COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY

2027 – 2032

A Regional Strategy for Economic Growth and Resilience in Central Texas

Development District of Central Texas

Bell • Coryell • Hamilton • Lampasas • Milam • Mills • San Saba

Prepared by the Central Texas Council of Governments

PUBLIC REVIEW DRAFT — AUGUST 2026

PUBLIC REVIEW DRAFT

This draft of the Development District of Central Texas Comprehensive Economic Development Strategy (CEDS) 2027–2032 is released for a 30-day public comment period, as required by U.S. Economic Development Administration regulations (13 C.F.R. § 303.6).

Comment period:

Comments may be submitted in writing to:

David Rodriguez, Regional Economic Development Planner

Central Texas Council of Governments

PO Box 729, Belton, Texas 76513 | David.rodriguez@ctcog.org | 254-770-2383

All comments received during the comment period will be reviewed by CTCOG staff and presented to the DDCT Board prior to adoption of the final CEDS.

## Acknowledgements

Economic Development Administration (EDA). This Comprehensive Economic Development Strategy was developed with support from the U.S. Economic Development Administration. The Central Texas Council of Governments and the Development District of Central Texas appreciate the EDA's partnership and its commitment to promoting regional economic growth and resilience.

DDCT Board and CEDS Steering Committee. The Board of the Development District of Central Texas guided this strategy from its first workshop to its final form. Board members generated the initial SWOT input, made the framing decisions reflected throughout this plan, and reviewed each major component as it was drafted.

Regional stakeholders. Stakeholder organizations spanning local government, higher education, public education, workforce development, and rural communities reviewed the SWOT analysis item by item and shaped the priorities in this plan. Their participation ensured this CEDS reflects the collective regional perspective rather than any single organization.

CTCOG staff and data partners. CTCOG planning staff prepared this document. Regional data partners — including workforce and labor-market data support and veterans data support — strengthened the analytical foundation of the Background Summary.

[Board and committee member roster to be inserted before final publication]

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Executive Summary

The Development District of Central Texas (DDCT) is the federally designated Economic Development District for Bell, Coryell, Hamilton, Lampasas, Milam, Mills, and San Saba counties, administered by the Central Texas Council of Governments (CTCOG). This Comprehensive Economic Development Strategy (CEDS) sets the region's economic direction for 2027–2032, as required by the U.S. Economic Development Administration (EDA).

The region today. Central Texas is growing. The region's population — an estimated 562,751 including military residents in 2025 — is projected to reach 610,349 by 2030. Fort Hood, the nation's largest active-duty armored installation, anchors the economy with stable federal employment and steady demand across healthcare, retail, and services. The region enjoys a strategic position on the I-35 corridor between Austin and Waco, a young and diverse population, a strong higher-education network, and one of the highest veteran concentrations in the country.

The challenge. The same foundation that gives the region its stability is also its greatest vulnerability. Average earnings trail the national average by roughly $15,000 per job. No private-sector industry has yet reached export-base strength. Job growth since 2020 (+5.1%) lags the nation (+10.6%). And the gap between the urban core and the rural western counties — in broadband, water infrastructure, housing quality, staffing capacity, and population trends — is wide and in some measures widening.

How this plan was built. This CEDS was developed through a full revision process during 2026: a data-driven Background Summary; a SWOT analysis generated at the April 2026 DDCT Board workshop and refined item-by-item by stakeholder organizations across the region; a Strategic Direction shaped by Board decisions in working sessions through the summer; and an Evaluation Framework that holds CTCOG accountable for delivery. Throughout, the plan honors a clear principle about CTCOG's role: convene, plan, and advocate — not levy, build, or compel.

The vision. *Building on the strength of Fort Hood, the Development District of Central Texas grows a more diverse economy, prepares its workforce, and helps every community — urban and rural — stand ready for what comes next.*

Three goals carry that vision:

- **Goal 1 — Resilience.** Strengthen the region's ability to prepare for, withstand, and recover from shocks — shared emergency protocols, prepared residents and businesses, and hardened critical infrastructure.
- **Goal 2 — Economy and workforce.** Grow a stronger, more diverse economy and a better-prepared workforce through infrastructure and workforce development — broadband, water, responsible new-industry readiness, skills and apprenticeships, workforce mobility, and agriculture.
- **Goal 3 — CTCOG as a resource.** Position CTCOG as a hands-on resource for local jurisdictions — a shared-services grant team, training for local officials, regional GIS and data services, and regional leadership development.

An Evaluation Framework tracks both what CTCOG delivers (implementation measures) and how the regional economy is trending (outcome indicators), reported annually to EDA and the DDCT Steering Committee.

This draft is released for public review. Comments are welcome through September 10th, 2026, and every comment will be reviewed before the DDCT Board adopts the final strategy.

Section 1: Introduction and Purpose

The Development District of Central Texas (DDCT) is a federally designated Economic Development District (EDD) administered by the Central Texas Council of Governments (CTCOG). The DDCT serves a seven-county region in central Texas encompassing Bell, Coryell, Hamilton, Lampasas, Milam, Mills, and San Saba counties. As an EDD, the DDCT is required to maintain an active Comprehensive Economic Development Strategy (CEDS) under Title I of the Public Works and Economic Development Act of 1965, as amended (42 U.S.C. § 3121 et seq.), and in compliance with U.S. Economic Development Administration (EDA) regulations at 13 C.F.R. Part 303.

1.1 Purpose of This Document

This Regional Background Summary consolidates and updates the analytical foundation for the DDCT's 2027–2032 CEDS. It integrates the most current available federal & local data on regional demographics, economic conditions, housing, workforce, education, infrastructure, and environmental resilience. This analysis served as the primary reference for the April 2, 2026 SWOT Analysis Workshop, where community stakeholders and regional partners identified the strengths, weaknesses, opportunities, and threats that guide the five-year strategic plan, and it now forms the data foundation for the Strategic Direction, Action Plan, and Evaluation Framework presented later in this document.

1.2 Data Sources and Methodology

This summary prioritizes the most current and regionally specific data available, with the following hierarchy:

Table 1.1 — Primary Data Sources and Vintages

Data Element	Vintage	Source
Population, income, poverty, labor force	2024	U.S. Census Bureau, ACS 5-Year Estimates 2024
Employment, wages, industry structure	2024	BLS Quarterly Census of Employment and Wages (QCEW)
Retail trade sales by county	2022	U.S. Census Bureau Economic Census (EC2200BASIC, released Dec. 2024)
Healthcare workforce	2025	HRSA Health Professional Shortage Area Database
Broadband speeds and access index	2022	NTIA National Broadband Map; Argonne National Laboratory IAI
Air service enplanements	2024	Federal Aviation Administration Commercial Enplanement Data
Housing permit activity	2020–2024	U.S. Census Bureau Building Permits Survey
Natural hazard risk	2023	FEMA National Risk Index (NRI)
Regional development capacity	2026	EDA National Economic Resilience Data Explorer (NERDE/EDCI)

Data Element	Vintage	Source
Transportation investment program	2026	KTMPO FY2025–2028 TIP, February 2026 Amendment
Prior CEDS baseline	2022	DDCT Comprehensive Economic Development Strategy 2022–2026

All monetary figures are in current (nominal) dollars unless otherwise noted.

Section 2: Regional Overview

The DDCT region covers approximately 6,559 square miles of central Texas, situated between the Dallas-Fort Worth metroplex to the north and the Austin–San Antonio corridor to the south. The region occupies a strategic geographic position along the I-35 corridor and is anchored by the Killeen–Temple–Fort Hood Metropolitan Statistical Area (MSA). The seven-county region ranges from dense urban-suburban counties (Bell) to sparsely populated rural counties (Mills, San Saba, Hamilton), creating a diverse mix of community development challenges and opportunities.

2.1 Geographic Profile

Bell County is the regional economic and population center, home to Fort Hood, one of the largest U.S. Army installations in the world, and the Temple-Belton metropolitan area. Coryell County, adjacent to Bell, also hosts significant military-adjacent population. The western counties of Hamilton, Mills, and San Saba are rural with aging populations and limited economic base diversification. Lampasas and Milam counties are mid-tier counties experiencing varying degrees of growth and rural economic transition.

2.2 Regional Identity and CEDS Context

The DDCT region's economy rests on a foundation that is simultaneously its greatest strength and its most significant vulnerability. Fort Hood, the nation's largest active-duty armored installation, anchors the regional economy with a stable federal payroll, sustained demand for healthcare, retail, and construction services, and a steady influx of working-age military families. Without it, the region's employment base, tax revenues, and population growth trajectory would look fundamentally different. But that same dependence means the region has not yet developed the private-sector diversification, wage quality, or cross-county equity that would sustain economic vitality independent of federal basing decisions. Average earnings trail the national average by approximately $15,000 per job. No private-sector industry has achieved the specialization threshold that would signal a genuine export-base economy. And the gap between Bell and Coryell counties, which benefit most directly from Fort Hood's presence, and the rural western counties of Hamilton, Mills, and San Saba is wide, and in some measures widening.

The 2027–2032 CEDS addresses these three interconnected challenges as a single strategic problem: how to build on the stability Fort Hood provides while diversifying the economic base, raising job quality and wages, and ensuring that growth reaches every county in the region, not just the urban core. These themes are not separate goals. They are different dimensions of the same underlying challenge, and any strategy that addresses only one of them will fall short.

The earnings gap relative to the national average, roughly $15,000 per job, reflects the region's industrial mix: a large share of employment in military-adjacent retail, food service, and healthcare support roles that tend toward the lower end of the wage distribution, alongside a federal employment sector whose compensation structure differs from private-sector norms. Closing this gap through high-skill job attraction and workforce quality investment is a core 2027–2032 CEDS objective.

Table 2.1 — Region at a Glance

Indicator	Value	Source
Regional population	539,364	ACS 2024
Land area	6,559 square miles	U.S. Census Bureau, county land area
Total employed workers	150,028	BLS QCEW 2024
Total annual wage base	$9.08 billion	BLS QCEW 2024
Average earnings per job	$60,527 (approx. $15,000 below national average of $75,585)	BLS QCEW 2024
Gross Regional Product (est.)	$32.83 billion	Lightcast Q1 2026
Government employment share	21.9% of all jobs	BLS QCEW 2024
Veteran population	64,060 (11.9% of population — approx. 4× national average)	ACS 2024
Strongest private-sector industry (LQ)	Retail Trade — LQ 1.35 (only sector above 1.25 threshold)	BLS QCEW 2024
Export-base private industries (LQ > 2.0)	None	BLS QCEW 2024
Counties with HPSA designation (healthcare shortage)	5 of 7 counties	HRSA 2025
Counties below 25 Mbps broadband threshold	5 of 7 counties	NTIA 2022

2.3 Regional Development Capacity — EDCI Assessment

The EDA's National Economic Resilience Data Explorer (NERDE) publishes the Economic Development Capacity Index (EDCI), a five-dimension composite score measuring each county's capacity to support economic development activity. Each dimension is scored on a 0–1 percentile scale relative to all U.S. counties. The five dimensions are Human Capital (educational attainment, health insurance coverage, workforce skills), Financial (credit access, banking infrastructure, small business lending, fiscal health), Infrastructure (broadband, transportation, utilities, built environment), Industry (diversity and strength of industry base, employment density, wages), and Institutions & Partnerships (colleges, nonprofits, civic organizations, healthcare anchors, intergovernmental collaboration).

Table 2.2 — EDCI Regional Score Card — All 7 Counties

County	Human Capital	Financial	Infrastructure	Industry	Institutions & Partnerships
Bell	0.15 Limited	0.39 Limited	0.97 High	0.87 High	0.47 Limited
Coryell	0.13 Limited	0.37 Limited	0.90 Elevated	0.82 High	0.29 Limited
Hamilton	0.30	0.55	0.75	0.33	0.90

County	Human Capital	Financial	Infrastructure	Industry	Institutions & Partnerships
	Moderate	Moderate	Elevated	Moderate	Elevated
Lampasas	0.68 Elevated	0.75 Moderate	0.84 Elevated	0.66 Elevated	0.49 Limited
Milam	0.31 Moderate	0.85 Elevated	0.48 Moderate	0.64 Elevated	0.37 Limited
Mills	0.91 High	0.96 Elevated	0.51 Moderate	0.09 Limited	0.97 High
San Saba	0.22 Limited	0.29 Limited	0.16 Limited	0.28 Moderate	0.83 Elevated

Capacity levels: High (≥0.80) • Elevated (0.60–0.79) • Moderate (0.40–0.59) • Limited (<0.40)

Source: EDA National Economic Resilience Data Explorer (NERDE), February 2026. Scores are national percentile rankings.

Four cross-cutting patterns from the EDCI scorecard define the region's collective development challenges and shaped the strategic priorities that emerged from the SWOT analysis.

Infrastructure Divide. Bell and Coryell counties score in the 90th percentile or above for Infrastructure, largely driven by military-grade facilities, major hospital systems, and near-metropolitan broadband connectivity. The remaining five counties score between 0.16 and 0.84, with San Saba at 0.16 representing a critical infrastructure deficit. This divide is not limited to broadband; it reflects the full spectrum of economic-enabling physical assets including transportation, utilities, and built environment quality.

Human Capital Inversion. The two most populated counties in the region — Bell (0.15) and Coryell (0.13) — score lowest nationally for Human Capital. This is a direct consequence of the military demographic: a young, transient population with interrupted educational pathways and restricted civilian career options. Mills County (0.91) and Lampasas (0.68) post the region's strongest Human Capital scores despite far smaller populations, a counterintuitive pattern that has significant implications for workforce development strategy.

