing pains. For the purposes of the environmental scan these growing pains represent the Weaknesses.

**Transportation Infrastructure**

Transportation infrastructure generally lags economic development due to the immense cost and effort needed to expand existing transportation arteries and create new pathways for people and goods. This problem gets aggravated when the economic expansion is as rapid as in the case of McAllen. The situation is more complicated in case of the Rio Grande Valley, as we not only deal with domestic roads, tracks, and airports, but also international ports of entry. While the area’s transportation system is under constant improvement and plans for extensive expansions of all areas of the transportation infrastructure are on the table, the current lack of an Interstate Highway, Inter-Metropolitan High-Speed Rail, Regional Light Rail, Jumbo Jet Certified Airfields, and additional International Ports of Entry, represents a challenge to future economic growth in the area. Congestion and logistical challenges complicate the ability for member businesses to compete in a global marketplace, and also present an impediment to the rapid expansion of the McAllen Chamber of Commerce.

**Cultural Attractions**

The rapid economic expansion of the City of McAllen and the Rio Grande Valley transformed the region’s traditional agricultural focus, towards an emphasis on the manufacturing sector, in addition to the creation of a vibrant retail industry, and the emergence of a progressive tourism industry. All these development brought great wealth and prosperity, as well as an influx of individuals and business from all over the state, the nation, the continent, and the world, but availability of large cultural and artistic venues has been traditionally limited and has not kept pace with the growth in the other industry sectors. While the McAllen Chamber of Commerce has made improving the availability of cultural venues and attractions one of its key strategic goals, and aggressively pursues to stimulate artistic expression through the support of the McAllen Creative Incubator, M3 Productions, the South of The City Limits Music Series, and other cultural initiatives, the overall offering lags behind the needs of a region as progressive and heavily populated as ours. Therefore, while the McAllen Chamber of Commerce is striving to alleviate the shortcoming, the lack of cultural attractions in the area represents a weakness.

**Educational Attainment and Average Income Level**

As previously outlined, the City of McAllen and the Rio Grande Valley has gone through multiple stages of economic development at a very rapid pace over the past few decades.
Similarly to Transportation Infrastructure, the development of large and advanced educational institutions requires sizable capital investment and generally lags behind rapid economic growth. While our educational institutions have been growing at a tremendous pace, the University of Texas – Pan American has been increasing enrollment at a rate of approximately 10% a year over the last decade, while progressively expanding the number and levels of degrees offered, for example, the overall educational attainment of the populous of the Rio Grande Valley lags behind the needs of the 21st century industries considering our area for expansion. This is largely due to the fact that the majority of the economic expansion has taken place in the past fifteen years, and therefore a big portion of the adult population prepared itself to work in the local agricultural and labor intensive manufacturing industry of their youth, not in the high-tech manufacturing and service industries which emerged in the last decade. While the young population transitioning through our schools and universities is better and better educated and prepared every day, the adult population has a tougher time adjusting to the advancing economy. In similar fashion, the wage and salary levels have been historically lower in the Rio Grande Valley then in other parts of the country due to our previous industrial makeup. As indicated by the reports highlighted in the Strengths section, our wage and employment levels have been growing at impressive levels, but our overall wage averages still lag behind other parts of the country. McAllen is leading this upwards trend, and the effects of increasing wealth and education among our population can be seen on our streets every day, yet until our educational and income averages surpass national levels, these two factors will represent a weakness.

**Opportunities**

*Young, entrepreneurial population*

As described in the Demographic Characteristics & Social Factors section of this environmental scan, our generation is predominantly young, predominantly Hispanic, and broadly Bi-Lingual and Bi-Cultural. Combined with the McAllen’s and the Rio Grande Valley’s improving educational attainment, our youth is becoming highly desirable to employers throughout the United States as the importance of the Hispanic consumer and the Hispanic voter increases on a national level. The region's youth is highly mobile, in part due to our youth’s desire to experience the world outside the Rio Grande Valley, and in part due to our population’s traditional migration throughout the country when our people were highly valued human capital to the agriculture industry throughout the United States. Yet, culturally strong family ties encourage our youth to remain in close contact and proximity to their kin, and, if young individuals leave the Valley to pursue higher education or career opportunities, they frequently return to McAllen and the Rio Grande Valley after a few years.
Overall, the area’s youth is highly motivated to stay in McAllen and the Rio Grande Valley, and actively explores the opportunities to remain in the area. The popular options of these individuals include employment at local non-profit organizations, employment at major manufacturers on both sides of the border, as well as starting their own business. These factors provide the McAllen Chamber of Commerce, the area’s small & medium sized businesses, as well as major employers with access to a large and ever-growing pool of highly motivated, well educated, intensely dedicated and entrepreneurial young employees. This young talent pool represents one of the major opportunities for sustaining the current economic prosperity of the McAllen and the Rio Grande Valley well into the coming decades.

