

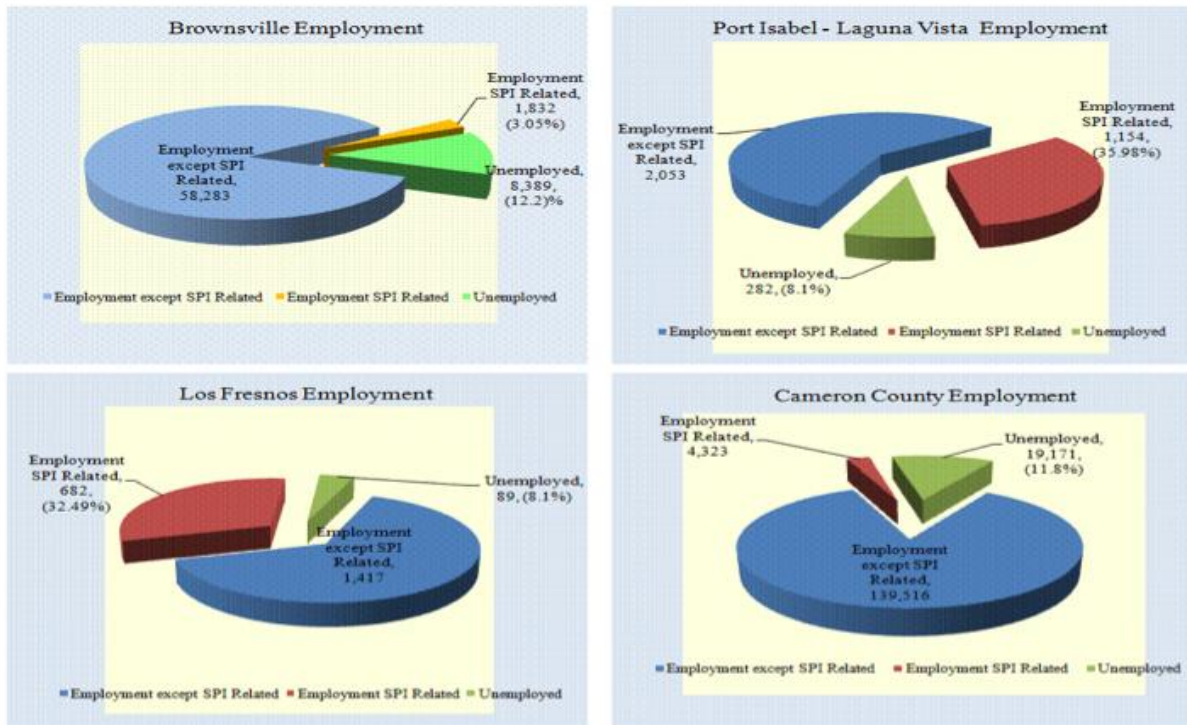
Economic Impact of South Padre Island

	Area (sq- miles)	Employment	Population	Jobs/sq-mile	Jobs/100 people
Cameron County	906	152,166	392,736	168	39
Brownsville	80.4	49,695	175,023	618	28
South Padre Island	1.81	3,373	2,816	1,864	120

Source: U.S. Census, Bureau of Labor Statistics, IMPLAN

- The City of South Padre Island, Texas, is one of Texas’ premiere tourist destinations with over one million visitors annually.
- South Padre Island is one of Cameron County’s most important assets and one of the most important economic drivers in one of the poorest MSAs in the U.S.
- South Padre Island is a source of employment for greater Cameron County and a source of external dollars to the county.
- The benefits to surrounding communities and Cameron County from South Padre Island dwarves the benefits from the Island to itself. These benefits to surrounding communities are in the form of jobs, employee compensation, sales taxes, and property taxes.
- South Padre Island (SPI), with 0.7% of the county’s population and 0.2% of the county’s land area contributes almost 5% to the county’s Gross Product.
 - SPI contributes almost 6 times as much to the economy of the county per person than the rest of the county.
 - SPI contributes almost 20 times as much to the economy of the county per square mile than the rest of the county.
- Not all dollars are created equal: SPI economic contribution is generated mostly by basic industries
 - Basic industries are exporting industries that inject external dollars (e.g. Hospitality and Tourism) into local economies. Basic industries are considered drivers of economic growth and development by injecting new money into the economy instead of re-circulating existing local dollars.