Financial Strength in Unexpected Places. Milam (0.85) and Mills (0.96) counties post strong Financial capacity scores relative to their size. Mills County's score reflects deep utility sector revenue and substantial landowner wealth, institutional financial assets that could support small business development and local government investment if channeled through appropriate economic development vehicles.

Institutional Strength as a Rural Asset. Hamilton (0.90), San Saba (0.83), and Mills (0.97) score Elevated-to-High on Institutions & Partnerships, reflecting the role of nonprofits, local healthcare organizations, and civic institutions in anchoring rural communities. This social infrastructure is an underutilized economic development asset that the 2027–2032 CEDS explicitly leverages.

Section 3: Demographics and Population

Understanding population dynamics — size, growth, age structure, and diversity — is foundational to economic planning. The DDCT region has experienced consistent population growth since 2020, driven primarily by Bell and Coryell counties. The rural western counties face demographic headwinds including aging populations and limited in-migration.

3.1 Population Size and Growth

As of 2024, the DDCT region's estimated population is 539,364, representing a 7.1% increase (+35,921 residents) from the 2020 Census baseline of 499,810 (ACS 2024). This growth rate reflects the region's mixed urban-rural character — Lampasas and Bell counties are among the fastest-growing in Texas, while San Saba County is the only county in the region experiencing net population decline.

562,751

Estimated Regional Population including military residents, 2025 (Lightcast Q1 2026). Projected to reach 610,349 by 2030.

Table 3.1 — County Population, 2020–2024

County	2020 Population	2024 Population	Change 2020–2024	Median Age	Veterans
Bell	358,523	386,897	+7.8%	32.3	48,220
Coryell	77,863	84,748	+4.0%	32.8	10,093
Hamilton	7,981	8,406	+5.2%	43.5	588
Lampasas	20,485	23,539	+8.9%	43.8	3,478
Milam	24,567	25,567	+5.7%	41.4	1,209
Mills	4,395	4,511	+2.4%	47.9	228
San Saba	5,996	5,696	−3.8%	40.7	244
Region Total	499,810	539,364	+7.1%	33 (wtd)	64,060

Note: Weighted median age of 33 reflects Bell and Coryell's large young military population. Rural county average is 40.3 years. San Saba is the only county with net population decline.

Source: U.S. Census Bureau, ACS 5-Year Estimates 2024. Population change calculated 2020–2024. Veteran counts: ACS 2024.

Population Trend and Projection

The region has grown by over 42,000 residents since 2020. Growth is expected to accelerate modestly through 2030, driven by continued in-migration, military family growth at Fort Hood, and suburban spillover from the Austin–Waco corridor.

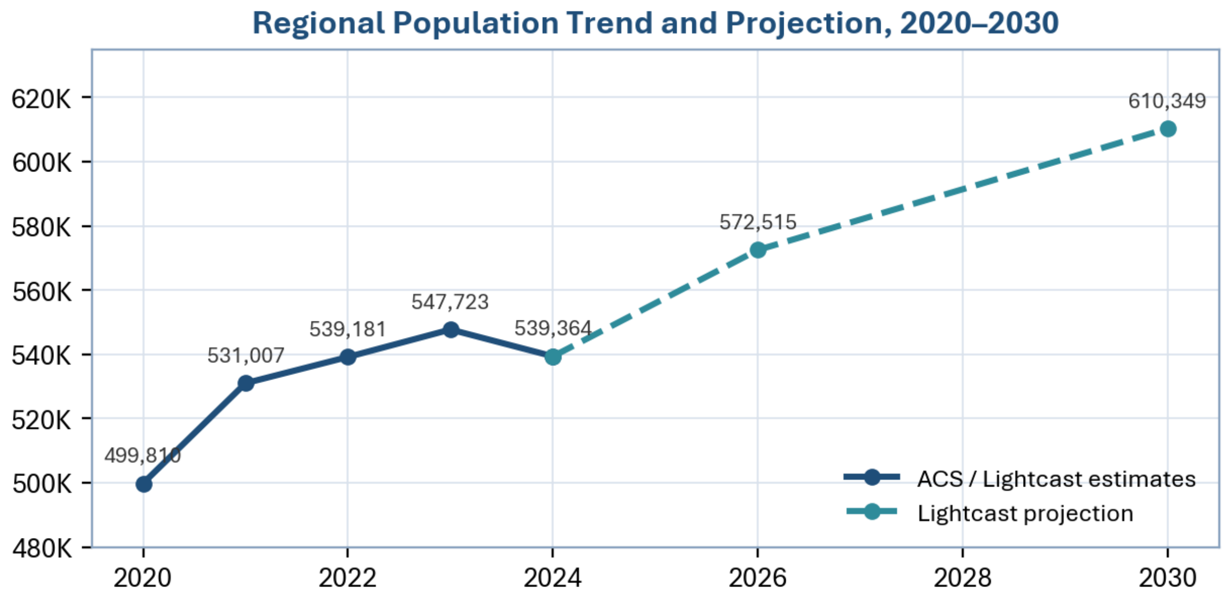

Figure 3.1 — Regional population trend and projection, 2020–2030. The 2021–2023 points are Lightcast interim estimates on a different basis than the ACS anchors; see note below.

Table 3.2 — Regional Population Trend and Projections, 2020–2030

Year	Population	Annual Change
2020	499,810	—
2021	531,007	+6.2%
2022	539,181	+1.5%
2023	547,723	+1.6%
2024 (Current)	539,364	+7.9% (cum. 2020–2024)
2026 (Projected)	572,515	+1.7%
2030 (Projected)	610,349	+6.6% (cum.)

Note: 2021–2023 rows are Lightcast interim estimates and are provided for trend context only. The 2020 and 2024 rows are ACS federal data anchors.

Source: 2020 and 2024 figures: U.S. Census Bureau, ACS 5-Year Estimates 2024. 2021–2023 interim figures and 2026–2030 projections: Lightcast Economy Overview, Q1 2026 demographic modeling.

3.2 Age Structure

The DDCT region has a notably young age profile relative to state and national averages, strongly influenced by the Fort Hood military population concentrated in Bell and Coryell counties. The military-age cohort (18–34) represents 26.5% of the regional population. However, the rural western counties tell a starkly different story — Hamilton, Mills, and San Saba counties have significantly elevated 65+ populations, signaling an aging rural crisis with implications for healthcare demand, workforce availability, and public service costs.

▶ Mills County: 28.9% of residents are age 65+. Hamilton County: 25.0%. San Saba County: 22.5%. These counties face acute workforce aging challenges and growing healthcare demand.

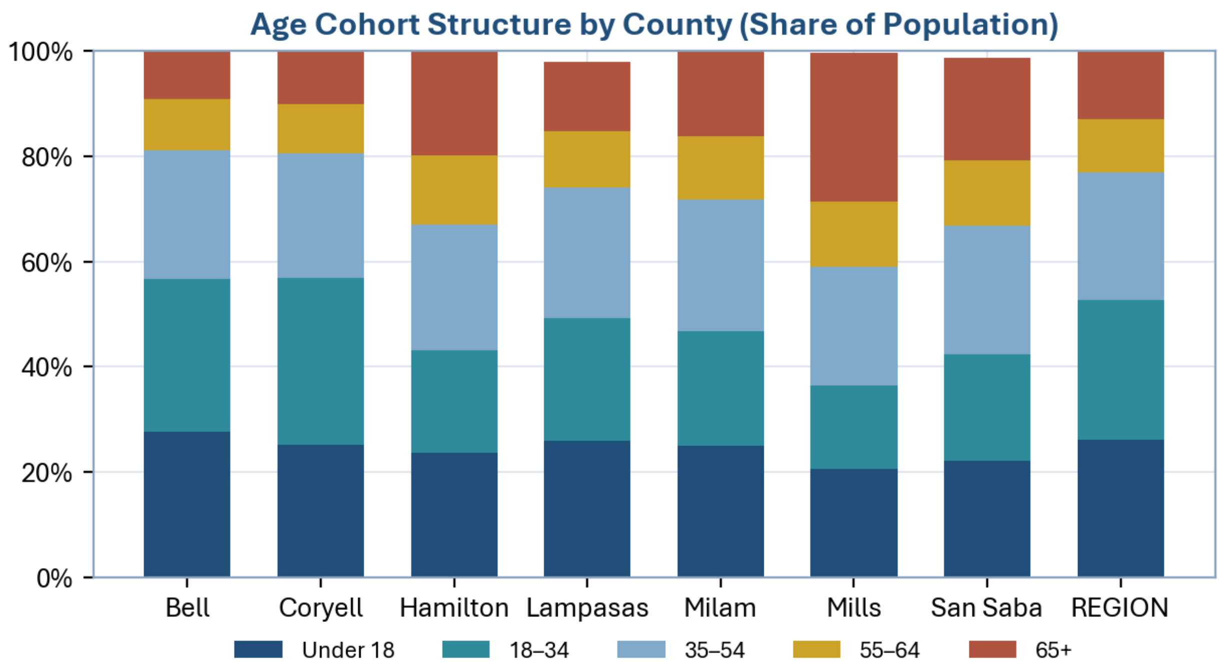

Figure 3.2 — Age cohort structure by county, share of population (ACS 2019–2023).

Table 3.3 — Age Cohort Structure by County, 2023 ACS

County	Under 18	18–34	35–54	55–64	65+
Bell	70,988 (27.6%)	74,756 (29.1%)	62,977 (24.5%)	24,680 (9.6%)	23,692 (9.2%)
Coryell	19,904 (25.1%)	25,215 (31.8%)	18,729 (23.6%)	7,499 (9.5%)	7,773 (9.8%)
Hamilton	1,997 (23.6%)	1,659 (19.6%)	2,020 (23.8%)	1,114 (13.2%)	1,671 (19.7%) ★
Lampasas	5,831 (25.9%)	5,283 (23.4%)	5,563 (24.7%)	2,440 (10.8%)	2,971 (13.2%)
Milam	6,337 (25.0%)	5,521 (21.8%)	6,329 (25.0%)	3,043 (12.0%)	4,144 (16.3%)
Mills	1,028 (20.6%)	792 (15.9%)	1,121 (22.5%)	619 (12.4%)	1,404 (28.2%) ★
San Saba	1,377 (22.1%)	1,267 (20.3%)	1,523 (24.5%)	768 (12.3%)	1,404 (19.5%) ★
REGION	107,462 (26.1%)	114,493 (26.5%)	98,262 (24.3%)	54,163 (10.2%)	67,859 (12.8%)

★ = County with notably elevated 65+ population (aging rural challenge)

Source: U.S. Census Bureau ACS 5-Year Estimates 2019–2023, Table B01001

From a workforce planning perspective, Lightcast Q1 2026 provides additional insight into generational cohorts across the full regional population:

- Millennials (ages 25–39): 126,471 regional residents (vs. national benchmark of 113,483 per comparable region) — above-average millennial presence driven by military demographics
- Pre-retirement workers (ages 55+): 130,808 regional residents (vs. national benchmark of 167,626) — fewer workers approaching retirement age, a relative workforce retention advantage in the near term

Source: Lightcast Economy Overview, Q1 2026

3.3 Racial and Ethnic Composition

The DDCT region is substantially more racially and ethnically diverse than Texas's rural norm, again reflecting the influence of Fort Hood and the resulting diverse military and veteran population. Regionally, non-Hispanic White residents represent 48.2% of the population — a plurality, not a majority — while Hispanic/Latino residents (24.5%) and Black/African American residents (18.2%) make up large and economically significant shares.

> ► Based on ACS 2019–2023 data, racial and ethnic minority residents represent approximately 51.8% of the regional population — a majority-minority composition with significant implications for equitable economic development planning. Updated racial and ethnic composition data from ACS 2024 is identified as a data gap and will be incorporated prior to final CEDS submission.

Table 3.4 — Racial and Ethnic Composition by County, 2023 ACS

County	White (NH)	Hispanic/ Latino	Black/ AA	Asian	Multi-racial	Other
Bell	43.1%	25.8%	21.6%	2.9%	5.4%	1.1%
Coryell	55.2%	20.3%	12.7%	2.0%	8.5%	1.0%
Hamilton	82.9%	13.6%	1.9%	0.1%	1.1%	0.4%
Lampasas	70.2%	20.1%	3.7%	1.1%	4.5%	0.4%
Milam	62.1%	25.6%	9.3%	0.2%	2.7%	0.1%
Mills	76.0%	18.9%	0.6%	0.3%	4.0%	0.2%
San Saba	62.7%	30.2%	2.4%	0.1%	4.1%	0.5%
REGION	48.2%	24.5%	18.2%	2.4%	5.7%	0.9%

Source: U.S. Census Bureau ACS 5-Year Estimates 2019–2023, Table B03002

3.4 Veterans Population

The region is home to an estimated 65,162 veterans (Lightcast Q1 2026), one of the highest veteran concentrations per capita of any non-metropolitan region in the United States. Veterans represent a distinct population subgroup with specific workforce reintegration, housing, healthcare, and entrepreneurship support needs. The DDCT's CEDS must address the unique economic transition challenges veterans face when separating from military service, including skills translation, licensing/credentialing gaps, and geographic mobility.

► With 65,162 veterans, the DDCT region has veteran concentration rates well above national averages. Veteran entrepreneurship support, skills credentialing, and transition assistance represent high-priority CEDS investment areas.

3.5 Migration Patterns

Migration flows reveal the region's economic linkages and competitive position in attracting and retaining talent. Lightcast 2022 migration data shows the region achieved a net positive migration of +3,624 persons.

Top inbound migration counties: Williamson County, TX (3,631 persons), Travis County, TX (2,194 persons), and McLennan County, TX (949 persons). The Austin metropolitan influence is evident — proximity to the Austin tech and professional services economy is driving in-migration from Travis and Williamson counties, suggesting the region captures workers seeking more affordable housing while commuting to or working remotely for Austin-area employers.

