

# Karnes County Economic Profile



Comprehensive Economic Development Strategy  
October 2012

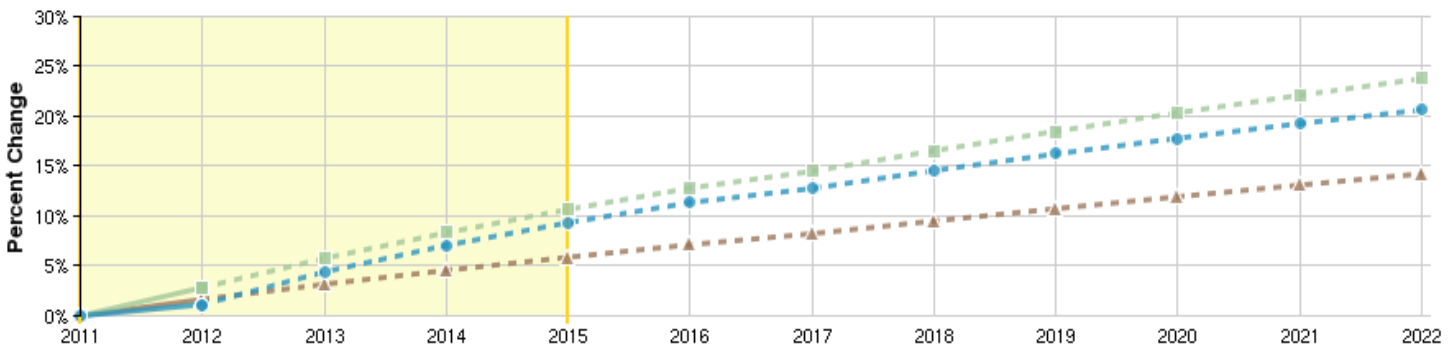
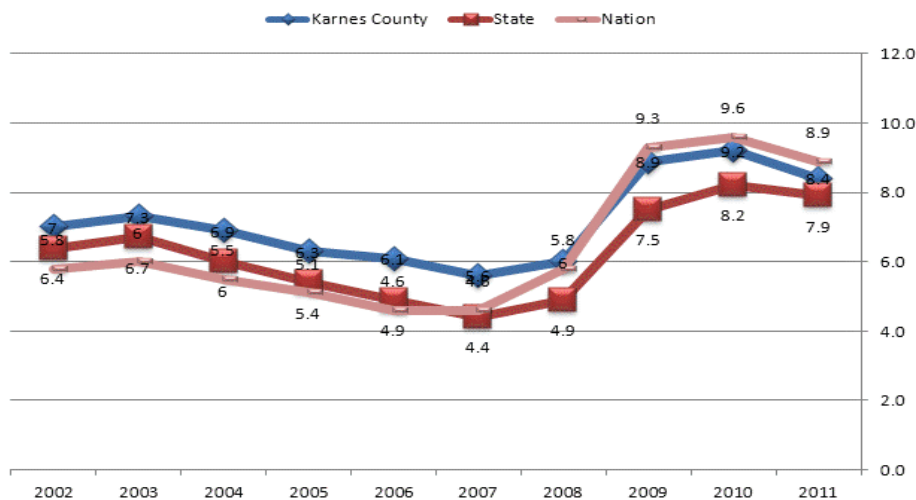
## Labor Force Data

The Karnes County unemployment rate averaged to 8.4 percent in 2011, down from 9.2 percent averaged in 2010.

Comparing Karnes County to the state and nation, the Texas unadjusted (actual) unemployment rate averaged 7.9 percent in 2011, while the nation's unadjusted (actual) unemployment rate was 8.9 percent in 2011.

