Gonzales

Comprehensive Plan

Prepared for the City of Gonzales by the Master of Urban Planning Program,

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The courses in which students participated in the development of the Comprehensive Plan are as follows:

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The Future of Gonzales

The 2012 State of the Community Report is a critical component in identifying where the City of Gonzales currently stands. It provides a baseline by which different facets of the community can be looked at piece by piece, revealing each of their strengths and opportunities as well as weaknesses and potential challenges. However, that portion of this Comprehensive Plan is only one half of the tool by which the city will use to make planning decisions going forward. The sections concentrating on Gonzales' future make up the second half of this document, providing recommendations that the city and its residents can use to guide their city in a meaningful direction.

Each of the sections contains goals, objectives, and policies that together create a network of strategies to realize the vision of the city. Goals are broad statements regarding areas of improvement which grow directly from the vision statement. Objectives identify measurable targets, and, together, their achievements make the goal a reality. Policies are specific strategies or actions which are necessary for the community to take to accomplish the objectives . These policies may need to take place immediately or several years down the line, but the schedule creates both accountability and responsibility for the parties involved.

Not all parts of the future plan are required to be carried out in complete specificity. They are simply guides for Gonzales as it manages its growth over the next two decades. The community and the surrounding region are currently undergoing great change, but the Gonzales Comprehensive Plan will help direct the city as it strengthens its position as a livable community and a top Texas destination.

Land Use & Annexation

The city of Gonzales encompasses approximately 4,800 acres within its city boundaries. The existing land uses are discussed in detail in pp. 24-37 of the State of the Community Report. Within this Future Land Use chapter are projections for the spatial needs of Gonzales' growing population. Some of this can and should be accommodated within the city limits, resulting in slightly more compact development: over 12% of the city's area can be categorized as unimproved, and infill development offers additional opportunity to reuse existing vacant property. Annexation, though, is a process which actually grows the land area of the city and which Gonzales has begun, and should continue, to prepare for. Land use goals for growth both inside and outside current city boundaries are proposed in the

chapter. These goals include growing in an orderly pattern of development, resilience to fluctuating market demands, growth that preserves Gonzales' environmental and historic resources, achieving actual land uses consistent with the approved zoning map, and maximizing future annexation of land, and each is followed with suggestions for implementation and funding.

Economy

The Future Economy - Business Development section is driven by the following vision:

> **HEED** - A **H**istorically recognizable, **E**conomically vital, **E**nvironmentally sustainable, and **D**elightfully walkable Texas-style town.

Several recommended goals for achieving this vision are described:
- Create a healthy, vital, and soundly growing economic environment with plenty of employment opportunities and diversified tax base.
- Appreciate the city's history; take advantage of historic buildings and other resources to create a "Texas-Style" town with remarkable and revitalized tourism-related business.
- Gain increased tax revenue and other economic development benefits through downtown revitalization.
- Create good access to education and training opportunities that meet the needs of the local labor force and industry sectors.
- Provide fair housing opportunities for residents in all neighborhoods, create a desirable living environment, increase median property value, and decrease housing vacancy.

Housing

Since 2008, a vast number of workers have been moving into the area, leading to a shortage in available housing. While some developers have begun to build new housing, construction has not been able to keep up with demand. While the future of the oil industry in the area is not certain, industry experts predict the boom will last for more than a decade, leading to a stable and long-term demand for new housing. Gonzales' location on the northern portion of the Eagle Ford Shale is an important factor that must be considered when determining the viability of developing new housing. In order to accommodate the increase in housing demand and employment in the Gonzales area, several goals have been

proposed. These goals include developing an inventory of existing properties and determining which housing stock will best suit the needs of present and future Gonzales residents; improving the quality of existing housing stock through rehabilitation; and providing affordable housing. Incentives should be provided to real estate developers to increase housing stock not only within the city limits but also within the downtown area, creating mixed-used developments in abandoned buildings. In order to upgrade the current living conditions of oilfield workers, Gonzales should bring substandard housing units/developments up to code or replace them with new housing developments.

Transportation

The State of the Community Report states several strengths and weaknesses related to the city's transportation network including minimal congestion and an influx of companies and workers within the oil industry. Traffic along major thoroughfares in the city, including US 183, US 90 and FM 794, has been increasing. In order to improve safety throughout the transportation network and mitigate the future impact of oil extraction on the transportation system, several measures are proposed. These include a road classification system with proper wayfinding signage, enhanced transportation facilities, increased safety of through-traffic along neighborhood streets, parking in the downtown area, improved walking and bicycling facilities around the city, an additional route for heavy and hazardous cargo and a safe and adequate airport that can meet the needs of the future conditions of the city and county.

A road classification system is proposed that identifies four major roadway types and additional subgroups of roadways according to the existing surrounding land uses. Appropriate identification of the transportation network should aid the city in adequately lighting roadways, provide parking, and installing amenities that promote a more comfortable and convenient environment for all roadway users: motorists, pedestrians, and cyclists. As a growing tourist destination and major attractor of oil companies, the city could benefit from wayfinding signage that helps direct visitors around the city and its important landmarks as well as a full bicycling and pedestrian network.

As the city improves its roadways, it should consider the long-range infrastructure development plans of other regional and state agencies and organizations and strive to provide a safe transportation network. US 183, US 90 and FM 794 are primary thoroughfares for truck traffic and are also located next to residential and school buildings. By decreasing speeds and implementing safety features, the city can create a more accessible and safe environment for all transportation modes.

Community Facilities

The future community facilities section of the comprehensive plan builds off the findings of the State of the Community Report and creates a vision for steps to be taken in the future to enhance these facilities in Gonzales. These facilities include public utility systems for water and electricity, schools and public centers, parks and event areas, and police and fire services. The vision for improving these emphasis areas is laid out through a series of goals, objectives, and policies to be carried out by Gonzales and its stakeholders.

The first goal is to upgrade water treatment facilities up to state standards. This will be carried out through a series of planned improvement projects for standpipes, gravity filters, and water wells. Other possibilities include looking at the way wastewater and graywater is treated as well as performing an inventory of pipe condition. The electrical grid in Gonzales is also due for an upgrade in several places. Through collaboration with the GVEC to indentify strengths and weaknesses in the system, the city can find methods for funding, phasing, and pursing alternative energy sources.

Another goal to help make Gonzales more cohesive geographically is for more connections to be made between the city's schools, parks, and downtown squares. This will be performed through a bikecycle and sidewalk plan and actively seeking infill opportunities of vacant properties. Additionally the city will look to expand existing community facilities such as J.B. Wells Park and the existing golf course to attract more events to Gonzales such as the Junior Rodeo Finals. These goals will make the city more attractive for residents and tourists alike.

While safety and wellbeing are components of the goals for the Gonzales water and electrical systems, police and fire services are also a part of the future vision for the city. With the consideration of future annexation possibilities and existing crime numbers, the range of service levels of these departments should be reevaluated and projected periodically to ensure safety of residents in Gonzales. These goals involve many different aspects of community facilities but all of the intent of making Gonzales a better place to live and visit. If carried out along with the goals from other elements of the comprehensive plan, they can make Gonzales more than another Texas town and help it become a true jewel of the state.

Environment

The city of Gonzales benefits from the confluence of two great rivers, the Guadalupe and the San Marcos. This provides great opportunities for tourism and water management but also some threats from flooding. The goals and objectives produced below address three main topics: reducing the impact of the city to combat drought conditions and future energy needs, minimizing hazard-related damages within the city, and improving the environment for the citizens of Gonzales and its visitors.Water issues are abundant in Gonzales, and this plan seeks to address both flooding and water conservation. In an effort to reduce water usage in this dry environment, many programs can be enacted such as xeriscaping (using native plants that naturally require lower amounts of water for landscaping), rainwater capture, and grey water recycling systems for irrigation purposes. The amount of impermeable surfaces within the city needs to be addressed and when possible during redevelopment projects, decreased. Other goals and objectives pertain to flood mitigation and the minimization of flood damages within the city. These include conforming to the National Flood Insurance Program's (NFIP) Community Rating System (CRS) which reduces the premiums for policy holders within the municipality. In terms of improving the human environment, the plan addresses the impacts of the oil and gas industry as well as improving trails and park space within Gonzales.

Urban Design

The Urban Design section covers many aspects that will help Gonzales reach its target of becoming a true destination city within Texas. Several objectives are established here to reach this. In developing a thorough list of all tourism assets into a GIS database, the 2012 State of the Community Report has already set the city on this path. To uphold its historic icons and attractions, though, the need for a maintenance plan and funding mechanism are explored. The chapter also includes recommendations for a wayfinding system, redevelopment of the downtown plazas and squares, and for more diversified festivities.

Cultural Resources

The Future Cultural Resources chapter sets goals and objectives for the preservation of Gonzales' heritage, community involvement, and the professional excellence of the city's staff. In addition, implementation and funding strategies for the three topics are provided. In brief, over the coming decades,

the city should emphasize partnerships, training of its staff, programs of public awareness, and efforts to develop financial resources. The following goals are described:

Community Involvement
- Promote a culture of civic engagement by connecting all residents working together and with government to build safe and livable neighborhoods and communities.

Professional Excellence in City Team
- Improve the competence of the city staff in order to achieve more satisfactory customer service.

Historic Preservation
- Increase the value of the city's heritage by means of continuous and consistent property improvement as well as regulatory protection.
- Enhance, preserve, and protect all cultural, historical, and architectural resources to promote community identity and civic pride.
- Cooperate with related official authorities and different educational institution in the city.
- Make the city of Gonzales a competitive historical tourism destination.

Parks and Recreation

The Parks and Recreation portion begins with consideration of the river and river banks around the city of Gonzales. Currently, there is trash accumulation across the river beds. To begin the city can develop a plan to determine the course of action it wishes to take to improve these areas. Also recommended in the plan will be the encouragement of community participation to help with this goal, especially in areas where the most public usage occurs. It will be important to engage community groups to help with this effort. It is also recommended that the city use citations as a motivation to keep the area clean. Even signage stating the importance of keeping specific areas clean can go a long way.

The section also covers a paddling trail project which was estimated to be complete in 2012 but has experienced delays. The city has taken great steps since 2012 to reach a completion date of May 2013, and recommendations are given in the report to for promotion of this important milestone including a ribbon cutting ceremony with the Texas Parks and Wildlife Department, which has helped fund the project.

Finally, this Parks and Recreation section utilizes the 2012 State of the Community Report's inventory of Gonzales' recreation areas. As the community continues to grow, so must the city's parks and recreation facilities. The first step to continue this growth is to determine the current funding for projects encouraging redevelopment and additions that will improve recreational usage. Recommendations are provided including field games, play equipment, playscapes, lighting, signage, and community gardens. Independence Park and Lions Park were heavily focused on. Additionally, the city plans to complete upgrades to J.B. Wells Park by 2015 that will allow it to host larger events. Improvements include a cutting arena and the addition of a multi-purpose event center.

Demographics

Introduction

The most important function of a city government is to contend with and work toward satisfying certain appropriate social, economic and physical needs of its citizens and to anticipate such needs in the future (Base Studies, 1960). A study of past and present trends and a forecast of population and racial composition will be necessary to determine the size and location of various community services and utilities. This report discusses the current state and trends the city of Gonzales is projected to face in the future. The analysis and forecast will be instrumental in determining efficient management strategies to best serve the city in the future.

The city of Gonzales is located in South Central Texas on U.S. Highway 90, 70 miles east of San Antonio and 63 miles south of Austin. It is the county seat of Gonzales County. The total land area of the city is 7.52 square miles and the population density is 1191 per sq. mile (U.S. Census 2010).

Historical Trends

The historic population of the city in comparison to the county and state are shown in Table 1.1. The historical trend of population for the city, county and state shows varying scenarios of population growth from 1920 to 2010 (See Table 1.1). From 1920 to 1970, the city experienced a slow growth of population while the county experienced a significant decline in population. A boom in the oil and gas industry in 1970, which continued throughout the decade, caused a 'boom and bust' growth pattern and increased the employment opportunities and overall demographics of the region. Figure 1.1 demonstrates the percent change of population per 10 years of the city, county, and state and reveals the varying trends of population growth from 1920- 2010.

Figure 1.1: Historical Population
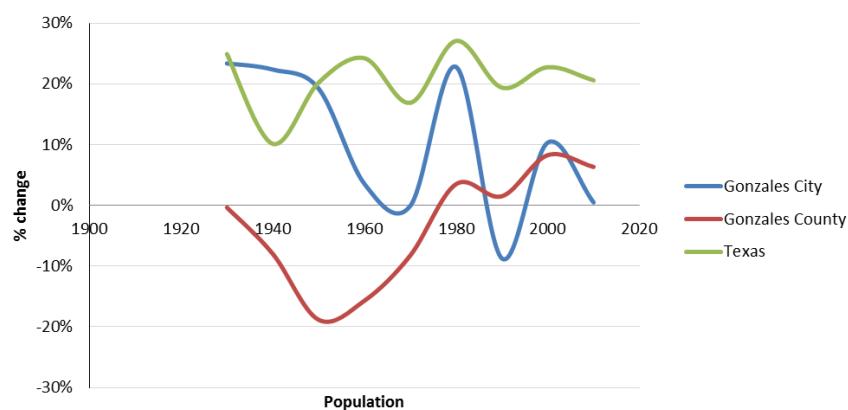
Source: U.S. Census Bureau

Table 1.1: Historic Population Trends

Gonzales City, Gonzales County and Texas: 1920-2010

Year	Gonzales City	% change	Gonzales County	% change	Texas	% change
1920	3128		28438		4663228	
1930	3859	23%	28337	0%	5824715	25%
1940	4722	22%	26075	-8%	6414824	10%
1950	5630	19%	21165	-19%	7711194	20%
1960	5829	4%	17845	-16%	9579677	24%
1970	5824	0%	16375	-8%	11196730	17%
1980	7152	23%	16949	4%	14229191	27%
1990	6527	-9%	17205	2%	16986510	19%
2000	7202	10%	18628	8%	20851820	23%
2010	7237	0%	19807	6%	25145561	21%

Source: U.S. Census Bureau

When the boom ended the following decade, the population fell. From 1960 to 1970, the city experienced almost no growth in its population but started to grow rapidly in 1980, resulting in a 23% increase (U.S. Census 1980) in population from the previous decade. But in the following decade (1980-1990), the population growth continued in both the county and state but the city's population started to decline. From 2000 to 2010 Texas has experienced 21% increase in population, while the county experienced a 2% decline in population from the growth rate of the previous decade. However the city experienced no significant growth since 2000; the 2010 population is 7237.

Current Trends

Source of population growth

From 2000 to 2005 (See Table 1.2), the majority of the population growth in the county resulted from the balance of natural growth, domestic, and international migration - people moving from one area to another for better employment opportunities. In 2005, the number of international immigrants was the highest since 1980, resulting in a 1.5% increase in the county population every five years. However, from 2006 to 2011, the county experienced a decline in domestic migration, which means that a larger share of the population of the county was migrating outward, resulting in the decline of population in the county.

Other migration is mostly related to low-waged jobs in the agriculture sector and plays a smaller role in the area's growth, but because of the employment characteristics it can be assumed that this migrant population has a higher need for affordable housing options.

Table 1.2: Source of Population Growth, 1990-2011

Gonzales County, TX

Year	Total Pop	% Change	Pop Change	Birth	Death	International Immigration	Domestic Migration
2011	19,904	0.5	97	298	196	67	-115
2010	19,807	0.9	179	75	35	19	-14
2005	19,656	1.5	286	356	204	108	20
2000	18,628	0.9	161				
1990	17,205	-2.2	-393	222	164		
1980	16,949	2.1	349				

Source: Texas State Data Center & Texas A&M Real Estate Data Center

Race and Ethnicity Profile

According to the most recent U.S. Census data (2010), Gonzales has an estimated 7,237 residents of which 34% are White, 53% Hispanic, 12% African American and 1% other (See Figure 1.2). The U.S. Census defines other by Asian alone, American Indian alone, some other non-Hispanic race alone, two or more non Hispanic races.

A comparison of the racial distribution of 1990, 2000, and 2010 shows that in Texas, the black and white population is increasing at a lower rate than the Hispanic population (See Figure 1.2). However, in Gonzales the Hispanic population is also increasing, while the white and black population is decreasing (See Figure 1.3).

Figure 1.2: Race and Ethnicity in Gonzales
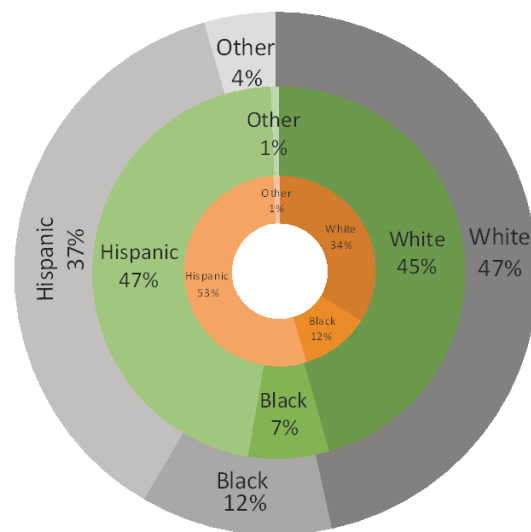
Source: U.S. Census Bureau

According to the 2010 Census, the city of Gonzales and Gonzales County show similar trends in racial composition. Both the city and county have a higher share of Hispanic residents, 53% and 47% respectively, when compared to the state, in which the largest segment of the population is white (47%). The second largest race of the city is white (34%) and the other races constitute only 1% of the city's population. The black population constitutes only 12% of the total population of the city (See Figure 1.2).

The historic data of racial composition shows that from 1950 to 1960, the city experienced a 10% decline in the white population and 23% increase in the Hispanic population (See Figure 1.3). Along with the economic and population boom of the 1970s, the city saw a significant increase in all races but the growth slowed significantly for the white population (22% decline) by 1990. The Hispanic population continued to grow rapidly over the next decades while other races, including the African American population, decreased gradually.

Figure 1.3: Racial distribution in Gonzales City, 1920-2010
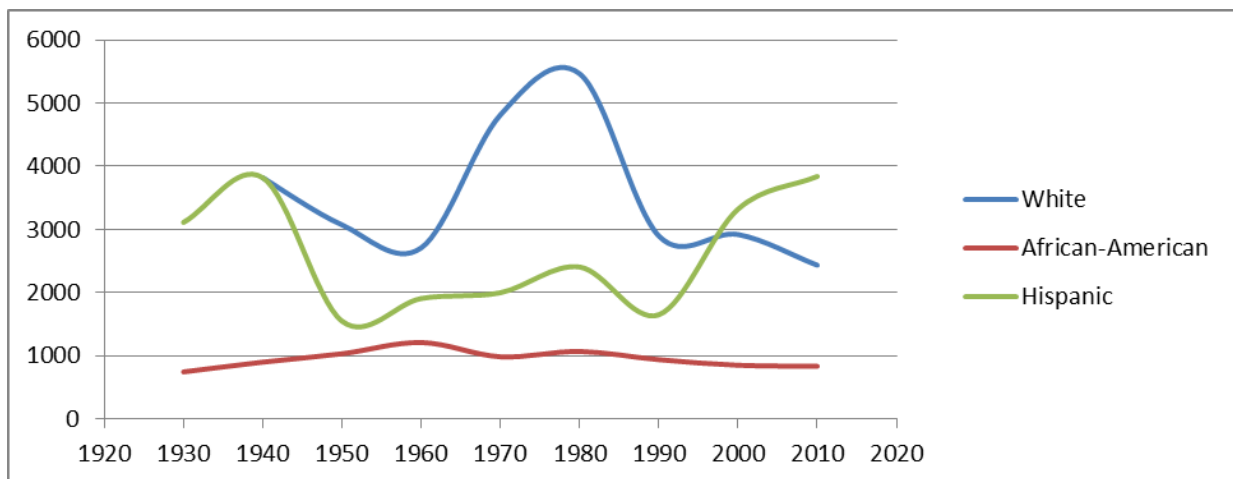
Source: U.S. Census Bureau

Population Components/Age Cohort

The age range of citizens in Gonzales shows a relatively young population with a median age of 34.7. Comparing this to the median age of Texas (33.7 years), Gonzales's population appears to be slightly older than the state's. As Figure 1.4 demonstrates, the vast majority of the population of Gonzales is between 19-49 years, which constitutes the working aged population of the city. With the heavy concentration of working aged population, Gonzales can be a prime location for businesses which will require a large local workforce.

Figure 1.4: Age and Gender cohort of Gonzales City, 2010
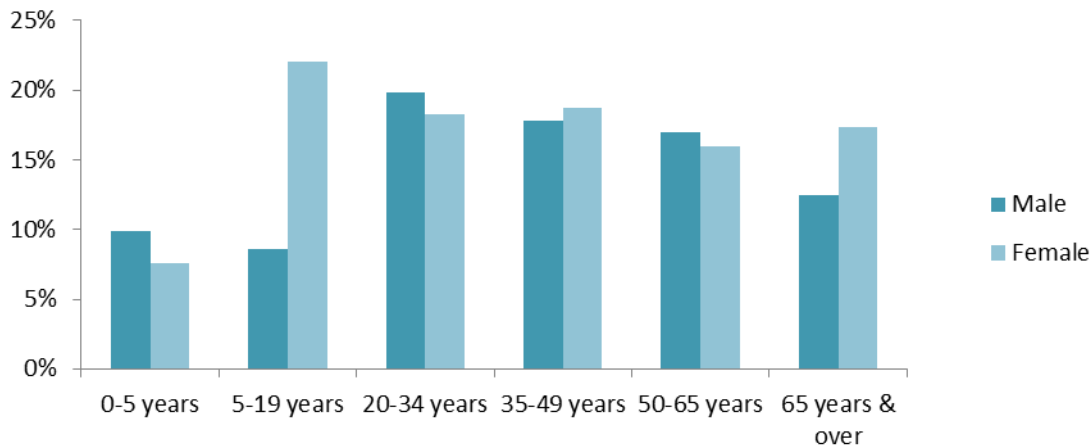
Source: U.S. Census 2010

Figure 1.4 shows unequal distribution of males to females in the 5-19 age-cohort in 2010. The female population also dominates in the 35-49 and 65 years and over age-cohorts. This indicates a change of social demand and employment structure in the next few decades.

It could be assumed that school-aged children of the 10-14 age cohorts in 2000 should have had the same proportion in 2010 for the 20-24 age cohorts. But according to the Census, the largest age cohort of Gonzales residents was aged between less than 5 to 9 years (an added new generation) and 45 to 54 years (See Figure 1.5). This difference suggests that a large cohort of the working aged population migrated outside the city by 2010 to seek better employment opportunities in the surrounding counties or other states.

Figure 1.5: Age and Gender cohort of Gonzales City, 2010
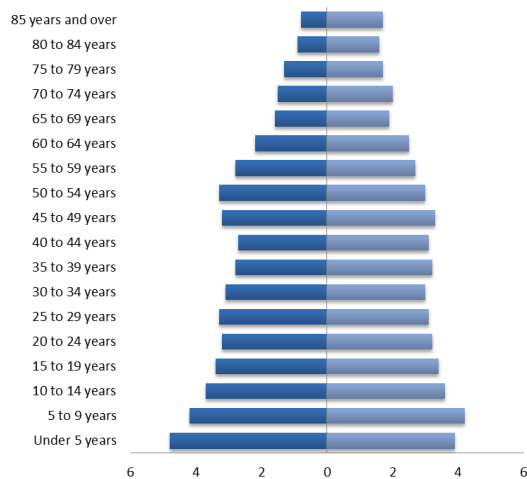
Figure 1.6: Age and Gender cohort of Gonzales City, 2000
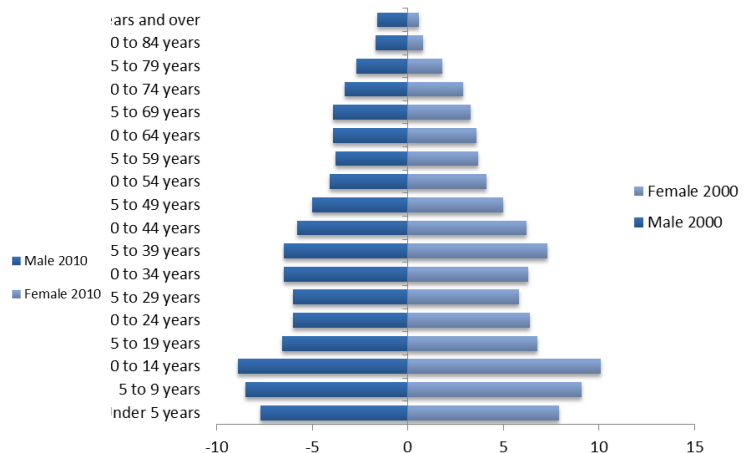
Source: U.S. Census Bureau

Educational Attainment

Gonzales' school-age population is served by the Gonzales Independent School District, which includes primary, elementary, intermediate, junior high, and high schools. Table 1.3 shows the educa- tional attainment of the city compared to the state and county. The percentage of children in the city who completed 12th grade without earning a diploma comprises a similar percentage compared to that of the state and county (See Table 1.3).

Table 1.3: Educational Attainment 2010
Gonzales' percent population 25years or older: 2011 (ACS) and 2010 (SF1)

	Gonzales City		Gonzales County		Texas	
Education Attainment	Male	Female	Male	Female	Male	Female
No schooling completed	2%	4%	3%	3%	1%	1%
Nursery to 4th grade	3%	1%	2%	2%	1%	1%
5th and 6th grade	7%	4%	5%	4%	2%	2%
7th and 8th grade	2%	1%	3%	3%	2%	2%
9th grade	2%	2%	2%	2%	2%	2%
10th grade	2%	3%	2%	2%	2%	2%
11th grade	6%	3%	3%	2%	2%	2%
12th grade, no diploma	1%	1%	1%	2%	1%	1%
High school graduate, GED, or alternative	18%	26%	18%	24%	15%	16%
Some college, less than 1 year	3%	2%	5%	3%	3%	4%
Some college, 1 or more years, no degree	4%	11%	6%	9%	9%	10%
Associate's degree	1%	1%	2%	2%	4%	4%
Bachelor's degree	6%	4%	7%	5%	10%	11%
Master's degree	2%	2%	1%	2%	4%	4%
Professional school degree	0%	0%	1%	0%	1%	1%
Doctorate degree	1%	0%	1%	0%	1%	0%

Source: U.S. Census Bureau

The historic data of educational attainment shows that from 1940 to 1960 the median number of school years completed by Texas residents increased by almost two grades, whereas it rose by just about half a grade in the city of Gonzales (Base Studies of Gonzales, 1960). In 1960, the median edu- cational level of Gonzales residents over 24 was only slightly more than 8th grade. But by 2010, a ma- jority of the population 25 years or over (See Table 1.3), had a high school diploma or GED (35%),a share higher than the state (26%) and county (33%). However, the city had a lower percentage

(7.9%) of people with a bachelor's degree compared to the county (9.80%) and state (17.30%). But this ratio, though lower than that of the state and county, is an impressive figure for the agricultural economy and history of educational attainment of the city.

