



# Chapter 2 Town Profile

## Town of South Padre Island Comprehensive Plan

The assessment of demographic and socioeconomic factors provides a snapshot of past and present characteristics of South Padre Island that will help identify potential opportunities and constraints. This profile provides a basis for determining future land use requirements and demands for public facilities and services, while providing background information needed for planning to guide future development in a desirable and fiscally responsible manner.

### History

South Padre Island is a retreating barrier island with a rich coastal identity. It was founded on the vision of John Tompkins and plotted in 1950. The community was incorporated in 1973. The first causeway opened in 1954. The updated Queen Isabella Causeway was opened in 1975 and population growth followed.

### Purpose

The purpose of this chapter is to: 1) examine how the Island has grown in terms of its resident population, second homeowners, and visitors; 2) increase familiarity with the characteristics that contribute to the Island's physical and economic development; and 3) identify trends that will influence future growth and development.

The information in this chapter is not intended as a comprehensive assessment of the Town's demographics, but, rather, a guideline. This chapter briefly assesses and compares with the County and State both demographic and socioeconomic trends including historic, current, and projected populations; ethnic and household composition; age and gender; income and poverty level; housing occupancy, tenure, and value; and employment and labor force statistics. This analysis is

valuable in that it allows assessment of the Town in terms of where it has been in years past, where it stands presently, and where it appears to be headed. County and State information provides a baseline comparison to signify how the Island is doing relative to other proximate jurisdictions. This “big-picture” view enables decision makers and residents to better understand the issues and challenges and, subsequently, develop policies and implementation strategies to proactively manage the future course of the Island.

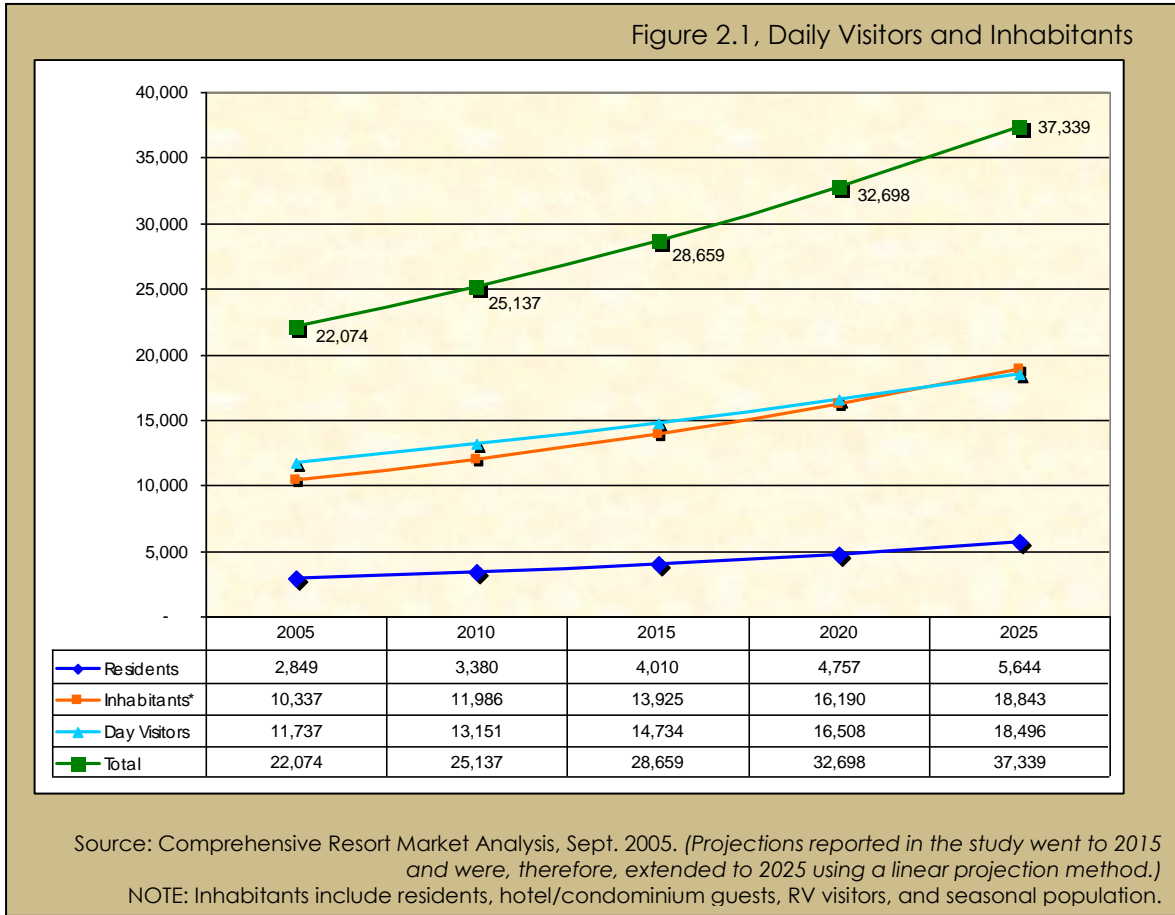
## Population Trends

1. The number of persons claiming South Padre Island as their permanent place of residence increased only six percent from 2000 to 2005 with the addition of 166 new residents.
2. At the same time, neighboring communities such as Pt. Isabel and Laguna Vista experienced greater population expansions. During that period, Pt. Isabel’s population increased ten percent with the addition of over 500 new residents. Laguna Vista’s population increased at an even more rapid 57 percent pace with the addition of 942 persons.
3. The combined population of these three communities increased 18 percent through the net increase of almost 1,600 persons. By 2005, it is estimated that 10,561 persons lived on the south end of the Laguna Madre.
4. The population of the Rio Grande Valley (Cameron and Hidalgo Counties) has also increased at rapid pace, growing from approximately 900,000 to 1,050,000 in five years. The region’s rate of growth was significantly higher than the state as a whole.
5. A comparison of the number of year-round residents to the large number of seasonal residents is significant. These additional inhabitants and visitors will have a substantial impact on land use demands, traffic, parking, and public spaces and facilities during the 20-year horizon of this plan.
6. The baseline residential population on the Island is augmented by the presence of day visitors (11,737 persons), inhabitants (10,337 persons), and employees (3,171 employees)<sup>1</sup> to equal a total of 25,245 persons on the Island daily.

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<sup>1</sup> Based on private sector employment in 2004, U.S. Census Bureau (ZIP Code Business Patterns)

- The overall proportions of residents, day visitors, and inhabitants are assumed to remain at similar levels through the Year 2025, as illustrated in **Figure 2.1, Daily Visitors and Inhabitants**, by the roughly parallel line depicting this trend.