Top outbound migration counties: Williamson County, TX (1,989 persons) and Travis County, TX (1,334 persons). The bidirectional flow with Williamson and Travis counties reflects the permeable economic boundary between the DDCT region and the Austin MSA — a pattern that presents both opportunity (workforce talent recruitment) and risk (brain drain of young professionals toward higher-wage Austin markets).

Source: Lightcast Economy Overview, Q1 2026; migration data based on 2022 county-to-county flows

Section 4: Economic Conditions and Indicators

This section presents the regional economic baseline for the DDCT seven-county area. Employment, wage, and industry structure data reflect BLS QCEW 2024 unless otherwise noted. Lightcast Q1 2026 is used for total employment estimates, GRP, job posting activity, and business characteristics, which extend beyond the QCEW covered employment universe. The regional economy is characterized by strong government sector dominance, an emerging healthcare sector, and a structural gap between workforce skills and available job quality. Addressing this mismatch, particularly in high-wage tradeable industries, is a central CEDS challenge.

4.1 Gross Regional Product

The DDCT region's Gross Regional Product (GRP) is estimated at $32.83 billion (Lightcast Q1 2026). The government sector — including federal defense spending and military payroll at Fort Hood — is the dominant GRP contributor, estimated at over $10 billion. Utilities have the highest average earnings per worker (~$130,000/year) but employ a small absolute number of workers. Healthcare and social assistance is the second-largest private-sector GRP contributor.

Regional GRP: $32.83 Billion

(Lightcast Q1 2026). The region's economic base is anchored by federal defense spending, creating both stability and structural vulnerability to federal budget or basing changes.

4.2 Employment Base

QCEW-covered employment totals 150,019 workers generating $9.08 billion in annual wages, with an average of $60,527 per job — approximately $15,000 below the national QCEW average of $75,585 (BLS QCEW 2024). Lightcast Q1 2026 estimates total regional employment at 214,700 when self-employed, military personnel, and workers not covered by unemployment insurance are included. Both figures are valid within their respective methodological frameworks; QCEW is used as the primary source for industry and wage analysis throughout this section.

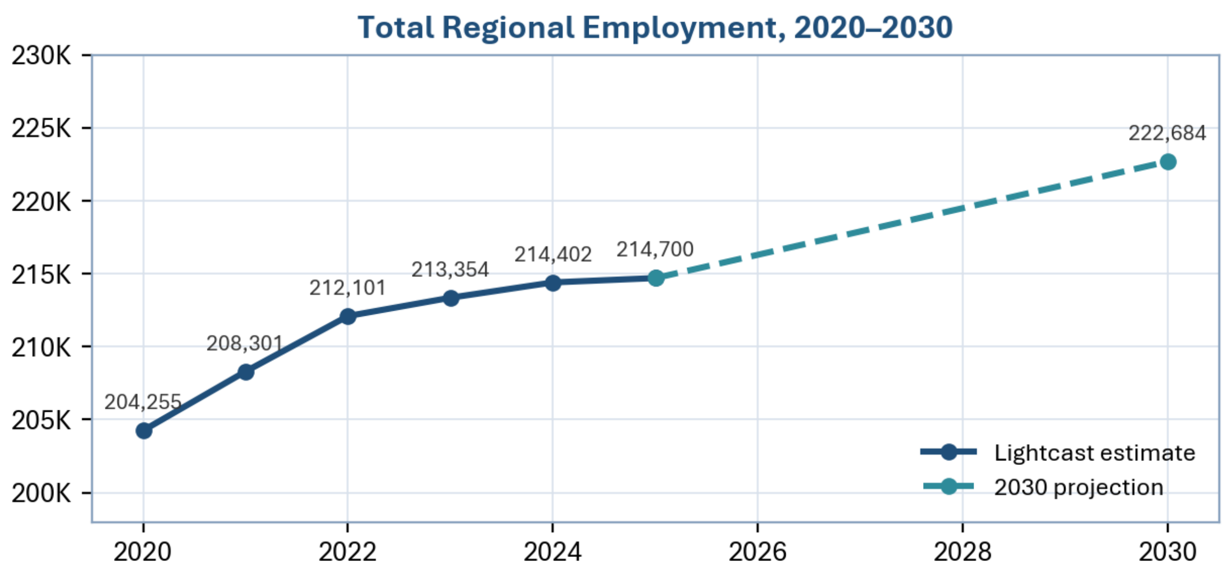

Figure 4.1 — Total regional employment, 2020–2030 (Lightcast Q1 2026).

Table 4.1 — Regional Employment Trend, 2020–2030

Year	Total Employment	Annual Change
2020	204,255	—
2021	208,301	+2.0%
2022	212,101	+1.8%
2023	213,354	+0.6%
2024	214,402	+0.5%
2025 (Current)	214,700	+0.1%
2030 (Projected)	222,684	+3.7% (cum.)

Note: Employment figures reflect Lightcast total employment estimates, which include military, self-employed, and non-UI-covered workers. QCEW-covered employment for 2024 is 150,019. The 2030 projection is based on Lightcast baseline modeling.

Source: Lightcast Economy Overview, Q1 2026

> ► Regional job growth of +5.1% since 2020 falls short of the national rate of +10.6% over the same period, a gap of 5.5 percentage points. This shortfall reflects the military employment ceiling effect and insufficient private sector diversification.

4.3 Labor Force Conditions

Table 4.2 — Labor Force Participation Rate and Unemployment Trend

Period	Labor Force Part. Rate	Unemployment Rate
2020	57.86%	6.55%
2022	58.16%	4.24%

Period	Labor Force Part. Rate	Unemployment Rate
2024	58.66%	4.39%
Nov 2025 (Current)	58.71%	4.77%

Source: Lightcast Economy Overview, Q1 2026; BLS LAUS

The regional labor force totaled approximately 225,800 persons as of November 2025, with an unemployment rate of 4.77%. While slightly above the national rate at that time, the regional unemployment figure includes structural factors related to military transition — service members separating from active duty and entering the civilian labor market — that create episodic spikes in measured unemployment. The Labor Force Participation Rate (LFPR) of 58.71% is below the national average, partly reflecting the unique population structure of a military-heavy region.

4.4 Industry Structure

Table 4.3 — LQ Summary Table — Private Sector Employment

Code	Industry	Employment	Emp. Share %	LQ	Annual Wages ($)
44-45	Retail Trade	20,841	17.80%	1.35	$819.5M
72	Accommodation & Food Services	16,795	14.34%	1.20	$361.6M
23	Construction	9,176	7.84%	1.14	$681.5M
22	Utilities	622	0.53%	1.06	$74.1M
53	Real Estate & Rental/Leasing	2,486	2.12%	1.04	$128.0M
62	Health Care & Social Assistance	22,291	19.04%	1.01	$2682.0M
81	Other Services (excl. Public Admin.)	4,387	3.75%	0.94	$195.1M
42	Wholesale Trade	5,368	4.58%	0.89	$437.7M
61	Educational Services (Private)	2,228	1.90%	0.70	$122.9M
31-33	Manufacturing	8,770	7.49%	0.69	$570.0M
48-49	Transportation & Warehousing	3,974	3.39%	0.61	$311.8M
54	Professional, Scientific & Tech Services	6,702	5.72%	0.63	$548.2M
52	Finance & Insurance	3,688	3.15%	0.59	$260.3M
56	Admin. Support & Waste Management	4,965	4.24%	0.54	$239.4M
21	Mining, Quarrying & Oil/Gas	378	0.32%	0.65	$24.4M
55	Management of Companies	1,252	1.07%	0.48	$130.8M
71	Arts, Entertainment & Recreation	1,212	1.04%	0.47	$41.0M
51	Information	1,240	1.06%	0.43	$97.6M
11	Agriculture, Forestry & Fishing	627	0.54%	0.50	$29.5M

Note: LQs benchmarked against national private-sector industry shares derived from QCEW 2024 data. Government sector employment is excluded from private-sector LQ calculations; see Tables 4.4 and 4.5 for full government employment analysis. An LQ above 1.25 denotes regional specialization; no private-sector industry in the DDCT region exceeds 2.0, indicating the absence of a strong export-base private economy.

Source: BLS QCEW 2024 NAICS Employment Data.

The government sector's dominance — anchored by Fort Hood with an estimated 19,872 LinkedIn/workforce profiles — creates a fundamentally different economic base than comparably-sized civilian metro areas. Utilities offer the highest average wages among private-sector industries ($80,435 per worker, QCEW 2024) but employ only 920 workers regionally. Management of Companies posts the highest average wage of any sector at $104,633 per worker, reflecting corporate management activity in the region. The accommodation and food services sector, though large in employment, offers the lowest average wages (~$28,000), contributing to the overall earnings gap versus national averages.

Table 4.4 — Employment by Ownership Type (QCEW 2024)

Ownership Type	Employment	Share of Total	Annual Wages
Private Sector	117,092	78.1%	$6.997B
Local Government	21,728	14.5%	$1.077B
Federal Government	10,433	6.95%	$0.858B
State Government	766	0.51%	$0.049B
TOTAL GOVERNMENT	32,927	21.9%	$1.984B

Source: BLS QCEW 2024

Table 4.5 — Federal Employment by Industry: Fort Hood Composition (QCEW 2024)

Code	Industry	Federal Emp.	Note
62	Health Care & Social Assistance	5,470	Darnall Army Medical Center — dominant federal employer
92	Public Administration	3,198	Military headquarters, admin, support functions
44-45	Retail Trade (PX/Commissary)	632	Fort Hood post exchange and commissary operations
48-49	Transportation & Warehousing	626	Military logistics and vehicle operations
71	Arts, Entertainment & Recreation	270	MWR (Morale, Welfare & Recreation) facilities
54	Professional, Scientific & Tech Svcs.	102	Defense contracting and technical services
52	Finance & Insurance	42	Banking services, financial readiness programs
56	Admin. Support & Waste Mgmt.	30	Post administrative support
72	Accommodation & Food Services	28	On-post dining and lodging
61	Educational Services	25	On-post schools / training facilities
51	Information	10	Communications / IT infrastructure
TOTAL	All Federal Employment	10,433	6.95% of Total Regional Employment

Source: BLS QCEW 2024

4.5 Major Employers

Table 4.6 — Top Employers in the DDCT Region

Employer	Workforce Profiles	Sector
U.S. Army / Fort Hood	19,872 profiles	Government / Military
Baylor Scott & White Health	5,573 profiles	Healthcare
Killeen ISD (KISD)	3,730 profiles	Education
Walmart	~2,000 profiles	Retail
McLane Company	~1,500 profiles	Logistics / Distribution

Source: Lightcast Economy Overview, Q1 2026 — employer profiles sourced from workforce intelligence data

4.6 Business Characteristics

The DDCT region is home to 39,179 total business establishments (Lightcast Q1 2026). Of these, 4,275 businesses posted job openings in the twelve months prior to Q1 2026, reflecting active hiring activity. The business size distribution shows a heavily micro-enterprise economy: 43.2% of regional businesses have between 1 and 4 employees. This micro-business concentration has implications for economic development programming — small business technical assistance, access to capital, and business succession planning are disproportionately important in this region.

- 39,179 total business establishments
- 4,275 businesses actively hiring (posted jobs in last 12 months)
- 43.2% of businesses are micro-enterprises (1–4 employees)
- Top job posting employers: Baylor Scott & White Health (2,791 postings), Walmart (624), McLane Company (497)

Source: Lightcast Economy Overview, Q1 2026

4.7 Racial Disparities in Economic Outcomes

A critical equity finding from Lightcast Q1 2026 data reveals a significant racial disparity in unemployment outcomes. Black/African American workers are 18.2% of the regional population but represent approximately 46.33% of unemployed workers — a disparity ratio of more than 2.5:1. This concentration of unemployment among Black residents is a significant structural inequality that the CEDS must address through targeted workforce development, equitable access to training programs, and employer engagement.

> ► Black residents = 18.2% of population but ~46.3% of unemployed workers. This 2.5x unemployment disparity is a priority equity issue for EDA-aligned CEDS programming. Targeted interventions in hiring practices, workforce readiness, and employer engagement are required.

Source: Lightcast Economy Overview, Q1 2026; ACS B03002

Section 5: Workforce Development and Education

Workforce quality, availability, and alignment with employer demand are central CEDS metrics. The DDCT region faces a complex workforce landscape: a relatively young and diverse labor pool exists alongside structural mismatches between available talent and high-quality jobs. Military transition, underemployment among degree holders, and healthcare sector demand gaps are defining workforce challenges.

5.1 Educational Attainment

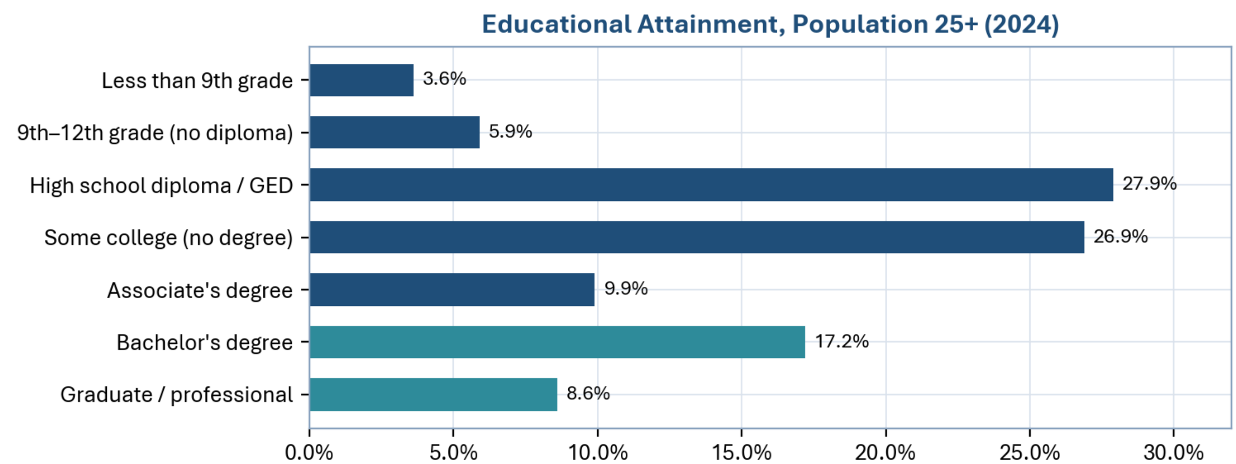

Figure 5.1 — Educational attainment, population 25 and over, 2024 (Lightcast Q1 2026).