Table 1.4: Educational Attainment 2010
Gonzales' percent population 25years or older: 2011 (ACS) and 2010 (SF1)

	Texas 2010		County 2010		City 2010	
	Estimate	Percent	Estimate	Percent	Estimate	Percent
Population 25 years and over	15,116,371	100%	12,625	100%	4,547	100%
Less than 9th grade	1,505,662	10.00%	2,411	19.10%	899	19.80%
9th to 12th grade, no diploma	1,515,336	10.00%	1,677	13.30%	745	16.40%
High school graduate (includes equivalency)	3,928,438	26.00%	4,181	33.10%	1,602	35.20%
Some college, no degree	3,318,190	22.00%	2,220	17.60%	706	15.50%
Associate's degree	954,622	6.30%	384	3.00%	71	1.60%
Bachelor's degree	2,609,718	17.30%	1,239	9.80%	360	7.90%
Graduate or professional degree	1,284,405	8.50%	513	4.10%	164	3.60%

Source: U.S. Census Bureau

Population Projection

Population Projection of the County and State based on Migration

In 2010, the population of the city of Gonzales represented 37% of the county's population (U.S. Census Bureau 2010). The population forecast completed by the Texas State Data Center shows that both the county and state will experience a gradual decline in population for both with-migration and without-migration scenarios (See Figure 1.7). From 2010 to 2020, the county is expected to grow at 6% per 10 years which will gradually decline to 2% by 2030 and lead to -1% decline of population by 2040 (See Appendix, Table 1.14). Since the city shares a larger share of the county's population, it can be assumed that the city will also experience a growth trend similar to that of the county and state.

**Figure 1.7 : Population Projection based on Migration 2010-2050
Gonzales County, TX**
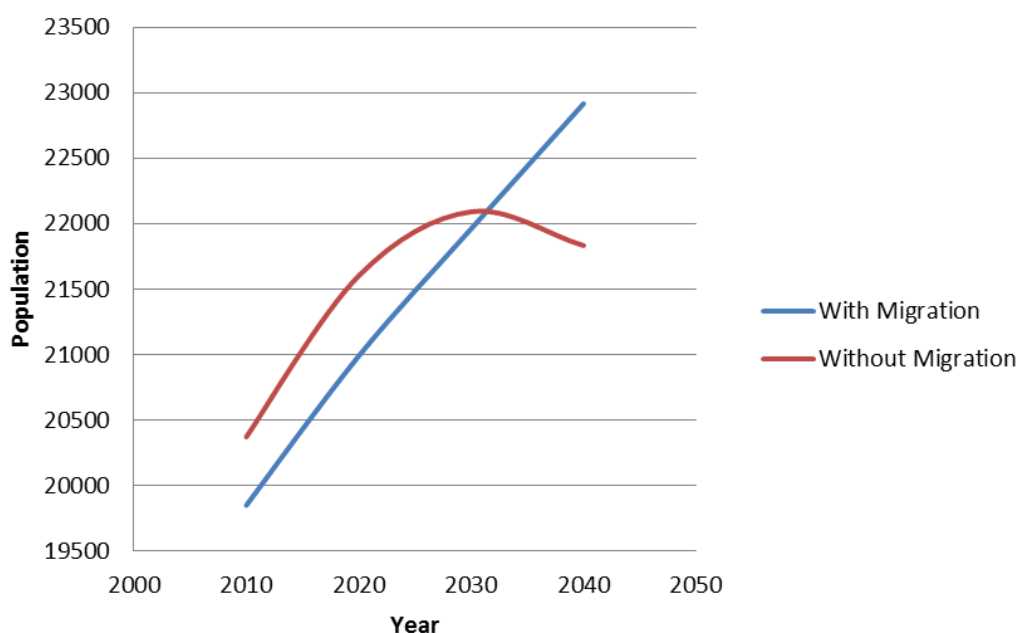
Source: Texas State Demographer's Data Center

Population Growth Projection of the City of Gonzales

This research has analyzed several methods of population forecast to examine different growth sce-
narios with the assumption that the city will experience significant changes in both the number and
racial distribution of population over the next 30 years following varying economic trends. Using his-
torical data from 1940 through the 2010 Census, along with the Texas State Demographer's Ratio-
Share method for Texas and Gonzales County, Gonzales' population has been forecasted for the next
two decades. Two ratio share methods, Shift Share or Linear Approach and Constant Share, which uti-
lized historical population data of the county to project population for the city, have been applied to
examine different growth patterns.

The first method, Linear Growth, provides a low growth scenario. This method utilized the rate of pop-
ulation growth of the county, collected from the State Demographer's projection (See Appendix, Table
1.13), to project the future population of the city and showed only a 1% increase of population from
2010 to 2030 (See Figure 1.8 & Table 1.5) . The second method, Constant Share, provides a medium
growth scenario and projects a 10% increase in population from 2010 to 2030.

The other two projections utilized the historical population growth trends of the city and captured the growth rate of 1970-1980 during previous oil industry boom that increased the population growth rate of the city by 23%. The highest projection shows an 82% increase in population from 2010 to 2030, assuming that the economy of the city will continue to grow at the same 'boom' rate for future decades, attracting more businesses and retaining all the workers and other immigrant population in the city, if the oil industries last longer than the previous boom. The other high growth projection assumes a similar life span to the previous oil boom and provides a scenario of gradual decline of population growth rates in the next decade (2020-2030).

Figure 1.8: Projected Population Growth of Gonzales City 1970-2030

Base Data Source: U.S. Census Bureau, Texas State Demographer
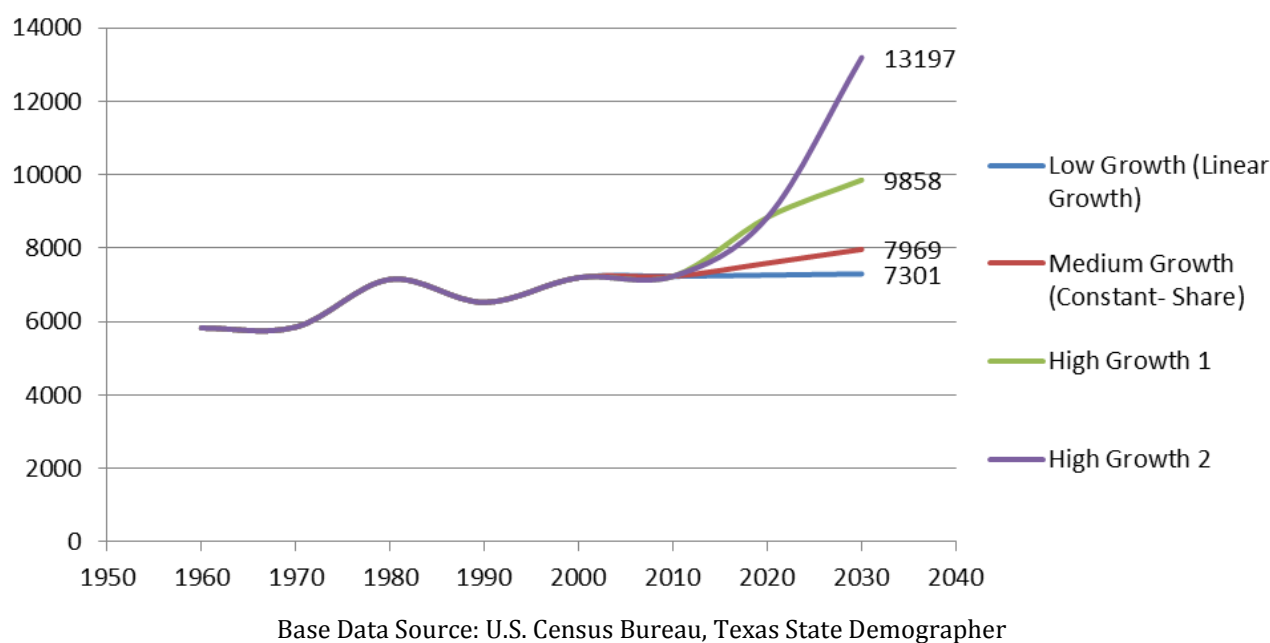
Table 1.5: Projected Population Growth of Gonzales City 1970-2030

Gonzales City	1960	1970	1980	1990	2000	2010	2020	2030	Growth Rate (2010-2030)
Low Growth (Linear Growth)	5829	5854	7152	6527	7202	7237	7269	7301	1%
Medium Growth (Constant-Share)	5829	5854	7152	6527	7202	7237	7594	7969	10%
High Growth 1	5829	5854	7152	6527	7202	7237	8842	9858	36%
High Growth 2	5829	5854	7152	6527	7202	7237	8842	1319	82%

Source: U.S. Census Bureau, Texas State Demographer

Table 1.6: 2011 REGIONAL WATER PLAN
CITY POPULATION PROJECTIONS FOR 2000 - 2060

Year	2000	2010	2020	2030	2040	2050	2060
Gonzales City	7202	7792	8435	8925	9277	9379	9347

Source: 2011 Regional Water Plan, Texas Water Development Board

The Regional Water Plan for Texas 2011, prepared by Texas Water Development Board (TWDB), has projected the future population of Gonzales to better manage the future demand of water and available utilities of the city. According to TWDB, the population of Gonzales will increase by 14.9% from 2010 to 2030 (See Table 1.6). This growth rate is close to our projections provided with different growth scenarios and supports the rate of population growth projected for the city.

Population Projection by Race

The racial growth rates and population projections are based on the historic U.S. Census data, collected from the base studies of Gonzales done in 1960 and also the historic records of American Fact Finder and library records of Census data at Texas A&M University. Racial growth rates and fluctuations, similar to the state and national trends, are useful to consider when planning for the future growth of the city, as the changing demographics and racial composition will require different responses to the demands for public facilities, utilities, employment, housing, etc. The population projection by race (See Figure 1.9) shows a rapid increase of the Hispanic population by 2030, a continued decrease in the white population, and a slight but significant increase in the black population from 2010 to 2030.

Figure 1.9: Projected Population Growth of Gonzales by Race: 1990-2030
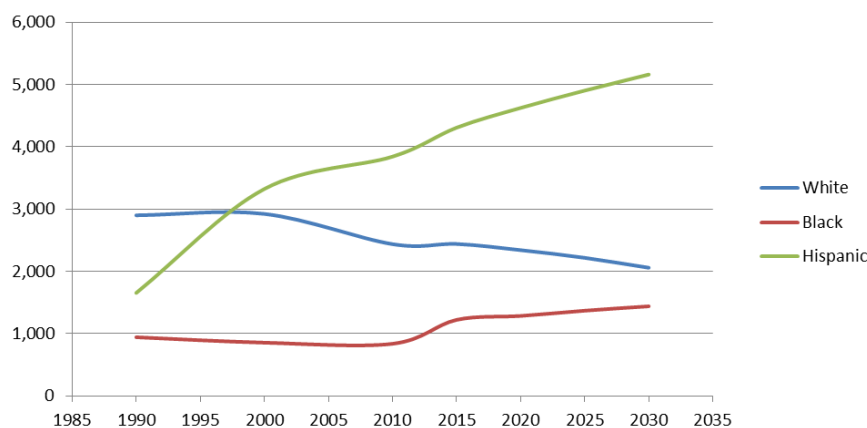
Base Data Source: U.S. Census Bureau, Texas State Demographer

Figure 1.10: Projected Population Growth of Gonzales County by Race: 1990-2030
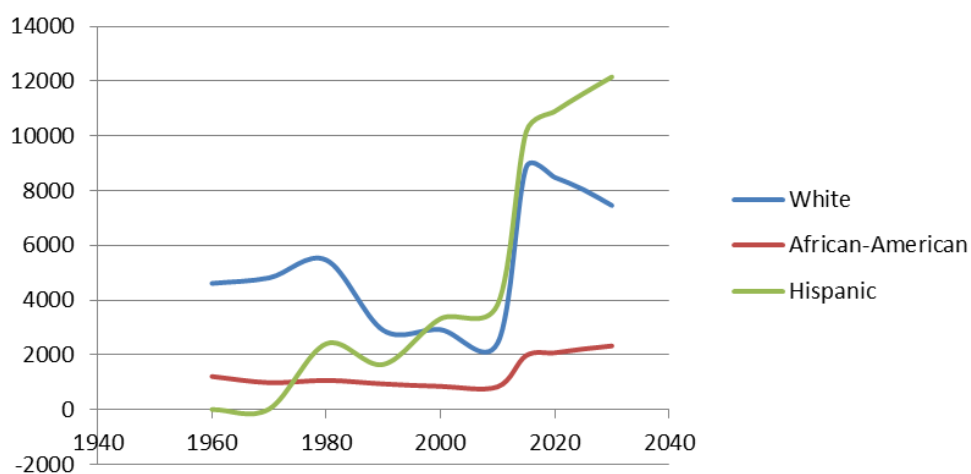
Base Data Source: U.S. Census Bureau, Texas State Demographer

From the analysis of different growth scenarios, it is evident that the city is expected to experience significant population growth over the next 20 years. Depending on the span of the recent boom, the future management strategies should address the changing demographics and racial composition of the city and focus on diversifying the employment sector to attract and retain the immigrant population as well as the current residents within the city.

Appendix

Table 1.7: Race and Ethnicity Profile

	Texas				Gonzales County				Gonzales City			
Year	White	Black	Hispanic	Other	White	Black	Hispanic	Other	White	Black	Hispanic	Other
1990	10,291,680	1,976,360	4,339,905	21,937	9,398	1,581	6,142	50	2,898	940	1,651	24
2000	10,933,313	2,364,255	6,385,600	654,019	9,539	1,493	7,122	100	2,921	852	3,322	58
2010	11,397,345	2,886,825	9,101,478	1,080,912	8,836	1,353	9,048	136	2,435	835	3,841	81

SOURCE: 1990, 2000, and 2010 U.S. Census

Table 1.8: Race and Ethnicity Profile of Gonzales County

Gonzales	1960	1970	1980	1990	2000	2010
White	4612	4815	5467	2,898	2,921	2,435
African-American	1212	986	1070	940	852	835
Hispanic	5	23	2407	1,651	3,322	3,841

SOURCE: U.S. Census 1960-2010

Table 1.9: Age Structure of Gonzales, TX (2010)

Gonzales City 2010				
Age	Male	%	Female	%
Under 5 years	348	4.8	282	3.9
5 to 9 years	303	4.2	306	4.2
10 to 14 years	267	3.7	261	3.6
15 to 19 years	247	3.4	248	3.4
20 to 24 years	233	3.2	235	3.2
25 to 29 years	242	3.3	223	3.1
30 to 34 years	227	3.1	219	3
35 to 39 years	206	2.8	229	3.2
40 to 44 years	192	2.7	226	3.1
45 to 49 years	232	3.2	238	3.3
50 to 54 years	242	3.3	216	3
55 to 59 years	201	2.8	192	2.7
60 to 64 years	156	2.2	184	2.5
65 to 69 years	116	1.6	137	1.9
70 to 74 years	112	1.5	147	2
75 to 79 years	91	1.3	120	1.7
80 to 84 years	63	0.9	117	1.6
85 years and over	58	0.8	121	1.7
Total	3536	48.8	3701	51.1

Source: U.S. Census Bureau

Table 1.10: Age Structure of City, County, and State (2010)

Age and Gender by City, County, and State
SOURCE: 2000 and 2010 Census

2010

Age	Texas Both sexes	Texas Male	Texas Female	Gonzales County Both sexes	Gonzales County Male	Gonzales County Female	Gonzales City Both sexes	Gonzales City Male	Gonzales City Female
Total	25,145,561	12,472,280	12,673,281	19,807	9,959	9,848	7,237	3,536	3,701
Under 5 years	1,928,473	984,149	944,324	1,530	799	731	630	348	282
5 to 9 years	1,928,234	983,814	944,420	1,544	782	762	609	303	306
10 to 14 years	1,881,883	962,866	919,017	1,442	740	702	528	267	261
15 to 17 years	1,127,234	579,420	547,814	852	429	423	299	152	147
18 and 19 years	755,890	389,266	366,624	532	280	252	196	95	101
20 years	369,040	189,570	179,470	247	145	102	89	47	39
21 years	359,015	184,652	174,363	239	129	110	89	50	42
22 to 24 years	1,089,024	558,131	530,893	711	353	358	290	136	154
25 to 29 years	1,853,039	938,966	914,073	1,157	612	545	465	242	223
30 to 34 years	1,760,434	882,887	877,547	1,144	577	567	446	227	219
35 to 39 years	1,763,587	876,139	887,448	1,134	574	560	435	206	229
40 to 44 years	1,694,795	846,865	847,930	1,168	580	588	418	192	226
45 to 49 years	1,760,467	874,863	885,604	1,342	685	657	470	232	238
50 to 54 years	1,674,869	827,933	846,936	1,446	734	712	458	242	216
55 to 59 years	1,422,924	691,275	731,649	1,218	623	595	393	201	192
60 and 61 years	500,523	241,090	259,433	465	248	217	156	73	83
62 to 64 years	674,244	324,730	349,514	644	328	316	184	83	101
65 and 66 years	373,062	177,155	195,907	345	162	183	108	53	55
67 to 69 years	480,038	226,114	253,924	527	261	266	145	63	82
70 to 74 years	619,156	283,865	335,291	742	350	392	259	112	147
75 to 79 years	477,245	208,530	268,715	574	277	297	211	91	120
80 to 84 years	347,206	139,029	208,177	415	169	246	180	63	117
85 years and over	305,179	100,971	204,208	389	122	267	179	58	121

2000

Age	Texas Both sexes	Texas Male	Texas Female	Gonzales County Both sexes	Gonzales County Male	Gonzales County Female	Gonzales City Both sexes	Gonzales City Male	Gonzales City Female
Total	20,851,820	10,352,910	10,498,910	18,628	9,239	9,389	7,202	3,439	3,763
Under 5 years	1,624,628	830,745	793,883	1,299	685	614	548	285	263
5 to 9 years	1,654,184	844,959	809,225	1,370	711	659	558	272	286
10 to 14 years	1,631,192	834,526	796,666	1,535	776	759	612	312	300
15 to 17 years	976,755	504,503	472,252	1,003	527	476	422	222	200
18 and 19 years	659,477	342,959	316,518	517	281	236	216	124	92
20 years	323,645	167,509	156,136	250	137	113	101	50	51
21 years	305,288	157,886	147,402	205	116	89	88	51	37
22 to 24 years	910,471	469,404	441,067	643	326	317	288	134	154
25 to 29 years	1,591,522	810,965	780,557	1,081	538	543	432	219	213
30 to 34 years	1,570,561	798,051	772,510	1,087	555	532	431	199	232
35 to 39 years	1,688,883	849,270	839,613	1,295	624	671	467	218	249
40 to 44 years	1,633,355	819,334	814,021	1,321	677	644	466	251	215
45 to 49 years	1,416,178	702,056	714,122	1,141	593	548	418	212	206
50 to 54 years	1,194,959	587,762	607,197	1,066	547	519	359	173	186
55 to 59 years	896,521	436,105	460,416	879	417	462	295	140	155
60 and 61 years	295,009	141,846	153,163	326	148	178	99	45	54
62 to 64 years	406,660	192,849	213,811	488	236	252	178	83	95
65 and 66 years	254,461	119,299	135,162	310	175	135	106	50	56
67 to 69 years	355,971	164,218	191,753	501	238	263	172	74	98
70 to 74 years	532,176	234,965	297,211	779	366	413	278	113	165
75 to 79 years	424,034	175,337	248,697	615	268	347	236	100	136
80 to 84 years	267,950	100,142	167,808	450	167	283	194	63	131
85 years and over	237,940	68,220	169,720	467	131	336	238	49	189

Table 1.11: Educational Attainment of Population 25 years and over by City, County, and State

	Texas 2010		County 2010		City 2010	
	Estimate	Percent	Estimate	Percent	Estimate	Percent
Population 25 years and over	15,116,371	100%	12,625	100%	4,547	100%
Less than 9th grade	1,505,662	10.00%	2,411	19.10%	899	19.80%
9th to 12th grade, no diploma	1,515,336	10.00%	1,677	13.30%	745	16.40%
High school graduate (includes equivalency)	3,928,438	26.00%	4,181	33.10%	1,602	35.20%
Some college, no degree	3,318,190	22.00%	2,220	17.60%	706	15.50%
Associate's degree	954,622	6.30%	384	3.00%	71	1.60%
Bachelor's degree	2,609,718	17.30%	1,239	9.80%	360	7.90%
Graduate or professional degree	1,284,405	8.50%	513	4.10%	164	3.60%

Source: American Community Survey (ACS 2011), U.S. Census, 2010

Table 1.12: School Enrollment by City, County, and State

SOURCE: 2000 Summary File and 2006-2010 American Community Survey

	Texas				Gonzales County, Texas				Gonzales city, Texas			
	2000		2010		2000		2010		2000		2010	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Population 3 years and over enrolled in school	5,948,260	100	6,836,694	100	4,671	100	4397	100	1,916	100	1799	100
Nursery school, preschool	390,094	6.60	434,630	6.00	370	7.9	251	6.00	185	9.7	72	4.00
Kindergarten	348,203	5.90	391643	6.00	350	7.5	347	8.00	202	10.5	122	7.00
Elementary: grade 1 to 4	1,360,466	22.90	1,487,543	22.00	1,125	24.1	1432	33.00	466	24.3	490	27.00
Elementary: grade 5 to 8	1,346,815	22.60	1,448,145	21.00	1,322	28.3	858	20.00	476	24.8	385	21.00
High school: grade 9 to 12	1,299,792	21.90	1,478,743	22.00	1,192	25.5	1194	27.00	444	23.2	565	31.00
College, undergraduate	1,008,881	17.00	1,341,022	20.00	289	6.2	291	7.00	137	7.2	165	9.00
Graduate, professional school	194,009	3.30	254,968	4.00	23	0.5	24	1.00	6	0.3	0	0.00
Population 3 years and over enrolled in school	5,948,260	100		43.00	4,671	100			1,916	100		
3 and 4 years	289,441	4.9		43.00	245	5.2		43.6	106	5.5		22.4
5 to 9 years				96.00				96.7				100
5 to 14 years	3,214,300	54			2,940	62.9			1,246	65		
10 to 14 years				99.00				96.3				100
15 to 17 years	899,282	15.1		96.00	862	18.5		91.7	263	13.7		100
18 and 19 years	401,167	6.7		65.00	193	4.1		46.8	65	3.4		51.1
20 to 24 years	484,051	8.1		37.00	152	3.3		11.9	67	3.5		16.8
25 to 34 years	337,825	5.7		12.00	107	2.3		2.6	70	3.7		3.5
35 years and over	322,194	5.4		3.00	172	3.7		0.05	99	5.2		0.6
Population 18 to 24 years	2,186,997	100			1,626	100			656	100		
High school graduates	1,501,312	68.6			977	60.1			367	55.9		
Enrolled in college or graduate school	628,903	28.8			158	9.7			67	10.2		

Source: U.S. Census Bureau

Table 1.13: Gender -Based Education Attainment

Education Attainment	Gonzales City		Gonzales County		Texas	
	Male	Female	Male	Female	Male	Female
No schooling completed	2%	4%	3%	3%	1%	1%
Nursery to 4th grade	3%	1%	2%	2%	1%	1%
5th and 6th grade	7%	4%	5%	4%	2%	2%
7th and 8th grade	2%	1%	3%	3%	2%	2%
9th grade	2%	2%	2%	2%	2%	2%
10th grade	2%	3%	2%	2%	2%	2%
11th grade	6%	3%	3%	2%	2%	2%
12th grade, no diploma	1%	1%	1%	2%	1%	1%
High school graduate, GED, or alternative	18%	26%	18%	24%	15%	16%
Some college, less than 1 year	3%	2%	5%	3%	3%	4%
Some college, 1 or more years, no degree	4%	11%	6%	9%	9%	10%
Associate's degree	1%	1%	2%	2%	4%	4%
Bachelor's degree	6%	4%	7%	5%	10%	11%
Master's degree	2%	2%	1%	2%	4%	4%
Professional school degree	0%	0%	1%	0%	1%	1%
Doctorate degree	1%	0%	1%	0%	1%	0%

Source: U.S. Census Bureau

Table 1.14

Source of Population Projection

SOURCE: TX A&M Real Estate Data Center

County

Year	Total Pop	% Change	Pop Change	Components of Change			
				Birth	Death	Internation Immigration	Domestic Migration
2011	19,904	0.5	97	298	196	67	-115
2010	19,807	0.9	179	75	35	19	-14
2005	19,656	1.5	286	356	204	108	20
2000	18,628	0.9	161				
1990	17,205	-2.2	-393	222	164		
1980	16,949	2.1	349				

Table 1.15

Population Projection based on Migration

	2010	2020	% change	2030	% change	2040	% change
No migration							
Texas	22,802,983	24,330,687	7%	25449114	5%	26085109	2%
County	19848	20989	6%	21961	5%	22917	4%
With migration							
Texas	25373947	30,858,449	22%	37285486	21%	44872036	20%
County	20371	21602	6%	22091	2%	21832	-1%