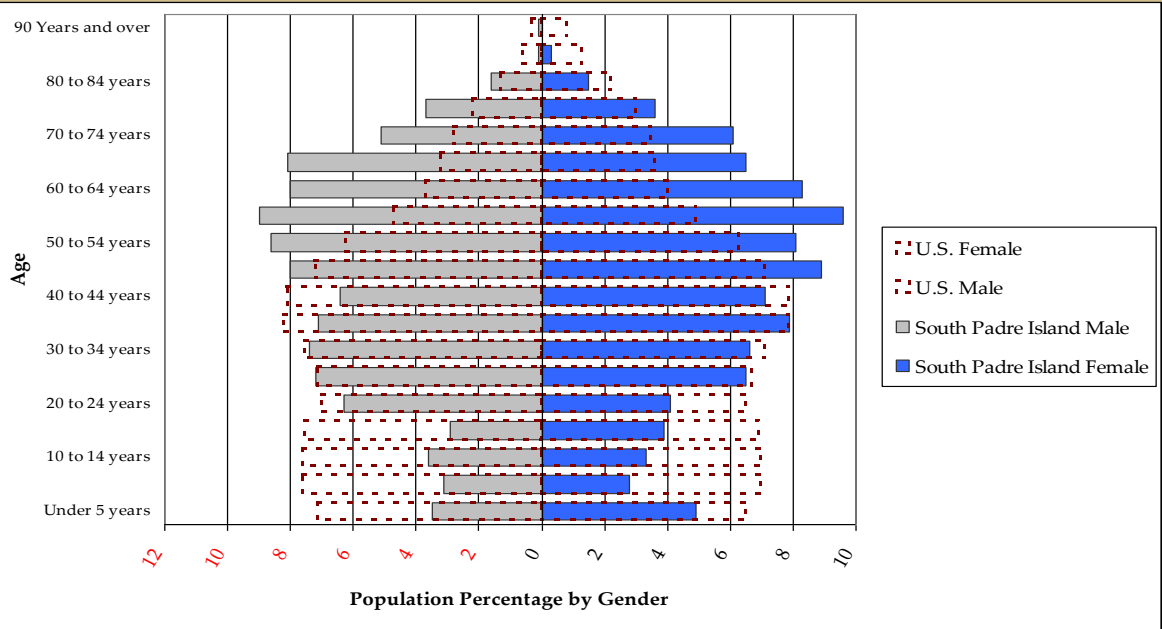


## Demographics

### Population Characteristics

- Age groups between 45 years and 80 years are significantly above the national average, as shown in **Figure 2.2, Age Distribution** (following page). Conversely, groups between 0 years and 24 years are significantly below the national average.

Figure 2.2, Age Distribution

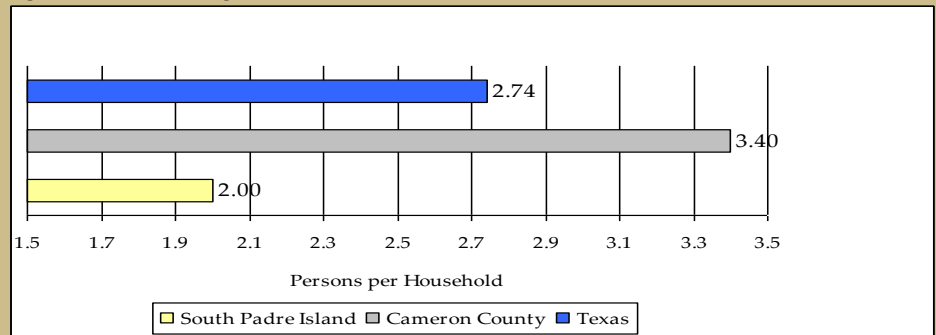


Source: U.S. Census Bureau

NOTE: The components of population change are typically characterized by births, deaths, and migration. Figure 2.3 excludes persons under 20 years of age; those not of working age. An increase in population for these cohorts can, therefore, only be a result of migration.

- Other than the age groups between 0 years and 24 years there is an even distribution between males and females.
- The impact of these age characteristics requires the plan to consider the means for accommodating an older population, such as passive versus active (ball fields, courts, etc.) parks and recreation facilities, pedestrian improvements, etc.
- The average household size is two persons per household versus 2.74 and 3.40 in Texas and Cameron County, respectively (see **Figure 2.3, Average Household Size**). A small household size inflates the demand for new housing units thereby causing a smaller than apparent population increase. In other words, since there are fewer persons per household there are a greater

Figure 2.3, Average Household Size



Source: U.S. Census Bureau

number of units needed to accommodate a smaller overall population. The results of this are seen in the population projections above.

5. Forty-four percent of South Padre Island's "permanent" residents in 2000 were 50 years of age or older, compared to just 23 percent statewide.
6. Not only does the island have a much larger population share that is 65 years or older (traditional retirement age), but also a higher share of residents in their fifties. For example, 18 percent of South Padre Island residents were 50-59 year of age compared to 10 percent statewide. This may indicate that the island has also become a destination for baby boomers that have either retired early or have chosen to pursue opportunities on the island.

#### Population Change by Generation

1. An analysis of population change by age cohort reveals the Rio Grande Valley (defined as Cameron and Hidalgo Counties) is becoming an increasing destination for working adults. Each cohort of traditional working age (20-64 years) increased between 2000 and 2005, as displayed by **Figure 2.4, Population Change by Age Cohort**.
2. The net change in the number of working adults living in the Rio Grande Valley was just over 8,800 persons between 2000 and 2005, compared to approximately 35,900 persons State-wide. In other words, the Valley accounted for 25 percent of the State's growth from working adults relocating to the State.
3. South Padre Island's population is classified by the U.S. Census Bureau as predominantly "White" (94.6 percent). The "White" population on the Island is significantly more populous than Texas or Cameron County. **See Table 2.1, Population Classified as "White."**
4. Among the races other than white, "some other race" accounts for 2.8 percent, with much smaller percentages for each of the other races, as shown in **Figure 2.5, Race Other than White**.

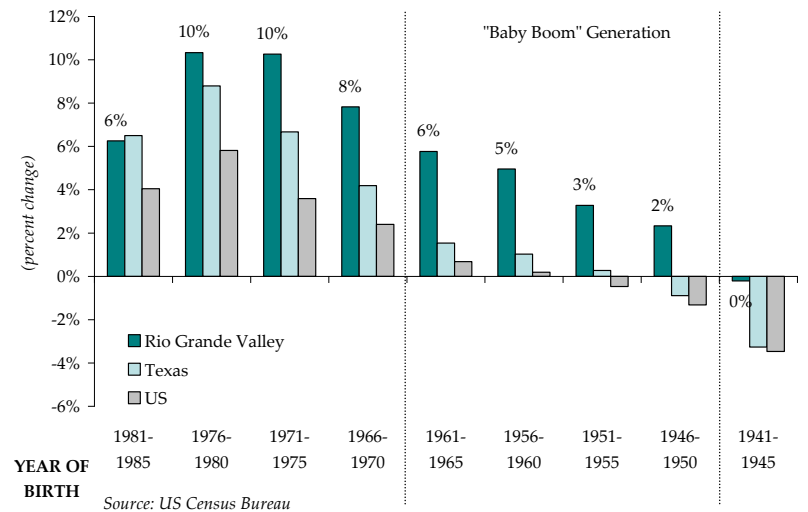
Table 2.1, Population Classified as "White"

	White	Other
Texas	71.0%	29.0%
Cameron County	80.3%	19.7%
South Padre Island	94.6%	5.4%