Table 5.1 — Educational Attainment, Regional Population (Ages 25+), 2024

Education Level	% of Population 25+
Less than 9th Grade	3.6%
9th–12th Grade (No Diploma)	5.9%
High School Diploma / GED	27.9%
Some College (No Degree)	26.9%
Associate's Degree	9.9%
Bachelor's Degree	17.2%
Graduate / Professional Degree	8.6%

Note: Lightcast total population figures show 17.2% with bachelor's degrees. ACS S1501 shows 25.7% with bachelor's or higher among adults ages 25–64 in the region — this difference reflects different age denominator ranges; both figures are valid for different analytical purposes.

Source: Lightcast Economy Overview, Q1 2026; U.S. Census Bureau ACS S1501

5.2 Workforce Underemployment

A key structural finding from Lightcast Q1 2026 analysis is significant workforce underemployment — the population holding bachelor's degrees substantially exceeds the number of regional jobs that require a bachelor's degree. This pattern suggests that many college-educated workers in the region are employed in positions below their credential level, contributing to out-migration of educated young workers seeking better career matches in larger metro areas.

> ▶ The region's bachelor's-degree-holder population significantly exceeds bachelor's-level job openings — a systemic underemployment pattern. This drives brain drain to Austin and Dallas markets and represents an untapped talent asset if high-skill job creation is prioritized.

5.3 Occupational Demand

Table 5.2 — Top Occupational Groups: Employment, Growth, and Wage Profile

Occupation Group	Employment Volume	Growth Trend	Wage Tier
Office & Administrative Support	Largest by count	Stable	Moderate
Transportation & Material Moving	2nd largest	Growing	Low-Moderate
Food Prep & Serving	3rd largest	Growing	Low
Healthcare Practitioners & Tech	4th largest	Growing (fastest)	High
Military Specific	High concentration	Stable	N/A (federal)
Management	Top growing	Growing	High
Construction & Extraction	Significant	Stable	Moderate-High

Source: Lightcast Economy Overview, Q1 2026

Healthcare Practitioners and Technical occupations are the #1 most-posted occupation category in the region — with 2,791 job postings from Baylor Scott & White alone in the last 12 months. This demand signal indicates a critical healthcare workforce shortage that requires targeted pipeline development through regional educational institutions.

5.4 Educational Pipeline

The region's higher education institutions collectively produced 5,305 graduates in 2024, representing an 11% increase over the five-year period. This pipeline growth is a positive trend but remains insufficient to meet regional employer demand, particularly in healthcare, skilled trades, and technology.

Table 5.3 — Regional Education Pipeline: Graduate Counts by Institution, 2024

Institution	2024 Graduates	Share of Regional Total
Central Texas College (CTC)	2,661	50.2%
Temple College	950	17.9%
University of Mary Hardin-Baylor (UMHB)	832	15.7%
Texas A&M University–Central Texas (TAMUCT)	739	13.9%
Other Institutions	123	2.3%
TOTAL REGIONAL GRADUATES	5,305	100%

Source: Lightcast Economy Overview, Q1 2026; institutional enrollment and graduation data

Central Texas College (CTC), a community college with deep ties to the military community, produces more than half of all regional graduates and plays a critical role in workforce credentialing for transitioning service members and adult learners. Temple College and the University of Mary Hardin-Baylor are important regional anchors for allied health and professional degree programs. Texas A&M University–Central Texas, as a Texas A&M System institution, provides four-year and graduate programming increasingly critical to regional knowledge economy development.

Section 6: Housing Market Conditions

Housing affordability, availability, and quality are critical economic development factors — they directly affect workforce attraction and retention, household wealth building, quality of life, and the ability of employers to recruit talent into the region. The DDCT housing market shows significant variation across the seven counties, reflecting differences in urbanization, military population dynamics, and rural land use patterns.

Note: Housing data sourced from ACS DP04 (2019–2023 5-year estimates). Lightcast Q1 2026 does not include housing-specific metrics; ACS remains the primary source for this section.

6.1 Housing Stock and Vacancy

The region contains approximately 212,239 total housing units. The regional vacancy rate of 10.5% masks significant disparities between counties. Bell and Coryell counties have tight vacancy rates (8.8% and 10.6%, respectively) that reflect healthy demand from military and metro-adjacent populations. The rural western counties have dramatically higher vacancy rates — Mills County at 29.4%, Hamilton at 28.1%, and San Saba at 26.4% — reflecting population loss, seasonal/second-home use, and housing stock that has aged out of functional use.

> ► Western rural counties (Hamilton, Mills, San Saba) have vacancy rates exceeding 25%. These vacancies do not represent opportunity housing stock — much of this inventory is functionally obsolete, seasonal, or located far from employment centers. Addressing rural housing quality and demolition of substandard stock should be CEDS priorities.

Table 6.1 — Housing Characteristics by County, 2023 ACS

County	Total Units	Vacancy Rate	Owner Occ.	Renter Occ.	Median Home Value	Median Gross Rent
Bell	151,858	8.8%	56.2%	43.8%	$221,100	$1,168
Coryell	29,180	10.6%	59.4%	40.6%	$177,400	$1,120
Hamilton	4,356	28.1%	77.4%	22.6%	$124,800	$847
Lampasas	9,802	16.9%	80.3%	19.7%	$236,000	$961
Milam	11,581	13.2%	77.4%	22.6%	$168,900	$948
Mills	2,614	29.4%	84.5%	15.5%	$200,200	$713
San Saba	2,848	26.4%	68.9%	31.1%	$161,800	$894
REGION	212,239	10.5%	~62%	~38%	$207,000*	$1,100*

* Region median home value and rent are population-weighted approximations across occupied units.

Source: U.S. Census Bureau ACS 5-Year Estimates 2019–2023, Table DP04

6.2 Homeownership and Renter Burden

Homeownership rates in the region range from 56.2% in Bell County — the lowest in the region, reflecting the military renter population and college-age households — to 84.5% in Mills County.

The rural counties have high homeownership rates but face different housing challenges: limited new construction, aging stock, and declining property values in some submarkets.

Bell County's 43.8% renter rate is economically significant. Military households rent at very high rates, creating a large renter market that is heavily influenced by federal housing allowances (BAH - Basic Allowance for Housing). BAH rate changes at Fort Hood can rapidly affect local rental markets, creating volatility risks for landlords and affordability challenges for civilian renters who compete with military households for the same rental stock.

Bell County median gross rent: $1,168

A market significantly influenced by military Basic Allowance for Housing (BAH). When Fort Hood BAH rates increase, civilian renters face upward rent pressure. This military-civilian rental market dynamic is a unique regional housing challenge.

6.3 Median Home Values

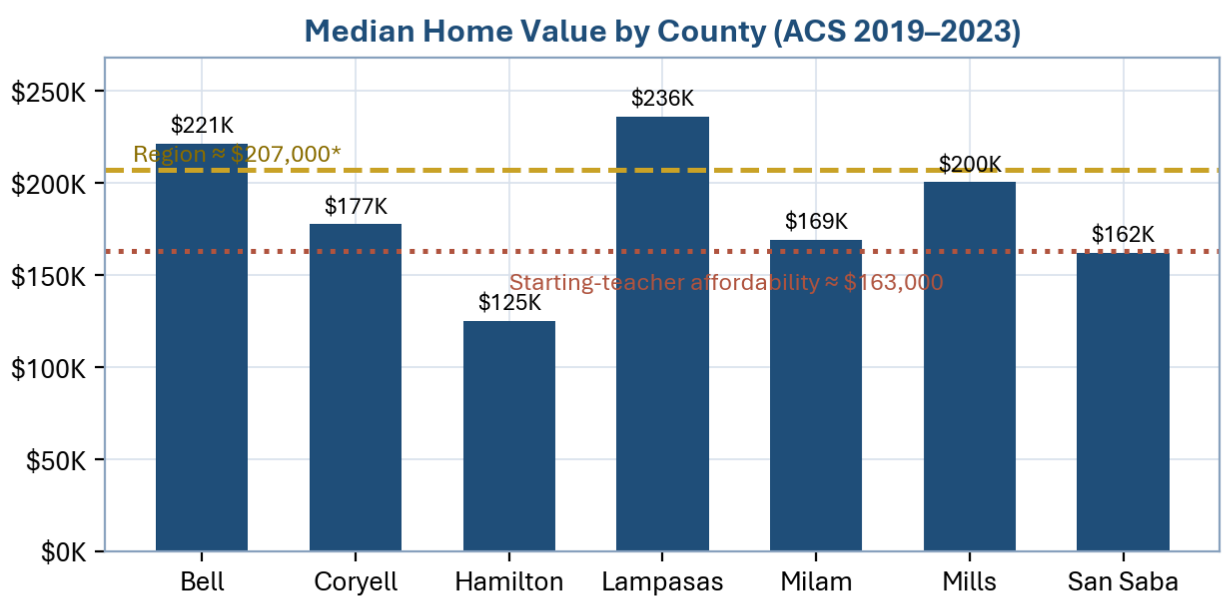

Figure 6.1 — Median home value by county (ACS 2019–2023), with the estimated affordability ceiling for a starting Killeen ISD teacher.

Lampasas County has the highest median home value in the region at $236,000, partly reflecting its status as a commuter county attracting Austin-area workers. Bell County ($221,100) and Mills County ($200,200) follow. Hamilton County has the lowest median value at $124,800, reflecting rural remoteness, limited demand, and older housing stock.

Regionally, median home values remain well below Texas metropolitan averages (Austin MSA median: ~$430,000; Dallas-Fort Worth: ~$350,000), positioning the DDCT area as a relatively affordable option for remote workers and retirees. This relative affordability is a competitive asset for workforce attraction and economic development marketing.

However, regional affordability relative to Austin and Dallas obscures a structural homeownership gap for the working-class workforce that actually lives and works here. Applying the standard 28% front-end debt-to-income threshold to current conditions — a 6.5% 30-year fixed mortgage rate (Freddie Mac/Bankrate, April 2026) with a 5% down payment, accounting for Texas property taxes and insurance — a Killeen ISD teacher earning the district's 2024–2025 starting salary of $58,000 can afford a home valued at approximately $163,000. This falls $58,000 below the Bell County median of $221,100 and within reach of only the lowest-value county medians in the region. A regional retail worker earning the QCEW 2024 average of $38,187 can afford approximately $107,000 — below every county's median home value. A food service worker earning the sector average of $21,518 faces an effective ceiling of approximately $61,000, placing homeownership entirely out of reach.

This affordability gap has direct economic development consequences. Workers who cannot purchase homes are less likely to put down long-term roots in the community, reducing civic investment, increasing workforce turnover, and depressing the wealth-building potential of local employment. The region's competitive advantage in housing cost relative to major metros is real — but it is not sufficient to make homeownership accessible to the occupational groups that constitute the majority of the regional workforce. Closing the gap between wages and home values, through both workforce wage growth and targeted housing supply expansion, is an integrated CEDS priority.

6.4 Housing and Economic Development Implications

- New residential construction is critically needed across the region. Bell County issued 12,199 residential permits over 2020–2024 (Census Bureau Building Permits Survey), reflecting active construction activity that must continue to keep pace with population growth. Lampasas County, despite 8.9% population growth since 2020, issued only 174 permits over the same period — a severe supply constraint that will worsen housing cost pressure if unaddressed. Milam County's surge to 98 permits in 2024 alone may signal early-stage Austin metro spillover demand.
- Rural housing rehabilitation programs (USDA Rural Development, CDBG, HOME) should be targeted to Hamilton, Mills, and San Saba counties to address aging and substandard stock
- Affordable housing for transitioning veterans and lower-income military families is a priority need in Bell County
- Commercial real estate tied to residential growth (retail, services, light industrial) represents opportunity in growth corridors near Fort Hood and along the I-35 corridor

Section 7: Infrastructure and Transportation

Adequate infrastructure — transportation networks, broadband connectivity, water/wastewater systems, and energy supply — is foundational to economic development. The DDCT region's infrastructure profile reflects its mixed urban-rural character, with Bell County infrastructure approaching metropolitan standards while rural counties face persistent service gaps.

7.1 Transportation Network

The I-35 corridor is the region's economic spine, connecting Killeen-Temple to Austin (approximately 65 miles south) and Waco (approximately 35 miles north). This position along one of Texas's primary freight and commuter corridors — between two of the state's highest-growth metropolitan areas — is among the region's most durable economic development assets. US 190 provides east-west connectivity from Lampasas through Killeen toward Houston. TX-36 and TX-6 serve as rural arterials connecting the western counties to major corridors.