Source: Texas State Data Center

18

Land Use

Introduction

Sound planning is that which puts land to its most efficient and effective use. The basis of such planning is an understanding of past growth and knowledge of the existing physical structure of a community. The physical inventory of a city provides the foundation for decisions in respect to plans and actions that will affect its future. Planning for future and existing land use is also essential for successful growth management and sound financial decision making. Plans must be made for private land as well as public land; at least in the broader classification of the use of such land, because they make possible the timely and efficient location of public service, utilities, streets, schools, etc., and they protect private property. To plan effectively, it is necessary not only to understand the existing structure of the city, but also to determine where future development will take place. A possible population increase must be related to where development will actually occur, and this should make it easier to budget for the facilities necessary to serve the increasing population.
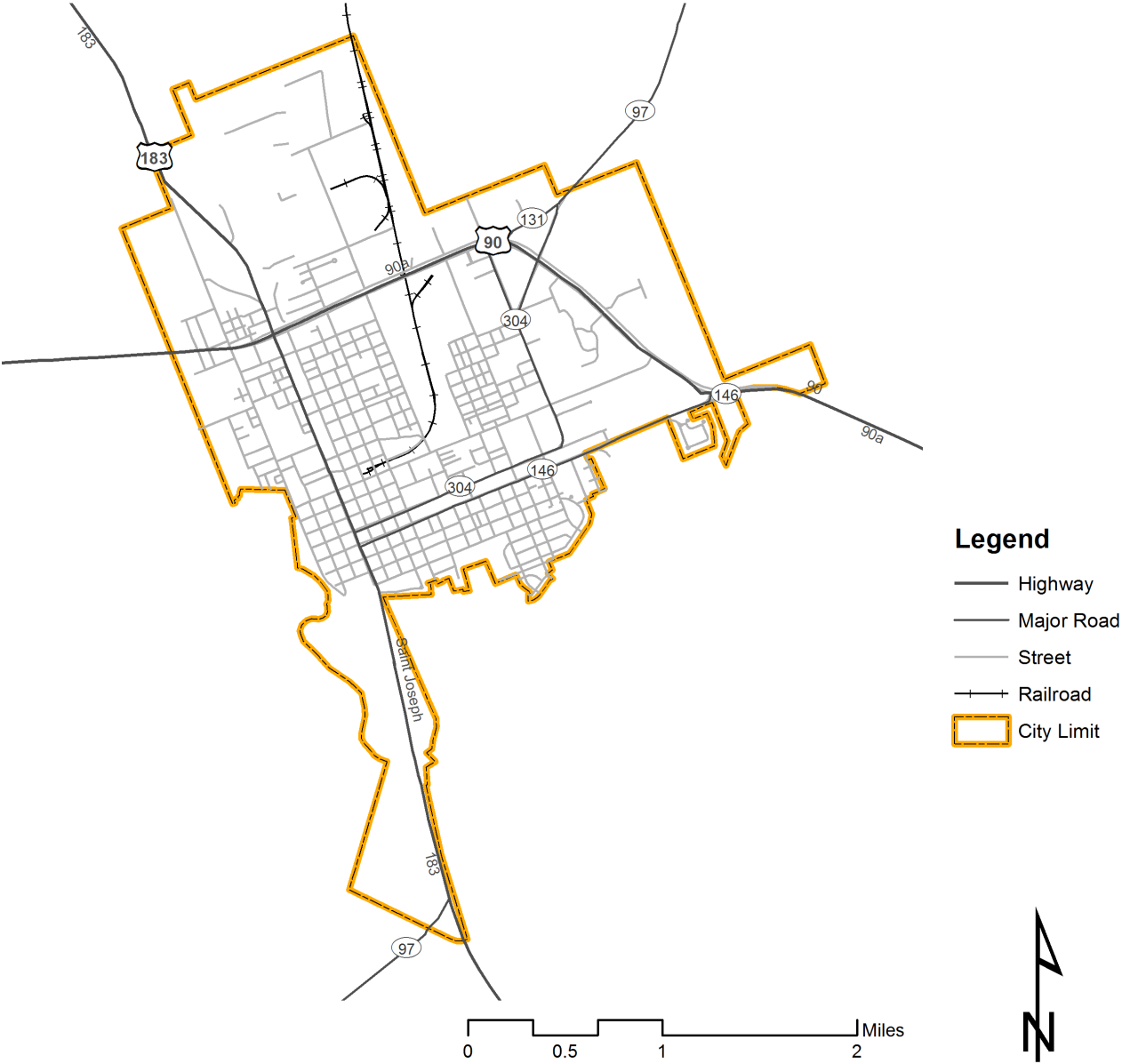
Methodology

A land use survey of the city of Gonzales was completed in the fall of 2012. The land uses for each parcel were coded, with the primary use taking precedent over minor accessory uses. The land units used for the survey were legal property parcels derived from the Grimes County Central Appraisal District's plat maps. The survey illustrated that the city limits of Gonzales encompass roughly 3,600 acres. The city limits of Gonzales can be viewed on Map 2.1. Due to the nature of the land use data collection and survey, the following area and percentage numbers are based on the parcelized land area inside the city limit area. This means that land such as streets, water bodies and other non-parcelized land uses are not represented in the statistics presented here.
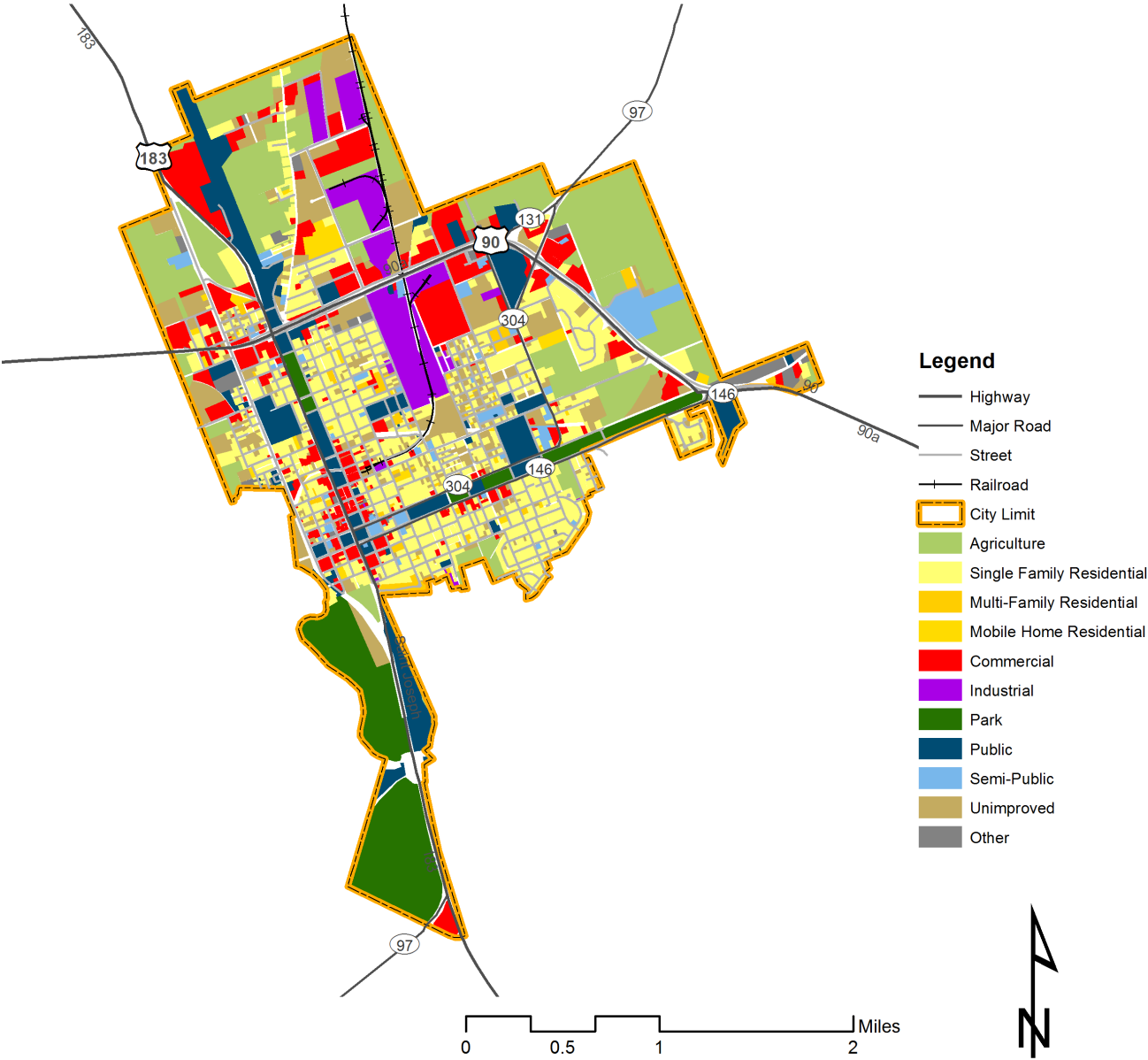
Land Use Classification

The outcomes from the land use survey done in the fall of 2012 are shown on Map 2.2 and in Table 2.1 displaying land use classifications.

Map 2.1: Gonzales City Limits

Legend

— Highway
— Major Road
— Street
+—+ Railroad
▢ City Limit

0   0.5   1   2   Miles

Map 2.2: Gonzales Current Land Use

Legend

- —— Highway
- —— Major Road
- —— Street
- ‒|‒ Railroad
- ▭ City Limit
- ▮ Agriculture
- ▮ Single Family Residential
- ▮ Multi-Family Residential
- ▮ Mobile Home Residential
- ▮ Commercial
- ▮ Industrial
- ▮ Park
- ▮ Public
- ▮ Semi-Public
- ▮ Unimproved
- ▮ Other

Miles

0   0.5   1   2

N

Table2.1: Land Use Classification

Land Use	Classifications
Residential	- Single-Family Residential - Multi-Family (Tri/Four-Plexes, Duplexes, Apartment) - Mobile/Manufactured Home
Commercial	- Commercial Retail/Trade/Service (Banks, Stores) - Commercial Office (Realty/Professional Offices) - Commercial Other (Body Shops, Driving Ranges, etc)
Industrial	- Commercial-Industrial (Warehouse Sales) - Light Industrial (Assembly Line) - Heavy Industrial (Pipe Fabrication, etc)

Public/Semi-Public	- Public (City Building, Schools, Library)
	  Transportation (Air, Parking as a primary use)
	  Streets
	  Railroad (Railroad Facilities)
	  Utilities/Communications (Telecommunications, Waste Water Treatment)
	- Semi-Public (Religions Institutions, Hospital)

Downtown	- Mixed-Use
	      Residential/Retail
	      Residential/Office
	      Retail/Office
	      Mixed-Use Other
	      Retail/Vacant
	      Office/Vacant
	- Downtown Public/Semi-Public
	- Entertainment (Theater, Tavern, Night-Club, Restaurant)
	- Retail
	- Office
	- Residential
	- Vacant

Open Space/Park	- Parks - Ball Fields - Drainage Facility (Detention Pond)
Agriculture	- Agriculture (As the primary use)
Unimproved	- Rural (Residential development on lots of > 5 acres, may contain other minor uses) - Unimproved (may include land with abandoned or vacant structures)

Current Land Use

The percentages of existing land use for the city of Gonzales are displayed in Table 2.2. The uses are listed in terms of the units and acreage for each land use classification as well as the classification's percentage of the city's total land area. The land use statistics were determined through a field survey done in the fall of 2012.

Table 2.2: 2012 Gonzales Land Use Statistics

Land Use	Units	Area	Units (%)	Area (%)
Residential	**2119**	**843.18**	**59.0%**	**17.5%**
Single Family Residential	1977	703.73	55.1%	14.6%
Multiple Family Residential	42	40.74	1.2%	0.8%
Mobile Home	100	98.71	2.8%	2.0%
Public & Semi-Public	**159**	**598.15**	**4.4%**	**12.4%**
Public	95	506.46	2.6%	10.5%
Semi-Public	64	91.69	1.8%	1.9%
Commercial	**512**	**658.59**	**14.3%**	**13.7%**
Industrial	**28**	**191.08**	**0.8%**	**4.0%**
Agriculture	**146**	**1354.94**	**4.1%**	**28.1%**
Open Space/Park	**11**	**521.45**	**0.3%**	**10.8%**
Unimproved	**572**	**585.99**	**15.9%**	**12.2%**
Other	**42**	**62.17**	**1.2%**	**1.3%**
Total	**3589**	**4815.55**	**100%**	**100%**

Residential

The combined single-family, multi-family, and mobile homes constitute roughly 17.5% of land use within the city limit of Gonzales. Of this percentage, 83.5% is single-family, 4.8% is multi-family, and 11.7% is used for mobile homes.

Commercial

Approximately 13.7% of land in the city is used for a variety of commercial purposes. These uses include office space, retail, body shops, driving ranges, motels, and many more. These commercial properties are located primarily along Hwy 90 (Sarah Dewitt Drive) and St. Joseph Street.

The Main Locations of Commercial

1. Pizza Hut
2. J. P. Jones Oil Company
3. Buddy's Natural Chicken
4. Wal-Mart
5. Gonzales Food Market
6. Sage Capital Bank
7. H.E.B. Grocery

Industrial

Industrial property equals approximately 4.0%, or 191.08 acres, of the city's land use. These classifications allow for uses such as warehouse sales, assembly, fabrication, and accessory railroad storage. These land uses, including one industrial park, are primarily located in the north of the city.

## The Main Locations of Industrial

1. Industrial Park
2. Southern Clay Products
3. Fastenal Company

Public/Semi-Public

The public institutional areas make up roughly 12.4% of land in the city, with 10.5% consisting of city buildings, schools, a public library, cemeteries, utilities, and other city facilities. The remaining 1.9% includes religious institutions as well as medical facilities. A more thorough analysis of the public/institutional aspects of Gonzales can be found in the Community Facilities section.

The Main Locations of Public Facilities
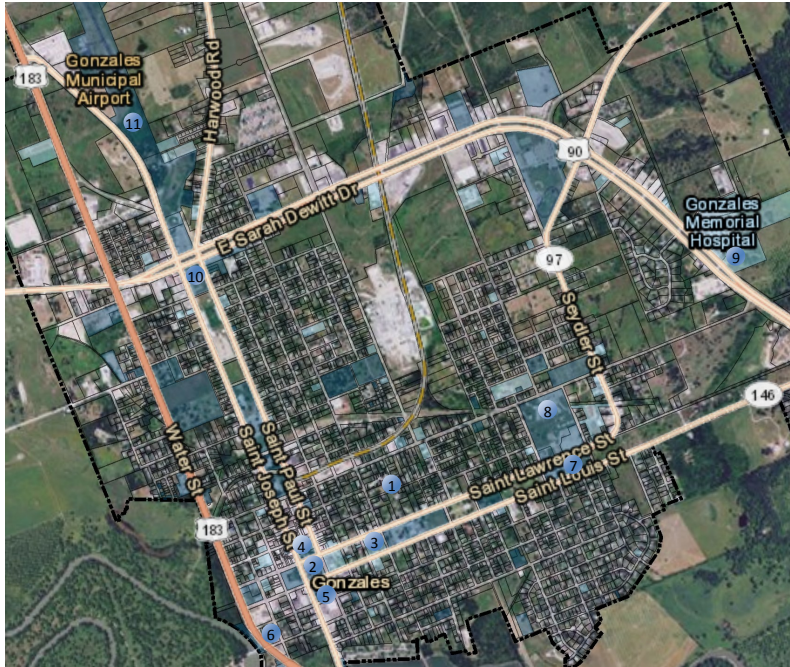
1. City Hall
2. Gonzales County Attorney
3. St. James Catholic Church
4. Gonzales City Fire Department
5. Gonzales Public Library
6. Gonzales City Water Works Plant
7. Gonzales East Avenue Primary School
8. Gonzales Elementary School
9. Gonzales Memorial Hospital
10. Victoria College
11. Gonzales Municipal Airport

Open Space

Roughly 10.8% of the city of Gonzales is comprised of open space. Open space includes city parks and other recreational areas.

The Main Locations of Open Space

1. Gonzales City Park
2. Independence Park
3. Gonzales Heroes Park
4. City Park

Agriculture

Agriculture accounts for 28.1% of the land use in Gonzales. This classification focuses on ranching and agriculture as the primary activities. The majority of the land from this category is located in the north and east of the city.

Unimproved

Approximately 41.4% of Gonzales was classified as vacant or undeveloped property. The majority of the vacant land is located in the center of the city. However, numerous vacant lots can be found in mostly residential areas in the city.

Land Use and Zoning Review

Land use and zoning go hand-in-hand in advancing the safety and health of a city. Land use should conform to the proper zoning in order to create cohesive areas within the city. However, nonconformity is evident based on the tables below (see Table 2.3 to 2.9). Each table lists out the current land use found within each zone. The number of parcels per land use is provided, as well as the land use proportion to the entire zone. These data were developed by using GIS to overlay each zone independently with the current land use map. The land use was then clipped and the layers' attribute tables exported and summarized in subtotal tables. This method allows for greater accuracy than a visual analysis. In addition, the nonconformity is quantified and can be used by the city of Gonzales

to address the issue by exactly locating the nonconformity per zone. Please refer to the 2012 zoning map (see Map 2.3) and the accompanying maps (see Map 2.4 to 2.10) for visual representation of nonconformity per zone.

Table 2.3: Single Family Residential Zoning – 2012 Land Use

2012 Land Use	# of Parcels By Land Use	Proportion of Zone
Agriculture Count	46	2.0%
Commercial Count	69	2.9%
Industrial Count	12	0.5%
Mobile Home Residential Count	41	1.7%
Multi-Family Residential Count	28	1.2%
Other Count	12	0.5%
Public Count	33	1.4%
Semi-Public Count	29	1.2%
Single Family Residential Count	1672	71.3%
Unimproved Count	404	17.2%
Total	2346	100.0%

Table 2.4: Mobile Home Residential Zoning – 2012 Land Use

2012 Land Use	# of Parcels By Land Use	Proportion of Zone
Commercial Count	6	9.1%
Mobile Home Residential Count	46	69.7%
Public Count	2	3.0%
Single Family Residential Count	9	13.6%
Unimproved Count	3	4.5%
Total	66	100.0%

Table 2.5: Multi-Family Residential Zoning – 2012 Land Use

2012 Land Use	# of Parcels By Land Use	Proportion of Zone
Agriculture Count	5	10.0%
Commercial Count	3	6.0%
Mobile Home Residential Count	2	4.0%
Multi-Family Residential Count	8	16.0%
Other Count	4	8.0%
Park Count	1	2.0%
Public Count	3	6.0%
Semi-Public Count	2	4.0%
Single Family Residential Count	13	26.0%
Unimproved Count	9	18.0%
Total	50	100.0%

Table 2.6: Commercial Zoning – 2012 Land Use

2012 Land Use	# of Parcels By Land Use	Proportion of Zone
Agriculture Count	58	5.9%
Commercial Count	414	42.2%
Industrial Count	5	0.5%
Mobile Home Residential Count	22	2.2%
Multi-Family Residential Count	6	0.6%
Other Count	25	2.5%
Public Count	35	3.6%
Semi-Public Count	30	3.1%
Single Family Residential Count	271	27.6%
Unimproved Count	116	11.8%
Total	982	100.0%

Table 2.7: Industrial Zoning – 2012 Land Use

2012 Land Use	# of Parcels By Land Use	Proportion of Zone
Agriculture Count	16	18.2%
Commercial Count	32	36.4%
Industrial Count	12	13.6%
Other Count	3	3.4%
Public Count	2	2.3%
Semi-Public Count	1	1.1%
Single Family Residential Count	2	2.3%
Unimproved Count	20	22.7%
Total	88	100.0%

Table 2.8: Ag and Open Space Zoning – 2012 Land Use

2012 Land Use	# of Parcels By Land Use	Proportion of Zone
Agriculture Count	15	17.2%
Commercial Count	1	1.1%
Mobile Home Residential Count	1	1.1%
Other Count	1	1.1%
Park Count	2	2.3%
Public Count	12	13.8%
Semi-Public Count	5	5.7%
Single Family Residential Count	24	27.6%
Unimproved Count	26	29.9%
Total	87	100.0%

Table 2.9: Park Zoning – 2012 Land Use

2012 Land Use	# of Parcels By Land Use	Proportion of Zone
Agriculture Count	9	21.4%
Commercial Count	2	4.8%
Mobile Home Residential Count	2	4.8%
Other Count	2	4.8%
Park Count	8	19.0%
Public Count	14	33.3%
Semi-Public Count	1	2.4%
Single Family Residential Count	2	4.8%
Unimproved Count	2	4.8%
Total	42	100.0%

Map 2.3: 2012 Zoning

Legend

- Highway
- Major Road
- Street
- Railroad
- City Limit
- Single Family Residential Zoning
- Mobile Home Residential Zoning
- Multi-Family Residential Zoning
- Commercial Zoning
- Industrial Zoning
- Ag and Open Space Zoning
- Park Zoning
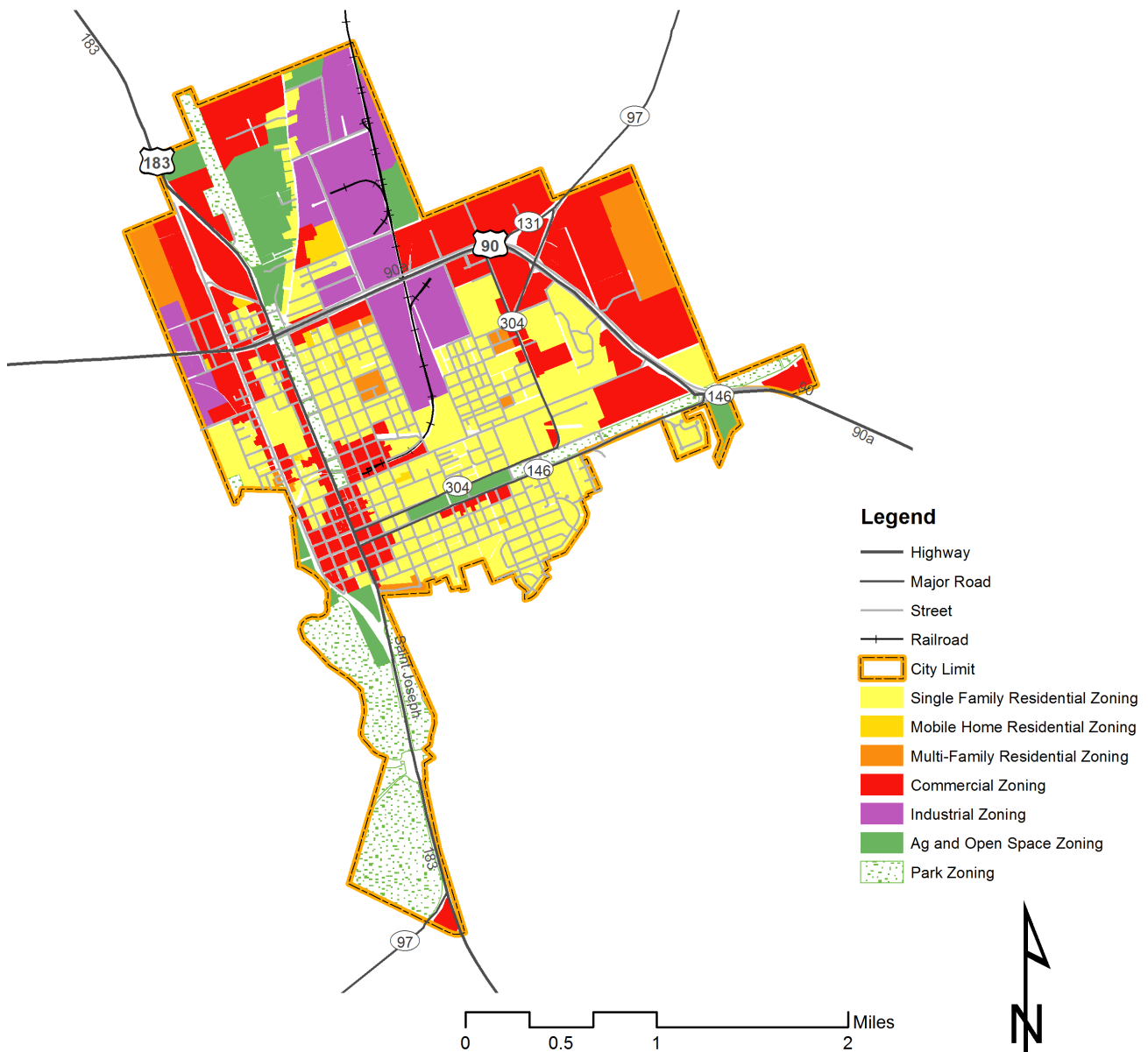
Map 2.4: 2012 Land Use Found in Single Family Residential Zoning

Legend

— Highway
— Major Road
— Street
—+— Railroad
▭ City Limit

Single Family Residential Zoning

- Agriculture
- Single Family Residential
- Multi-Family Residential
- Mobile Home Residential
- Commercial
- Industrial
- Park
- Public
- Semi-Public
- Unimproved
- Other

Miles
0   0.5   1   2
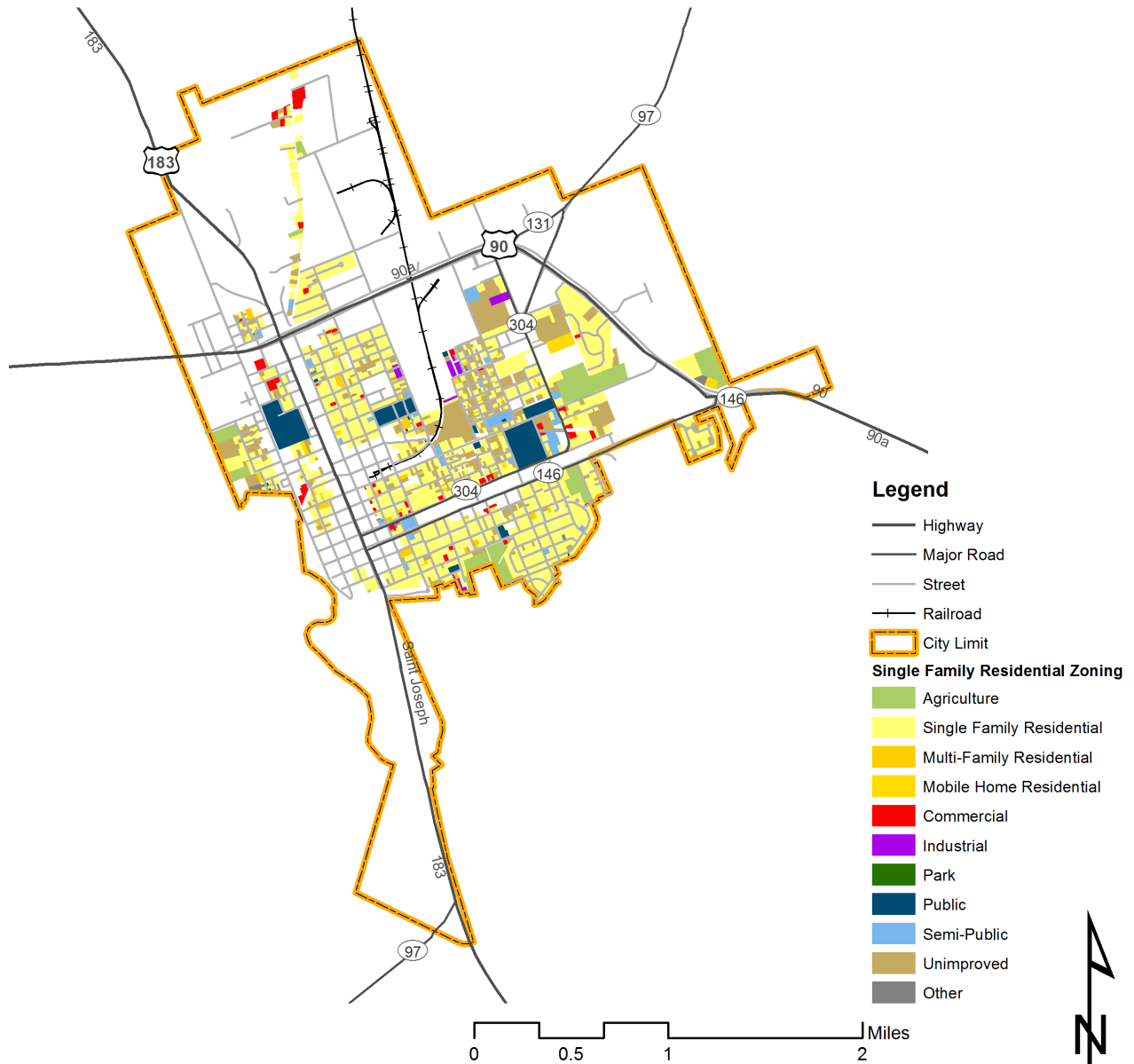
Map 2.5: 2012 Land Use Found in Mobile Home Residential Zoning