Source: U.S. Census Bureau

Figure 2.4, Population Change by Age Cohort

Population Change by Age Cohort, 2000-2005



Increase in Baby Boomers, 2000-2005

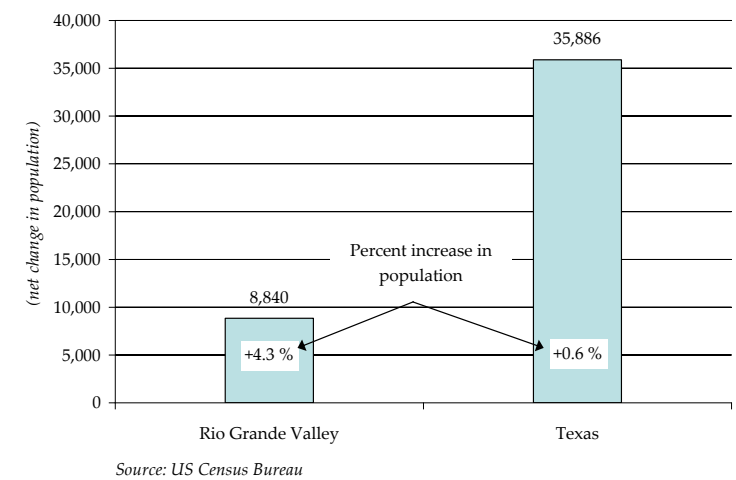
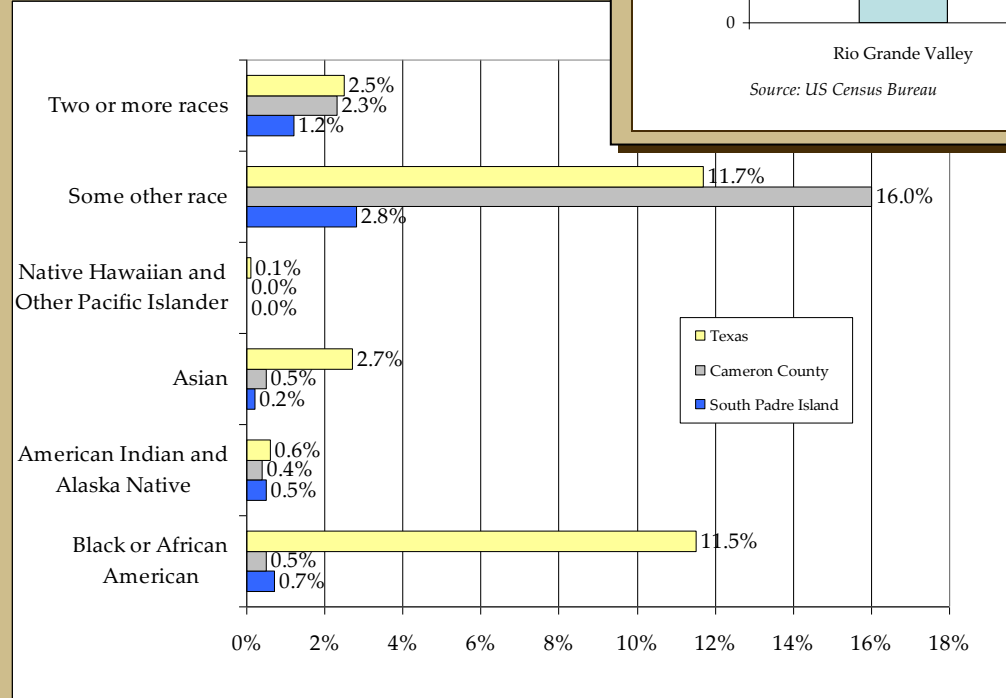
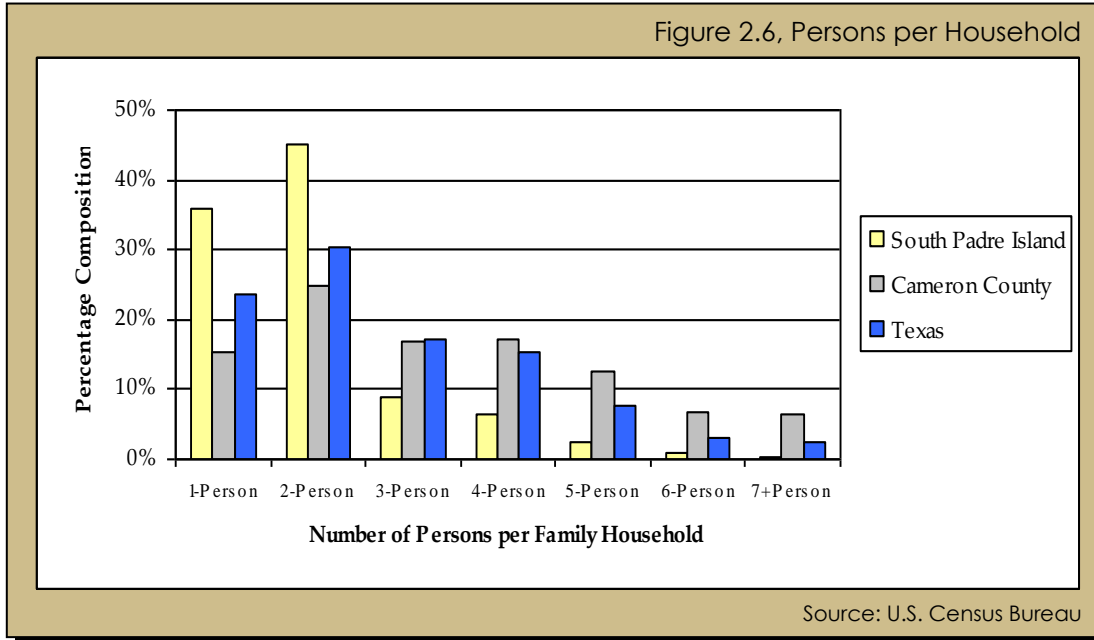


Figure 2.5, Race Other than White

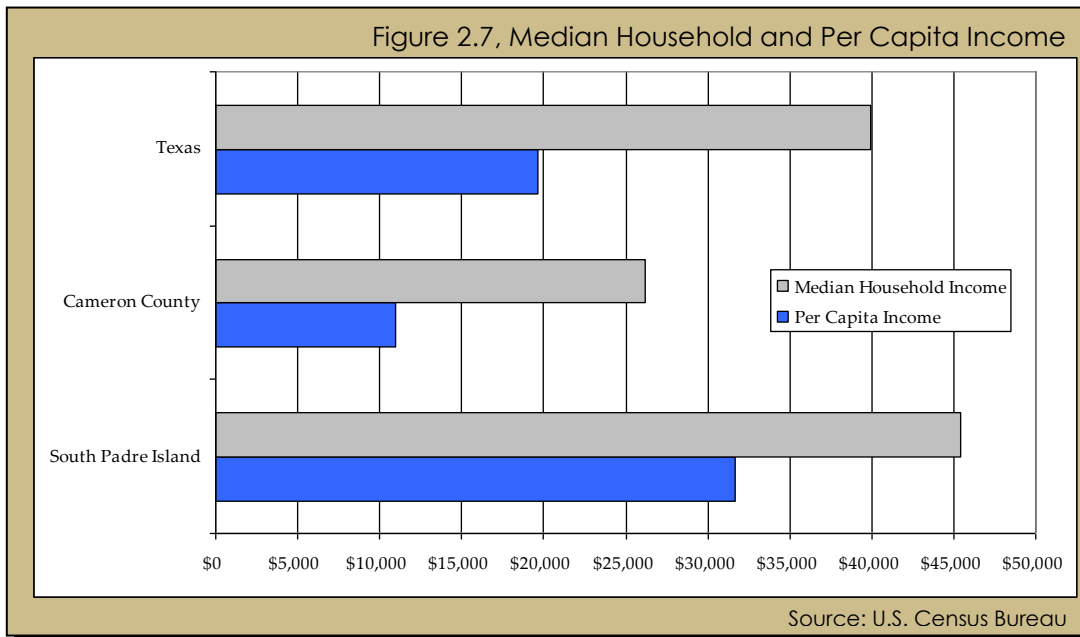


Household Characteristics

1. South Padre Island has a significantly higher percentage of one-person (35.8 percent) and two- person (45.1 percent) households than Cameron County and Texas, as exhibited in **Figure 2.6, Persons per Household.**

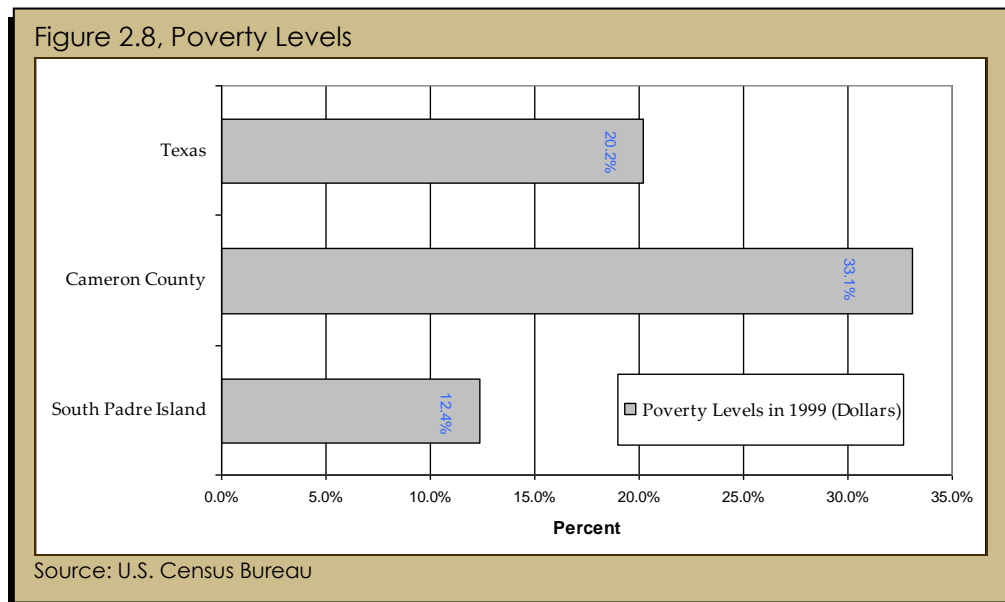


2. Conversely, the Island has a significantly lower – progressively smaller – percentage of three or more person households than the County and State.
3. These percentages indicate small family sizes on the Island, which, again, contribute to a demand for increased housing units without a comparable increase in total population.