### Regional Trends

Source: Department of Labor



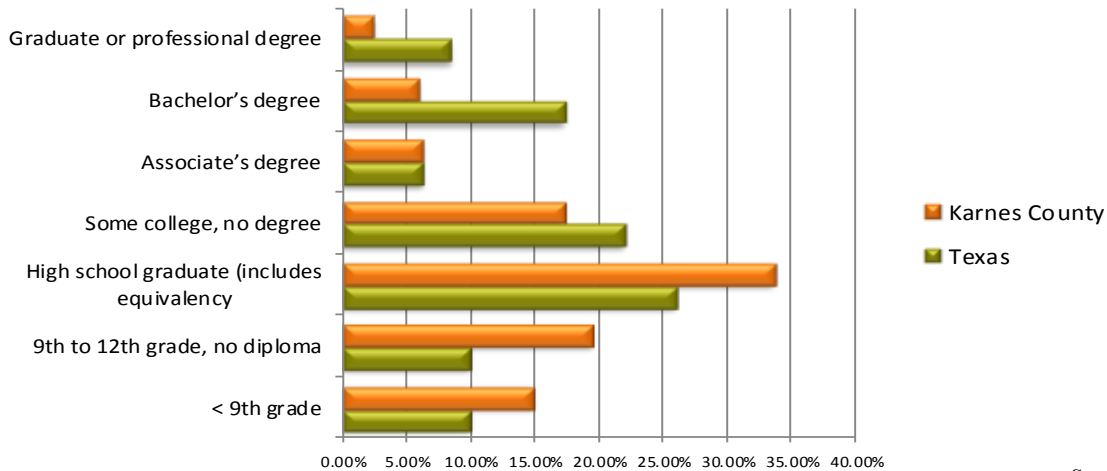
Region	2011 Jobs	2015 Jobs	% Change
Karnes	6,872	7,514	9.3%
State	14,681,471	16,247,350	10.7%
Nation	176,769,254	187,155,067	5.9%

Source: EMSI, Economic Modeling

# Population, Educational Attainment, and Industry Data

	Total Population	% Population 20-54	Median Age	Households	Median Household Income	Per Capita Income
US	303,965,272	48.7%	36.9	76,254,318	\$51,914	\$27,334
Texas	24,311,891	49.4%	33.4	8,539,206	\$49,646	\$24,870
Karnes County	14,880	65.7%	38.5	4,657	\$39,611	\$15,949

Source: 2010 US Census



Source: 2010 US Census

Industry	2012 Jobs	Avg. Earnings (2012)
Agriculture, Forestry, Fishing and Hunting	1,170	\$22,584
Mining, Quarrying, and Oil and Gas Extraction	391	\$49,502
Utilities	98	\$74,533
Construction	352	\$18,528
Manufacturing	235	\$61,763
Wholesale Trade	163	\$36,835
Retail Trade	536	\$21,215
Transportation and Warehousing	190	\$54,218
Information	17	\$27,856
Finance and Insurance	385	\$33,967
Real Estate and Rental and Leasing	222	\$14,428

Industry	2012 Jobs	Avg. Earnings (2012)
Professional, Scientific, and Technical Services	158	\$32,699
Management of Companies and Enterprises	30	\$51,277
Administrative and Support and Waste Management and Remediation Services	283	\$15,272
Educational Services (Private)	31	\$3,159
Health Care and Social Assistance	381	\$26,490
Arts, Entertainment, and Recreation	58	\$6,558
Accommodation and Food Services	350	\$13,908
Other Services (except Public Administration)	300	\$13,269
Government	1,597	\$41,067
Unclassified Industry	1	\$11,662