Legend

— Highway
— Major Road
— Street
—+— Railroad
⬚ City Limit

Mobile Home Residential Zoning

◻ Single Family Residential
◼ Mobile Home Residential
◼ Commercial
◼ Public
◼ Unimproved

Miles
0   0.5   1   2
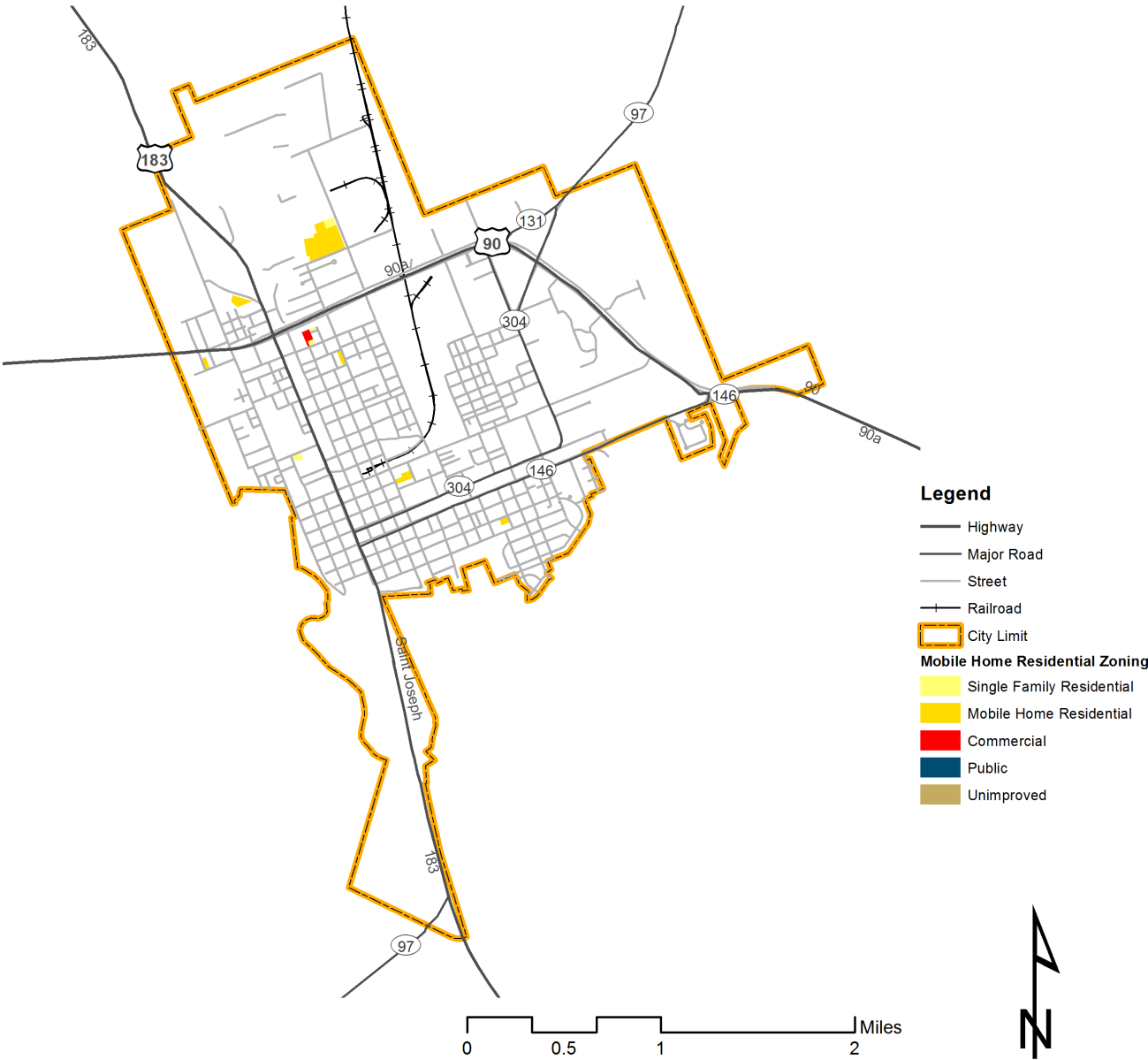
Map 2.6: 2012 Land Use Found in Multi-Family Residential Zoning

Legend

- Highway
- Major Road
- Street
- Railroad
- City Limit

Multi-Family Residential Zoning

- Agriculture
- Single Family Residential
- Multi-Family Residential
- Mobile Home Residential
- Commercial
- Park
- Public
- Semi-Public
- Unimproved
- Other
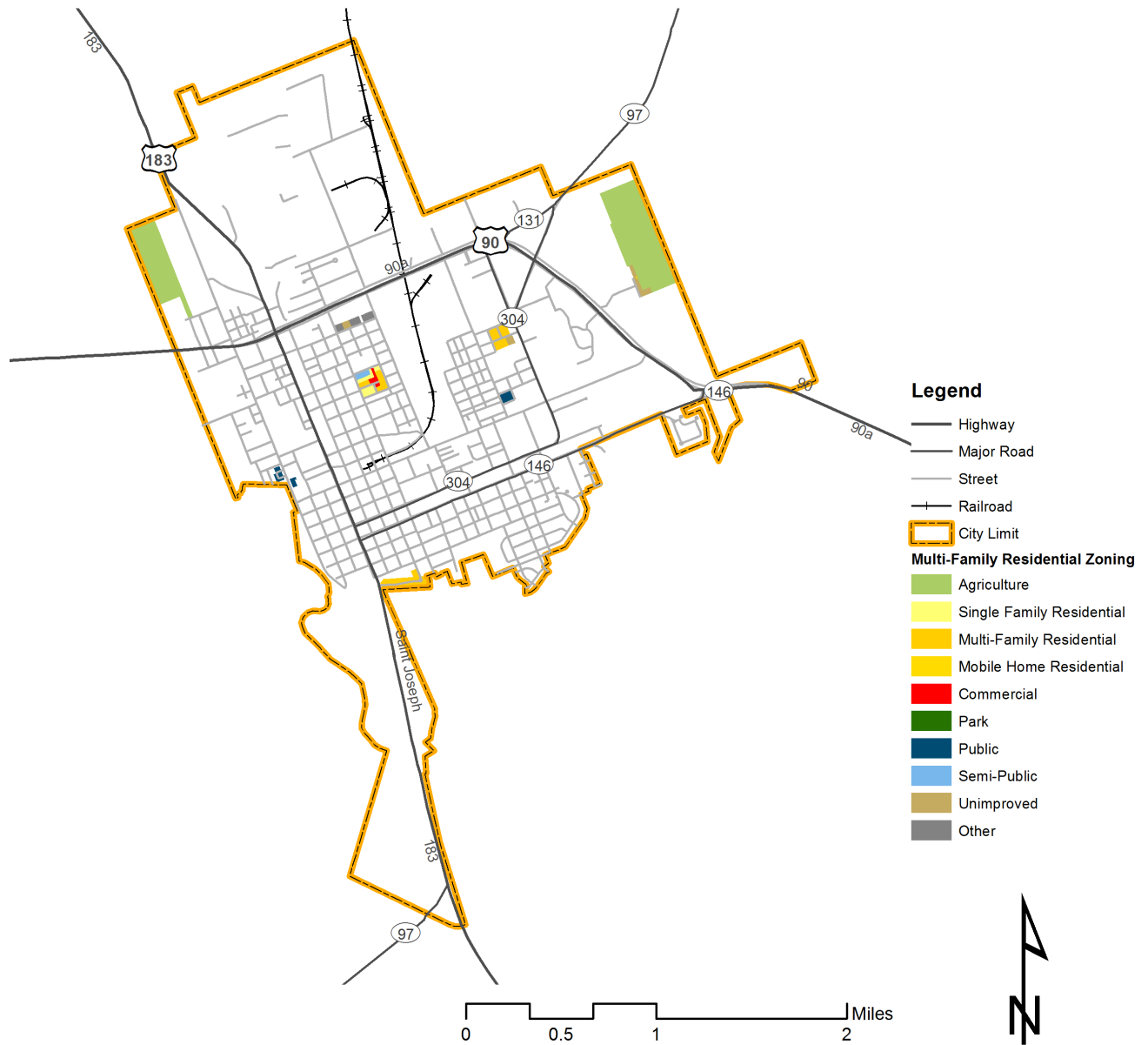
Map 2.7: 2012 Land Use Found in Commercial Zoning

Legend

— Highway
— Major Road
— Street
—|— Railroad
▭ City Limit

Commercial Zoning

■ Agriculture
■ Single Family Residential
■ Multi-Family Residential
■ Mobile Home Residential
■ Commercial
■ Industrial
■ Public
■ Semi-Public
■ Unimproved
■ Other

Miles
0   0.5   1   2

N
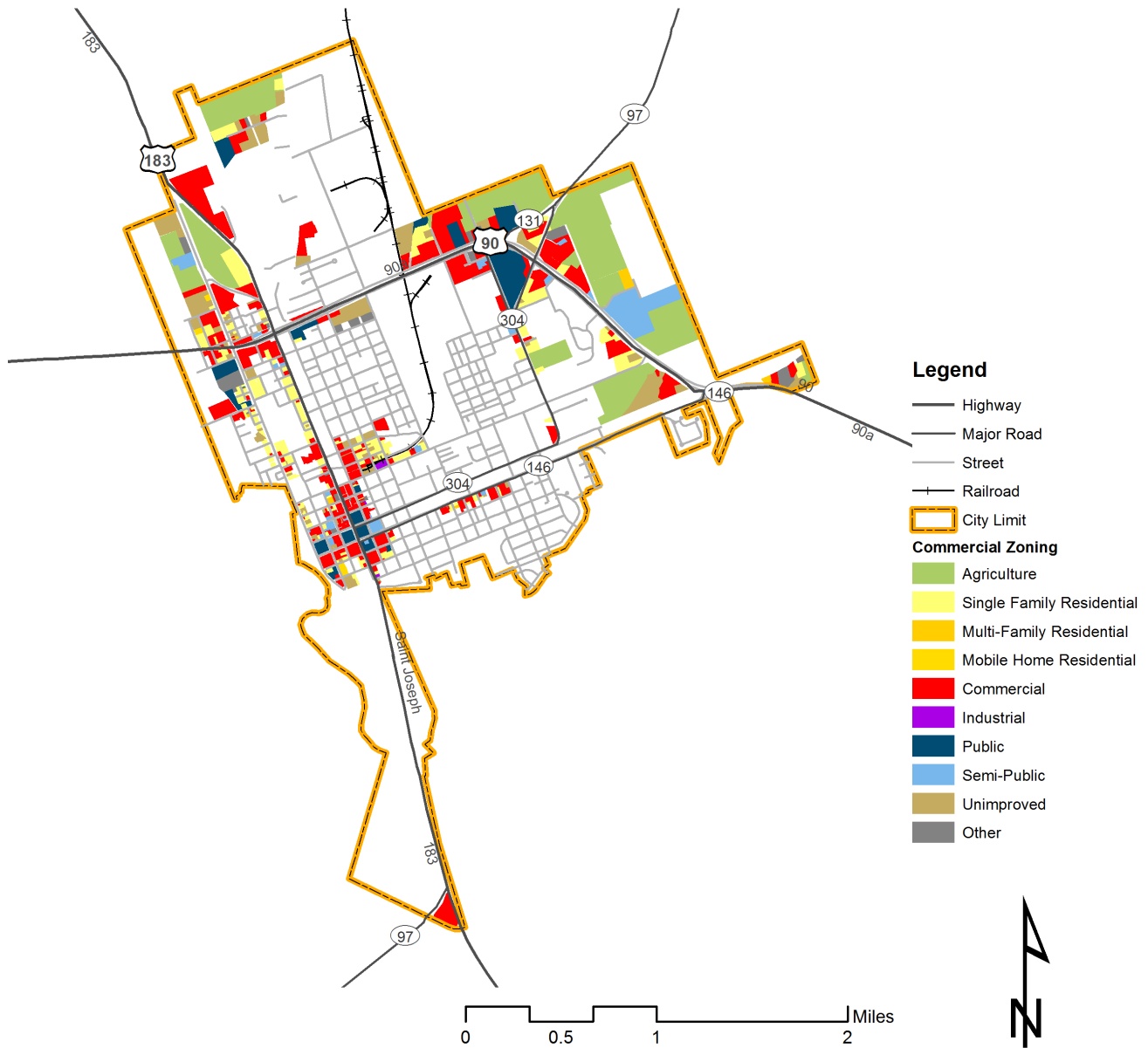
Map 2.8: 2012 Land Use Found in Industrial Zoning

Legend

— Highway
— Major Road
— Street
—+— Railroad
▭ City Limit

Industrial Zoning

- Agriculture
- Single Family Residential
- Commercial
- Industrial
- Public
- Semi-Public
- Unimproved
- Other

Miles
0   0.5   1   2

N
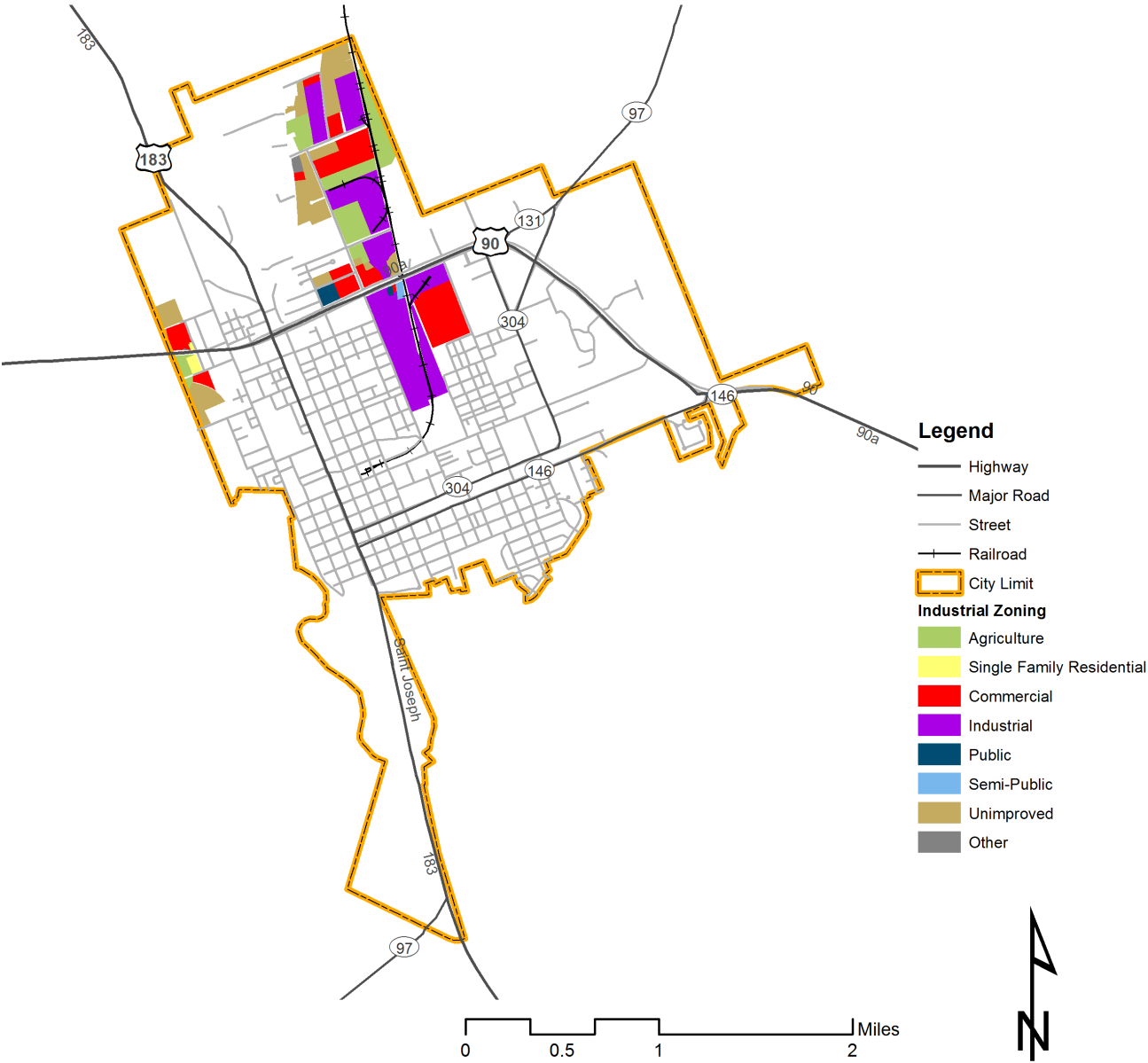
Map 2.9: 2012 Land Use Found in Agriculture and Open Space Zoning

Legend

——	Highway
——	Major Road
——	Street
┼┼┼	Railroad
▭	City Limit

Ag and Open Space Zoning

■	Agriculture
■	Single Family Residential
■	Mobile Home Residential
■	Commercial
■	Park
■	Public
■	Semi-Public
■	Unimproved
■	Other

0   0.5   1   2   Miles

N
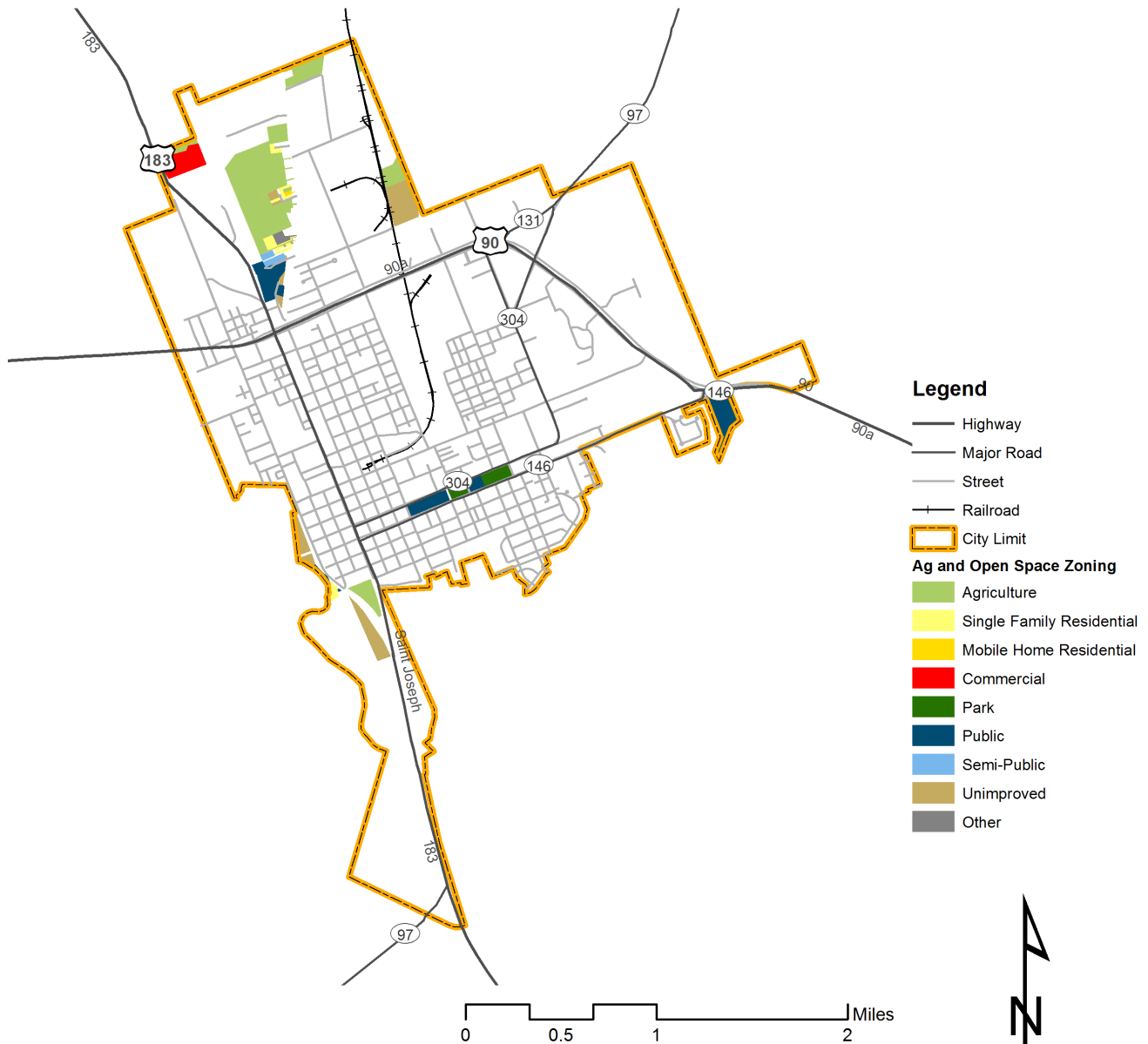
Map 2.10: 2012 Land Use Found in Park Zoning

Legend

- —— Highway
- —— Major Road
- —— Street
- ╅ Railroad
- ▭ City Limit

Park Zoning
- ▮ Agriculture
- ▮ Single Family Residential
- ▮ Mobile Home Residential
- ▮ Commercial
- ▮ Park
- ▮ Public
- ▮ Semi-Public
- ▮ Unimproved
- ▮ Other
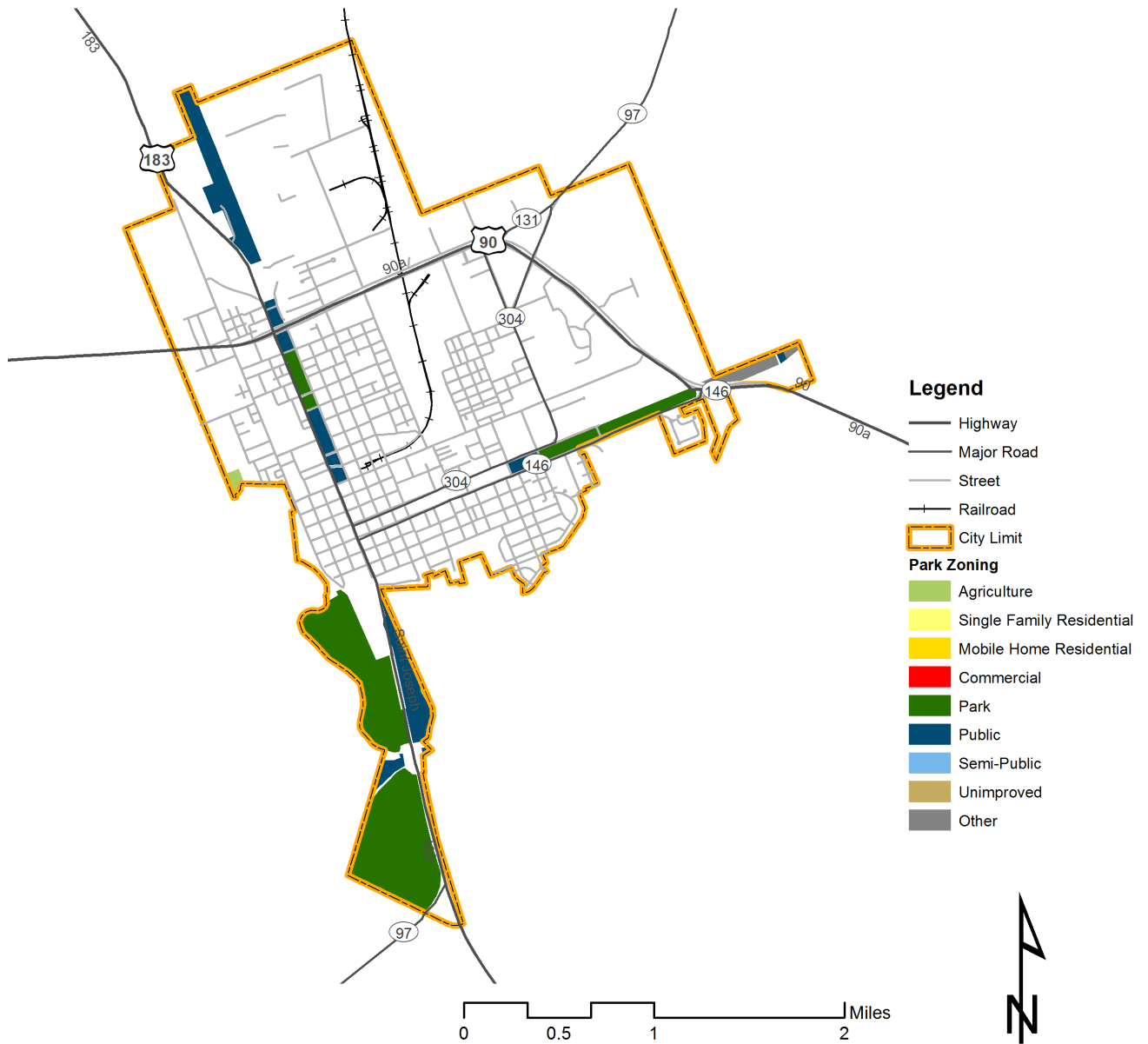
Miles
0   0.5   1   2

SWOT Analysis

Strengths

- Historic downtown/Historic resources
- Parks
- Rodeo facilities
- Technical college
- Close to Austin and San Antonio
- Rail
- Oil
- Street right-of-ways are deeded to the city between 3 to 5 miles outside of the city limits.
- The city also controls the flood plain outside the city at its southwest corner.