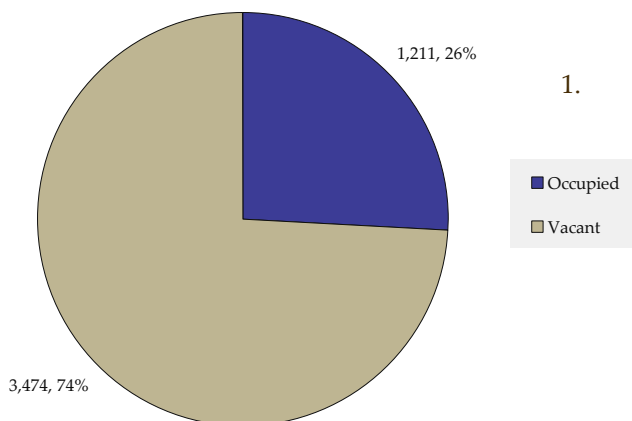


Income and Poverty

1. Per capita income and median household income for South Padre Island (\$31,708 and \$45,417, respectively) are significantly higher than Cameron County (\$10,960 and \$36,155, respectively) and moderately higher than Texas (\$19,671 and \$39,927, respectively), as displayed in **Figure 2.7, Median Household and Per Capita Income**.
2. With a 12.4 percent poverty level, as shown in **Figure 2.8, Poverty Levels**, the Island is well below the levels of the State (20.2 percent) and Cameron County (33.1 percent). This is directly attributable to the median and per capita incomes, as well as the type of development and residents on the Island.



South Padre Island Housing Units, 2000



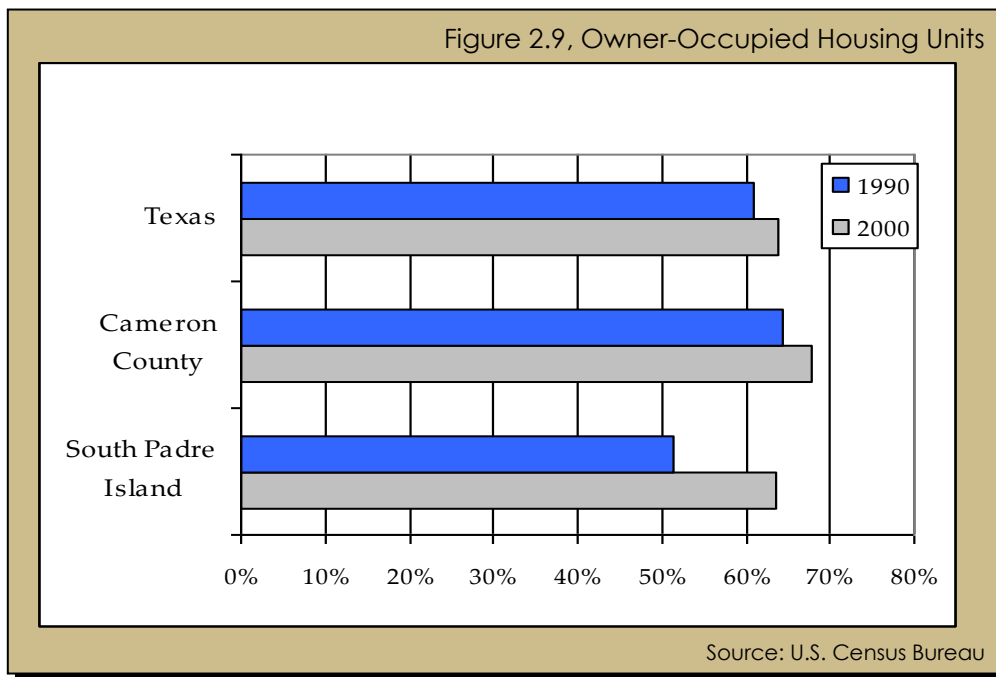
Source: US Census Bureau

Housing Characteristics

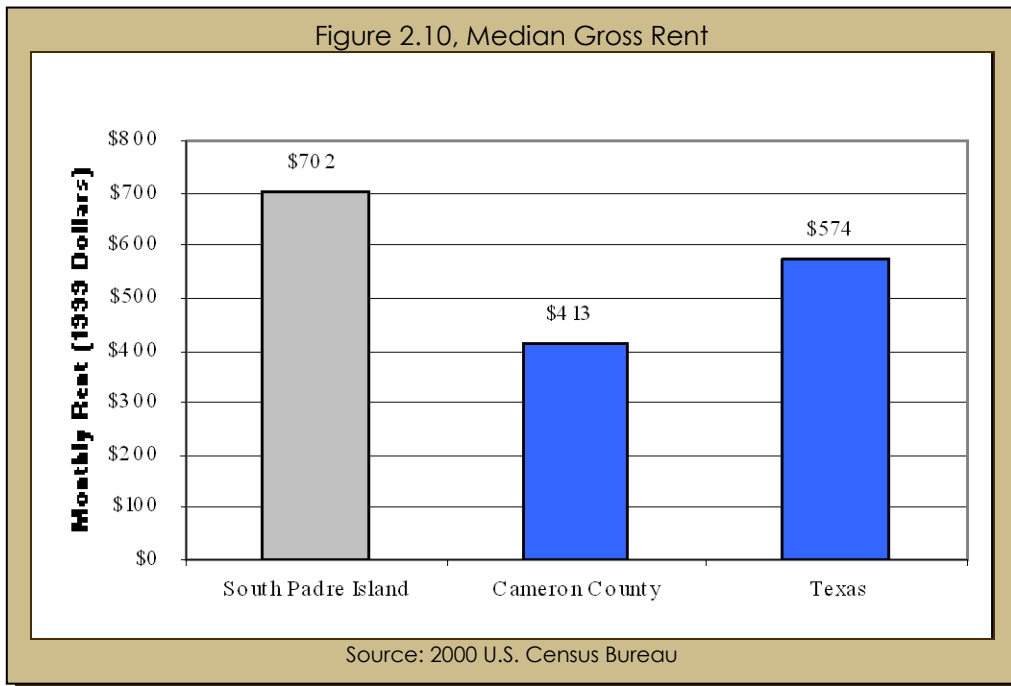
1. Three-quarters of South Padre Island’s 4,685 housing units were “vacant” at the time of the 2000 Census. This figure largely reflects the overwhelmingly seasonal use of housing units on the island. (Census definition for vacant: A housing unit is vacant if no one is living in it at the time of enumeration, unless its occupants are only temporarily absent. Units temporarily occupied at the time of enumeration entirely by people who have a usual residence elsewhere were classified as vacant)