Transportation planning for the urbanized core of the region is led by the Killeen-Temple Metropolitan Planning Organization (KTMPO), which serves Bell County and portions of Coryell and Lampasas counties. The KTMPO planning area encompasses the Killeen Urbanized Area (2020 Census population: 265,921) and the Temple-Belton Urbanized Area (2020 Census population: 120,240). KTMPO's FY2025–2028 Transportation Improvement Program (TIP), amended February 2026, programs approximately $296 million in highway and infrastructure investments and $41 million in transit investments across the four-year period — a combined commitment of approximately $337 million in federally and state-assisted capital spending within the urban core.

Several major highway projects are currently in the active investment pipeline. The US 190 Bypass reconstruction — the largest single project in the current TIP at $127.9 million, with a 2026 let date — will reconstruct and widen an aging arterial segment west of Killeen into a four-lane divided roadway with curb and gutter, enhanced lighting, sidewalks, and multi-use trails. Loop 121 Phase 2 ($32.5 million, 2028) will widen the corridor from US 190/IH-14 to IH-35 from two to four lanes, adding a shared use path on the north and east sides. Chaparral Road Phase 1A ($32.9 million, 2028) will expand a key Killeen arterial from two to four lanes with continuous center turn lanes, eight-foot bicycle lanes, and sidewalks on both sides. Fort Hood access improvements on SH 9 ($11.8 million, 2025) will construct new entrance and exit ramps connecting SH 9 to W. Tank Destroyer Blvd and Old Georgetown Road, directly improving installation access — a project with both military mission and civilian economic significance. Collectively, these four projects represent over $205 million in arterial and access infrastructure investment in the urban core through 2028.

Killeen-Fort Hood Regional Airport (GRK) is the primary commercial aviation facility, with scheduled service to major Texas hubs. Commercial enplanements reached 117,523 in 2024, recovering from 113,701 in 2023 following a peak of 126,160 in 2022. Traffic patterns are closely tied to Fort Hood military and contractor travel, making the airport's passenger volume a useful proxy indicator of base activity levels. (Source: FAA CY2024 Commercial Service Enplanement Data).

The region has limited active freight rail service. At-grade railroad crossing improvements are included in the current TIP — a $1 million project (2026), will upgrade crossings at Pleasant Hill Road and Jackrabbit Road with signal improvements, street widening, and track leveling, reflecting ongoing attention to rail-road interface safety in the urbanized area.

Public transit service in the urbanized core is provided by Hill Country Transit District (HCTD) through the HOP, the region's urban regional commuter and microtransit service connecting Copperas Cove, Killeen, Harker Heights, Belton, and Temple. In 2025, HCTD transitioned the HOP from a 12-route fixed-route system to a microtransit model, a significant service restructuring supported by a $1.1 million TIP investment in technology, fleet planning, and wayfinding infrastructure. The transition reflects a broader national shift toward demand-responsive transit in mid-size metro areas, offering scheduling flexibility but also introducing new challenges around reliability and accessibility for riders without smartphones or digital access. A January 2026 KTMPO ride-along engagement documented HOP's role as a critical lifeline for transit-dependent residents — including medical patients accessing dialysis and chemotherapy services at Baylor Scott & White, workers commuting to employment in the absence of a personal vehicle, individuals with visual impairments, and residents reestablishing stability following incarceration. Rider feedback identified schedule reliability as the system's most pressing challenge, with a 2025 schedule change at the Copperas Cove hub cited as creating documented employment attendance risks for commuters. Persistent service gaps — including no Saturday service — underscore the need for continued investment in transit frequency and span to support workforce participation across the region. Total transit investment programmed in the FY2025–2028 TIP is approximately $41 million, with HCTD fleet replacement and maintenance constituting the majority of near-term capital needs.

Road infrastructure quality is a persistent concern beyond the KTMPO boundary. TxDOT's Transportation Asset Management system identifies several rural bridges and farm-to-market roads in the western counties as in need of rehabilitation. Farm-to-market road quality directly affects agricultural competitiveness and emergency vehicle access in Hamilton, Mills, and San Saba counties. These rural transportation needs fall outside the KTMPO planning area and are addressed through coordination between CTCOG's rural transportation program and TxDOT Districts 9 (Waco) and 12 (Brownwood).

7.2 Broadband Infrastructure

Broadband connectivity is a persistent economic development barrier across the rural western and northern portions of the DDCT region. The FCC Broadband Map (2023) indicates significant unserved and underserved areas in Hamilton, Mills, and San Saba counties, with rural areas lacking reliable fixed broadband at speeds sufficient for modern work-from-home employment, precision agriculture, or telehealth applications.

Broadband infrastructure capacity is one of the most consequential economic development variables for the CTCOG region, given the scale of the urban-rural digital divide across the seven counties.

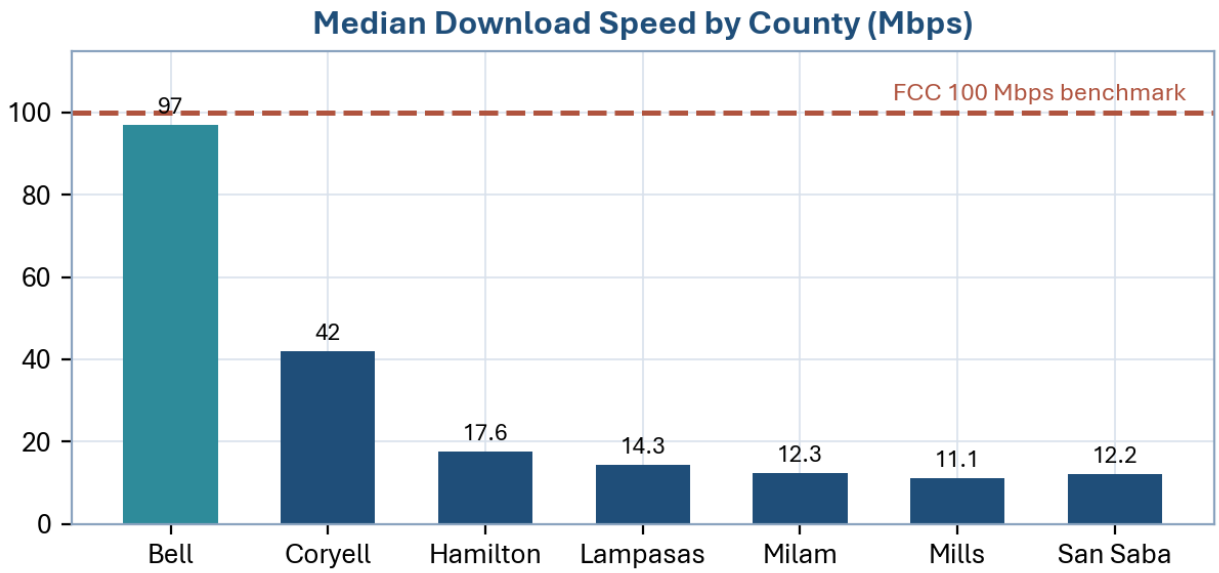

Figure 7.1 — Median download speed by county versus the FCC 100 Mbps benchmark (NTIA; NERDE/EDCI 2026).

Table 7.1 — Broadband Access and Infrastructure Capacity by County

County	Median Download Speed	FCC 100 Mbps Target	EDCI Infrastructure Score	Connectivity Gap
Bell	97 Mbps	Approaching	0.97 (High)	Minimal
Coryell	~42 Mbps	Partial	0.90 (Elevated)	Moderate in rural western area
Hamilton	17.6 Mbps	Far below	0.75 (Elevated)	Significant
Lampasas	14.3 Mbps	Far below	0.84 (Elevated)	Significant
Milam	12.3 Mbps	Far below	0.48 (Moderate)	Critical
Mills	11.1 Mbps	Far below	0.51 (Moderate)	Critical
San Saba	12.2 Mbps	Far below	0.16 (Limited)	Critical

Sources: NTIA; NERDE/EDCI 2026.

Broadband: The Rural Economy's Gating Constraint

The 8:1 broadband speed disparity between Bell County and the rural tier (97 Mbps vs. 11–18 Mbps) translates directly into economic exclusion: rural residents cannot reliably access remote work platforms, rural businesses cannot utilize cloud-based services or e-commerce, rural healthcare providers cannot deliver telehealth, and rural students face digital homework gaps. BEAD (Broadband Equity, Access, and Deployment) program funding through the State of Texas is the primary near-term funding vehicle for addressing this gap. CTCOG should position itself as an active coordination body for county-level BEAD project deployment.

Note: EDCI Infrastructure scores are shaped by more than broadband alone — Bell and Coryell's high scores also reflect transportation networks, utility redundancy, and healthcare facility capacity. Rural counties' low scores compound across multiple infrastructure dimensions.

Three active state programs represent significant near-term opportunities to close the broadband gap across the DDCT region. The Texas Regional Broadband Program (TRBP), launched February 2026 through a partnership between the Texas Association of Regional Councils (TARC) and the Texas Broadband Development Office (BDO), provides participating COGs with approximately $107,000 per year for three years, funded by the state's Broadband Infrastructure Fund, to support dedicated broadband staffing, regional digital opportunity planning, asset mapping, stakeholder engagement, and development of a Regional Digital Opportunity Plan tailored to the COG's region. CTCOG is an active participant in TRBP and is commencing the regional broadband planning effort for the seven-county area, positioning the DDCT region to coordinate broadband adoption and infrastructure implementation at the local level.

The Texas Broadband Pole Replacement Program ($75 million from the Broadband Infrastructure Fund) reimburses providers up to $5,000 per pole replaced, directly lowering the cost of rural last-mile deployment in areas like Hamilton, Mills, and San Saba counties where aging utility infrastructure has slowed provider investment. The Texas Broadband Workforce Grant ($25 million, announced June 2025) funds tuition-free fiber optic training programs, creating a skilled deployment workforce pipeline, a program with direct relevance to the DDCT region both as a broadband infrastructure investment and as a workforce development opportunity aligned with the CEDS's employment quality goals.

Closing the digital divide in the rural western counties is a high-priority CEDS infrastructure goal.

- Hamilton County: Significant rural broadband gaps; portions served only by fixed wireless or satellite
- Mills County: Broadband availability below state average; critical need for anchor institution connectivity
- San Saba County: Mixed coverage; county seat (San Saba) has better service; rural agricultural areas largely underserved
- Bell and Coryell: Near-metropolitan broadband availability; ongoing gaps in lower-income neighborhoods and rural fringes

7.3 Water and Wastewater Systems

Water supply infrastructure is a long-term economic development constraint for the DDCT region, and access to adequate water is increasingly recognized as a binding limit on regional growth. The region is served by multiple water utilities drawing from a combination of groundwater (Trinity Aquifer and Edwards-Trinity Plateau systems) and surface water (Belton Lake and Lake Stillhouse Hollow, both on the Lampasas River system in Bell County). Fort Hood has its own water system, but its off-post residential population draws on municipal and regional water resources.

In May 2025, Governor Abbott signed SB 1194 into law, creating the Central Texas Water Alliance (CTWA) — a regional water authority comprising 27 member entities including Bell County, Lampasas County, Fort Hood, the Brazos River Authority, Clearwater Underground Water Conservation District, and Bell County Water Control and Improvement District No. 1. CTWA's mission is to plan, develop, and manage water resources across the Central Texas region to address supply challenges, support economic development, and ensure long-term sustainability. The alliance is pursuing an agreement with the Brazos River Authority for shared water treatment and pipeline infrastructure to serve Bell, Coryell, and Lampasas counties, with a target of beginning water delivery by 2030. CTWA represents the most significant structural change in regional water governance in decades and is a direct institutional response to projected supply shortfalls.

Those shortfalls are well-documented. The projected Central Texas water supply deficit by 2070 is 30,000 to 45,000 acre-feet annually. The City of Temple alone faces a projected need of 17,103 additional acre-feet by 2070 under current growth scenarios. Aquifer Storage and Recovery (ASR) — a process of capturing surface water and returning it to underground aquifers for future withdrawal — has been recommended by TWDB for the Temple area and is among the strategies CTWA is pursuing. Regional water planning for the DDCT region is addressed through two Texas Water Development Board planning regions: Region G (Brazos basin, covering Bell, Coryell, Lampasas, and Milam counties) and Region K (Upper Colorado, covering Mills and San Saba counties). Both regional plans identify supply challenges under extended drought scenarios as a primary risk.

Several rural water supply corporations in the western counties have aging distribution infrastructure requiring capital investment. Rural water system rehabilitation represents both a public health priority and an economic development enabler — businesses and housing cannot locate in areas without reliable water and wastewater service.

Sources: SB 1194, 89th Texas Legislature (May 2025); Bell County public notice, CTWA creation; TWDB Region G and Region K Water Plans; Killeen Daily Herald / KXXV reporting on CTWA formation and projected shortfalls.

7.4 Energy Infrastructure

The DDCT region is served by multiple electric utilities operating within the ERCOT grid, which manages approximately 90% of Texas's electricity load. Oncor Electric Delivery serves Bell and Coryell counties as the transmission and distribution provider. Smaller electric cooperatives serve the rural western counties. The February 2021 Winter Storm Uri remains the defining energy resilience event for the region: ERCOT saw more than 52 gigawatts of grid capacity go offline during the storm's prolonged freezing temperatures, causing widespread outages across the region and exposing structural vulnerabilities in both generation capacity and distribution infrastructure.

Fort Hood's experience during Winter Storm Uri directly shaped the region's energy resilience trajectory. The installation's electric bill for February 2021 reached approximately $30 million — roughly equal to the entire prior fiscal year's energy spend — reflecting the extreme price spikes on ERCOT's energy-only market during the storm. In direct response, Fort Hood partnered with the City of Temple and Dominion Energy to construct an intelligent sustainability and restoration microgrid at Robert Gray Army Airfield, funded in part by a $5 million Defense Economic Adjustment Assistance Grant (DEAAG) from the Texas Military Preparedness Commission. The microgrid can seamlessly island from the ERCOT grid for up to 14 days using solar power, battery energy storage, and backup generation, and is expected to save the installation more than $125,000 per day in avoided peak demand charges during high-demand periods.