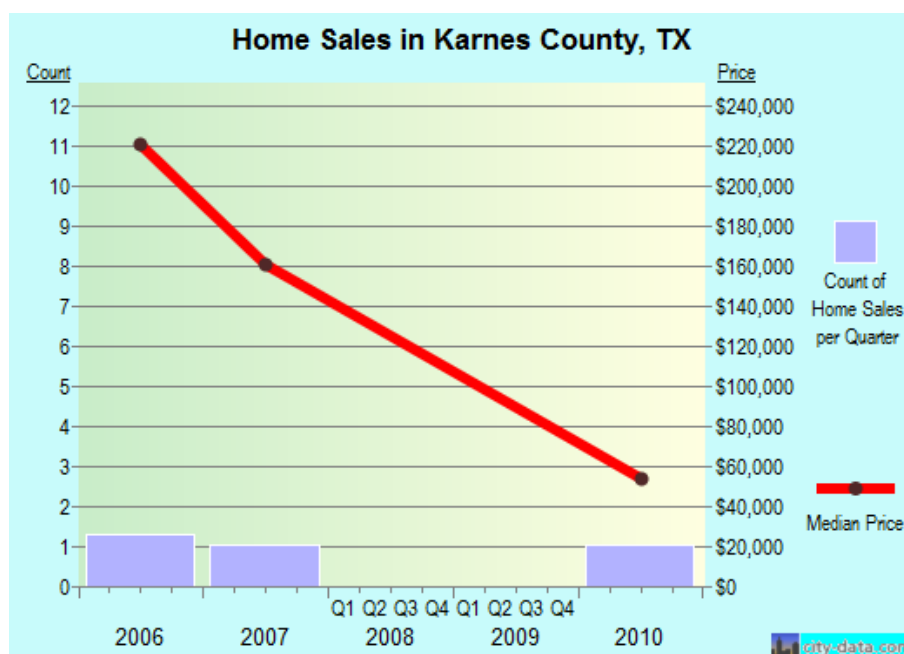
Source: EMSI, Economic Modeling

## Economic Strengths and Priorities

- The Eagle Ford Shale Play has brought development levels to Karnes County not seen before; the county is prospective for shale oil, shale gas, and gas-condensate.
- Karnes County is part of the high-production, prolific portions of the Play with greater amounts of condensate, oil, and wet gas.
- In February 2012, there were 230 producing oil wells and 161 producing gas wells.
- Burlington (Conoco Phillips), EOG Resources, Murphy Oil, and Plains Exploration all have significant acreage in Karnes County.
- The emergence of the Eagle Ford Shale has increased demand for rental property, mainly multi-family units, and hotel capacity substantially.
  - Hotel capacity in Kenedy has increased from 172 (2010) to 461 (2012). Hotel receipts have increased 519% during the timeframe (Q1 2010 to Q1 2012 comparison).
  - Hotel capacity in Karnes City has increased from 23 (2010) to 44 (2012). Hotel receipts have increased 750% during the timeframe (Q1 2010 to Q1 2012 comparison).

*Source: Texas Comptroller of Public Accounts, [www.window.state.tx.us](http://www.window.state.tx.us)*

- August 2012 total employment in Karnes County: 5,241, up 3.9% from August 2011.
- TWC reported an average weekly wage during 4<sup>th</sup> quarter 2010 for all covered wages and salaried employment in the Karnes County region to be \$629.00. Average weekly wages for 4<sup>th</sup> quarter 2011 was \$711.56, an increase of 13.1%.
- Statewide payments based on the sales activity month of July 2012: \$559,173,197, up 15.5 percent from July 2011
- Payments to all cities in Karnes County based on the sales activity month of July 2012: \$206,405, up 16.3 percent from July 2011.



### Resources

US Department of Commerce (<http://www.bea.gov/index.htm>); TexasAhead (<http://www.texasahead.org/>); Window on State Government (<http://www.window.state.tx.us/taxinfo/sales/>); Texas Industry Profiles (<http://www.texasindustryprofiles.com/apps/cnp/index.asp>).

## Economic Development Challenges

- Traffic safety on roadways becoming a concern; TXDOT is releasing new safety campaign.
  - Lack of affordable housing for working families and is a challenge to not only families, but existing businesses and new/expanding businesses as well.
  - Educational attainment of the population age 25+ significantly trails the state and nation:
    - 65.6% are high school graduate or higher versus 80.0% and 85.0% for Texas and the nation respectively
    - 8.4% achieved a bachelor's degree or higher versus 25.8% and 27.9% for Texas and the nation respectively
  - Beeville- Coastal Bend College enrollment is down 5% (2012) - many potential students are drawn away from enrolling because of the economic benefits of the oil boom.
  - Karnes County has historically low participation rates in the labor force. 64.5% of County residents were Not In The Labor Force (2010) versus 34.4% and 35.0% for the state and nation.
  - Managing economic development is challenging communities with the rapid emergence of the Eagle Ford Shale Play and associated impact on infrastructure, demand for housing and commercial space, and indirect retail and service industry demands.
  - Diminishing housing stock is driving up prices and leading to the emergence of RV parks and temporary housing of varied quality.
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