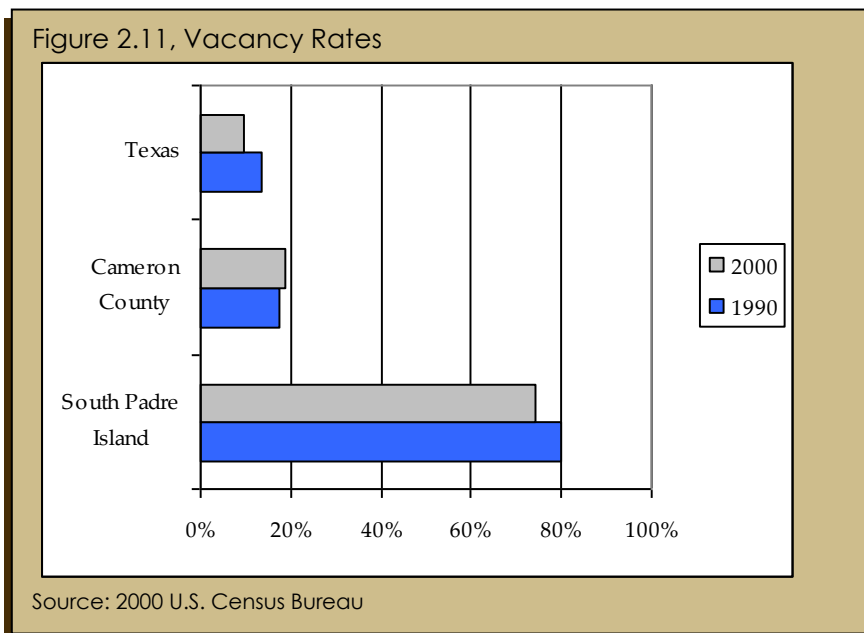
2. In 1990, the Island had a significantly lower percentage (51.4 percent) of owner-occupied units than the State (60.9 percent) and Cameron County (64.4 percent). However, between 1990 and 2000, there was a significant shift in the trend, resulting in positive increases in owner-occupied units: South Padre Island (+12.1 percent), Cameron County (+3.3 percent), and Texas (+2.9 percent).
3. As a result of the increase in owner-occupied units over the course of the last decade, the Island had 63.5 percent owner occupancy compared to 51.4 percent in 1990 (**Figure 2.9**) below. This is significant for the amount of new investment on the Island, which has contributed to the demand for new units.



4. As displayed by **Figure 2.10, Median Gross Rent**, the rent on the Island is \$702 per month, which is significantly higher than the State median (\$574) and the Cameron County median (\$413). This is expected for a resort destination of tourists and visitors.
5. In both 1990 and 2000, the Island had a significantly higher (close to 60 percent higher) vacancy rate than the State or County. This is not unexpected though due to the amount of seasonal living.



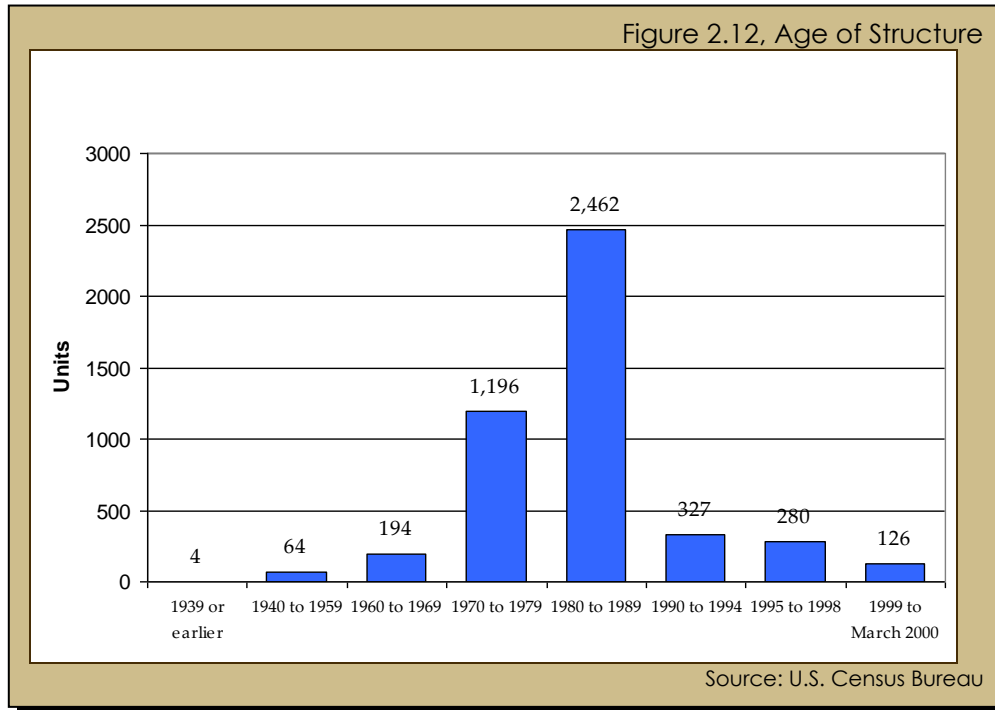
6. Between 1990 and 2000 there was a decrease in the percentage of seasonal units, from 74 percent in 1990 to 59.5 percent, as shown in **Figure 2.11, Vacancy Rates**. This shift mirrors the increase in the number and percentage of owner-occupied units. This is a very positive trend for the Island; its implications are reflected in increased daily traffic, parking, and other observed impacts.



7. In 2000, of all vacant housing units, the percentage (59.5 percent) on the Island is comparable to that in Cameron County (52.5 percent) while being significantly more than the State (22.7 percent).

8. As exhibited in **Figure 2.12, Age of Structure**, nearly 26 percent

of the housing stock on the Island was built during the 1970s,



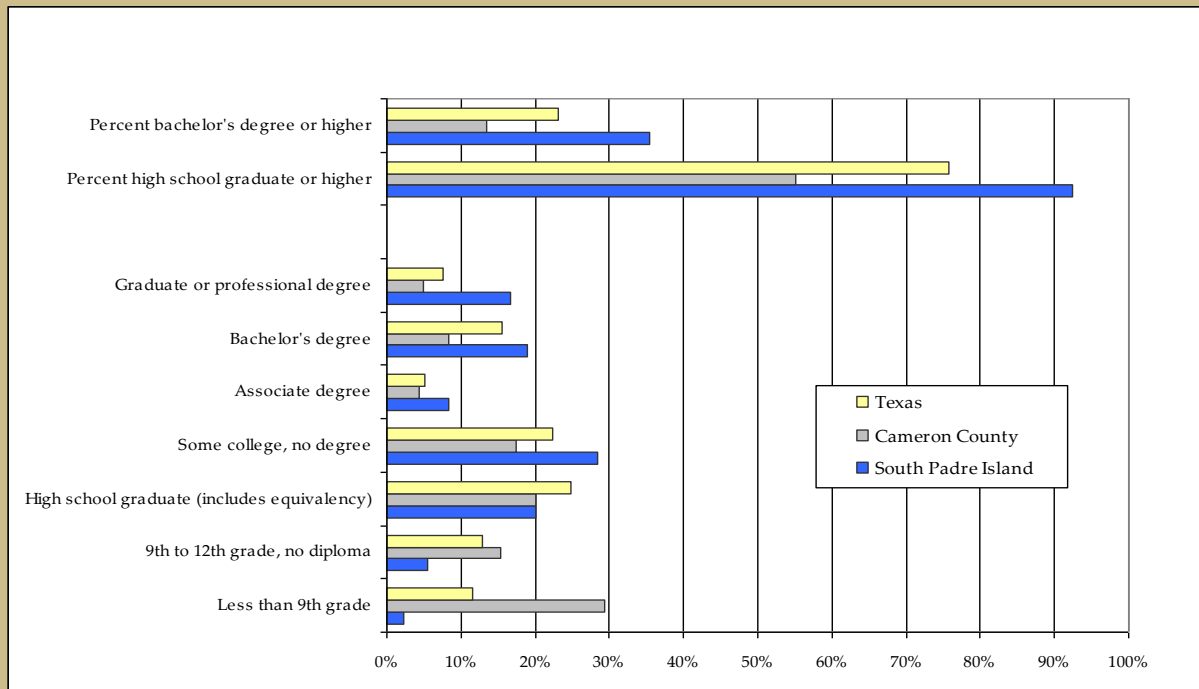
meaning it is around 30 years old. This is significant since structures generally begin to exhibit signs of wear and require updating and significant structural improvements after 10-20 years. Therefore, many of these structures may begin to be remodeled and/or redeveloped, particularly considering escalating land costs.