- SPI contributes 3.05% to Brownsville’s total employment. This is equivalent to a reduction in unemployment by 2.72% from 14.98% to 12.2%.
- SPI contributes 3.01% to Cameron County’s total employment. This is equivalent to a reduction in unemployment by 2.61% from 14.4% to 11.8%.
- Almost all the jobs in SPI are filled by resident of surrounding communities.



Source: U.S. Census, Bureau of Labor Statistics, Texas Office of the Governor: Economic Development & Tourism, IMPLAN

Some Socio-Economic Information

	Median Family Income	Mean Family Income	All Families Below Poverty Level	Unemployment Rate
U.S	\$61,455	\$81,375	11.70%	8.14%
Texas	\$58,142	\$78,037	13%	6.99%
Cameron County	\$33,770	\$47,951	30%	10.80%
Brownsville	\$31,760	\$43,760	32.60%	11.16%
South Padre Island	\$83,986	\$119,664	2.10%	0.00%

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

- South Padre Island economic activity accounts for 4.78% of Cameron County’s regional product.
- Its land area is 0.2% of Cameron County’s land area (1.81 and 906 square miles respectively).
- Its population accounts for 0.7% of Cameron County’s population.

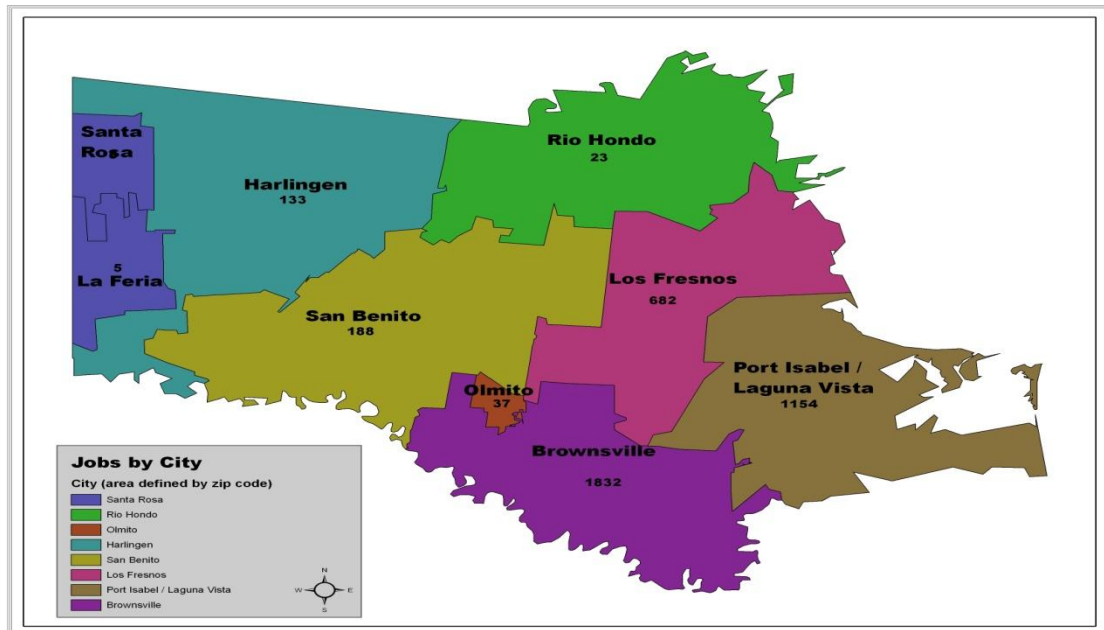
South Padre Island Contribution in 2011:

Economic Activity

- More than \$370 million directly to the Cameron County’s economy.
- Approximately \$266 million to Brownsville, Port Isabel/Laguna Vista, and Los Fresnos.