Fort Hood's broader renewable energy program is equally significant. The installation operates the Army's largest renewable energy project: 63,000 solar panels across more than 132 acres at West Fort Hood, combined with 21 wind turbines in the Texas panhandle, collectively supplying 39% of the installation's total energy and saving approximately $2.5 million annually in energy costs. The on-site solar array is designed as microgrid-capable to support future resilience enhancements. These investments establish Fort Hood as a national model for military installation energy resilience and create co-investment and knowledge-transfer opportunities for regional critical infrastructure hardening.

At the statewide level, wind and solar generation supplied 36–45% of ERCOT's electricity demand through mid-2025, with solar capacity growing faster than any other generation source on the Texas grid. Texas voters approved a $10 billion energy resiliency package that included approximately $1.8 billion for microgrid development statewide — a potential funding stream for critical facilities in rural western counties, including hospitals, emergency services, and water treatment infrastructure that lack redundant power.

The rural western counties of Hamilton, Mills, and San Saba represent a meaningful renewable energy development opportunity. Located within ERCOT's Central load zone — away from the transmission constraints that create curtailment problems in West Texas — these counties offer available land, favorable solar irradiance, and wind resources. Utility-scale solar and wind development could generate lease income and property tax revenue for rural landowners and county governments, providing a new economic diversification stream for communities with limited private-sector industry base. The 2027–2032 CEDS includes explicit strategies to position the western counties as viable sites for renewable energy investment.

Sources: Microgrid Knowledge, Fort Hood microgrid coverage (March 2024); Apex Clean Energy, Fort Hood Renewable Energy Supply Agreement; U.S. Energy Information Administration, ERCOT Generation Data 2025; Texas Military Preparedness Commission, DEAAG Program; EIA Today in Energy, ERCOT Solar and Wind (2025).

Section 8: Environment, Natural Hazards, and Resilience

Economic resilience — the capacity of the regional economy to withstand and recover from shocks, whether economic, climatic, or infrastructure-related — is an increasing priority in EDA CEDS guidance. The DDCT region faces multiple overlapping natural hazard risks, with drought and wildfire being the most persistent long-term threats to the rural and agricultural economy. The region's military presence creates unique infrastructure resilience dimensions.

8.1 Natural Hazard Risk Profile

FEMA's National Risk Index (NRI) provides a county-level assessment of composite natural hazard risk, considering both the likelihood of hazard events and community resilience capacity. Across the DDCT region, the primary hazard concerns are:

- Drought: Affecting all seven counties; the most persistent economic risk to agriculture, water supply, and rural livelihoods. Climate trend data projects increasing drought frequency and severity in central Texas.
- Wildfire: Elevated risk in Hamilton, Mills, San Saba, and Lampasas counties due to vegetation type (cedar/juniper encroachment), low precipitation, and limited firefighting resources
- Tornadoes/Severe Storms: Bell and Coryell counties face above-average tornado risk consistent with their position in the regional Tornado Alley corridor. The Killeen-Temple metro area has experienced significant tornado events.
- Extreme Heat: An increasing threat across all counties; particularly acute in combination with drought conditions and for outdoor workers in agriculture and construction sectors
- Flash Flooding: A localized but acute risk in low-lying areas, particularly in Lampasas and Bell counties along creek and river corridors

Table 8.1 — FEMA National Risk Index by County (Summary)

County	Composite Risk	Top 3 Hazards	NRI Score (approx.)	Community Resilience
Bell	Relatively Low	Hurricane (1), Tornado (2), Drought (3)	2.78	Medium
Coryell	Relatively Low	Tornado (1), Drought (2), Wildfire (3)	2.65	Medium
Hamilton	Medium	Drought (1), Wildfire (2), Tornado (3)	3.12	Relatively Low
Lampasas	Medium	Drought (1), Wildfire (2), Flash Flood (3)	3.08	Relatively Low
Milam	Relatively Low	Tornado (1), Hurricane (2), Drought (3)	2.54	Medium
Mills	Medium	Drought (1), Wildfire (2), Extreme Heat (3)	3.45	Relatively Low

County	Composite Risk	Top 3 Hazards	NRI Score (approx.)	Community Resilience
San Saba	Medium	Drought (1), Wildfire (2), Extreme Heat (3)	3.31	Relatively Low

NRI scores and hazard rankings are approximate; based on FEMA NRI methodology. Hurricane rankings for inland counties (Bell, Milam) reflect Expected Annual Loss calculations that weight Bell County's large population and asset base — a methodological artifact of FEMA's EAL framework. In practical terms, tornado, drought, and flash flooding represent the most operationally significant hazards for the DDCT region. Hurricane risk reflects potential exposure to inland flooding and wind from remnant tropical systems making landfall on the Texas Gulf Coast.

Source: FEMA National Risk Index (NRI), v2.0 (2023); CTCOG Hazard Mitigation Plan

8.2 Agricultural and Natural Resource Economy

The rural western counties retain significant agricultural economic activity, including cattle ranching, hay production, and pecan orchards. The agricultural sector, while relatively small as a share of regional GRP, is culturally and economically foundational to these communities. Climate-driven drought cycles have increasingly stressed agricultural operators — particularly smaller family operations in Mills, San Saba, and Hamilton counties — leading to herd liquidation during drought periods and reduced agricultural tax revenue for county governments.

The Hill Country and Edwards Plateau ecosystems underlying the western DDCT counties provide ecosystem services of broader economic value: carbon sequestration, groundwater recharge of the Edwards Aquifer (a critical water supply for San Antonio and Central Texas), hunting and outdoor recreation revenue, and heritage/agritourism potential.

8.3 Climate Resilience Planning

The region's CEDS resilience strategy aligns with FEMA's Local Hazard Mitigation Plans, the Texas State Hazard Mitigation Plan, and emerging climate adaptation frameworks. Key priorities include:

- Water supply diversification and conservation to reduce drought vulnerability for municipal and agricultural users
- Wildfire mitigation through vegetation management programs, particularly cedar removal and prescribed burning programs in the western counties
- Energy resilience investments following the lessons of Winter Storm Uri, including backup generation for critical facilities and vulnerable populations
- Infrastructure hardening along flood-prone transportation corridors (farm-to-market roads, bridges)
- Agricultural resilience support through technical assistance, crop insurance access, and drought-tolerant practice adoption

8.4 Environmental Quality and Regulatory Context

Air quality in the Bell-Coryell area is influenced by both local sources (vehicle emissions, military activities) and regional transport (Central Texas ozone transport from the DFW nonattainment area). The region remains in attainment for most criteria pollutants, which is an economic development asset — maintaining this status reduces regulatory burden on new industrial development.

Water quality in the region's rivers and reservoirs (Little River, Leon River, Lampasas River) is affected by agricultural runoff, particularly in areas with concentrated animal feeding operations (CAFOs) in the Milam County agricultural corridor. Texas Commission on Environmental Quality (TCEQ) nonpoint source programs provide some mitigation funding.

Section 9: Commercial Real Estate and Development Activity

Commercial real estate conditions in the DDCT region reflect broader economic structure, regional growth patterns, and infrastructure capacity. Development activity is heavily concentrated in Bell County (Killeen–Temple–Belton), which functions as the region's primary economic center. In contrast, rural counties exhibit limited commercial development, typically characterized by small-scale retail, service uses, and agricultural support businesses.

Recent trends — consistent with national patterns — include continued retail restructuring, sustained healthcare-driven development, and increasing demand for industrial and logistics space along the I-35 corridor. These trends are shaped by regional population growth, military presence, and proximity to major metropolitan economies.

9.1 Office Market

The regional office market is modest by metropolitan standards. Major office users include healthcare systems (Baylor Scott & White, Ascension Seton, McLane Children's), government agencies, financial services, and professional services firms serving the military community. The downtown Killeen and Temple urban cores have older office stock with mixed vacancy profiles — Temple's downtown has benefited from revitalization investment, while Killeen's downtown office market has faced persistent challenges.

Remote work adoption since 2020 has reduced downtown office demand but increased demand for suburban flex/professional space near residential areas. Medical office space demand has grown in tandem with healthcare sector expansion. Fort Hood-adjacent areas (Harker Heights, Copperas Cove, Killeen southwest quadrant) have seen development activity in professional office uses serving defense contractors and military-adjacent businesses.

9.2 Retail and Dining Sector

Retail in the region is anchored by major national chains serving the military-family demographic. Killeen's retail corridor (US 190 / Fort Hood Street) has historically been the regional retail hub. The continued presence of Fort Hood ensures a baseline retail demand that is relatively recession-resistant. However, the retail sector has faced headwinds from: e-commerce displacement, the closure of major anchors (consistent with national trends), and consumer spending patterns of younger military households who may shop differently than traditional retail assumes.

Food and beverage (restaurant) activity has been robust, particularly in the Temple and Belton areas, reflecting population growth and demand from both military and civilian households. Temple's medical district has generated significant food service demand as a secondary effect of healthcare employment growth.

9.3 Industrial and Logistics

The I-35 corridor is the primary driver of industrial/logistics real estate demand. The region benefits from proximity to major logistics nodes in Austin (50 miles south) and the Dallas-Fort Worth metroplex (150 miles north), making it attractive for mid-point distribution operations and last-mile logistics serving the Austin market. McLane Company — headquartered in Temple — is the region's largest private-sector logistics employer and anchors a growing logistics ecosystem.

Available industrial land and lower land costs compared to Austin and Waco provide a competitive advantage for attracting logistics, light manufacturing, and agribusiness processing facilities. The CEDS prioritizes industrial park development, shovel-ready site preparation, and infrastructure extension to make industrial land competitive for regional and national site selectors.

The I-35 Logistics Sweet Spot

Temple-Belton's position along I-35 between Austin and Waco — two high-growth metros — positions the sub-region as a logistics sweet spot. Investing in certified sites, rail-accessible industrial land, and workforce development for logistics occupations could yield significant job creation.

9.4 Healthcare Real Estate

Healthcare is the most active commercial real estate development category in the DDCT region. The presence of two major competing health systems (Baylor Scott & White and Ascension Seton) in the Temple area has driven ongoing hospital expansion, medical office development, and ancillary healthcare services. McLane Children's Medical Center represents a major regional healthcare capital investment.

Fort Hood's Darnall Army Medical Center provides on-post healthcare but creates spillover demand for private-sector specialty care and outpatient services in the civilian market. Healthcare real estate demand is expected to continue growing as the regional population grows and ages, particularly given the elevated 65+ population in the rural western counties.

Section 10: Regional Assets and Economic Development Context

This section synthesizes the key regional assets and structural challenges identified in the preceding analysis. These themes were tested and refined through the April 2, 2026 SWOT Analysis Workshop and the stakeholder review process, and they carry directly into the SWOT Analysis and Strategic Direction that follow.

10.1 Summary of Regional Strengths and Assets

- Fort Hood Military Anchor: The largest armored installation in the U.S. Army provides stable federal employment for tens of thousands of workers, generates substantial federal spending in the regional economy, and anchors healthcare, retail, housing, and service sectors
- Growing and Young Population: Regional population of 562,751 (2025) growing toward 610,349 by 2030; above-average millennial presence (126,471 residents ages 25–39) provides workforce vitality
- Strategic Location: Position on the I-35 corridor between Austin and Waco provides logistics advantages and access to major Texas markets
- Healthcare Cluster: Baylor Scott & White's regional flagship hospital system, McLane Children's Medical Center, and growing healthcare employment base create an emerging healthcare economy
- Below-Average Crime Rates: Violent crime 13.6% below national average; property crime 19.8% below national average — quantifiable quality-of-life advantage for workforce attraction
- Educational Infrastructure: 5,305 regional graduates annually (+11% over 5 years); Central Texas College, Temple College, UMHB, and TAMUCT provide multi-level educational pipeline
- Veteran Population: 65,162 veterans — entrepreneurial potential, skilled workforce, federal procurement preferences, and SBA programs create distinct veteran economy opportunities
- Cost of Living Advantage: Significantly lower cost of living than Austin/Dallas/Houston creates workforce affordability advantage and business operating cost competitiveness
- Racial Diversity: 51.9% minority population with strong Hispanic and Black communities; diversity-driven innovation potential if equity gaps are addressed

10.2 Summary of Regional Challenges

- Military Dependency Risk: Over-reliance on Fort Hood for employment creates BRAC (Base Realignment and Closure) vulnerability; economic diversification is essential
- Earnings Gap: Average earnings of $60,527 per job, approximately $15,000 below the national QCEW average of $75,585

- Racial Employment Disparity: Black workers face 2.5x disproportionate unemployment rate (46% of unemployed vs. 18% of population); equity gaps undermine inclusive growth
- Population Aging: Hamilton, Mills, and San Saba counties have 65+ populations exceeding 20–29% of residents; rural workforce gaps, healthcare demand, and fiscal strain are accelerating
- Rural Broadband Gaps: Rural counties lack adequate broadband infrastructure, limiting remote work opportunities, precision agriculture, and telehealth access
- Job Growth Lag: +5.1% job growth since 2020 vs. national +10.6%; private sector job creation insufficient to compensate for military employment ceiling
- Rural Housing Deterioration: Vacancy rates of 26–29% in western counties reflect aging, substandard housing stock rather than market opportunity
- Healthcare Workforce Shortage: Healthcare practitioners are the #1 posted occupation; critical pipeline gap between educational output and employer demand
- Educational Attainment Gap: Only 17.2% of regional adults hold bachelor's degrees; significant underemployment of degree holders reflects lack of high-skill job opportunities

10.3 Strategic Priorities Carried Into the SWOT and Strategic Direction

Based on this background analysis, the following strategic priority areas were presented to the DDCT Board as starting points for deliberation at the April 2, 2026 SWOT Analysis Workshop. They informed — but did not predetermine — the SWOT Analysis and the Strategic Direction and Action Plan presented later in this document.