9. Approximately 53 percent of the housing stock was built during the 1980s, meaning that these structures are now approaching 15 to 25 years of age and beginning to require updating and ongoing maintenance.
10. Only 5.6 percent of the housing stock was built before 1970, much of which is likely to be replaced or reconstructed in the near term.

### Educational Profile

1. South Padre Island, on average, has higher educational attainment than both Texas and Cameron County, as shown by **Figure 2.13, Educational Attainment**.
2. The low percentages of categories "Less than 9th grade" (2.2 percent) and "9th to 12th grade, no diploma" (5.4 percent) relative to the County and State indicate that residents of the Island tend to have a higher level of education.
3. The Island leads in each of the categories from "Some college, no degree" (28.5 percent) to "Percent Bachelor's degree or higher."

Figure 2.13, Educational Attainment



Source: U.S. Census Bureau

4. These educational characteristics are indicative of the mature population on the Island (i.e., retired professionals), as well as their socioeconomic status, which correlates with many of the other statistics, i.e. income, household size, etc.

Transportation

1. As shown in **Table 2.2, Vehicle Availability**, a majority (52.7 percent) of housing units on the Island have one vehicle present. An additional 39 percent have two vehicles per housing unit.
2. Five percent of the housing units on the Island do not have a vehicle available, as reported to the U.S. Census. This means that there are 232 units that rely on walking, bicycling, public transit, or other persons for their means of travel. Assuming two persons per household this accounts for 464 persons.

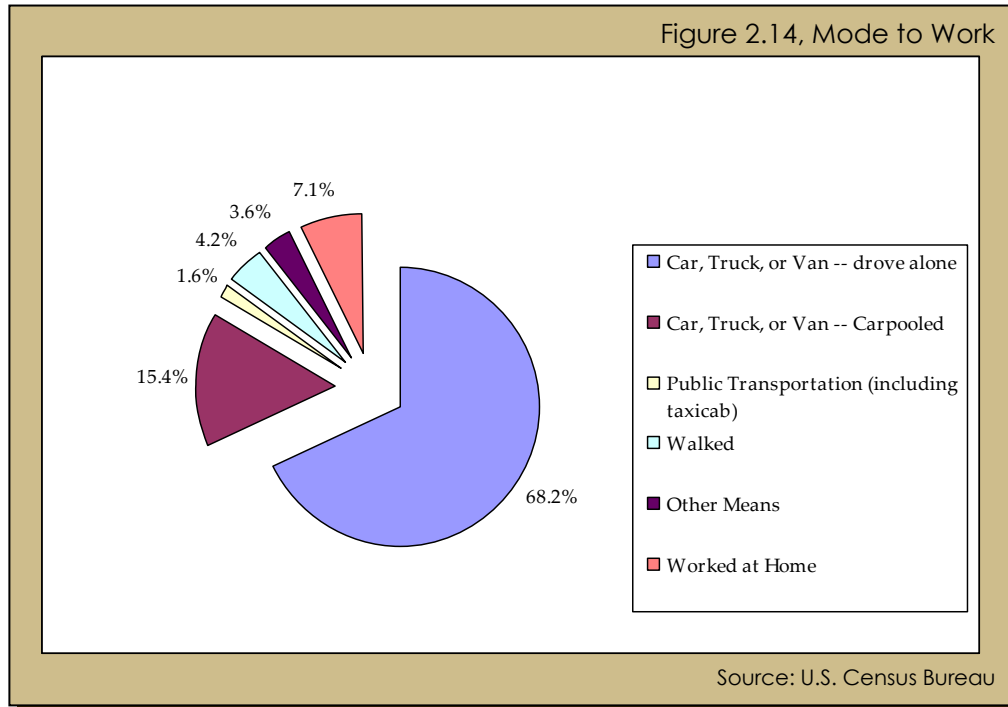
Table 2.2, Vehicle Availability

Vehicles Available/Unit	Percent
None	4.9%
1	47.8%
2	39.0%
3	8.0%
4	0.0%
5 or more	0.4%

Source: U.S. Census Bureau

3. As displayed by **Figure 2.14, Mode to Work**, 83.6 percent of the Island residents commute to work in a car, truck, or van. Of these commuters,

68.2 percent commute alone, below the national average of 75.7 percent.



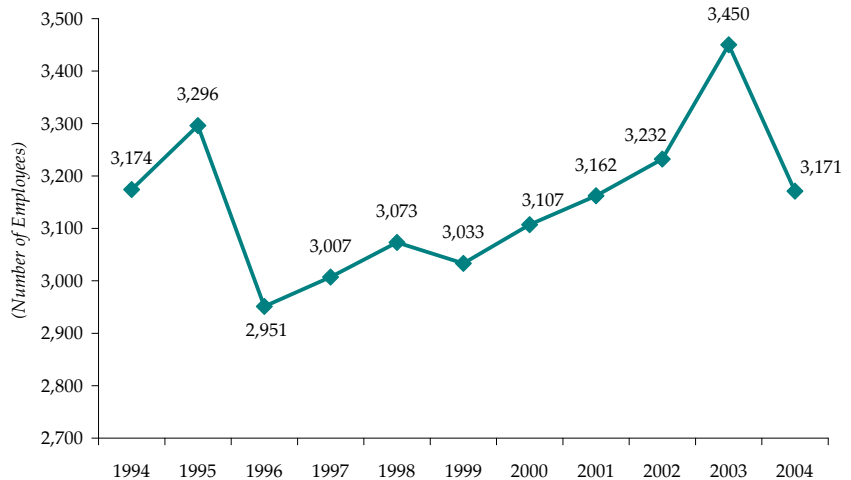
4. Residents who worked from home (7.1 percent) are more than double the national average (3.3 percent). This is an economic development opportunity as outlined in *Chapter 7, Economic Development*. It also created a market opportunity for live-work, mixed-use units on the Island.
5. In addition to those who work from home, 4.2 percent of these commuters walk to work on the Island, higher than the national average of 2.9 percent. This correlates to the number of units without a vehicle present.
6. Due to a lack of regional transit for work trips, only 1.6 percent commutes to work via public transportation. As pointed out in *Chapter 4, Mobility Plan*, this is an opportunity and priority for the Island.

### Employment Trends

1. Available data indicate two large year-over-year employment decreases: 1995-1996 and 2003-2004. South Padre Island enjoyed steady job growth between those two periods.
2. From 1994 to 2004, the number of private sector jobs located in ZIP code 78597 (South Padre Island) remained virtually unchanged. During the same period, the number of private sector jobs increased 27.6 percent throughout all of Cameron County and 25.8 percent State-wide. (See **Figure 2.15, Private Sector Employment and Job Growth**.)
3. ZIP code level employment data are collected only once per year in mid-March due to the lack of seasonal trends during that time of year in a typical community. Unfortunately, mid-March

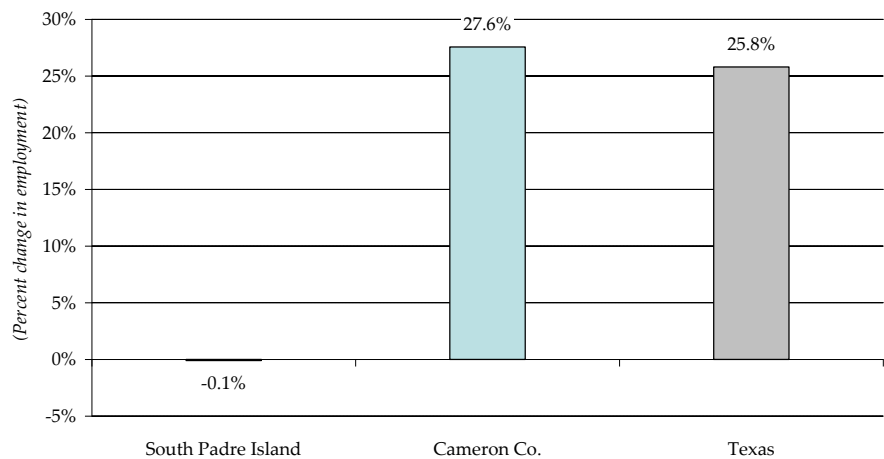
Figure 2.15, Private Sector Employment and Job Growth