Regional Growth

As emphasized throughout the environmental scan, the City of McAllen and the Rio Grande Valley as a whole is experiencing tremendous economic growth and expansion.

The City of McAllen, the McAllen Chamber of Commerce, and the businesses of the McAllen area have been at the forefront of this economic growth and are broadly considered the trendsetters and leading innovators in the region. As innovation and economic expansion spreads from McAllen to the surrounding communities, and these communities experience their own boom, the positive economic shockwaves concentrate back on McAllen due to its geographical location at the center of our highly vibrant MSA. Thereby synergies are developed where McAllen’s growth stimulates prosperity in the surrounding communities, and the prosperity of the surrounding communities further drives the growth of McAllen. A rising tide lifts all ships, and McAllen, its business community, and its Chamber ride high on the leading wave of success. In addition, the businesses prospering in the surrounding communities strive to build a connection to McAllen’s growth through joining the McAllen Chamber of Commerce, and the chambers and business organizations in the surrounding communities seek to bolster their market position by aligning themselves with our Chamber. These factors present a great opportunity to the McAllen Chamber of Commerce and the McAllen business community to sustain its growth far into the future.

I-69/TTC Infrastructure Development

As outlined in the Weaknesses, Transportation Infrastructure represents one of the shortcomings of our economic environment, yet, as indicated in the Infrastructure section of the environmental scan, extensive infrastructure initiatives such as the I-69 / Trans Texas Corridor road & rail development project represent prime opportunities to
overcome this weakness and provide a foundation for rapid and sustainable economic growth far into the future. An improved logistics network with high-speed, high-capacity road and rail transportation solutions could facilitate additional growth retailers, healthcare providers, service establishments, and particularly manufacturers already operating in the McAllen area, as well as provide additional enticement to individuals and businesses not currently in the region to relocate to the area. This would further drive and accelerate McAllen’s economic, residential, and cultural growth and prosperity which would all benefit institutions such as the McAllen Chamber of Commerce.

**Threats**

*Anti-Border Economy Sentiment & Legislation*

The recent trend of border security, immigration reform, and reports about the drug related violence in Mexico gaining the attention of the national media and entering the national political discourse, the entire southern border region has been under increased scrutiny by all political parties and movements. While it is potentially beneficial to our region to receive attention of the national political parties and its leading figures after decades of being neglected and ignored, the general publics and national elected official’s lack of understanding of the realities, as well as social, cultural, and economic dynamics, of the McAllen area border region poses a significant threat to our future growth and economic prosperity. Poorly researched and developed laws and initiatives aimed at the border region, for example the proposed border fence, have the potential to disrupt the relations between the U.S. and Mexican side of the Rio Grande Valley and threaten the economic, social, and cultural fabric of our community. While the McAllen Chamber of Commerce and the people of the Rio Grande Valley as a whole understand the importance to create and maintain a strong and secure border, we also understand the importance of economic cooperation and uninhibited tourism to our regional prosperity. Disruptive Anti-Border Economy legislation, driven by the ignorance and fear of the border region among the general American electorate, could threaten the economic vitality of member businesses and thereby the foundation of the McAllen Chamber of Commerce.

*Delays in Transportation Infrastructure Development*

As indicated in the Weaknesses and Opportunities sections, Transportation Infrastructure Development is one of the key ingredients to maintaining and extending our economic growth, expansion, and success. Should the expansion of our roads, railways, ports of entry, and airports be delayed by budget cuts and construction cost inflation, the ability of McAllen businesses to grow could be limited, and the attractiveness of McAllen to other businesses considering relocation and expansion into our region could be diminished. In
addition, should the transportation infrastructure in McAllen remain at the current level, but be improved and expanded in other areas of the border, businesses and manufacturers currently operating in the region may be motivated to relocate their operations away from the McAllen area. This potential capital drain poses a threat to the future economic prosperity of our community and the membership at the foundation of the McAllen Chamber of Commerce.

*Brain drain*

Tied in with the discussion of Transportation Infrastructure Development, and the possibility of limited influx of higher paying jobs for better educated workers, the inability of our well educated youth to find satisfying employment in the McAllen area poses another threat to future economic prosperity. Should our educated youth become unable to find career opportunities in the McAllen area which are able to guarantee them their desired standard of living, these highly talented and qualified individuals may once again leave the area in search of opportunities elsewhere, yet not return to the area after a few years. The resulting brain drain could further threaten McAllen’s ability to attract advanced industries with high-wage jobs to the area, thereby impeding economic growth and expansion and hurting the membership at the foundation of the McAllen Chamber of Commerce.