- Economic Diversification: Reduce military dependency by attracting and growing private-sector industries in healthcare, logistics, advanced manufacturing, and defense-adjacent technology
- Workforce Quality and Earnings Growth: Increase average earnings through high-skill job creation, apprenticeship programs, and workforce-to-industry alignment initiatives
- Equity and Inclusive Growth: Address the Black unemployment disparity through targeted employer engagement, job readiness programs, and equitable access to economic development resources
- Rural Vitality: Develop targeted strategies for the aging western counties, including broadband expansion, rural healthcare access, agricultural resilience, and remote work attraction
- Infrastructure Investment: Prioritize shovel-ready industrial sites, broadband expansion, water supply resilience, and energy infrastructure hardening
- Entrepreneurship and Small Business Growth: Leverage the veteran entrepreneur population and micro-business majority to build a diversified, locally-rooted business ecosystem

SWOT Analysis

As part of the 2026 CEDS revision, the region's Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis was reviewed and updated to reflect current conditions. The update began with two sources: items generated at the April 2, 2026 DDCT Board workshop and items carried forward from the 2022 CEDS. Stakeholder organizations — spanning local government, higher education, public education, workforce development, and rural communities — reviewed every item and recorded a decision to keep, modify, or remove it, along with written comments and proposed additions.

Rather than counting votes alone, staff applied a consistent weighting method that considered how often an opinion recurred, the strength and similarity of comments across respondents, and each item's current regional relevance. Where stakeholders disagreed, the analysis favored the majority of those who expressed an opinion and gave greater weight to recurring themes than to isolated remarks. The result is a SWOT that represents the collective regional perspective rather than any single organization, consistent with U.S. Economic Development Administration (EDA) CEDS guidance.

The final SWOT — 18 strengths, 23 weaknesses, 25 opportunities, and 12 threats — is presented on the following pages.

▲ STRENGTHS

Internal • Positive

Fort Hood, the Regional Anchor
Stable federal employment and steady demand across healthcare, retail, construction, and services.

Education & Workforce Training
A network of TAMUCT, Central Texas College, Temple College, and UMHB offering stackable credentials.

Military Talent Pipeline
Transitioning service members, veterans, and military spouses entering the civilian workforce.

Strong Major Employers
McLane Company, Baylor Scott & White Health, and the Olin E. Teague Veterans' Medical Center are among the largest employers by county.

Healthcare Anchor
A regional healthcare system that anchors the economy.

Growing Technology Sector
An expanding information-technology and cybersecurity base.

Expanding Grid Capacity
Electric-grid capacity has grown since 2020.

Water & Natural Resources
Abundant natural resources and a strong regional aquifer with storage potential.

Regional Water Planning
Central Texas Water Alliance infrastructure supports long-term water planning.

Strong Transportation Network
Well-invested corridors along I-35, US-190, I-14, and SH-183.

Central, Commutable Location
A Texas Triangle position near major metropolitan areas — strong for talent, logistics, and distribution.

Room to Grow
Available land, power, water, and a low cost of living.

Population & Job Growth
Continued growth with unemployment below 4%.

Quality of Life & Housing
High quality of life with a range of housing options.

Diverse, Historic Communities
A diverse population with historic downtowns, parks, recreation, and tourism.

Strong Local Governments
Capable local governments with cross-county mutual aid and emergency-management coordination.

Regional Air Service
Killeen–Fort Hood Regional Airport (GRK) connects the region.

Agricultural Strength
Strong agricultural production with room to grow.

Defense Advocacy
The Heart of Texas Defense Alliance (HOTDA) advocates for Fort Hood and helps navigate BRAC.

▼ WEAKNESSES

Internal • Negative

Rural Broadband Gaps
Limited high-speed broadband in rural areas.

Aging Water & Wastewater
Limited water and wastewater capacity and aging utility systems.

Rural Water Providers Strained
Rural water supply corporations lack the capacity and finances to fully serve their areas.

Limited Rail-Served Sites
A shortage of rail-served space for distribution facilities.

Rural Staffing Shortages
Rural communities lack adequate staff for day-to-day operations.

Grant Capacity Gaps
Funding goes unclaimed for lack of local grant-writing and administration capacity.

Grant Match Barriers
Difficulty meeting matching requirements and up-front or lockout costs.

Inconsistent GIS & Addressing
GIS and addressing systems vary across the region.

Limited Coordination
Limited communication and coordination across communities.

Outdated Emergency Equipment
Volunteer departments rely on hand-me-down gear amid rising costs.

Incomplete Interoperability
Emergency-communications interoperability is improving but not yet complete.

Wages Below Self-Sufficiency
Many jobs do not pay a self-sustaining wage.

Educational Disparities
Gaps in educational outcomes, especially across rural counties.

Few Advanced-Degree Workers
Limited availability of talent with graduate-level education.

Early Childhood Education Access
Limited access to early childhood education limits workforce participation.

Youth Opportunity Gaps
Limited affordable programs, activities, and awareness of opportunities for youth.

Limited Tech Jobs
Few technology-sector job opportunities.

Thin Entrepreneurial Support
A limited startup and entrepreneurial ecosystem.

Rural Healthcare Access
A lack of urgent rural healthcare.

Limited Public Transit
Limited reliable, affordable public transportation.

Retail & Grocery Gaps
Limited grocery and retail options in small communities.

★ OPPORTUNITIES

External • Positive

Expanded Water Capacity
Central Texas Water Alliance expansion could add regional water supply.

Education Partnerships
Grow college, university, and school-district partnerships for dual credit and workforce pipelines.

Healthcare Workforce Partnerships
Partner with healthcare employers on training and retention.

Short-Term Upskilling
Offer short-term training to upskill workers for current jobs.

Demand-Aligned Training
Align training to emerging industry demand.

Rural Capacity Support
Bridge rural gaps through CTCOG grant services, shared services, and engineering-partnership coordination.

Talent & Remote Workers
Attract skilled talent and remote workers.

Stronger Disaster Resilience
Strengthen disaster planning, coordination, and resilience.

Digital Infrastructure
Advance broadband readiness and smart-traffic solutions.

New & Emerging Industries
Attract new industries, including large-load users and data centers, with clear rules, safety standards, and community benefit.

Advanced Manufacturing
Grow advanced manufacturing along the I-35 corridor.

New Energy Resources
Explore new and emerging energy, including advanced and modular nuclear, to meet rising demand.

Soldier-to-Civilian Skills
Channel transitioning-soldier skills into civilian jobs through Fort Hood's Transformation and Training Command (T2COM) and the Phantom Experimentation Laboratory (PhantomX).

Value-Added Agriculture
Grow sustainable and value-added agriculture.

Business Retention & Expansion
Invest in keeping and growing existing businesses.

Housing & Mixed-Use
Expand housing options, including mixed-use zoning for denser, walkable, people-centered development.

Conservation & Quality of Life
Advance environmental conservation tied to quality of life.

Consistent Development Codes
Encourage more consistent development codes across the CTCOG region.

Regional Passenger Rail
Explore passenger rail connecting Central Texas to neighboring metros.

✕ THREATS

External • Negative

Policy & Grant Uncertainty
Inconsistent policy continuity and uncertain grant availability.

Government Disconnect
Gaps between local and state government, and between local governments.

State Legislative Limits
Constraints on debt, annexation, and revenue.

Local Budget Constraints
Tight budgets limit infrastructure and business attraction.

Unmanaged Growth & Land Use
Growth outpaces planning; Farm-to-Market roads and farmland are strained; and unserviced county developments later burden city budgets when services must be extended to areas never designed for efficient delivery.

Severe Weather & Flooding
Rising weather and flood risk strains small-town emergency response.

Resource Constraints
Pressures on water, transit, and agriculture.

Water-Contract Competition
Competition and possible inequity in regional water contracts.

Metro Competition
Larger metropolitan areas compete for talent and investment.

School Funding Limits
Limited public school funding.

Federal Policy Shifts
Restrictive or changing federal policies.

Over-Reliance on Fort Hood
A comparatively narrow, federally dependent economic base makes diversification a regional priority.

BRAC Risk
A low-probability, high-impact risk the region monitors and prepares for through the Heart of Texas Defense Alliance.

Strategic Direction and Action Plan

This section answers two questions: where the region wants to go, and how it will get there. Everything below grows directly from the strengths, weaknesses, opportunities, and threats identified with the DDCT Steering Committee and regional partners. The aim is a short list of clear, achievable actions that reflect what the DDCT can actually do.

Our Vision

Building on the strength of Fort Hood, the Development District of Central Texas grows a more diverse economy, prepares its workforce, and helps every community — urban and rural — stand ready for what comes next.

Goal 1: Strengthen the region's ability to prepare for, withstand, and recover from shocks

The region is ready when trouble comes — and better connected because its communities plan together.

Central Texas faces federal budget and basing risk at Fort Hood, severe weather, drought and wildfire in the rural west, and strain on emergency communications. Small towns often cannot plan for these alone. CTCOG helps communities prepare together — building shared plans, common templates, and the connections that let one town help another when a disaster hits.

#	Objective & Actions	Lead & Key Partners	Funding	Performance Measure
1.1	**Improve and formalize emergency operations and communication protocols across jurisdictions.** – Develop and maintain jurisdiction-specific protocols, with CTCOG templates (including Severe Weather Response Plans) – Host the Small Town Summit and coordinate ongoing emergency planning meetings – Prepare municipalities to operate in remote or mobile form during emergencies – Resume periodic multi-scenario drills, including regional tabletop exercises with TDEM	CTCOG staff; municipalities; TDEM; FEMA; National Guard	CTCOG hazard mitigation & emergency planning grants (current); State Homeland Security Program	Jurisdictions with adopted protocols; Small Town Summit held annually

#	Objective & Actions	Lead & Key Partners	Funding	Performance Measure
	– Educate jurisdictions on leveraging Defense Support to Civil Authorities and the National Guard			
1.2	**Educate and prepare residents and businesses to sustain themselves during disasters.** – Assist businesses in developing continuity plans and accessing recovery resources – Develop and disseminate household emergency preparedness materials – Conduct targeted outreach to residents of mobile and manufactured homes	CTCOG staff; SBDCs; chambers; EDCs; SBA	SBA programs; CTCOG technical-assistance grants (current)	Businesses with continuity plans; households reached
1.3	**Prepare and harden critical infrastructure for emergencies.** – Evaluate the cyber preparedness of CTCOG's seven-county 911 system – Help jurisdictions pursue and administer grants for backup generators at warming and cooling centers – Deliver regional emergency alerts through CodeRed – Educate jurisdictions on cyberattack resources	CTCOG staff; municipalities; service providers; Texas Municipal League	911 funds; State Homeland Security Program; Texas PACE; SERI	911 cyber assessment completed; CodeRed enrollment; backup-power installs supported

Goal 2: Grow a stronger, more diverse economy and a better-prepared workforce — urban and rural — through infrastructure and workforce development

A more diverse economy and a skilled workforce give every county a fair shot at good jobs.

The region's economy is stable but narrow. It leans heavily on Fort Hood and government employment, average wages trail the national average by about $15,000, and no private industry yet stands out as an export leader. This goal builds the foundations of private-sector growth — reliable broadband and water, responsible new industry, a skilled and mobile workforce, and a strong agricultural base.

#	Objective & Actions	Lead & Key Partners	Funding	Performance Measure
2.1	**Close the broadband gap.** – Through the Texas Regional Broadband Program, survey providers and	CTCOG staff; internet service providers; EDCs; Texas	Texas Regional Broadband Program (current); BEAD; Broadband	Broadband survey completed; Regional Digital Opportunity Plan

#	Objective & Actions	Lead & Key Partners	Funding	Performance Measure
	communities on speeds, costs, downtime, and redundancy – Build a Regional Digital Opportunity Plan to guide local EDCs and coordinate broadband projects – Support broadband and cellular hardening, including battery backup and redundancy	Broadband Development Office	Infrastructure Fund	adopted; projects coordinated
2.2	**Secure water and core infrastructure for growth.** – Coordinate with the Central Texas Water Alliance on long-term supply planning (projected shortfall of 30,000–45,000 acre-feet) – Track aging dam capacity (Belton is at about 75 of its rated 100 years) and support planning responses – Support site inventory and readiness for industrial and distribution development	CTCOG staff; Central Texas Water Alliance; water authorities; counties; EDCs	Texas Water Development Board; USDA Rural Development; CDBG	Regional water planning advanced; development-ready sites identified
2.3	**Prepare for new and emerging industries responsibly.** – Help communities plan for new and emerging industries — including large-load users such as data centers and advanced manufacturing — with model approaches to clear regulations, safety standards, and water and energy stewardship – Connect local businesses to advanced-manufacturing supply chains along the I-35 corridor – Support innovation zones and research hubs, building on Texas A&M University–Central Texas *Ties to Fort Hood's energy-resilience investments and the region's rising energy demand.*	CTCOG staff; EDCs; utilities; Texas A&M University–Central Texas	EDA Economic Development & Planning grants (current); utility partnerships	Communities adopting model standards or readiness plans; supply-chain connections made
2.4	**Build and keep a skilled workforce.** – Expand education and apprenticeship partnerships (Texas A&M University–Central Texas, Central Texas College, Temple College, University of Mary Hardin-Baylor, and school districts) – Support early childhood education as a workforce enabler – Move transitioning soldiers and veterans into local jobs and business ownership	CTCOG staff; colleges & universities; school districts; DOD; SBA	Texas Workforce Commission (Skills Development); DOD Office of Local Defense Community Cooperation; SBA	Apprenticeship & dual-credit pathways; graduates in high-demand fields; veterans placed or in business

#	Objective & Actions	Lead & Key Partners	Funding	Performance Measure
2.5	**Connect workers to jobs.** – Through the Killeen-Temple Metropolitan Planning Organization, support Hill Country Transit District as it revises and expands microtransit so rural and suburban workers can reach jobs – Improve roadways important to workforce access and emergency services	CTCOG staff; KTMPO; Hill Country Transit District; TxDOT	KTMPO transportation & transit grants (current); federal transit formula funds	Microtransit zones expanded; ridership to job centers
2.6	**Strengthen agriculture as an economic and food-supply asset.** – Recognize agriculture as a core regional industry and food-security asset – Explore value-added agriculture and agricultural workforce needs with partners	CTCOG staff; Texas Department of Agriculture; USDA; producers	Texas Department of Agriculture; USDA Rural Development	Agricultural partnerships convened; value-added opportunities identified

Goal 3: Further position CTCOG as a regional resource for local jurisdictions

Every community — especially the smallest — can reach help it could never afford alone.