**South Padre Island Private Sector Employment  
(mid-March in ZIP 78597)**



Source: US Census Bureau (ZIP Code Business Patterns)

**Private Sector Job Growth Comparison, 1994-2004**



Source: US Census Bureau (Business Patterns)

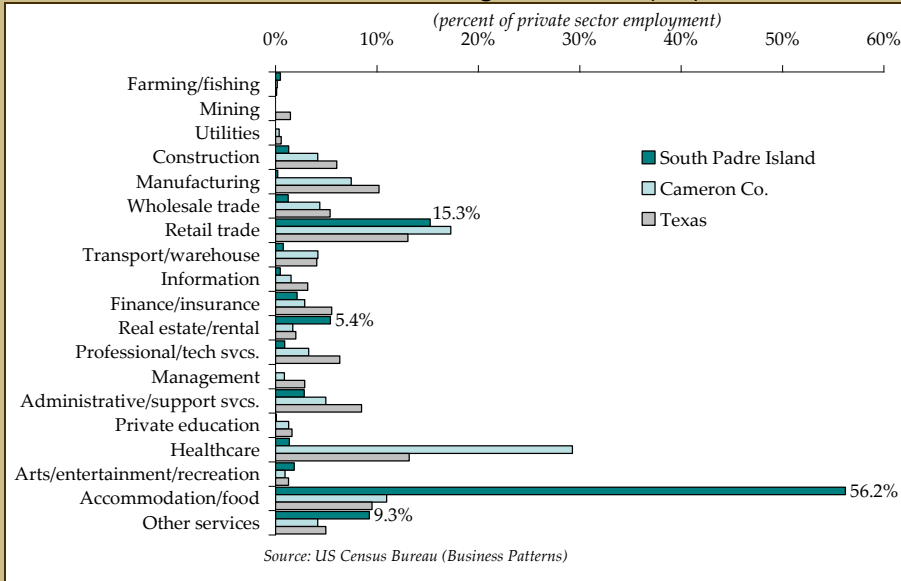
Source: U.S. Census Bureau (Business Patterns) and TIP Strategies, Inc.

in South Padre Island may not be indicative of employment patterns for the remainder of the year due to the timing of Spring Break.

Employment Distribution

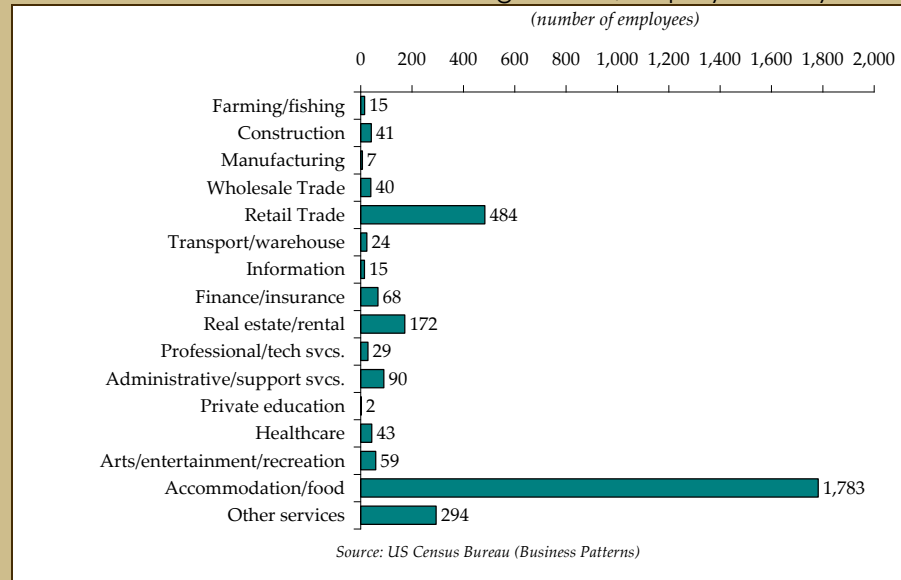
1. The distribution of the number of jobs by employment sector reveals that the local economy is very dependent on tourism, especially during mid-March. For example, as shown in **Figure 2.16, Employment Distribution**, 56 percent of all private sector jobs on the Island were recorded in the Accommodations and

Figure 2.16, Employment Distribution



Source: U.S. Census Bureau (Business Patterns) and TIP Strategies, Inc.

Figure 2.17, Employment by Sector



Source: U.S. Census Bureau (Business Patterns) and TIP Strategies, Inc.

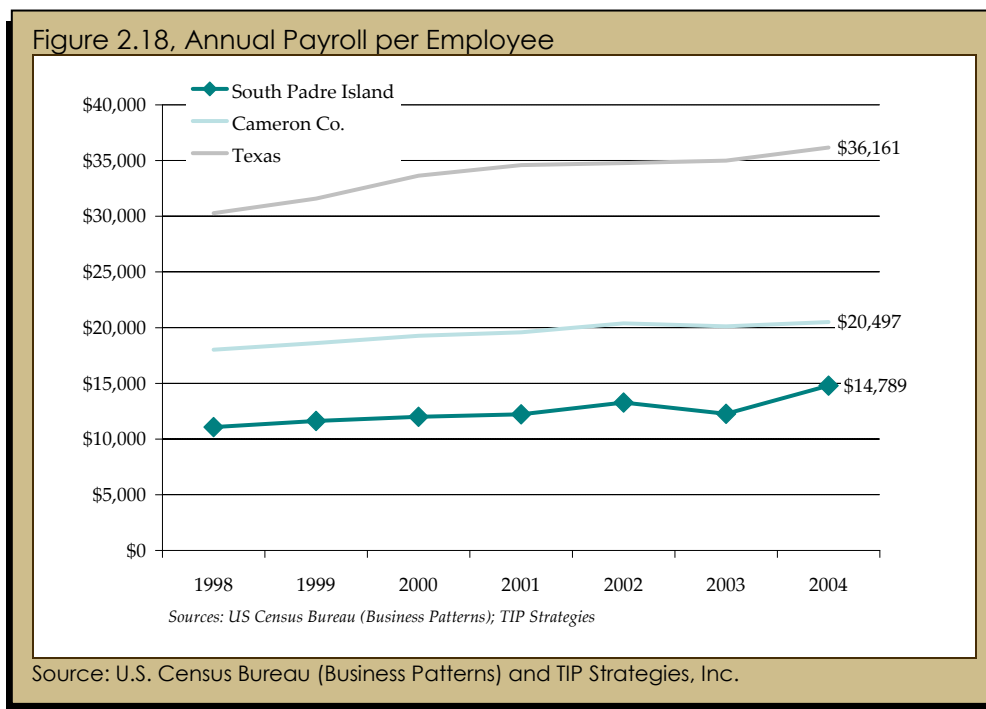
Food Services (hotels and restaurants) sector. An additional 15 percent of jobs were in Retail Trade.

2. Given the Island’s status as a tourism destination, as shown by **Figure 2.17, Employment by Sector**, the low share of workers employed in Arts/Entertainment/Recreation is surprising, and, thus, provides an economic opportunity.
3. Slightly more than 5.4 percent of jobs located on the Island were in the Real Estate sector, which is more than twice the

percentage in Cameron County or State-wide. This indicates the strong role that real estate development and sales play in the local economy.