Weaknesses

- Lack of code enforcement for the last 10 years has contributed to the dilapidation of some housing.
- Nonconforming uses
- There are vacant land parcels and buildings downtown.
- The industrial parks are at capacity.

Opportunities

- Mixed-use in downtown could be very useful, especially that which incorporates housing, with the increase in population due to fracking.
- More care in preserving the city's historic resources could help spur more tourism.
- Future annexation of land should allow for more zoning of Residential areas.

Threats

- Too much land is zoned commercial
- The unknowns of fracking
- Flooding

Conclusion

The city of Gonzales has much going for it but needs to address its lack of code enforcement, which has led to many dilapidated buildings throughout the city, nonconforming uses, and vacancy. With the influx of money that is expected from the oil boom, the city has a chance to address these problems and make a quality plan for a sustainable future.

Future Land Use and Annexation

Components of Future Land Use

Residential

In 2010, Gonzales' population totaled 7,237 residents and is expected to grow substantially over the next two decades. Future residential land use need to accommodate three growth scenarios was calculated using population forecasts reported in the 2012 State of the Community (SOC) Report (p. 10) in combination with approximate existing housing density (four housing units per acre) and is shown below in Tables 2.10-2.12.

Table 2.10: Medium Growth Scenario (Projected 2030 population: 7,969)

Medium Growth Scenario	Dwellings			Number of Dwellings in 2030 by Type			Required Acres for New Residential Land				
Total Project-ed Popu-lation	Retained Units	New Units	Total Future Units	Single Family (50%)	Multi Family (25%)	Mobile/ Tempo-rary (25%)	Single Family (4 units/ acre)	Multi Family (10 units/ acre	Mobile/ Tempo-rary (15 units/ acre)	Total Acres for New Housing	Available Acres (unimpr oved)
7,696	2,794	407	3,201	1,601	800	800	400	80	53	534	586

Table 2.11: High Growth Scenario[1] (Projected 2030 population: 9,858)

High Growth Scenario	Dwellings			Number of Dwellings in 2030 by Type			Required Acres for New Residential Land				
Total Project-ed Popu-lation	Retained Units	New Units	Total Future Units	Single Family (50%)	Multi Family (25%)	Mobile/ Tempo-rary (25%)	Single Family (4 units/ acre)	Multi Family (10 units/ acre	Mobile/ Tempo-rary (15 units/ acre)	Total Acres for New Housing	Available Acres (unimpr oved)
9,858	2,794	1,166	3,960	1,980	990	990	495	99	66	660	586

[1] Represented in Figure 1.8 of the 2012 SOC (p. 10) as High Growth 1

Table 2.12: Highest Growth Scenario[2] (Projected 2030 population: 13,197)

Highest Growth Scenario	Dwellings			Number of Dwellings in 2030 by Type			Required Acres for New Residential Land				
Total Project-ed Popu-lation	Retained Units	New Units	Total Future Units	Single Family (50%)	Multi Family (25%)	Mobile/ Tempo-rary (25%)	Single Family (4 units/ acre)	Multi Family (10 units/ acre	Mobile/ Tempo-rary (15 units/ acre)	Total Acres for New Housing	Available Acres (unimpr oved)
13,197	2,794	2,508	5,302	2,651	1,325	1,325	663	133	88	884	586

Commercial

Gonzales is a stand-alone community, so residential growth and commercial growth should be mutual. With population projections forecasting a substantial increase in residents, the municipality should be willing to use incentives, rezoning, and overall quick response to commercial needs in order to attract commercial development. Although Gonzales has potential to concentrate commercial growth at arterial intersections and the downtown district, recent and upcoming development of two big-box stores at the intersection of Church St. and E. Sarah DeWitt Dr. indicates strong potential for strip development.

Industrial

Current industrial land use has reached its maximum capacity. The city's industrial park is a segment of land stretching from Clay Street to the north edge of the city limits, at which additional area should be annexed for industrial park expansion, keeping land usage consistent. The location is accessible to the major roadways as well as the location of the city's only rail line.

Parks and Open Space

Currently, 25% (1,221 acres) of the land within the city limits is zoned for park space, and eleven percent being used as such. Public services make up another land use within park-zoned land. Individual parks have the potential of becoming the backbone a connected trail system that is easily accessible to the entire city. Future annexed land that is located in the 100 year floodplain is encouraged to be utilized as park or open space to mitigate flooding and offer more outdoor recreational area for local residents and visitors.

[2] Represented in Figure 1.8 of the 2012 SOC (p. 10) as High Growth 2

Current Zoning and Implementation

Although Gonzales maintains an updated zoning map, the windshield survey conducted for the 2012 State of the Community Report identified many discrepancies between the current zoning and current land use maps (refer to pp. 28-37). Currently, 5 percent (248 acres) of land within the city is zoned as agriculture or unimproved in the current 2012 zoning map. This land area should be considered for future development to increase population and economic activity density, while lowering costs of providing municipal services to land already incorporated within the city.

Infill development of downtown district

By promoting mixed-use and form-based codes in the downtown district, the area can be aesthetically revitalized. Further, promoting new and diverse economic opportunities within vacant buildings located in the downtown district through means offered in the economic development section (refer to p. 59) will conserve green field sites for future use.

Redevelopment of old properties throughout the city

The facilities and houses built before 1970 pose special challenges to redevelopment. These structures usually contain aluminum wiring and copper piping that need replacing or updating. Typically, individual homeowners perform this replacement, but government grants and city tax incentives can also be used to help speed up the process.
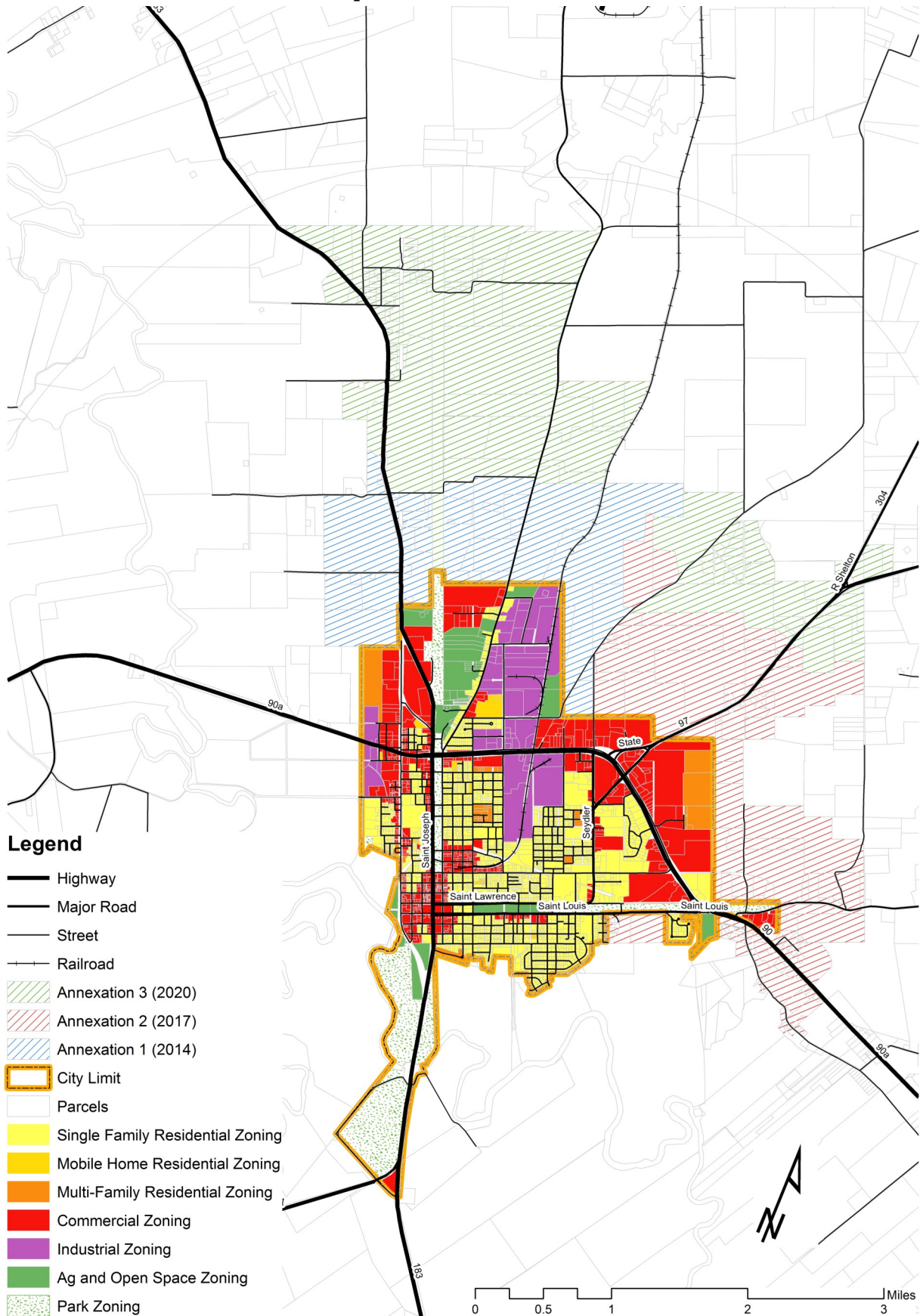
Code Enforcement

Throughout past years, code enforcement has posed a growing problem. An increasing number of both vacant and occupied buildings have slipped into disrepair. The City Manager's Office reintroduced code enforcement to the city beginning in 2012. This enforcement will help to ameliorate any health and life safety concerns (e.g., fire and emergency response) and general blight issues present in the current building stock.

Future Land Use Map

Map 2.11, Future land use, illustrates the possible future land use based on the above land use components and existing zoning with three proposed annexation periods (2014, 2017, 2020).

Map 2.11: Future land use

Legend

— Highway
— Major Road
— Street
+++ Railroad
▨ Annexation 3 (2020)
▨ Annexation 2 (2017)
▨ Annexation 1 (2014)
▢ City Limit
▢ Parcels
▨ Single Family Residential Zoning
▨ Mobile Home Residential Zoning
▨ Multi-Family Residential Zoning
▨ Commercial Zoning
▨ Industrial Zoning
▨ Ag and Open Space Zoning
▨ Park Zoning

Land Use Goals, Objectives, and Policies

GOAL 2.1: Achieve an orderly pattern of development that responsibly accommodates anticipated growth within the city limits and extraterritorial jurisdiction.

>**OBJECTIVE 2.1.1:** Develop a Capital Improvement Plan (CIP) to be updated annually as part of the city budget.

>**OBJECTIVE 2.1.2:** Increase residential land use in the city.

>>**POLICY 2.1.2.1:** Allow mixed use development where it progresses the goals and objectives of this Comprehensive Plan.

>>**POLICY 2.1.2.2:** Encourage infill development through permitting accessory dwelling units (ADUs) and short-term housing.

>>**POLICY 2.1.2.3:** Maintain existing neighborhoods' prevailing pattern.

>>**POLICY 2.1.2.4:** Use annexation to create affordable new housing.

>>**POLICY 2.1.2.5:** Monitor the uses of developing land in relation to the existing land use ratio calculated on pg. 24 of the State of the Community report.

>**OBJECTIVE 2.1.3:** Refrain from built development in the floodplain (also see 7.2.1.1).

>>**POLICY 2.1.3.1:** Comply with FEMA standards when issuing building permits within the floodplain.

>**OBJECTIVE 2.1.4:** Increase land allocated to the JB Wells Park's recreational and special event facilities in order to host national-scale events by 2020 (also see 6.4.1.3).

GOAL 2.2: Development that is resilient to fluctuating market demands

>**OBJECTIVE 2.2.1:** Maintain or improve the city image through logical and consistent zoning.

POLICY 2.2.1.1: Non-residential development design should be encouraged that can be readily adapted to respond to meet future market demands. New non-residential development that is designed solely for the operation of a particular non-residential use or business type should be discouraged.

POLICY 2.2.1.2: In areas such as major entry corridors and non-residential or mixed use centers, development and design regulations or guidelines should emphasize the form of development (in terms of mass, siting, height, setback and design) and provide flexibility for a range of potential current or future uses.

GOAL 2.3: Work within the physical constraints of the community so as to conserve and protect valued environmental and cultural resources in Gonzales, including the waterways, sensitive land habitats, and historic structures and districts.

OBJECTIVE 2.3.1: Encourage environmentally sound access to and use of the Guadalupe and San Marcos Rivers.

POLICY 2.3.1.1: Minimize development impacts along the river corridor by pursuing open space preservation and parkland acquisition of lands adjacent to it.

POLICY 2.3.1.2: Improve public access to the river through the expansion of existing, and where necessary, creation of trail networks, public piers and overlooks, and canoe access points.

OBJECTIVE 2.3.2: Ensure the integrity of Gonzales' historic downtown.

POLICY 2.3.2.1: Provide tax and other incentives for preservation or valued properties, uses and structure.

POLICY 2.3.2.2: Expand bicycle and pedestrian accessibility to, from, and within the Historic Downtown.

OBJECTIVE 2.3.3: Align future development with the physical aspects of the landscape, with respect to waterways, sensitive habitats, and historic structures and districts within the city, ETJ, and surrounding areas.

POLICY: 2.3.3.1: Work with regional agencies, such as the nearby Metropolitan Planning Organizations (MPOs), Golden Crescent Regional Planning Commission, and the Yoakum District of the Texas Department of Transportation (TxDOT), in planning for future development.

POLICY 2.3.3.2: Revise the zoning map to achieve this goal within the city.

GOAL 2.4: Create a land use plan consistent with the zoning ordinance map to reduce existing and prevent future nonconformities.

OBJECTIVE 2.4.1: Decrease nonconforming land uses by 50% by 2025

POLICY 2.4.1.1: Make available tax or other incentives for in-fill development and re-development of parcels that do not comply with the community's goals and objectives as stated in the Comprehensive Plan.

POLICY: 2.4.1.2: Where several nonconforming uses are present in a zone, consider options for rezoning, when in agreement with the goals and the objectives of this comprehensive plan.

ACTION STRATEGIES

Short Term (actions to be done as soon as possible)

- Develop a capital improvement plan (CIP) that is updated annually as part of the city's capital budget. A CIP is a critical implementation tool that can channel growth based on where and when investments in infrastructure are scheduled. The CIP should help a city plan for long-range needs, ensure projects aren't forgotten, guide development, improve coordination between departments and agencies, provide defensible rationale for projects, and coordinate development reviews with infrastructure.

PROGRAMS/FUNDING

- Brownfields Grants (EPA): Grants are available to help pay for area-wide brown fields planning, assessment, and cleanup. EPA encourages applicants to show how their projects will fit into their communities' master plans or development plans.

- Community Development Block Grant (HUD): Provides communities with resources to address a wide range of unique community development needs. The CDBG program provides annual grants on a formula basis to general units of local government and States.

- Congestion Mitigation & Air Quality Program (USDOT): Funds are awarded through States or MPOs in air quality nonattainment areas for projects that reduce transportation-related emissions, including transit, bicycle, and pedestrian facilities.

- Federal New Starts (FTA): Discretionary New Starts program is the Federal Government's primary financial resource for supporting locally planned, implemented, and operated transit "guideway" capital investments. From heavy to light rail, from commuter rail to BRT systems, the FTA's New Starts program has helped to make possible hundreds of new or extended transit fixed guideway systems across the country.

- FTA Livable Communities Initiative (USDOT): Uses sustainable design concepts such as TOD to strengthen linkages between transportation services and communities. Eligible recipients are transit operators, MPOs, city and county governments, States, planning agencies, and other public bodies with the authority to plan or construct transit projects. Nonprofit, community, and civic organizations are encouraged to participate in project planning and development as partners with eligible recipients.

- Sustainable Communities Initiative (HUD): Competitive grants in partnership with USDOT and EPA to stimulate integrated regional planning that guides State, metropolitan, and local decisions to link land use, transportation, and housing policy.

- Sustainable Communities Program (formerly Smart Growth Implementation Assistance) (EPA): Provides technical assistance to Tribal, State, regional, and local governments, in partnership with HUD and USDOT, for integrating smart growth.

- Transportation Infrastructure Finance and Innovation Act (USDOT): Provides Federal credit assistance in the form of direct loans, loan guarantees, and standby lines of credit to finance surface transportation projects of national and regional significance. TIFIA can help advance qualified, large-scale projects that otherwise might be delayed or deferred because of size, complexity, or uncertainty over the timing of revenues. TIFIA funding is available to State DOTs, transit operators, special transportation authorities, local governments, and private investors.

Annexation

As Gonzales' population expands over the coming decades, a strategic annexation plan can provide a future of controlled growth that increases revenue in an efficient manner.
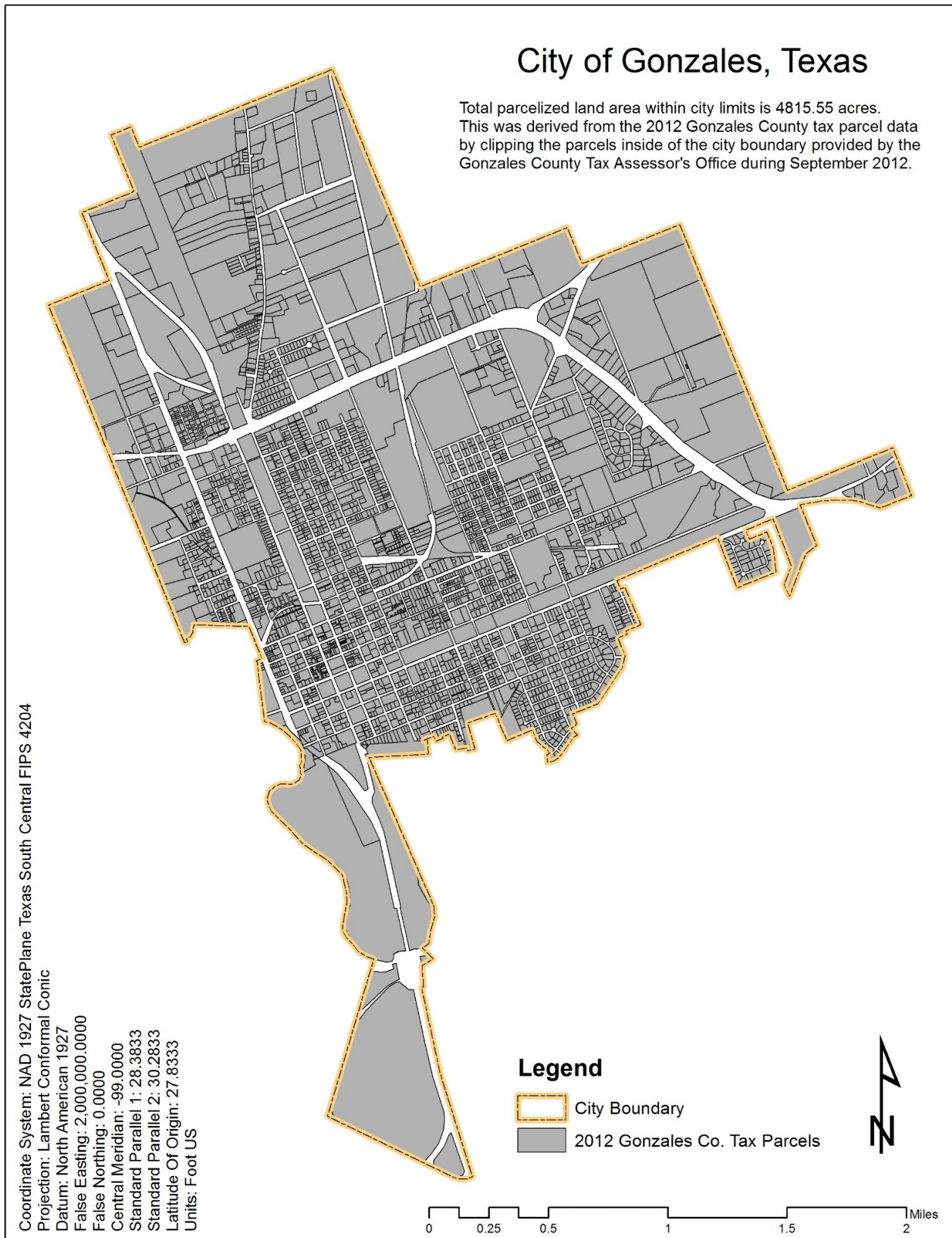
What is Annexation?

To manage its growth and implement its comprehensive plan, a city may annex territory adjacent to its borders. In doing so, a city extends municipal services, regulations, voting privileges, and taxing authority over the areas within its new boundaries and enlarges its extraterritorial jurisdiction, which allows the city to regulate the subdivision of land over a larger area.

The Texas Local Government Code (LGC) grants home rule cities, such as Gonzales, the right to annex and mandates the requirements they must follow. Furthermore, Chapter 43, Subchapter C of the LGC requires that cities prepare an annexation plan and stipulates that property may only be annexed on the third anniversary of its inclusion in the plan, allowing property owners three years' notice of the city's intention to annex. Several exceptions to the inclusion in an annexation plan exist. One of the most common instances exempts annexations of land where residential dwellings are located on fewer than 100 separate tracts. The other most common one exempts properties where the owners petition to be annexed. If a city has no plans for annexation outside those areas that are exempt from the LGC's annexation plan requirements, its annexation plan may be a one-page statement adopted by the city council indicating this. However, if the city decides in the future to plan for annexation of land which does not qualify as exempt, the plan will need to be amended to include the proposed property to be annexed, and no annexation may take place until the third anniversary of the amendment.

The allowable maximum land area to be annexed per year is 10% of a city's current incorporated area. Any difference in area resulting from the city annexing less than the maximum area allowable may roll over to the next year, limited to two consecutive rollovers. Thus, the potential annexable area is capped at 30% of the city's current incorporated area if the city annexes land just one time at the end of a three-year period. Map 2.12, Existing land area, illustrates the present area within Gonzales' city boundaries, a total of 4,816 acres. An initial annexation of approximately 1,445 acres (30% of the current land area) is suggested in Map 2.13 Potential annexation priorities and phasing. Table 2.13, Proposed schedule of annexation areas, depicts the acreage allowable for annexation if carried out every three years, for the city's first three annexations.

Map 2.12: Existing land area

City of Gonzales, Texas

Total parcelized land area within city limits is 4815.55 acres. This was derived from the 2012 Gonzales County tax parcel data by clipping the parcels inside of the city boundary provided by the Gonzales County Tax Assessor's Office during September 2012.

Coordinate System: NAD 1927 StatePlane Texas South Central FIPS 4204
Projection: Lambert Conformal Conic
Datum: North American 1927
False Easting: 2,000,000.0000
False Northing: 0.0000
Central Meridian: -99.0000
Standard Parallel 1: 28.3833
Standard Parallel 2: 30.2833
Latitude Of Origin: 27.8333
Units: Foot US

Legend

City Boundary

2012 Gonzales Co. Tax Parcels

Miles
0   0.25   0.5   1   1.5   2

Table 2.13: Proposed schedule of annexation areas

Annexation Year	Existing land area (acres)	Percentage	Annexed land area (acres)	New land area (acres)
2013	4,816	n/a	n/a	n/a
2014	4,816	30%	1,445	6,261
2017	6,261	30%	1,878	8,139
2020	8,139	30%	2,442	10,581

Future Annexation Policy

The city of Gonzales has complied with chapter 43 of the Texas Local Government Code and adopted a municipal annexation plan (Resolution No. 2012-32) that states its intent to annex no land that is not exempt from Section 43.052 of the LGC. To plan for future growth and successfully implement this comprehensive plan, annexation planning should be undertaken in greater detail. When planning, consider:

- *Geography of development:* Areas contiguous with existing development within the current city limits contribute to orderly growth progression.
- *Existing utilities:* If municipal utilities have already been extended into or near the area, providing services is more feasible.
- *Existing development pattern:* Areas may be currently vacant, already developed at a rural or suburban intensity, or, because of prior platting and land planning, destined for a particular pattern of development, and such existing or planned development will affect community appearance upon annexation.
- *Environmental constraints:* Floodplains, slope, brownfields, and other factors constrain development potential.
- *Transportation needs:* If the area covers current or future key transportation corridors, land use management along such corridors is imperative for long-term traffic flow and safety.
- *Potential:* Areas may have long-term potential - such as proper siting to act as a future gateway into the city; the ability to protect a water supply, airport or other key asset; or that they are attractive to other jurisdictions for potential annexation - that prioritize their annexation in the short-term.