The region's smaller cities and counties often lack the staff and expertise to chase grants, plan for growth, or keep up with changing rules. CTCOG closes that gap through direct, hands-on support.

#	Objective & Actions	Lead & Key Partners	Funding	Performance Measure
3.1	**Provide a shared-services grant team that fills rural staffing gaps.** – Build a standing shared-services team that helps rural communities identify, write, and manage grants they cannot staff for on their own — easing the "grant fatigue" small towns face – Offer the team on a cost-share basis so it can sustain itself over time – Share economic data and host information forums that local EDCs can use	CTCOG staff; rural municipalities and counties; EDCs	CTCOG planning grant (current); state technical-assistance grants (current); member cost-share	Rural jurisdictions served; grant dollars secured; shared-services team established
3.2	**Train and equip local officials.** – Continue the Newly Elected Officials class and municipal-imperatives cheat sheet	CTCOG staff; municipalities	CTCOG planning grant (current); staff capacity	Officials trained; certification confirmed

#	Objective & Actions	Lead & Key Partners	Funding	Performance Measure
	– Confirm whether the class can provide the certificate that satisfies Texas public-information training requirements			
3.3	**Grow regional GIS and data services.** – Build staff GIS capacity through training – Offer housing, retail, and parcel/address studies to communities – Help harmonize GIS and addressing systems across the region *Growth here depends on dedicated GIS staff capacity.*	CTCOG staff; municipalities; counties	KTMPO GIS grants (current); to be identified for dedicated GIS staff	GIS services launched; community studies delivered
3.4	**Support regional leadership and access.** – Support Leadership Central Texas to develop regional leaders – Continue remote and hybrid meetings so rural communities can take part	CTCOG staff; Leadership Central Texas; regional partners	Partner contributions; staff capacity	Leadership program participation; rural meeting attendance

Building Toward: Initiatives for Future Capacity

Some things the region wants are worth naming now, even before it has the capacity to do them.

The initiatives below are forward commitments, kept separate from the action plan above so the plan reflects what CTCOG can deliver today while pointing to where it aims to grow. Each depends on future staff capacity or funding.

> ▶ Restart the Circuit Rider Initiative — proactive, in-person check-ins with smaller and rural communities (911 effectiveness, appraisal-district relationships, ordinances, and day-to-day technical needs), to relaunch when staff capacity allows.

Economic Resilience

EDA requires every CEDS to address economic resilience — the region's ability to anticipate, withstand, and bounce back from economic shocks. In this CEDS, resilience is not a standalone chapter bolted onto the end; it is built into the plan's foundation.

Resilience runs through this plan in three places. First, Goal 1 of the Strategic Direction and Action Plan is dedicated entirely to resilience: formalizing emergency operations across jurisdictions (1.1), preparing residents and businesses to sustain themselves during disasters (1.2), and hardening critical infrastructure (1.3). Second, Section 8 of the Background Summary establishes the region's risk baseline — drought, wildfire, tornado, extreme heat, and flash flooding — using FEMA's National Risk Index, and documents the energy-resilience lessons of Winter Storm Uri. Third, the region's single greatest structural vulnerability — dependence on federal decisions about Fort Hood — is addressed through the diversification strategies of Goal 2, which build the private-sector base, infrastructure, and workforce the region would need to absorb a federal shock.

Together these elements serve both of the roles EDA identifies for resilience in a CEDS: steady-state initiatives that make the region more durable over time (diversification, broadband and water infrastructure, workforce development), and responsive initiatives that establish the region's capacity to act when a shock arrives (emergency protocols, continuity planning, regional coordination through CTCOG).

Evaluation Framework

This framework tracks two things: whether CTCOG carried out the plan, and whether the regional economy is moving in the right direction.

The framework measures progress in two ways. Implementation measures show whether CTCOG delivered the actions it committed to — these are within CTCOG's control and are how CTCOG holds itself accountable. Regional outcome indicators show whether the wider economy is improving. Those indicators are shaped by many forces beyond any one organization — the national economy, federal decisions about Fort Hood, and private investment — so they are read as shared trends, not as CTCOG's report card.

Following EDA's guidance, the framework looks beyond job counts to broader prosperity — income, wages, and economic diversity — because lasting prosperity comes from building wealth and resilience, not headcount alone.

Tier 1: Implementation Measures

These measures answer a simple question — did we do what we said we would?

Goal	What We Track (Did We Do the Work?)	Starting Point
Goal 1 — Resilience	Jurisdictions with adopted emergency protocols and a mutual-aid checklist Small Town Summit held each year Businesses with continuity plans; households reached with preparedness materials 911 cyber-preparedness assessment completed and gaps addressed CodeRed enrollment growth; backup-power installations supported	Most baselines set in Year 1; 911 assessment in progress; Small Town Summit recurring.
Goal 2 — Economy & Workforce	Broadband survey completed and Regional Digital Opportunity Plan adopted; broadband projects coordinated Regional water planning advanced; development-ready sites identified Communities adopting model standards for new and emerging industry Apprenticeship and dual-credit pathways; graduates in high-demand fields; veterans placed or starting businesses Microtransit zones expanded; ridership to job centers Agricultural partnerships convened; value-added opportunities identified	Broadband work underway through the Texas Regional Broadband Program; microtransit live in five cities; other baselines set in Year 1.
Goal 3 — CTCOG as a Resource	Communities served by the shared-services team; grant dollars secured for members Local officials trained; public-information certification confirmed GIS services launched; community studies delivered Leadership Central Texas participation; rural meeting attendance	GIS capacity building now; other baselines set in Year 1.

Tier 2: Regional Outcome Indicators

These indicators answer the bigger question — is the regional economy getting stronger?

These are regional trends, tracked from public federal data and benchmarked against Texas and the nation. They are influenced by forces outside CTCOG's control, so they show the region's direction rather than the results of any single action.

Indicator	Recent Baseline	Texas / U.S. Benchmark	Direction We Want	Source
Average wage per job	~$60,500	~$75,600 (U.S.)	Narrow the gap	BLS QCEW
Median household income	Set in Year 1*	Texas	Rise	ACS
Per capita income	Set in Year 1*	U.S.	Rise	BEA / ACS
Total employment	~214,700	—	Grow	Lightcast / QCEW
Industry diversity	Moderate concentration	Lower = more diverse	Diversify	BLS QCEW
Bachelor's degree or higher	Below state in urban core	~33% (Texas)	Rise	ACS
Labor force participation	58.71% (Nov 2025)	Texas / U.S.	Rise	BLS LAUS / ACS
Rural broadband at 100/20 Mbps	5 of 7 counties far below	100/20 target	More counties meet target	FCC
Primary-care access	5 of 7 counties HPSA-designated	Fewer designations	Reduce shortage	HRSA
Reliance on government employment	~22% of jobs	—	Reduce over time	BLS QCEW
Rural population trend	Region +7%; San Saba declining	—	Stabilize rural counties	Census / ACS

* Baseline to be pulled as a single regional figure in the first Annual Performance Report.

How We Stay Honest: The Annual Process

A plan is only useful if someone checks on it — so CTCOG checks every year.

Each year, CTCOG prepares the CEDS Annual Performance Report for EDA, describing what moved forward, what did not, and what was learned. Every five years, CTCOG fully updates the CEDS. CTCOG staff track the measures and report progress to the DDCT Steering Committee, which reviews the results and asks the two questions this framework is built to answer: How are we doing, and what can we do better?

When reading the results, the two tiers carry different weight. The implementation measures are CTCOG's accountability — work it committed to and can deliver. The regional indicators are shared context — important to watch, but moved by forces far larger than any one organization.

Data Sources and References

All data cited in this document was current as of the date of analysis (March 2026), and this section should be read together with the source notes that accompany each table and figure. Users of this document should verify that cited data remains current.

Primary Data Sources

- Lightcast Economy Overview — 7-County DDCT Region, Q1 2026. Austin, TX: Lightcast. (Primary source for employment, earnings, industry, business characteristics, workforce demand, migration, and population estimates/projections)
- U.S. Census Bureau, American Community Survey 5-Year Estimates, 2019–2023 and 2024 vintages. Tables DP04 (housing), B03002 (race/ethnicity by county), B01001 (age/sex by county), S1501 (educational attainment). census.gov/data
- U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS), December 2025. Washington, DC: BLS. bls.gov/lau
- U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW), Q3 2025. bls.gov/cew
- FEMA National Risk Index (NRI), Version 2.0, 2023. Washington, DC: Federal Emergency Management Agency. hazards.fema.gov/nri
- Development District of Central Texas (DDCT), Comprehensive Economic Development Strategy 2022–2026. Killeen, TX: CTCOG/DDCT.

Secondary and Supporting Sources

- Texas Comptroller of Public Accounts, Texas Economic Data. comptroller.texas.gov
- Texas Department of Transportation (TxDOT), District 9 (Waco) Transportation Asset Management. txdot.gov
- Texas Water Development Board (TWDB), Region G and Region K Water Plans. twdb.texas.gov
- Texas Commission on Environmental Quality (TCEQ), Water Quality Reports. tceq.texas.gov
- Texas Broadband Development Office (TBDO), Texas Broadband Plan. broadband.texas.gov
- Killeen-Temple Metropolitan Planning Organization (KTMPO), FY2025–2028 Transportation Improvement Program.
- U.S. Department of Defense, Base Economic Impact reports, Fort Hood.
- U.S. Small Business Administration (SBA), Central Texas SBDC data.

Technical Notes

This document prioritizes Lightcast Q1 2026 data over ACS estimates where both sources report on the same indicator. Population totals in this document (562,751 regional total, 2025) reflect Lightcast estimates and differ from ACS five-year estimates for the same counties due to differing methodology, reference years, and inclusion of military personnel. Both figures are valid within their respective methodological frameworks. The same convention applies to the veteran population: the Lightcast estimate (65,162) is used as the regional headline figure, while the ACS county-level counts in Table 3.1 (totaling 64,060) reflect the civilian survey base.

Where source discrepancies exist, they are noted in the text. County-level population figures shown in Table 3.1 are from ACS five-year estimates and reflect the civilian population base; the Lightcast 2025 regional total includes military residents counted at Fort Hood.

Document prepared by CTCOG/DDCT Planning Staff. For questions regarding data sources or methodology, contact the CTCOG Economic Development Division.

Acronyms

Acronym	Meaning
ACS	American Community Survey (U.S. Census Bureau)
ASR	Aquifer Storage and Recovery
BAH	Basic Allowance for Housing
BDO	Texas Broadband Development Office
BEAD	Broadband Equity, Access, and Deployment program
BLS	U.S. Bureau of Labor Statistics
BRAC	Base Realignment and Closure
CDBG	Community Development Block Grant
CEDS	Comprehensive Economic Development Strategy
COG	Council of Governments
CTC	Central Texas College
CTCOG	Central Texas Council of Governments
CTWA	Central Texas Water Alliance
DDCT	Development District of Central Texas
DEAAG	Defense Economic Adjustment Assistance Grant
DOD	U.S. Department of Defense
EDA	U.S. Economic Development Administration
EDC	Economic Development Corporation
EDCI	Economic Development Capacity Index
EDD	Economic Development District
EMS	Emergency Medical Services
ERCOT	Electric Reliability Council of Texas
FAA	Federal Aviation Administration
FCC	Federal Communications Commission
FEMA	Federal Emergency Management Agency
GIS	Geographic Information System
GRK	Killeen-Fort Hood Regional Airport
GRP	Gross Regional Product
HCTD	Hill Country Transit District
HPSA	Health Professional Shortage Area
HRSA	Health Resources and Services Administration
KTMPO	Killeen-Temple Metropolitan Planning Organization

Acronym	Meaning
LAUS	Local Area Unemployment Statistics
LFPR	Labor Force Participation Rate
LQ	Location Quotient
MSA	Metropolitan Statistical Area
NAICS	North American Industry Classification System
NERDE	National Economic Resilience Data Explorer
NRI	National Risk Index
NTIA	National Telecommunications and Information Administration
QCEW	Quarterly Census of Employment and Wages
SBA	U.S. Small Business Administration
SBDC	Small Business Development Center
TAMUCT	Texas A&M University–Central Texas
TARC	Texas Association of Regional Councils
TCEQ	Texas Commission on Environmental Quality
TDEM	Texas Division of Emergency Management
TIP	Transportation Improvement Program
TRBP	Texas Regional Broadband Program
TWDB	Texas Water Development Board
TxDOT	Texas Department of Transportation
UMHB	University of Mary Hardin-Baylor
USDA	U.S. Department of Agriculture