### Local Area Payroll

1. In 2004, exhibited by **Figure 2.18, Annual Payroll per Employee**, the average annual payroll per private sector worker was \$14,789 on the Island, compared to \$20,497 County-wide and \$36,161 State-wide.
2. This discrepancy in wages is likely due to the high concentration of jobs in Accommodations and Foods Services, which is a low-paying sector. In addition, it is common for waiters and waitresses to not report their tips. Regardless, the



average annual payroll on South Padre Island increased \$3,700 from 1998 to 2004, a greater dollar amount than County-wide.

### Regional Occupation & Wages

1. An analysis of occupational data for the Rio Grande Valley (Cameron and Hidalgo Counties) reveals that the highest paying jobs in the region are typically in Management, Professional, and Technical fields, which tend to require advanced training and higher education. On average, these professions pay approximately \$46,000 per year in the region (**Figure 2.19, Occupational Employment & Wage Estimates**).



Figure 2.19, Occupational Employment &amp; Wage Estimates

	Employment	% of Total Employment	Avg. Ann. Wage	Net chg, 2002-2012	% chg., 2002-2012
ALL OCCUPATIONS	310,020		\$26,034	72,700	21.9%
<b>MANAGEMENT, PROFESSIONAL &amp; TECHNICAL</b>	74,930	24.2%	\$45,967	27,550	28.6%
Management	10,120	3.3%	\$67,097	4,150	21.3%
Business and Financial Operations	5,670	1.8%	\$41,816	2,100	27.6%
Computer and Mathematical	1,440	0.5%	\$45,368	1,000	35.7%
Architecture and Engineering	1,540	0.5%	\$42,422	600	23.5%
Life, Physical, and Social Science	1,000	0.3%	\$42,993	350	26.9%
Community and Social Services	3,520	1.1%	\$35,683	1,400	28.0%
Legal	1,460	0.5%	\$59,588	450	20.9%
Education, Training, and Library	31,790	10.3%	\$35,821	10,800	30.0%
Arts, Design, Entertainment, Sports, and Media	2,170	0.7%	\$28,379	600	21.1%
Healthcare Practitioner and Technical	16,220	5.2%	\$58,055	6,100	36.4%
<b>SERVICE</b>	86,170	27.8%	\$16,716	24,400	30.7%
Healthcare Support	15,880	5.1%	\$16,265	5,950	48.8%
Protective Service	9,480	3.1%	\$32,093	2,650	32.9%
Food Preparation and Serving	27,370	8.8%	\$14,457	5,000	19.0%
Building and Grounds Cleaning and Maintenance	10,130	3.3%	\$15,987	2,100	18.3%
Personal Care and Service	23,310	7.5%	\$13,738	8,700	40.7%
<b>SALES &amp; OFFICE</b>	84,770	27.3%	\$21,636	11,450	13.7%
Sales and Related	32,460	10.5%	\$21,317	6,050	16.8%
Office and Administrative Support	52,310	16.9%	\$21,835	5,400	11.3%
<b>"BLUE COLLAR"</b>	64,160	20.7%	\$21,058	9,250	12.8%
Farming, Fishing, and Forestry	3,550	1.1%	\$13,391	900	12.9%
Construction and Extraction	12,100	3.9%	\$21,869	2,750	18.6%
Installation, Maintenance, and Repair	11,160	3.6%	\$25,114	2,250	19.8%
Production	15,620	5.0%	\$21,206	150	0.9%
Transportation and Material Moving	21,730	7.0%	\$19,668	3,200	14.4%

Sources: U.S. Bureau of Labor Statistics (2005 Wages & Employment estimates for Cameron and Hidalgo Counties); Texas Workforce Commission (Occupation projections for Cameron, Hidalgo, Starr, and Willacy Counties)

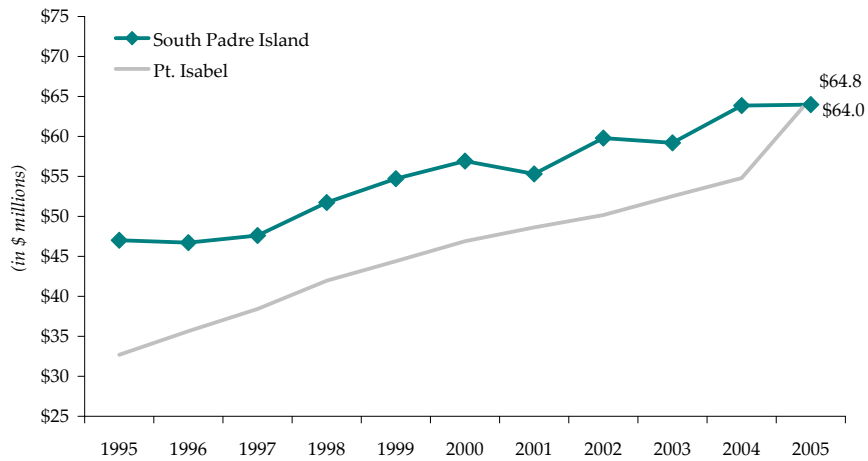
Within this broad category, however, can be found some occupations that pay even higher rates, including Management (\$67,097), Legal (\$59,588), and Healthcare Practitioner and Technical (\$58,055).

- Occupational projections provided by the Texas Workforce Commission indicate that higher paying fields will also tend to be the fastest growing through 2012. For example, Management, Professional, and Technical occupations are expected to add over 27,000 jobs from 2002 through 2012, a 28.6 percent growth rate. This would equal nearly 38 percent of all new occupations throughout the region.
- On average, low-paying "Blue Collar" occupations are expected to add the smallest number of new jobs in the region.

### Retail Trade

1. During the last ten years, taxable retail sales in South Padre Island climbed steadily, reaching \$64 million in 2005, a 36 percent increase over 1995 (**Figure 2.20, Retail Sales Comparison**).
2. By comparison, taxable retail sales in Port Isabel increased 98 percent during the same period and surpassed South Padre for the first time in 2005. This City's large 2005 increase was undoubtedly related to the opening of the Super Wal-Mart that year.
3. During the same period, the number of retail outlets located on the Island decreased from 222 in 1995 to 181 in 2005, while the number of stores in Port Isabel increased slightly (**Figure 2.21, Comparison in Number of Retail Outlets**).

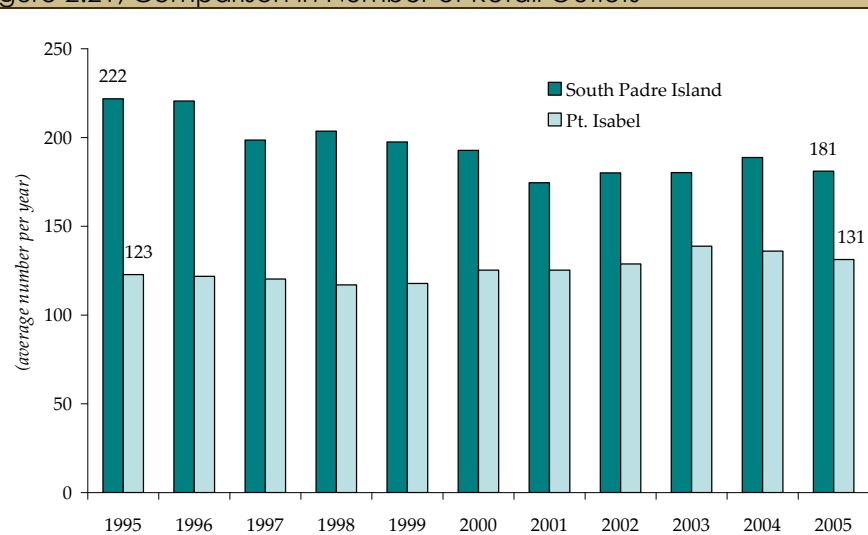
Figure 2.20, Retail Sales Comparison  
(amount subject to sales tax)



Source: Texas Comptroller's Office

Source: Texas Comptroller's Office and TIP Strategies, Inc.

Figure 2.21, Comparison in Number of Retail Outlets



Source: Texas Comptroller's Office

Source: Texas Comptroller's Office and TIP Strategies, Inc.