Table 2.14: Annexation considerations

Reasons for Annexation	1	2	3	4	5	6	7	8
Immediate	X	X	X	X	X	X	X	X
Medium-term	X		X	X	X	X	X	X
Long-term	X		X	X	X	X	X	X

1.Provides control of gateway frontage
2.Provides moderate to significant revenue (property and/or sales tax)
3.Provides undeveloped or underdeveloped areas for future growth
4.Qualifies for exemption from requirement for a three-year notice within annexation plan
5.Area adjacent to the city on two or more sides
6.Preserves existing character
7.Protects part or all of area from future development
8.Right-of-way platted for the original Town of Gonzales

Displayed in Map 2.13, Potential annexation priorities and phasing, are candidate annexation areas within the Gonzales extraterritorial jurisdiction for several timeframes: Immediate (0-3 years), Near Term (3 years), and Longer Term (9+ years). Table 2.14, Annexation considerations, provides reasons for considering annexation of the various areas.
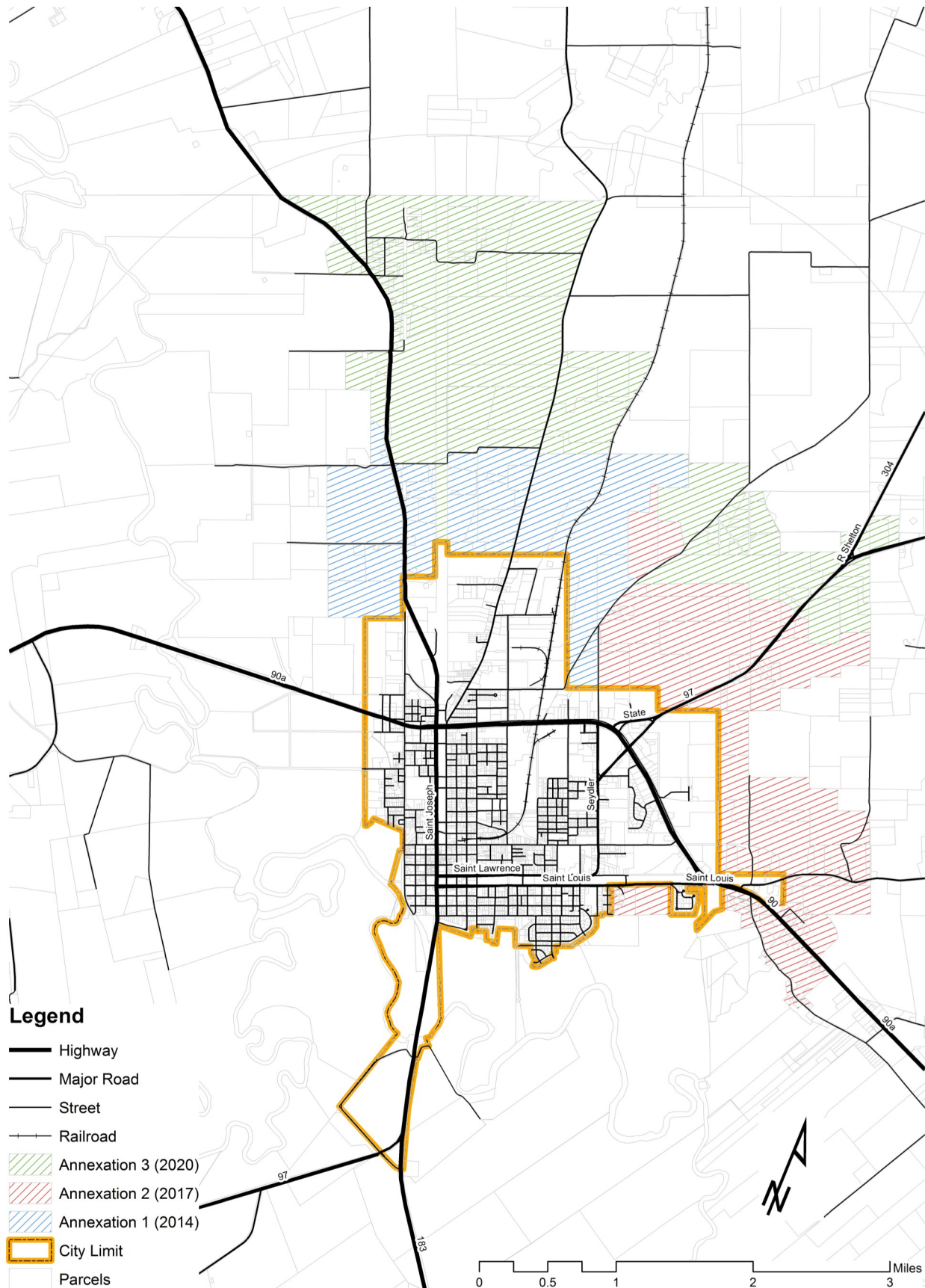
Adapted from:

City of College Station (2009). Comprehensive Plan 2009-2030.
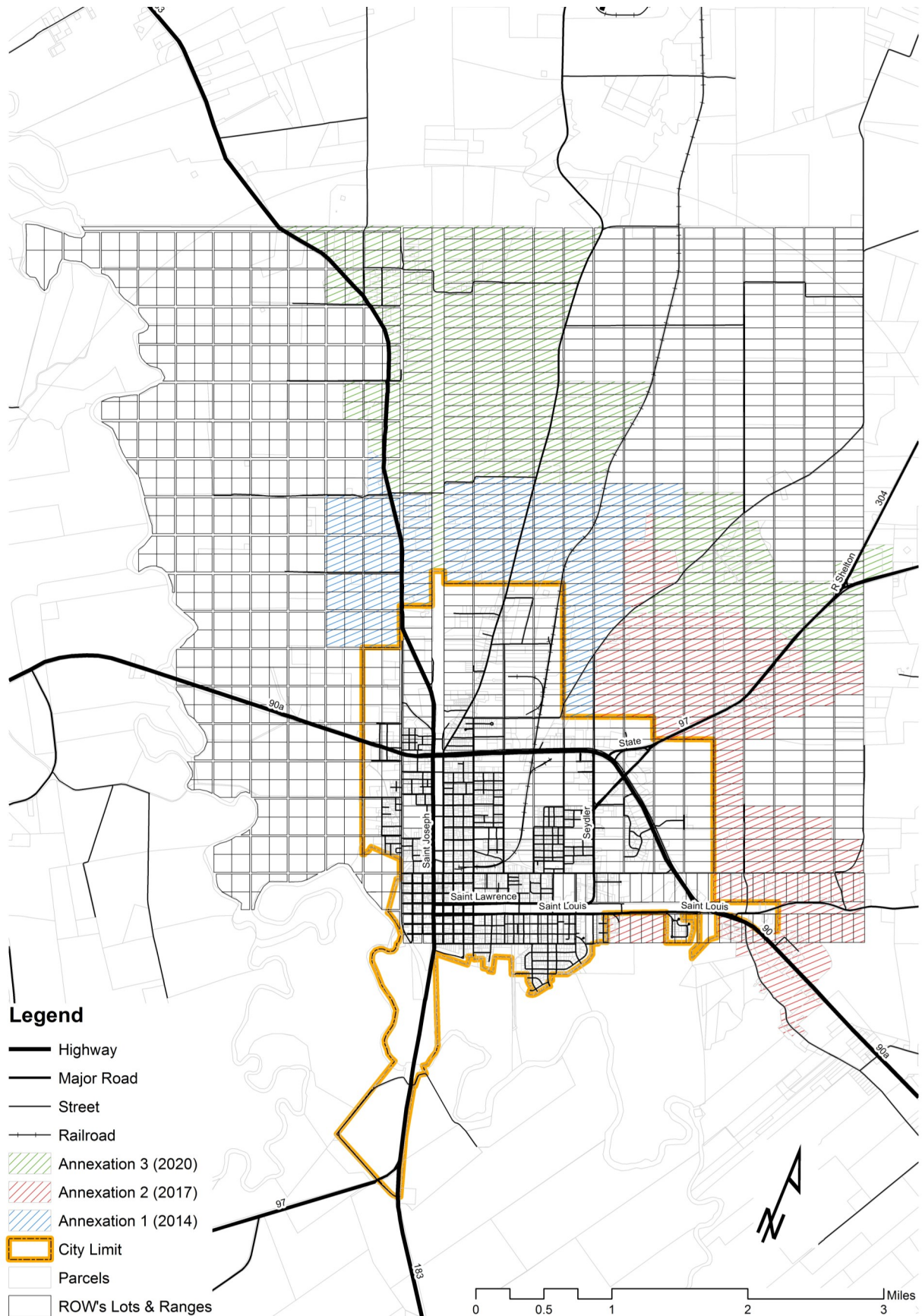
Houston, S. (2012). *Municipal Annexation in Texas.*

Map 2.13: Potential annexation priorities and phasing

Legend

— Highway

— Major Road

— Street

—+— Railroad

Annexation 3 (2020)

Annexation 2 (2017)

Annexation 1 (2014)

City Limit

Parcels

Map 2.14: Potential annexation priorities and phasing with original Town of Gonzales lots

Legend
- ▬ Highway
- ▬ Major Road
- — Street
- +++ Railroad
- ▨ Annexation 3 (2020)
- ▨ Annexation 2 (2017)
- ▨ Annexation 1 (2014)
- ▭ City Limit
- ▭ Parcels
- ▭ ROW's Lots & Ranges

Annexation Goal, Objectives, and Policies

GOAL 2.5: Plan and effectively manage long-term population and development in a forward-looking and fiscally responsible manner while balancing the needs of current residents and existing infrastructure investments.

> **OBJECTIVE 2.5.1:** The city should develop and adopt an annexation plan, in accordance with the provisions of State law, to provide direction for future consideration of annexations, whether initiated by the City or by property owners.
>
>> **POLICY 2.5.1.1:** The city of Gonzales will focus its annexation strategy toward growth areas with increasing development density at the fringe of the current urbanized area to extend municipal services and manage development quality.
>>
>> **POLICY 2.5.1.2:** Plan future development areas in the city and its ETJ that will accommodate the population projected by 2030.
>
> **OBJECTIVE 2.5.2:** Maintain a three-year annexation plan and conduct associated service planning for gradual expansion of the corporate limits and extension of municipal facilities and services where determined feasible and beneficial to the city. Revise the annexation plan as needed.
>
>> **POLICY 2.5.2.1:** Wherever possible in annexation, consider existing right-of-way owned by the city according to the original Town of Gonzales plats. Refer to Map 2.14.
>
> **OBJECTIVE 2.5.3:** Use fiscal impact analysis techniques to assess the projected costs of providing municipal services and weigh them against the anticipated revenues of each annexation proposal, whether initiated by the city or a property owner. Fiscal impacts will be assessed on a multi-year time frame, recognizing that first-year costs may exceed revenues because of up-front service extension costs and capital expenditures as well as the lag time before initial collection of taxes and fees. Intangible benefits of proposed annexations will also be evaluated.
>
> **OBJECTIVE 2.5.4:** Involve other government entities in the development of the annexation

plan so to coordinate development efforts in a socially, economically, and environmentally sensitive manner.

ACTION STRATEGIES

Short Term (actions to be done as soon as possible)

- Take the following steps toward creating an annexation plan:
  - Examine the legal aspects of annexation with the city attorney
  - Obtain public input through town hall meetings
  - Hold a workshop(s) for council and staff
  - Determine which direction(s) to pursue annexing
  - Write the annexation plan
  - Present the plan
  - Obtain approval of the plan

Medium to long term (actions to take place over several years)

- Continue to review the annexation plan and revise as needed.

Table 2.15: Land Use and annexation policy table

#	Action	Lead Contact	Timing	City Resources	Outside Funding	Official Ordinance or Official Act	Study or Plan	Guidelines, Standards, or Monitoring	Developmental Incentives	Ongoing Public Education & Outreach
2.1.1	Develop Capital Improvement Plan (CIP)	Staff, City Council, experts, citizens	Short Term: 1 year	General fund, General obligation bond	N/A		X			X
2.1.2	Increase residential land use	Staff	Long range: 10-20	N/A	Developers			X	X	
2.1.3	Refrain from built development in the floodplain	Staff	Long range: 10-20 years	N/A	N/A		X	X	X	
2.1.4	Increase land allocated to JB Wells Park	Staff	Short Term: 1 year	General fund, bonds	Grants, donations, sponsorships				X	
2.2.1	Maintain or improve city image through zoning	Staff	Long range: 10-20	N/A	N/A			X		
2.3.1	Encourage environmentally sound access to and use of Guadalupe and San Marcos Rivers	Staff	Mid to long-range: 3-20 years	General fund	State and federal environmental and transportation grants					X

#	Action	Lead Contact	Timing	City Resources	Outside Funding	Official Ordinance or Official Act	Study or Plan	Guidelines, Standards, or Monitoring	Developmental Incentives	Ongoing Public Education & Outreach
2.3.2	Ensure integrity of the historic downtown	Staff	Short term: 1 year	N/A	N/A			X	X	X
2.3.3	Align future development with physical aspects of landscape	Staff	Mid to Long range: 3-20 years	N/A	N/A		X			
2.4.1	Decrease nonconforming land uses by 50% by 2025	Staff	Long range: 10-20	N/A	N/A			X	X	X
2.5.1	Create a plan for annexation	Staff, city attorney, other government agencies	Short Term: 1 year	N/A	N/A		X			X
2.5.2	Review the annexation plan and revise, as needed	Staff, city attorney	Mid to long-range: 3-20 years	N/A	N/A		X	X		
2.5.3	Conduct fiscal impact analysis for areas considered for annexation	Staff, consultant	Mid to long-range: 3-20 years	General fund	N/A		X			

Economy

Introduction

Before a community can intelligently develop strategies for economic development, it should understand the nature of the local economy and the area's strengths and weaknesses as a location for economic activity. Analysis, therefore, is an essential element of the strategic planning process. It provides a factual basis for economic development goal setting and strategy development.

This economic analysis examines economic performance and condition in terms of five indicators---employment, unemployment, income, earnings, and tax.

1990 or 2000 are used as base years depending on the data released by the Bureau of Economic Analysis, and year 2010 is used as the launch year from which future target year performances are projected. Plans for economic development should be based on analysis of these base and launch years.

In order to identify what is special about the local economy, the state of Texas is used for a comparison area. Because of data limitation at the city scale, sometimes Gonzales County data is substituted to represent the city of Gonzales.

The analysis addresses critical questions like:
- What is the current condition of the local economy?
- Compared to the state of Texas, how has the local economy been performing? Has economic performance strengthened or slackened over time?
- What is the underlying structure of the local economy? Which industries account for the area's economic performance and condition?
- Which local factors or resources appear to be in the strongest competitive position? Which are the weakest?
- What local factors or resources appear to be supporting competitive advantage in an industry? What factors may be inhibiting it?
- How are larger trends affecting the area's locational assets or liabilities?

The information resulting from this type of analysis can be used to identify steps that a community might take to maximize strengths or minimize weaknesses in order to enhance prospects

for economic growth.

The purpose of this analysis is not to reveal the ultimate "fix" for the local economy but to support rational and informed discussion about economic problems and possible solutions in order to reach consensus on preferred policy options.[1]

## General Employment Conditions

Table 3.1

	Gonzales County	Texas
Total growth rate	12.1%	54.6%
Compound annual growth rate	0.57%	2.20%

Source: U.S. Bureau of Economic Analysis

Employment levels are indicative of the local economy's ability to retain and create jobs. Over the entire period from 1990-2010, employment in Gonzales County increased by only 12.1%, substantially lagging behind employment growth in the state. Similarly, annual growth rate lagged as well.

The Figure 3.1 and Figure 3.2 below show that this time period can be divided into two phases, with roughly 2008 as a watershed. From 1990 to 2007, continuous employment growth was seen in both Gonzales County and the state, but Texas experienced a much sharper upturn than Gonzales County. Employment growth stagnated since the global financial crisis, but Texas as a whole was not too affected in terms of employment; no considerable employment decline occurred since the crisis.

Figure 3.1

Figure 3.2

CA04 Personal income and employment summary

Source: U.S. Bureau of Economic Analysis
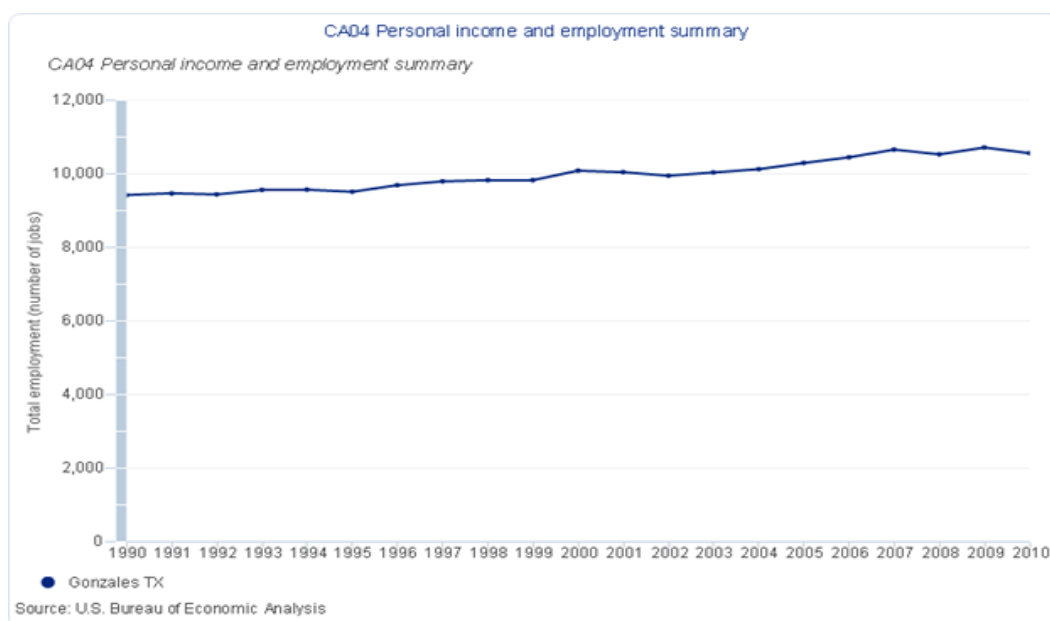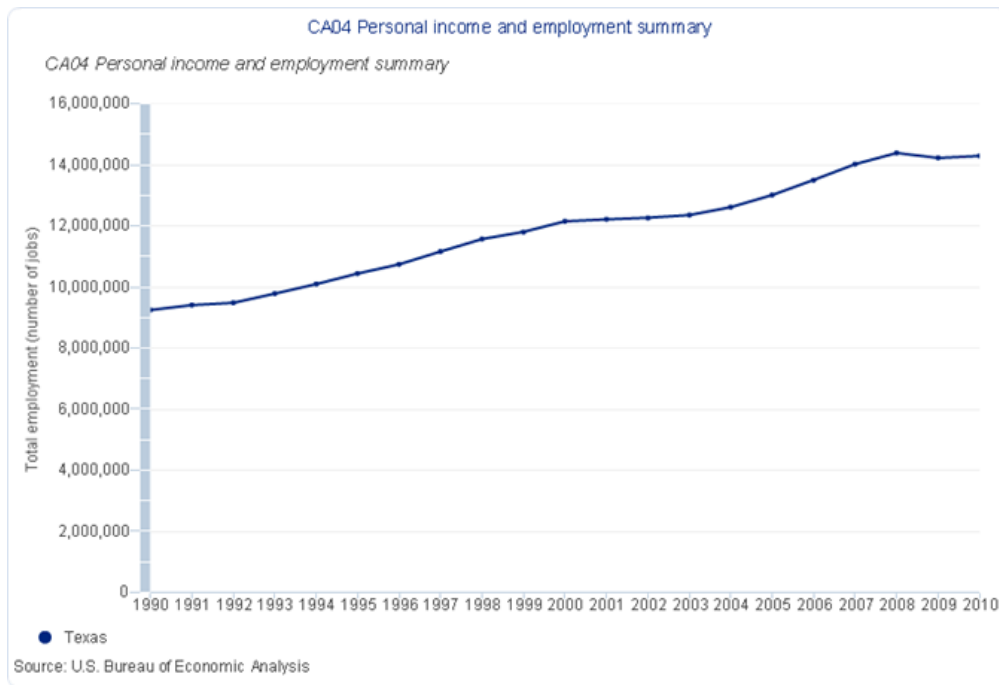
The figures do indicate that Gonzales County was affected earlier than the state by the financial crisis, however. Employment growth stagnated since 2007, and the considerable decline of 50 jobs and 46 jobs in Retail Trade and Real Estate and Rental and Leasing, respectively, in 2007 is likely attributable to the financial downturn.

Local Basic and Non-Basic Industry Analysis

The location quotient is a ratio that compares the percentage of employment locally to the percentage of employment in that industry in a reference (state or national) economy. It is calculated as follows:

$LQ_i = (e_i/e)/(E_i/E)$

    Where: e_i = local employment in industry i

    E = total local employment

    E_i = state employment in industry i

    E = state total employment

The location quotient (LQ) method divides industry sectors into basics and non-basics. Basic industries in a community are those industries that produce more goods and services than what can be consumed locally, exporting the excess and bringing income into the local economy. Non-basic

Table 3.2

Gonzales County Industry Location Quotient	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Farm employment	11.72	11.66	11.42	11.36	11.51	11.46	11.61	12.06	11.92	12.00
Nonfarm employment	0.73	0.76	0.77	0.79	0.79	0.81	0.80	0.79	0.79	0.79
Private nonfarm employment	0.69	0.71	0.73	0.75	0.75	0.77	0.76	0.76	0.75	0.76
Agriculture, forestry, fishing and hunting	5.09	5.09	23.63	5.06	5.05	5.48	5.61	5.72	24.30	23.08
Mining, quarrying, and oil and gas extraction	1.21	1.32	0.85	1.38	1.36	1.27	1.19	1.19	0.60	0.56
Utilities	(D)	3.89	4.13	3.93	4.08	4.34	4.46	4.40	4.34	4.36
Construction	0.53	0.52	0.50	0.52	0.53	0.49	0.51	0.50	0.52	0.53
Manufacturing	0.92	1.00	1.10	1.17	1.25	1.40	1.39	1.50	1.68	1.77
Wholesale trade	0.95	1.06	1.19	1.28	1.23	1.15	1.07	1.13	1.12	1.07
Retail trade	0.84	0.90	0.93	0.88	0.87	0.91	0.90	0.89	0.84	0.86
Transportation and warehousing	(D)	0.20	0.22	0.21	0.16	0.26	0.19	0.13	0.13	0.13
Information	0.29	0.27	0.28	0.30	0.30	0.30	0.32	0.35	0.33	0.33
Finance and insurance	0.59	0.66	0.67	0.71	0.72	0.72	0.74	0.66	0.69	0.70
Real estate and rental and leasing	0.44	0.46	0.39	0.41	0.41	0.48	0.50	0.40	0.44	0.45
Professional, scientific, and technical services	0.44	0.17	0.20	0.49	0.43	0.43	0.43	0.45	0.45	0.47
Management of companies and enterprises	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Administrative and waste management services	0.21	0.12	0.11	0.29	0.28	0.35	0.39	0.37	0.34	0.30
Educational services	(D)	3.47	4.01	0.40	0.38	0.38	3.48	3.27	2.82	3.09
Health care and social assistance	(D)	0.92	0.94	0.61	0.65	0.70	0.81	0.72	0.70	0.67
Arts, entertainment, and recreation	(D)	0.21	0.23	0.28	0.27	0.28	0.27	0.24	0.28	0.22
Accommodation and food services	(D)	0.27	0.32	0.34	0.39	0.39	0.49	0.36	0.48	0.44
Other services, except public administration	1.12	1.17	1.17	1.22	1.18	1.15	1.13	1.16	1.12	1.15
Government and government enterprises	0.97	1.00	1.00	1.01	1.02	1.02	1.03	1.03	1.02	1.02

Footnotes: Industries are classified by North American Industry Classification System (NAICS). (D) Unable to calculate due to limited data. Highlighted figure was calculated based on data from OnTheMap.

industries produce goods and services for primarily local consumption. Though, sometimes non-basic industries do not meet local demand which leads to importing such goods and services. An LQ > 1 indicates a basic industry; An LQ > 1.25, especially, indicates that the industry is a potential exporter. Local industry location quotients from 2001 to 2010 are calculated in the Table 3.1.

On the whole, Gonzales can be regarded as a farm-based economy. The percentage of farm employment locally is much higher than the percentage in the state of Texas as a whole as is the percentage of Agriculture, Forestry, Fishing and Hunting of nonfarm employment. These are definitely local basic industries.

Other basic industries are Mining, Quarrying, and Oil and Gas extraction, Utilities, Manufacturing, Wholesale Trade, Educational Services, Other Service, except Public Administration, as well as Government and Government Enterprises. There are some statistics worth noting here:

- First, in the planning public meeting held on September 21, 2012, several local representatives voiced their concern over how long the oil economy will last. The table above shows the LQ of the mining industry has been decreasing since 2005. Local residents realize that the city's economy relies heavily on oil production, and are looking to diversify it.
- Secondly, the manufacturing industry LQ had been increasing remarkably and continuously from 2001 to 2010, even through the 2008 global financial crisis. This industry is an absolute asset of the local economy and needs to be focused on in future economic development plans to keep this strength as a local income generator. Further analysis of the manufacturing industry will be presented in later sections.

Conversely, when the LQ < 0.75, meaning the local demand for a specific product is not being met within the trade area and that consumers are going elsewhere to shop, there is business leakage. Such industries include Construction, Transportation and Warehousing, Information, Finance and Insurance, Real Estate and Rental and Leasing, Professional, Scientific, and Technical Services, Administrative and Waste Management Services, Health Care and Social Assistance, Arts, Entertainment, and Recreation, and Accommodation and Food Services. The city needs to develop these leakage industries. Solutions may include but are not limited to: marketing these industries to the public for potential local entrepreneurship, providing economic incentives for creating these industries, or communicating with franchises to setup a store in the city.

Shift-Share Analysis for Local Industries

The shift-share analysis partitions local employment into three components:

State share (SS) reflects trends in the larger economy of which the area is a part; it measures how many jobs would have been created if the local industry had grown at the same rate as the whole state's economy. It is calculated as follows:

$$SS_i = e_i^{2001}((E^{2010}/E^{2001})-1)$$

Industrial Mix (IM) reflects industry-specific factors; it is a measure of the difference between the growth rate for an industry across the state and the state's overall growth rate. It is calculated as follows:

$$IM_i = e_i^{2001}((E_i^{2010}/E_i^{2001}) - (E^{2010}/E^{2001}))$$

Local factors (LF) reflects local influences on industry performance; it measures how many jobs would have been gained/lost if local employment in an industry had changed at the same rate as employment in the industry statewide. It is calculated as follows:

$$LF_i = e_i^{2001}((e_i^{2010}/e_i^{2001}) - (E_i^{2010}/E_i^{2001}))$$

Where: e_i = local employment in industry i

E_i = state employment in industry i

E = state total employment

SS plus IM plus LF equal the change in local employment. Calculating percentages for each of these components leads to a better understanding of what proportion of jobs is attributable to each component[2]. Local employment changes from 2002 to 2010 measured via shift-share are calculated in Table 3.2.

On the whole, nonfarm employment growth is attributable to the state's economic boom. If local nonfarm industry had grown at the same rate as nonfarm industry statewide, 243 more jobs would have been created. Thus, compared to the state, the local community lacks drivers for economic growth in nonfarm industries.

As depicted in the table, among the nonfarm industries, the weaker local industries are Construction, Retail Trade, Real Estate and Rental and Leasing, Professional, Scientific, and Technical Services, Other Services, except Public Administration, and Government and Government Enterprises. Among them, Real Estate and Rental and Leasing and Professional, Scientific, and Technical Services have positive IM which indicate that they are strong industries statewide. Manufacturing, Wholesale Trade and Information industries have negative IM but positive LF, indicating that they are weak industries statewide but are growing faster locally. These industries could remain or become local income generators in the future. Special explanation should be made for Government and Government Enterprises, which is a weak industry both statewide and locally. It is a local income generator with a high location quotient because most employment in this sector is found in state or federal government or the U.S. military outside of the local community.