Employment

South Padre Island generates a significant number of jobs for smaller communities within Cameron County. The employment impact on these communities is determined by the size and proximity to South Padre Island. For example, in Port Isabel – Laguna Vista 36% of all employment can be attributed to South Padre Island (76% directly and 24% via indirect and induced impacts). In Los Fresnos 32% of all jobs are related to South Padre Island’s economy.



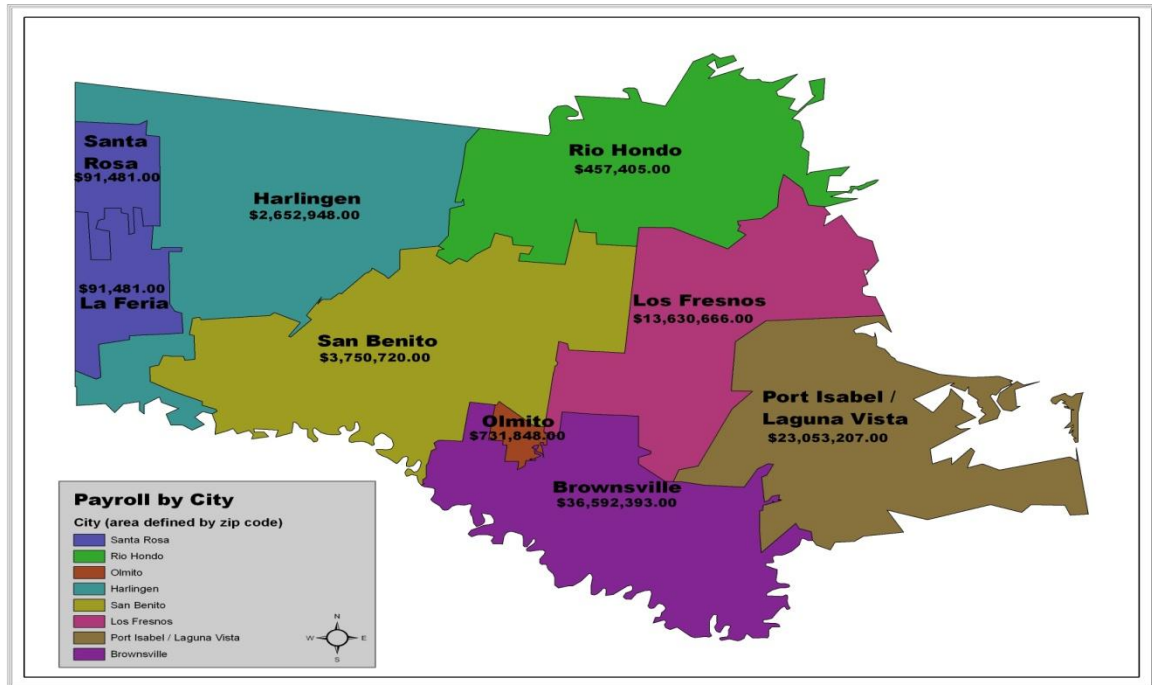
Source: South Padre Island Economic Development Corporation, Bureau of Labor Statistics, U.S. Census, Cameron Works, IMPLAN Computations

- Approximately 4,323 full-time-equivalent jobs in Brownsville.
- Approximately 1,832 full-time-equivalent jobs in Brownsville.
- Economic activity in South Padre Island generates approximately 4,780 full-time-equivalent jobs.
- 3,373 jobs located in South Padre Island.
- 4,343 in Cameron County.
- 1,832 in Brownsville.
- 1,154 in Port Isabel-Laguna Vista.
- 682 in Los Fresnos .
- Hospitality and Tourism related occupations account for 42.5 percent of all jobs.
- Real Estate and construction account for 25.3 percent.