Table 3.3

Industry	Gonzales County (e)		Texas (E)		Shift Share			
	2002	2010	2002	2010	State Share	Industry Mix	Local Factors	Total
Total employment	9950	10563	12263136	14285773				
Farm employment	2596	2339	274417	263684	441	-722	24	-257
Nonfarm employment	7354	8224	11988719	14022089	1249	51	-430	870
Private nonfarm employment	5917	6710	10211671	12008892	1005	57	-269	793
Agriculture, forestry, fishing and hunting	233	931	56378	54546	40	-24	682	698
Mining, quarrying, and oil and gas extraction	232	152	217062	369496	39	99	-219	-80
Utilities	169	173	53515	53626	29	-26	1	4
Construction	357	360	842230	922121	61	-30	-28	3
Manufacturing	800	1144	988666	874993	136	-280	488	344
Wholesale trade	428	434	497340	548926	73	-41	-26	6
Retail trade	1003	903	1375579	1419381	170	-128	-142	-100
Transportation and warehousing	72	49	447036	508828	12	-4	-31	-23
Information	61	57	277393	234258	10	-24	9	-4
Finance and insurance	319	455	592721	875365	54	111	-29	136
Real estate and rental and leasing	156	188	420295	565738	27	33	-28	32
Professional, scientific, and technical services	98	315	718125	913179	17	10	191	217
Management of companies and enterprises	0	0	55661	115289	0	0	n/a	n/a
Administrative and waste management services	71	204	750085	934722	12	6	115	133
Educational services	459	497	163111	217711	78	125	-165	38
Health care and social assistance	773	687	1039305	1377681	131	168	-385	-86
Arts, entertainment, and recreation	31	38	184116	232323	5	5	-4	7
Accommodation and food services	177	319	810627	986366	30	12	100	142
Other services, except public administration	685	682	722426	804343	116	-2	-118	-3
Government and government enterprises	1437	682	1777048	2013197	244	-13	-986	-755

This analysis strengthens the statement about growth in the mining industry being attributable to a statewide boom; it has very high industry IM. Locally, the most promising industry is manufacturing. At the state level, manufacturing is lagging behind the overall state growth but has been growing much faster at the local level and will be further analyzed in the section on local major employers.

Local Major Employers

The city of Gonzales has a total of 516 employers. Of these, 94 employed over 10 employees, including

Table 3.4

Employers	Employee Size	Primary NAICS Description	Industry
Gonzales Healthcare System	250	General Medical & Surgical Hospitals	Health care and social assistance
Guadalupe Valley Electric	200	Electric Power Distribution	Utilities
Adams Extract & Spice LLC	150	All Other Specialty Food Stores	Retail trade
Heights Of Gonzales	101	Nursing Care Facilities (Skilled Nursing Facilities)	Health care and social assistance
Buddy's Natural Chicken	100	Poultry Processing	Manufacturing
Kitchen Pride Mushrooms	93	Mushroom Production	Agriculture, forestry, fishing and hunting
Brown Awards USA	80	All Other Miscellaneous Store Retailers (except Tobacco Stores)	Retail trade
Gonzales High School	70	Elementary and Secondary Schools	Educational services
Texan Nursing & Rehab -Gonzales	66	Nursing Care Facilities (Skilled Nursing Facilities)	Health care and social assistance
Gonzales County Health Agency	65	Administration Of Public Health Programs	Government and government enterprises

Footnotes: Industries are classified by North American Industry Classification System (NAICS).

Source: "Jin_Gonzales_Economy"

18 that employed over 50 employees and five that employed over 100 employees. There are 422 establishments employing less than 10 employees, categorized as small businesses.

Local Top 10 employers are listed in the following Table 3.3:

In order to avoid disclosing confidential information, this report was not able to perform in-depth analysis of the "Health care and social assistance" industry in the local economy. However, it is apparent that this industry actually plays an important role. Three of the top 10 employers relate to health care and social assistance, accounting for some 417 jobs.

It is notable that, although the retail trade industry is lagging behind in overall economic growth both locally and statewide and that local employment declined from 2001 to 2010, it is still a major local employer. For the time being, efforts should still be placed on this industry to maintain jobs.

As pointed out in the LQ analysis, the manufacturing industry LQ increasing remarkably and continuously from 2001 to 2010, even after the 2008 global financial crisis. Though Manufacturing statewide is lagging behind state economic growth as a whole, it has been growing much faster locally. The local manufacturing industry is mainly related to poultry processing categorized as Agriculture, Forestry, Fishing and Hunting, which is a major local basic industry. Despite being a local basic industry, poultry processing and its supporting industry is the reason why the manufacturing industry has grown fast and steadily. On the other hand, the growth of the manufacturing industry contributes to the development of its supporting industry, and thus a local industrial chain has been created and is driving the local economy.

Table 3.5 Annual Employment Rate

| Year	Gonzales County	Texas
1990	3.1	6.4
1991	4	7
1992	5.4	7.6
1993	4.8	7.2
1994	4.6	6.6
1995	4.2	6.1
1996	5	5.8
1997	4.8	5.4
1998	4	4.9
1999	3.3	4.7
2000	3.5	4.4
2001	3.7	5
2002	5	6.4
2003	5	6.7
2004	4.7	6
2005	4.1	5.4
2006	4	4.9
2007	3.8	4.4
2008	4	4.9
2009	5.5	7.5
2010	6.1	8.2
2001	5.7	7.9

Source: U.S. Bureau of Labor Statistics

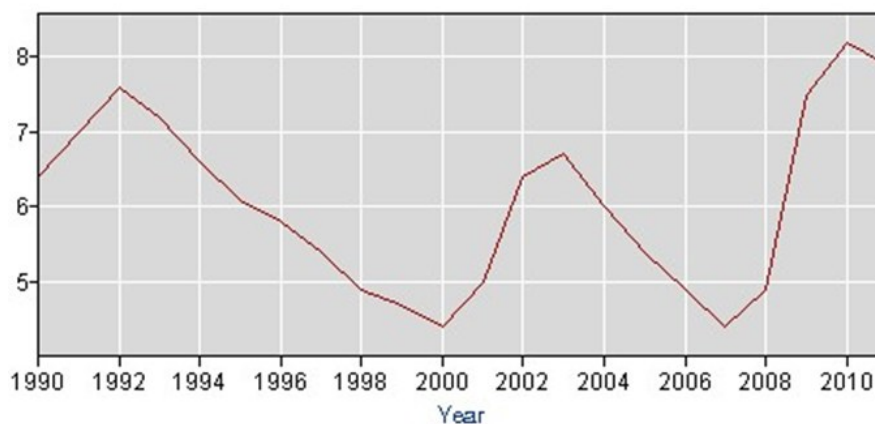## Local/Regional Unemployment Analysis

A low unemployment rate indicates the local economy's ability to use human resources more efficiently. From 1990 to 2000, Gonzales County's annual unemployment rate varied more widely than the state's but has followed the same trends of Texas' annual unemployment rate between 2000 and 2011.

With the most recent economic downturn, the unemployment rate has increased, though, locally, Gonzales County's unemployment rate remained lower than the state's every year during this   period. The reason for this difference is not due to the state losing proportionally more jobs. In fact, the previous employment analysis showed that employment in Texas actually grew during the recession but that the state's labor force grew faster than employment growth.

Figure 3.3

unemployment rate
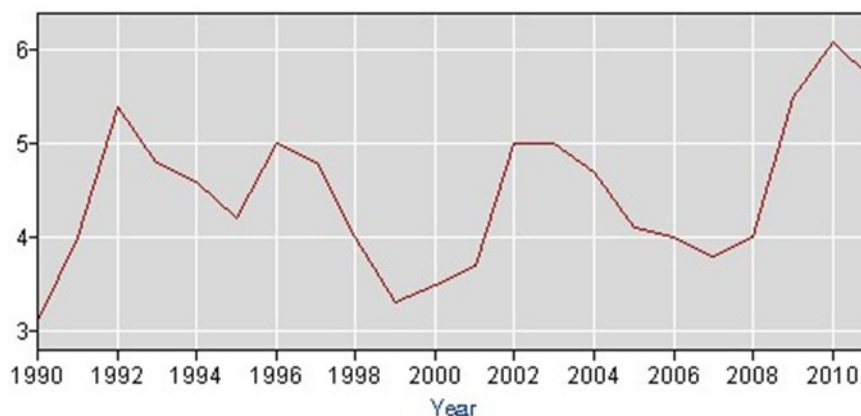
Figure 3.4

unemployment rate

2010 was a turning point for both the state and local economy; an economic recovery began and the unemployment rate started to decline.

Local/Regional Future Labor Force Analysis

This analysis of the labor force focuses particularly on the 25-44 age cohort, which contains the greatest share of the labor force. Generally the local 25-44 age cohort being higher than the state average is a sign of a healthy economic situation. Decreases over time in this group, especially when similar changes are not occurring statewide, can be an indication that people are moving out of an area they consider to be a poor labor market.[3] The 25-44 age cohort populations for the city of Gonzales and state of Texas in 2000 and 2010 are listed in the following table:

Table 3.6

Year	2000			2010		
Population	Total	25-44 Age Cohort	Percent	Total	25-44 Age Cohort	Percent
City of Gonzales	7,202	1,796	25.0	7,237	1,764	24.4
Texas	20,851,820	6,384,321	31.1	25,145,561	7,071,855	28.1

Source: U.S. Census Bureau (2000/2010)

It is apparent from the table that the population of this age cohort in both the city and the state has declined from 2000 to 2010. The percentage of people 25-44 living in Gonzales was less than the percentage in Texas in both 2000 and 2010 and, as an absolute number is actually declining while the state has seen absolute growth within the 10-year period. This is an indication that people are moving out of the city, which is in accordance with concerns of local residents and officials voiced at the public meeting held on September 21, 2012. Such a labor market will be an obstacle to local economic development in the future.

Income

Local/Regional Earnings by Place of Work Analysis

Table 3.7

Year	2000	2010
City of Gonzales	$27,226	$34,583
Texas	$39,927	$49,646

Source: U.S. Bureau of Economic Analysis

The table shows that the local median household income was far less than the state's in both 2000 and 2010. From 2000 to 2010, it has grown 27% locally and 24.3% statewide; the local growth rate is slightly higher than the state.

In order to see how the household buying power has changed during the 10-year period, dollar value was converted to 2010 dollars. Thus, the local median household income in 2010, $34,583, was equal to $27,304 in 2000, slightly higher than 2000 median household income (American Institute for Economic Research). Local household buying has thus increased over the last 10-year period. For comparison, the state's median household income in 2010, $49,646, was equal to $39,197 in 2000. It is actually lower than the median income in 2000, which means household buying power at the state level decreased from 2000 to 2010. This could be regarded as a local strength to draw people back to Gonzales.

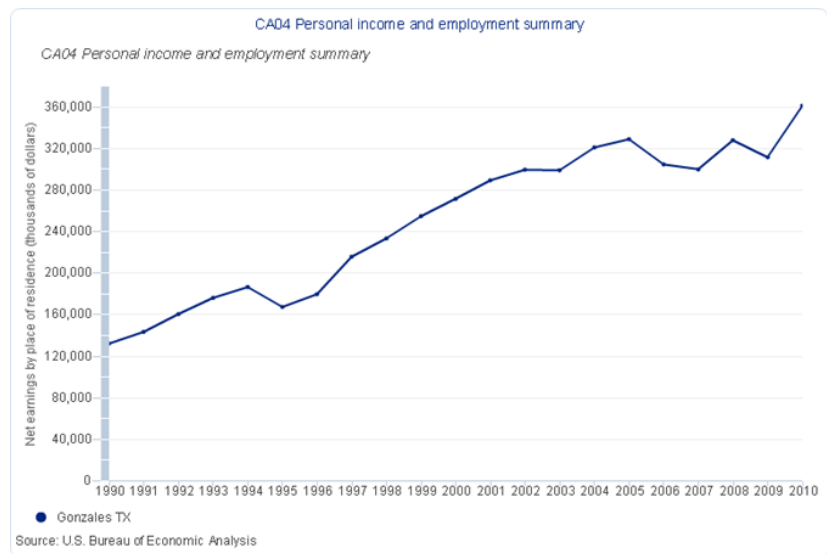**Local/Regional Total Personal Income Analysis**

Table 3.8

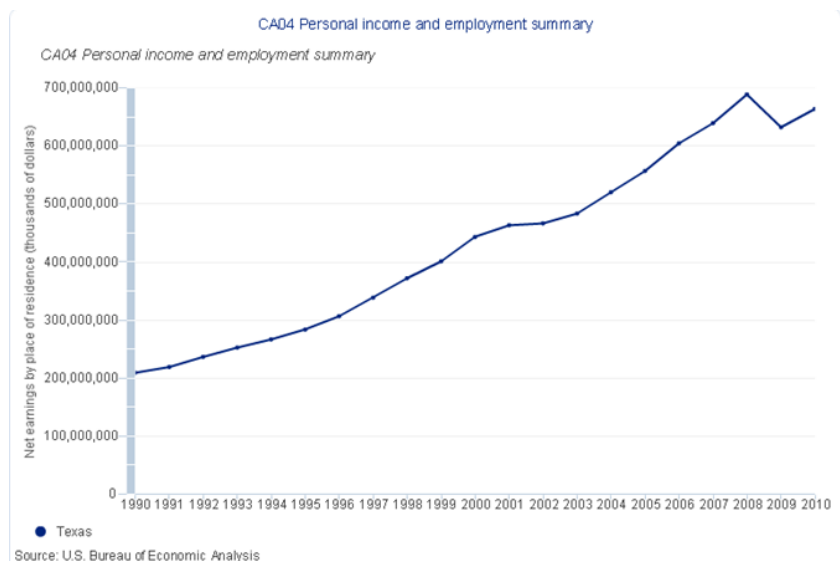|	Gonzales County	Texas
Total growth rate	171%	224%
Compound annual growth rate	5%%	6%

Source: U.S. Bureau of Economic Analysis

Area income indicates revenues circulating within the economy from all sources.3 According to the most recent data released by the Bureau of Economic Analysis 2010, Gonzales County total personal income was $629 million, which represented an increase of $397 million when compared to the 1990 total personal income. For statewide personal income, the total of $294 billion for the year 1990 and $953 billion for the year 2010 shows an increase of $659 billion.

From 1990 to 2010, the Gonzales County personal income growth rate was lower than the state's. Texas has seen continuous and rapid growth in personal income before the 2008 financial crisis, but personal income growth in Gonzales County was not stable before the crisis, and neither did it decline after the crisis broke out. This indicates that Gonzales has its own business pattern and does not strictly follow the larger economy. So in a business upturn, it would not grow as fast as the larger economy, but in a business downturn, it would not be affected as much as would the larger economy.

Figure 3.5

Source: U.S. Bureau of Economic Analysis

Figure 3.6

Source: U.S. Bureau of Economic Analysis

Local/Regional Per Capita Personal Income Analysis
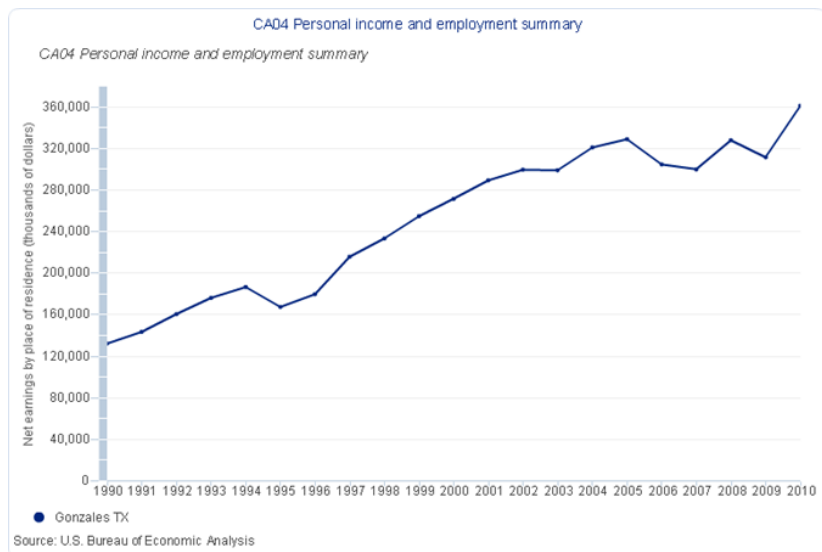
Table 3.9

	Gonzales County	Texas
Total growth rate	134%	119%
Compound annual growth rate	4%	4%

Source: U.S. Bureau of Economic Analysis

Total personal income is a widely used measure of regional economic health while per capita income is generally used to compare the relative well-being of residents across areas (not accounting for differences in area cost of living).
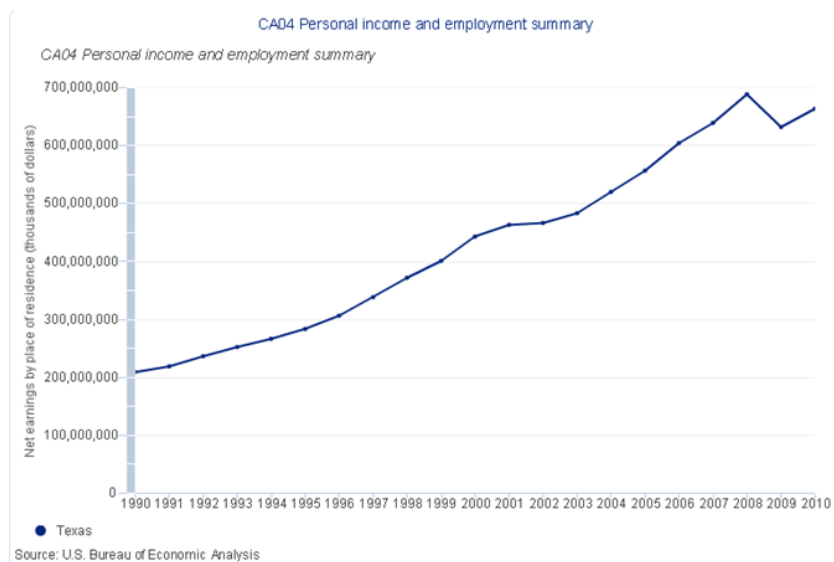
According to the most recent data released by the Bureau of Economic Analysis 2010, Gonzales County per capita personal income was $31,670 which represented an increase of $18,137 when compared to the 1990 per capita personal income. For statewide per capita personal income, it had increased $20,487 from $17,260 in 1990 to $37,747 in 2010.

Figure 3.7

Source: U.S. Bureau of Economic Analysis

From 1990 to 2010, growth in per capita personal income at the county and state levels followed the trend of total personal income growth but was higher for Gonzales County than for the state, indicating that the rate of population growth was higher in the state than local community.

Figure 3.8

Source: U.S. Bureau of Economic Analysis

Earnings

Local/Regional Earnings by Place of Work Analysis
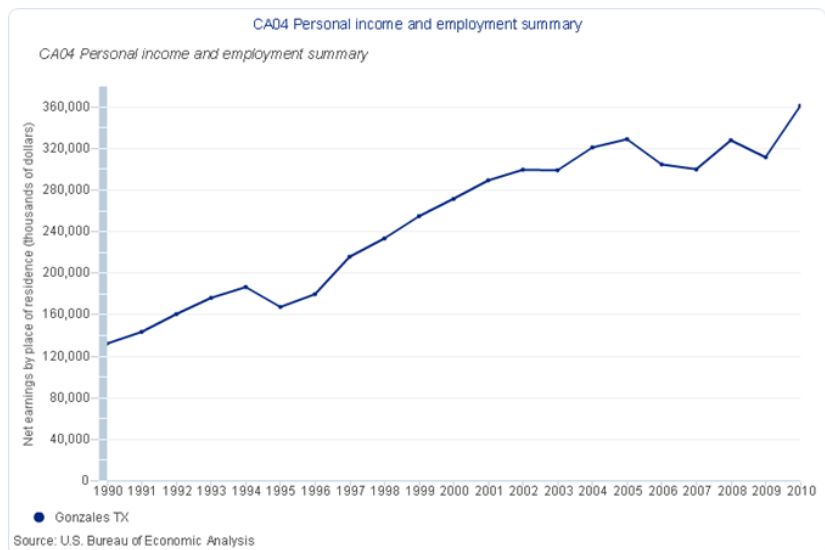
Table 3.10

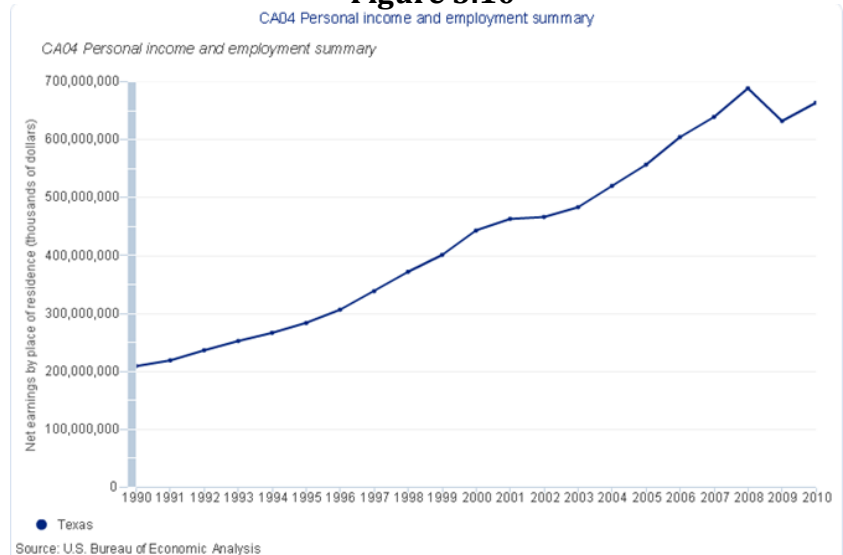|	Gonzales County	Texas
Total growth rate	145%	217%
Compound annual growth rate	5%	6%

Source: U.S. Bureau of Economic Analysis

Earnings by place of work indicate the quality of jobs in the local economy.3 According to the most recent data released by the Bureau of Economic Analysis 2010, Gonzales County earnings by place of work totaled $350 million, which represents an increase of $207 million compared to its 1990 earnings by place of work. For statewide earnings by place of work, the total of $233 billion for the year 1990 and $737 billion for the year 2010 shows an increase of $504 billion.

Figure 3.9

CA04 Personal income and employment summary

Gonzales TX

Source: U.S. Bureau of Economic Analysis

From 1990 to 2010, earnings by place of work in Gonzales County grew at a rate much lower than the state's. Its growth had been unstable during this period even before the financial crisis broke in 2008, while the state as a whole had seen continuous growth until 2008.

Figure 3.10

CA04 Personal income and employment summary

Texas

Source: U.S. Bureau of Economic Analysis

Local/Regional Net Earnings by Place of Residence Analysis

Table 3.11

	Gonzales County	Texas
Total growth rate	173%	217%
Compound annual growth rate	5%	6%

Source: U.S. Bureau of Economic Analysis

Net earnings by place of residence is one important component of total local personal income and in analyzing the amount of wealth available for purchases of goods and services. In combination with employment data, it can also provide insight on local wage structure and the relative concentration of employment in high- and low-paying industries.

Figure 3.11

According to the most recent data released by the Bureau of Economic Analysis 2010, Gonzales County net earnings by place of residence was $361 million, an increase of over $228 million when compared to the 1990 net earnings by place of residence. For statewide net earnings by place of residence, the total of $209 billion for the year 1990 and almost $664 billion for the year 2010 shows an increase of about $454.6 billion.

Source: U.S. Bureau of Economic Analysis
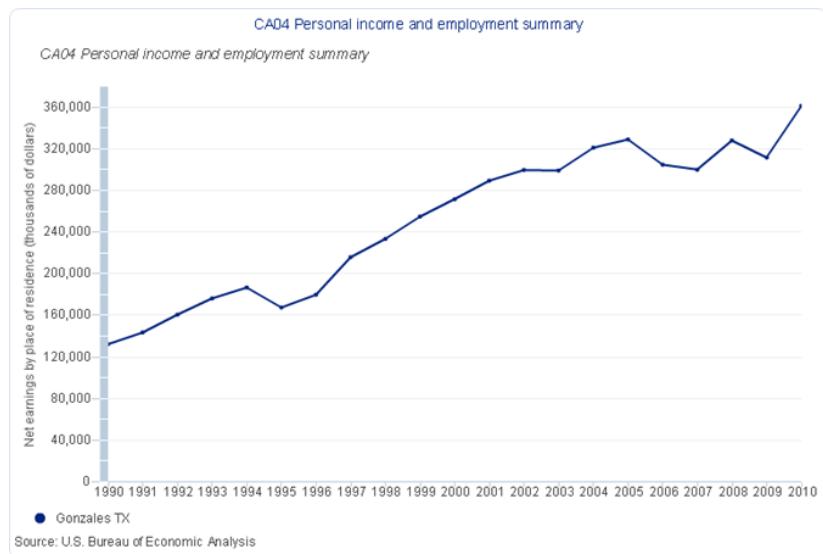
Figure 3.12

From 1990 to 2010, Gonzales County net earnings by place of residence grew at a rate lower than did the state, and as was the case with its earnings by place of work, growth in earnings by place of residence were more unstable than the state's.