Payroll Contribution in 2011

- Direct payroll was approximately \$59 million with an additional \$45 million in indirect and induced payments.
- Direct Payroll to employees residing in Brownsville, Port Isabel, and Los Fresnos totaled approximately \$50 million.
- Brownsville, direct payroll of approximately \$25 million generated another \$12 million of indirect and induced personal income impacts, for total personal income impacts of approximately \$37 million.
- Port Isabel/Laguna Vista, direct payroll of approximately \$16 million generated more than \$7 million of indirect and induced personal income, for total personal income impacts of \$23 million.
- Los Fresnos, direct payroll of more than \$9 million generated more than \$4 million of indirect and induced personal income, for total personal income impacts of approximately \$14 million.

- Cameron County, direct payroll of more than \$58 million generated another \$36 million of indirect and induced personal income impacts, for total personal income impacts of approximately \$95 million.
- Another \$9 million in payroll was generated outside Cameron County, most of which consists of indirect and induced payroll.



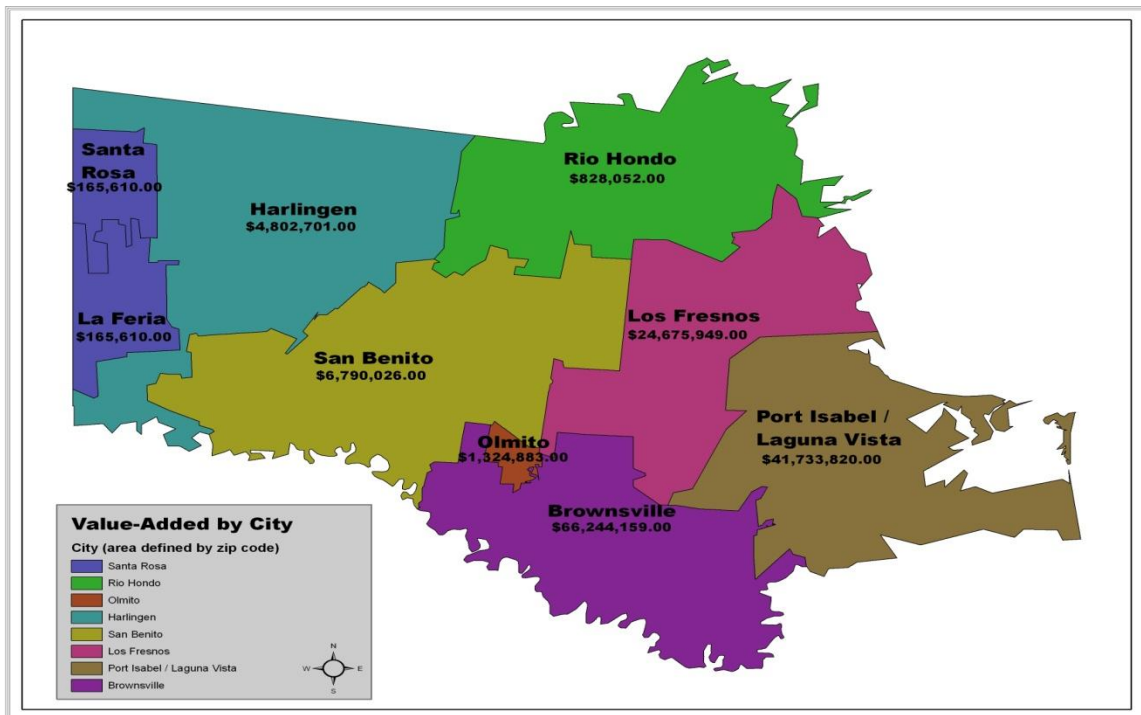
Source: South Padre Island Economic Development Corporation, Bureau of Labor Statistics, U.S. Census, Cameron Works, IMPLAN Computations

Direct Value-Added

- Direct value-added for goods and services in South Padre Island is \$117 million. The Cities of Brownsville, Port Isabel/Laguna Vista, and Los Fresnos were approximately \$49 million, \$31 million, and \$18 million, respectively.
- Direct value-added for the rest of Cameron County is \$19 million.
- Direct value-added in Cameron County totaled \$116 million.

Indirect and Induced Value-Added

- Indirect and induced value-added for goods and services in South Padre Island is \$71 million.
- \$17 million to Brownsville.
- \$11 million Port Isabel/Laguna Vista.
- \$6 million Los Fresnos.
- \$7 million to the rest of Cameron County.
- \$41 million to Cameron County.
- \$13 million to Hidalgo County.
- \$7 million to Houston.
- \$6 million to Willacy County.

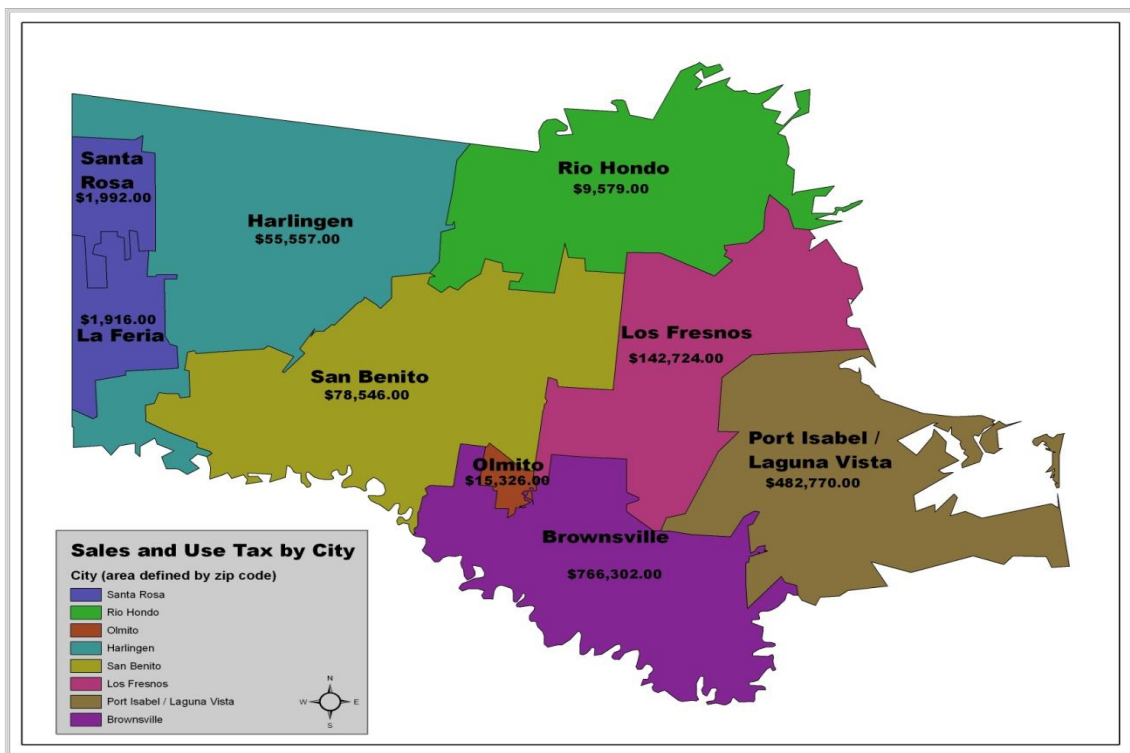


Source: South Padre Island Economic Development Corporation, Bureau of Labor Statistics, U.S. Census, Cameron Works, IMPLAN Computations

Fiscal Impact

South Padre Island's sales tax impact:

- \$17.2 million to the State of Texas.
- \$2.4 million City sales tax to South Padre Island.
- \$766,302 to Brownsville.
- \$482,770 to Port Isabel-Laguna Vista.
- \$142,724 to Los Fresnos.



Source: South Padre Island Economic Development Corporation, Bureau of Labor Statistics, U.S. Census, Cameron Works, IMPLAN Computations