Source: U.S. Bureau of Economic Analysis
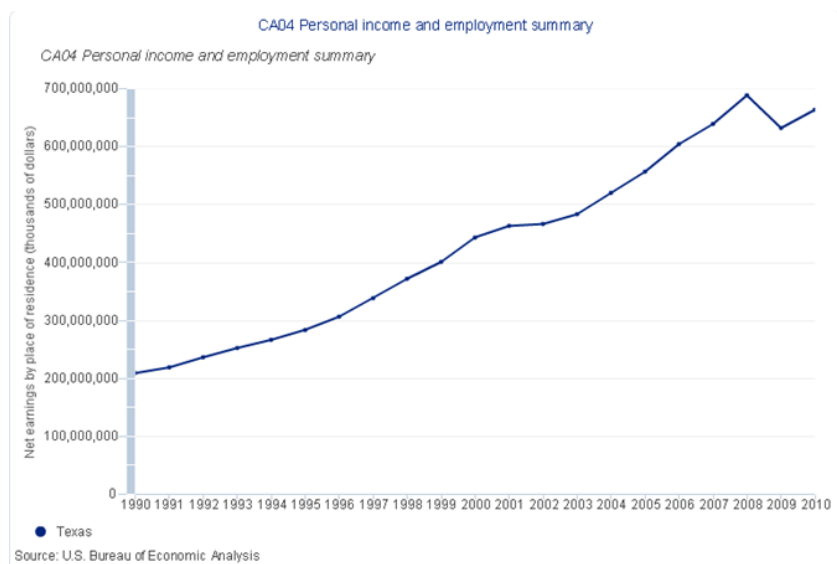
Table 3.12 Gonzales County/Texas Employment by Industry

	2001		2002		2003		2004	
	Gonzales	Texas	Gonzales	Texas	Gonzales	Texas	Gonzales	Texas
Employment by place of work (number of jobs)								
Total employment	10048	12211172	9950	12263136	10037	12358157	10126	12616501
Farm employment	2853	295737	2596	274417	2444	263394	2313	253780
Nonfarm employment	7195	11915435	7354	11988719	7593	12094763	7813	12362721
Private nonfarm employment	5806	10180769	5917	10211671	6126	10291487	6342	10556302
Agriculture, forestry, fishing and hunting	214	51076	233	56378	986	51379	216	53226
Mining, quarrying, and oil and gas extraction	231	231204	232	217062	164	236469	258	232346
Utilities	(D)	52802	169	53515	170	50667	157	49804
Construction	367	849097	357	842230	349	852463	364	864284
Manufacturing	808	1067074	800	988666	842	940918	876	934270
Wholesale trade	398	511134	428	497340	478	496537	520	507259
Retail trade	937	1362006	1003	1375579	1031	1358938	968	1369907
Transportation and warehousing	(D)	455145	72	447036	80	441866	79	462155
Information	72	300123	61	277393	62	268124	62	261427
Finance and insurance	281	577127	319	592721	327	605245	356	623000
Real estate and rental and leasing	147	409155	156	420295	141	439810	153	470555
Professional, scientific, and technical services	262	719728	98	718125	120	727288	305	768694
Management of companies and enterprises	0	46468	0	55661	0	52164	0	60858
Administrative and waste management services	127	745256	71	750085	66	763027	185	807577
Educational services	(D)	150842	459	163111	539	165461	54	169640
Health care and social assistance	(D)	993304	773	1039305	832	1085462	547	1116253
Arts, entertainment, and recreation	(D)	172506	31	184116	35	185444	43	194098
Accommodation and food services	(D)	797762	177	810627	216	831448	234	853919
Other services, except public administration	637	688960	685	722426	704	738777	741	757030
Government and government enterprises	1389	1734666	1437	1777048	1467	1803276	1471	1806419

2005		2006		2007		2008		2009		2010	
Gonzales	Texas	Gonzales	Texas	Gonzales	Texas	Gonzales	Texas	Gonzales	Texas	Gonzales	Texas
10299	13012291	10449	13500280	10664	14024509	10529	14388207	10715	14229341	10563	14285773
2348	257781	2183	246076	2336	264656	2317	262505	2400	267319	2339	263684
7951	12754510	8266	13254204	8328	13759853	8212	14125702	8315	13962022	8224	14022089
6479	10927922	6803	11392416	6855	11874358	6747	12189010	6795	11978943	6710	12008892
218	54490	225	53078	233	54619	231	55231	972	53116	931	54546
269	250103	280	283789	283	312251	335	385412	161	355270	152	369496
159	49252	164	48786	173	50966	177	55024	175	53511	173	53626
386	914880	369	969992	395	1025977	382	1047382	377	970425	360	922121
935	947653	1058	977815	1048	988762	1072	975998	1136	898218	1144	874993
512	525156	490	550227	464	569130	477	578086	467	551381	434	548926
969	1404365	1002	1430433	992	1457009	942	1452957	900	1430034	903	1419381
62	485046	102	507554	76	533072	50	530194	49	509984	49	508828
62	263407	61	262800	64	262802	67	258323	60	244198	57	234258
371	647764	376	674292	404	718141	380	783553	440	844933	455	875365
167	509925	199	531574	215	565024	169	579762	189	570595	188	565738
269	794867	277	834899	293	892977	308	932515	307	906365	315	913179
0	69896	0	77316	0	86171	0	107640	0	108181	0	115289
186	840468	246	905596	279	941635	257	945474	236	910069	204	934722
53	176331	55	185004	503	190133	473	197473	444	209083	497	217711
588	1149892	644	1192770	769	1243503	674	1282103	699	1335614	687	1377681
42	199750	45	206505	44	217063	40	225505	48	229591	38	232323
268	879485	280	916425	354	952657	260	980684	355	981149	319	986366
715	765192	696	783561	700	812466	691	815694	688	817226	682	804343
1472	1826588	1463	1861788	1473	1885495	1465	1936692	1520	1983079	1514	2013197

Footnotes: Industries are classified by North American Industry Classification System (NAICS). (D) Not shown to avoid disclosure of confidential information, but the estimates for this item are included in the total. Source: U.S. Bureau of Economic Analysis, highlighted data was retrieved from OnTheMap.

Introduction

The economic base section of the comprehensive plan provides an inventory of population, income, employment, and tax policy characteristics of Gonzales. The information was obtained from federal, state, and local authorizes, including the U.S. Census Bureau, Texas Workforce Commission, Texas State Comptroller's Office and citizen interviews.

Tax Revenue Analysis

Sales Tax Revenues

Taxable sales are often indicative of the health of local economies and communities. An analysis of the taxable sales generated by industry over a period of time provides an understanding of what the traditional strengths and weaknesses are within an economy. It is also important to understand that larger context of economic events occurring at the national and state levels in order to better interpret the performance and impact on industries at the local level.

According to the Texas State Office of the Comptroller, Gonzales currently collects a 1.5% tax on all taxable sales within the city, which resulted in $1.3M in revenue generated in the 2012 fiscal year. This is a standard tax rate and matches the rate that cities of similar sizes are using throughout the state.

Gonzales also has a 4B Economic Development Corporation which collects a 0.5% tax on all taxable sales and generated $703,000 in revenue in 2012 between January and November. This is the only 4B EDC in Gonzales County. The Texas State Office of the Comptroller specifies that this tax revenue can be used to pay *"for land, buildings, equipment, facilities, targeted infrastructure and improvements for:*

- *professional and amateur sports and athletic facilities, tourism and entertainment facilities, convention facilities and public parks;*
- *related store, restaurant, concession, parking and transportation facilities;*
- *related street, water and sewer facilities; and*
- *affordable housing.*

To promote and develop new and expanded business enterprises that create or retain primary jobs, a Type B EDC may fund:

- *public safety facilities;*
- *recycling facilities;*
- *streets, roads, drainage and related improvements;*
- *demolition of existing structures;*
- *general municipally owned improvements; and*
- *Maintenance and operating costs associated with projects.*

Type B EDCs also may seek voter approval to spend Type B sales tax funds for a water supply, water conservation program or to clean up contaminated property." (Texas State Office of the Comptroller)

While the country as a whole experienced an economic downturn starting in late 2007 and continuing through mid-2009 (National Bureau of Economic Research, 2012), Gonzales and the state of Texas in general were able to avoid the same recessional effects. As seen in Figure 3.15, Gonzales experienced continual upward trending in the value of total taxable sales total through the last ten years. Beginning in 2009, Gonzales has been experiencing a significant upswing in sales tax revenue generation. This marked increase in total sales tax revenue generation has been accompanied by noticeable increases in the Retail and Wholesale Trade industries. At the present time, it is unexpected that this trend will reverse course in the near future. For the 10-year period depicted in Figure 3.15, Gonzales experienced an average yearly growth rate of 3.76% in taxable sales. By comparison, the state of Texas experienced an average annual growth rate of 2.67% during the same period.

The top five industries to generate taxable sales for Gonzales over the past 10 years are Retail Trade, Accommodation/Food Services, Other Services (Except Public Administration), Wholesale Trade, and Manufacturing. These industries are defined by the North American Industry Classification System (NAICS). More information can be found at http://www.census.gov/cgi-bin/sssd/naics/naicsrch?chart=2012.

Retail Trade, the largest taxable sales generator, experienced nominal growth between 2002 and 2009 with small peaks and valleys, but beginning in 2009, it began rising steadily and is currently following a solid upward trajectory. Accommodations and Food Services has steadily maintained taxable sales rates for the past 10 years but has shown no significant growth. The same can be said for the Manufacturing Industry as well as Other Services (except Public Administration). Wholesale Trade taxable sales also experienced a stagnant growth period until 2011, when they dramatically increased to five times the amount of 2010. This growth in taxable sales may be attributed to the increasing oil-shale activity and the influx of drilling accessory distributors in the region (Center for Community and Business Research; University of Texas San Antonio; Institute for Economic Development, 2012).

Three industries in Gonzales experienced negative growth trends during the 2002 – 2011 time period. Utilities and Agriculture/Forestry/Fishing/Hunting both failed to report any taxable sales in 2011 with the Utilities industry not reporting any taxable sales since 2003, while Agriculture last reported taxable sales in 2009. The Real Estate/Rental and Leasing Industry also experienced a decline in taxable sales during this time frame, losing approximately 30% of its taxable sales generation over those 10 years.

Another perspective from which to look at Taxable Sales Revenue is through the diversification of taxable sales generators. If a city has a diverse range of industries contributing to the taxable sales generated, it will be better prepared to weather an economic downturn in any one industry. Gonzales has historically received almost 70% of its sales tax revenue from Retail Trade. Referencing Figure 3.15, it is possible to see how the total taxable sales trending for Gonzales effectively mirrors the Retail Trade. This is a risk-heavy relationship for Gonzales where any disturbance to the Retail Trade Industry would be immediately felt in the sale tax revenue collected by the city.

The next four largest industries account for one-quarter of the total sales tax revenue cumulatively. In all, 14 industries have generated taxable sales for Gonzales between 2002 and 2011. Figure 3.13 illustrates the industrial diversity of Gonzales as an averaged percentage that each industry has contributed to taxable sales generation from 2002 - 2011. Only industries contributing one percent or more of taxable sales are displayed separately. There are seven industries that are collected under the category "other industries." These industries individually contributed no more than 0.85% to the taxable sales generated.

It should be emphasized that Figure 3.13 presents a 10-year average of industry share of taxable sales generation. In 2011, the Wholesale Trade Industry had grown to the third strongest industry and generated almost 10% of the taxable sales while Retail Trade had shrunk to 62%. If the trend of Wholesale Trade growth continues, Gonzales will find itself less directly tied to the performance of the Retail Trade Industry for sales tax revenue.

Local and Regional Comparisons

In order to truly gauge the performance of Gonzales' economy, it is necessary to compare its performance to that of similar cities (both is size and geographic location) and the region. By comparing two similar sized cities in close geographical proximity, it is possible to see whether the cities have experienced similar economic fortunes or if one has fared better than another. For this exercise, Gonzales will be compared to Cuero, TX which is a town of 6,841 (2010 U.S. Census Bureau) located 32 miles

south of Gonzales. Both cities are located relatively close to the San Antonio Metropolitan Area, but are still geographically remote.

In comparing Figure 3.14 with Figure 3.13, it is evident that Cuero and Gonzales share very similar characteristics in their taxable sales generators. The only significant difference is that Cuero does not have an active Wholesale Trade Industry, but a stronger Real Estate/Rental and Leasing Industry. Figure 3.16 can similarly be compared with Figure 3.15. The performance of all five industries displayed is similar with the exception of Cuero's Wholesale Trade Industry not experiencing the rapid growth that Gonzales' did in 2011. However, Cuero's total taxable sales experienced a much sharper growth rate between 2010 and 2011 than Gonzales. This is due to its Real Estate/Rental and Leasing Industry, which quadrupled in the amount of taxable sales generated between 2010 and 2011. During the 2011 fiscal year, Real Estate/Rental and Leasing accounted for almost 25% of taxable sales for Cuero.

It is also useful to compare Gonzales to Gonzales County in general. As of the 2010 Census, Gonzales County had a population of 19,807, and the city of Gonzales is its largest. Figure 3.17 shows the total amount of taxable sales for Gonzales County from 2002 through 2011 as well as the taxable sales for the city of Gonzales' top five industries. Gonzales County displays a more tumultuous taxable sales history over the 10-year period with stronger peaks and valleys. The fluctuation between 2006 and 2009 can be explained by a strong growth in the mining industry followed by a shrinking of the same industry. However, by 2011 Gonzales County was experiencing very strong growth in its taxable sales driven by strong increases in the Retail Trade, Accommodation/Food Services, and Wholesale Trade Industries.

In general, the state of Gonzales' economy in the regional context can be best judged by Figure 3.18. As can be seen, the growth of the city of Gonzales' taxable sales was roughly equivalent with Gonzales County, but was outpaced by the city of Cuero during the 2002-2011 time period.

Property Tax Revenue

Property tax analysis provides another avenue for assessing the health of a community and ensures that a city is receiving the proper amount of tax revenue. Table 3.13 shows the property tax rates for Gonzales County during the 2012 tax year. The city of Gonzales had an effective property tax rate of 0.2329. Of the four cities located within Gonzales County, this was the second lowest effective rate behind the city of Waelder, which had a rate of 0.2033. The city of Smiley had the highest effective rate at 0.3832. (Truth in Taxation Summary, 2012)
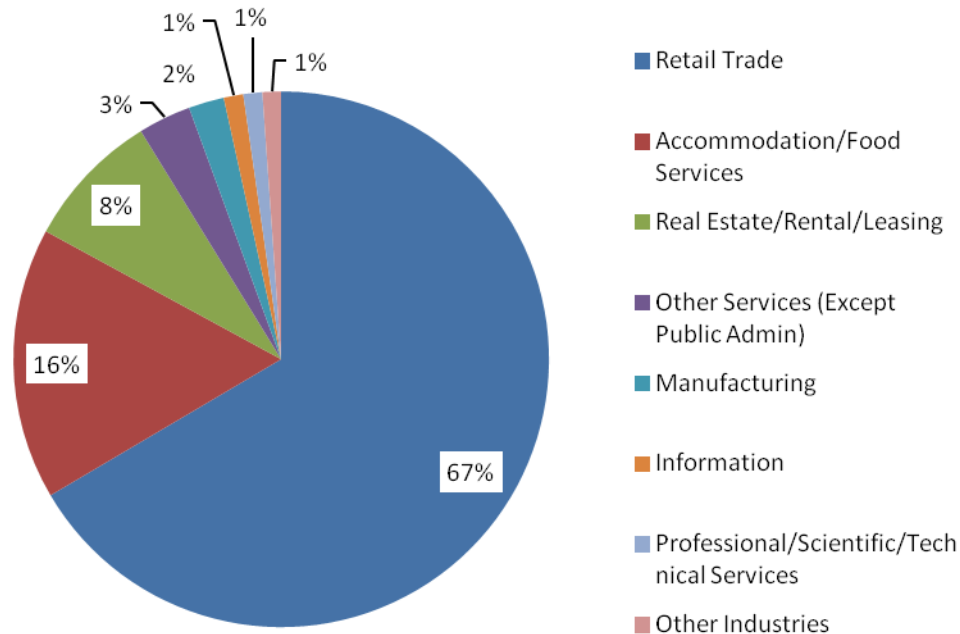
Eagle Ford Shale Impact

Gonzales County is one of 14 counties in south central Texas to be impacted by the recent boom in oil extraction industry on the Eagle Ford Shale Formation. As the largest city located within Gonzales County, the city of Gonzales is poised to experience significant economic growth in the near term from the continued development of this resource. According to the Center for Community and Business Research at the University of Texas, San Antonio, in 2011 the local governments within Gonzales County collected a total revenue of almost $27 million, and over 3,600 local jobs were connected to the industry. They estimate that in the year 2021, local governments within Gonzales County will collect a total revenue of almost $114 million and that over 9,800 jobs will be related to the industry.

Figure 3.13
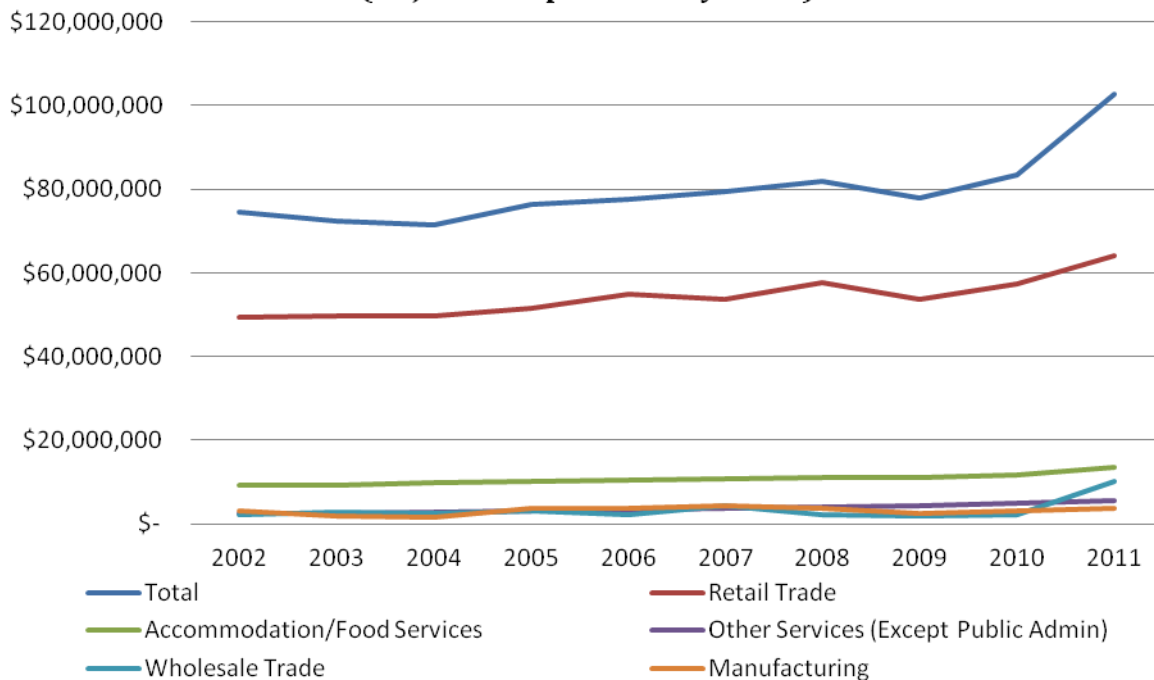**Percentage of Sales Tax by Industry**
City of Gonzales
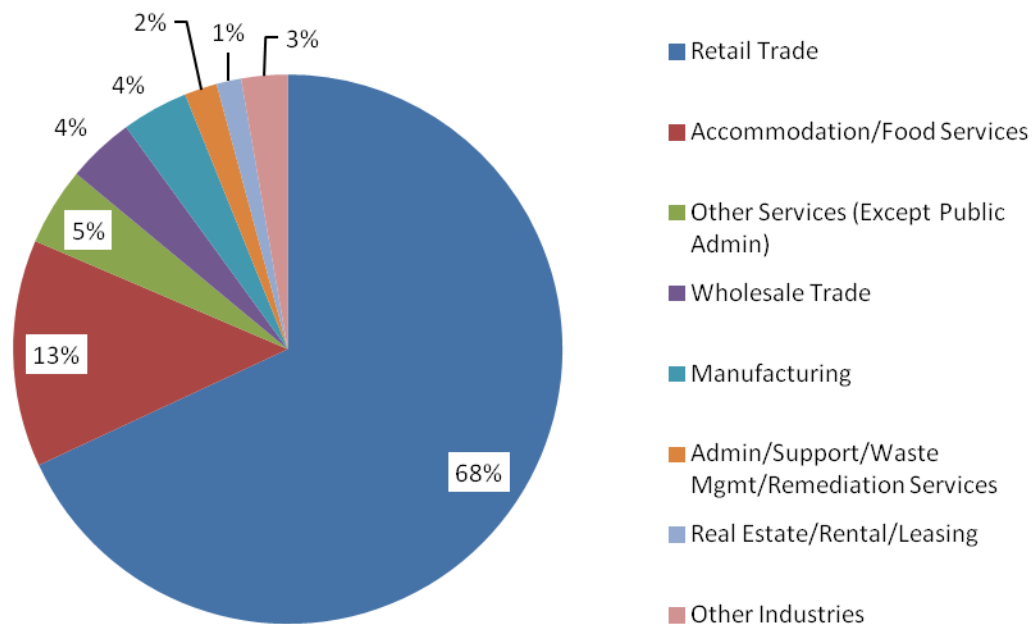
Source: Texas Office of the Comptroller

Figure 3.14
Percentage of Sales Tax by Industry
City of Cuero

Legend:
- Retail Trade
- Accommodation/Food Services
- Real Estate/Rental/Leasing
- Other Services (Except Public Admin)
- Manufacturing
- Information
- Professional/Scientific/Technical Services
- Other Industries
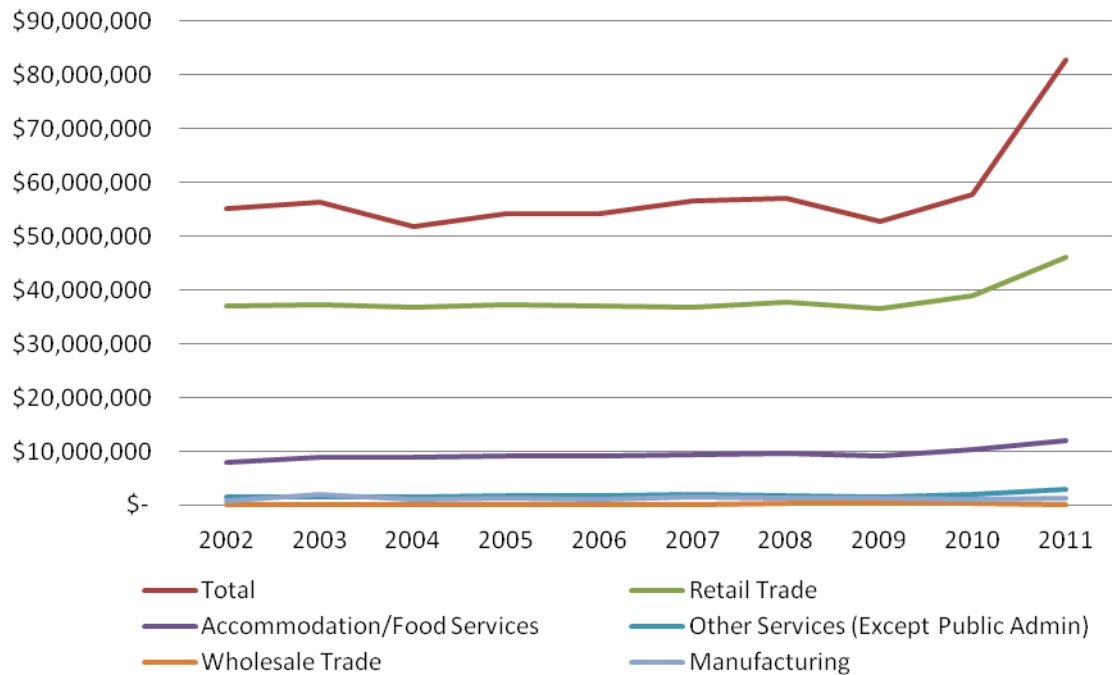
Pie chart values: 67%, 16%, 8%, 3%, 2%, 1%, 1%, 1%

Source: Texas Office of the Comptroller

Figure 3.15
Gonzales Taxable Sales Trends for the Top 5 Industries
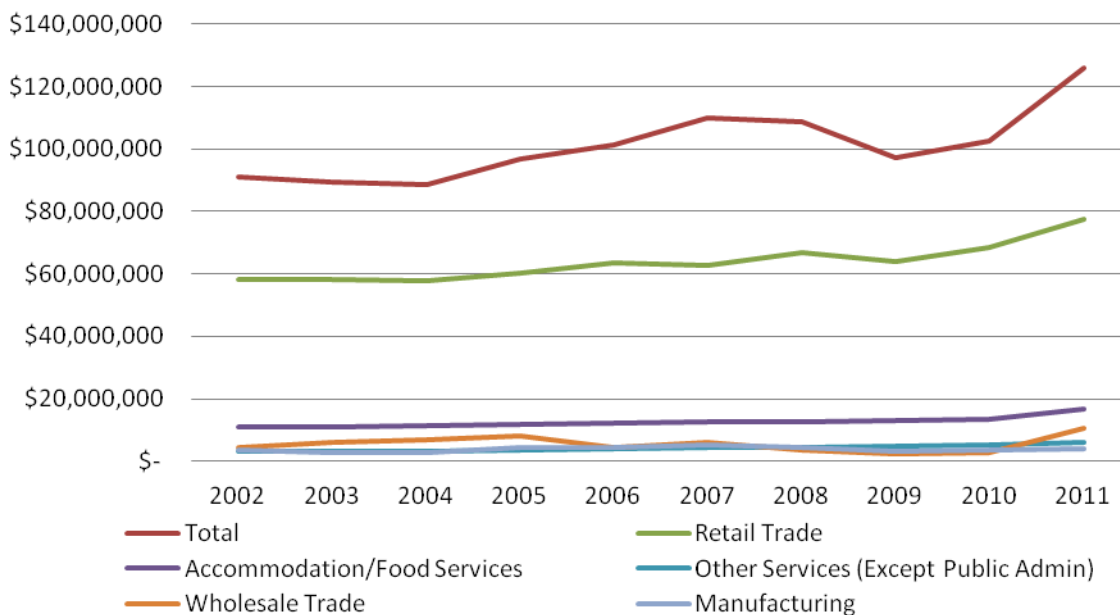## (Adjusted to present day value)

Legend:
- Total
- Retail Trade
- Accommodation/Food Services
- Other Services (Except Public Admin)
- Wholesale Trade
- Manufacturing

Source: Texas Office of the Comptroller

Figure 3.16
Cuero Taxable Sales Trends for 5 Industries
(Adjusted to present day value)

Legend:
- Total
- Retail Trade
- Accommodation/Food Services
- Other Services (Except Public Admin)
- Wholesale Trade
- Manufacturing

Source: Texas Office of the Comptroller

Figure 3.17
Gonzales County Taxable Sales Trends for 5 Industries
(Adjusted to present day value)

Legend:
- Total
- Retail Trade
- Accommodation/Food Services
- Other Services (Except Public Admin)
- Wholesale Trade
- Manufacturing

Source: Texas Office of the Comptroller