

HONDO ECONOMIC DEVELOPMENT CORPORATION

Hondo in Context

A Data Story for Housing and Downtown Revitalization

Comparative analysis of Hondo city against Medina County and the State of Texas, tested at 90% confidence

PREPARED BY

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Sources: U.S. Census Bureau 2020 Decennial Census; American Community Survey 5-Year Estimates 2020–2024; CFPB HMDA loan-level data 2018–2025; LEHD OnTheMap LODES 8.4; TEA PEIMS Standard Reports 2011–2026; Texas Comptroller sales tax data; Medina CAD parcel records; City of Hondo governing documents

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OUR MISSION

To create and maintain a robust economic environment that attracts new businesses, supports existing enterprise, and fosters sustainable growth in the Hondo community.

OUR VISION

To position Hondo as a dynamic and thriving community where businesses succeed, families prosper, and the city’s rich heritage blends seamlessly with future opportunities.

Executive Summary

Hondo is a regional center losing its share of new activity to its own county. The draw is real and strengthening. The capacity to convert that draw into new residents, new households, and new businesses is not. Every finding in this report sits somewhere on that gap.

The city is not emptying because people are leaving the region. It is emptying because the households already here are getting smaller, the housing stock is shrinking rather than growing, and the working-age families forming here cannot find anything to buy — so they cross the city line and become county residents instead.

Before any published figure can be read, one correction is required. 22.6% of Hondo's population — 1,876 people — lives in group quarters, overwhelmingly in two state correctional facilities inside the city limits. The household population is 6,413, not 8,289. Uncorrected, published per capita income of \$23,596 becomes roughly \$30,500, and labor force participation of 43.0% becomes 57.7%.

What the seven stories establish

1. The city didn't lose households. It lost the people inside them. Between 2010 and 2020 Hondo lost 464 residents but only *two* households. Average household size fell 0.16 persons, which across 2,356 households accounts for 377 people against an actual decline of 380 — the arithmetic closes to within three residents. Hondo ISD enrollment confirms it independently: K-12 enrollment fell in every one of the fourteen year-over-year transitions from 2011–2012 to 2025–2026, down 459 students or 21.7%, while enrollment in the rest of Medina County more than doubled. **Netting inter-district transfers both ways, two thirds of that decline is a real loss of resident students and one third is transfer to neighboring districts.**

2. The housing stock is shrinking, and almost none of it is available. Of 2,596 units, just 86 are genuinely available — 3.0% of the stock, with 15 homes for sale in the entire city. The largest category of vacancy is neither: 116 “other vacant” units, 48.3% of all vacancies, built and served and off the market entirely. The median Hondo home dates from about 1975 against the mid-1990s in both benchmarks, significant on every threshold tested.

3. Housing costs are ordinary. The ownership ladder is not. Rent and both cost-burden measures test as statistically indistinguishable from county and state — there is no affordability story in the data, and an affordability-led argument will not survive review. What holds decisively is income and tenure. Median household income is \$62,032, significant against both benchmarks. Ownership among householders aged 25–54 is 38.5%, seventeen points below Texas and thirty-eight below Medina County; above 55 it is 89.7%. **Hondo is not failing to attract working-age households. It is failing to sell them a house.**

4. Hondo imports workers and exports residents. 1,810 people commute into Hondo every working day, and 73.3% of the jobs located here are held by people who live elsewhere. Capturing a quarter of that inflow means 452 households — more than the city

has net-built in twenty years. The separate outbound flow of 2,618 residents is not wage-driven; it reflects a shortage of local jobs rather than of local housing. And at 5.6% work-from-home against 14.4% statewide, remote work is not an escape valve.

5. A heavy dependency load and a real education gap. The household population carries 81 dependents per 100 working-age residents against roughly 61 statewide. Bachelor's-level attainment is 11.07% against 33.8–35.1% statewide, among the largest gaps in the report — while high school completion tests as a null against both benchmarks.

6. The retail engine works. The conversion doesn't. Hondo captures 32% of Medina County's retail sales on 15% of its population, a location quotient of 2.12 and the highest in twenty-three years. Against sixteen comparable Texas county seats it ranks second on real sales growth, where nine of fifteen peers lost sales. Hondo lost share to a fast-growing county; it did not stall. But its share of county business formation fell from 23.8% to 17.5%.

7. Downtown out-earns the retail that replaced it, acre for acre. The 62 downtown parcels sit on 9.74 acres and produce \$288,540 a year in property tax. H-E-B and Walmart together occupy 22.78 acres — 2.3 times the land — and produce \$193,405. Downtown generates roughly 49% more revenue on 43% of the acreage, at 2.5 times H-E-B's tax per acre and 3.8 times Walmart's.

What this report deliberately does not claim

Its credibility rests as much on what was withdrawn as on what was found. Fourteen claims were tested and failed, and are recorded in Appendix A so they are not reintroduced. Among them: Hondo's renters and owners are **not** more cost-burdened than the county's or the state's; rent is **not** high relative to either; high school attainment is **not** a gap; poverty is **not** significantly above the state's, only above the county's; permit activity in 2020 and 2021 is **unknown**, not zero; out-of-town owners are **not** driving downtown decline; and there is **no** measurable retail ceiling waiting to be captured.

Each of these is a claim an advocate would want to make. None survives testing, and the report says so.

Read this first: the group-quarters correction

Hondo's published Census profile is distorted by a large institutional population, and several headline figures are unusable without adjustment.

2020 Group Quarters, Hondo city	Number	% of total population
Total group quarters	1,876	22.6%
Institutionalized	1,858	22.4%
— <i>Correctional facilities for adults</i>	<i>1,805</i>	<i>21.8%</i>
— <i>Nursing / skilled-nursing facilities</i>	<i>53</i>	<i>0.6%</i>
Noninstitutionalized	18	0.2%
Household population	6,413	77.4%

More than one in five Hondo residents is in an adult correctional facility — the Texas Department of Criminal Justice's Ruben M. Torres Unit and the Joe Ney State Jail, both male facilities inside the city boundary.

Indicator	As published	Corrected to household population	What changes
Female share of population	40.6%	~51.8%	Hondo is <i>more</i> female than Texas (50.6%), not less
Labor force participation, 16+	43.0%	57.7% <i>(measured)</i>	Hondo participates significantly below Texas ($Z = -2.55$); the county comparison is null once the county base is corrected too
Per capita income	\$23,596	~\$30,500	93% of the county figure, not 72%
Bachelor's degree or higher, 25+	11.07%	~16% <i>(reasoned adjustment)</i>	Gap to benchmarks narrows by a third but still holds
Hispanic or Latino	61.9%	~59.9% <i>(households)</i>	Essentially unchanged — the caveat can be dropped

The labor force correction is measured, not estimated. ACS B23025 reports Hondo's population 16 and over at 7,356 and its civilian labor force at 3,164, producing the published 43.0%. Removing the 1,876 group-quarters residents leaves a household population 16+ of 5,480 and a **household participation rate of 57.7%**, against Texas's 64.7%. Story 4's LEHD data implies an employment rate near 66% from a third, independent source.

Second, **the elevated-unemployment reading does not survive testing.** Hondo's 226 unemployed on a 3,164-person civilian labor force give 7.14%, against 5.27% in Texas and 3.05% in Medina County. Neither comparison is significant ($Z = +0.74$ and $+1.56$), and the

226 count carries a coefficient of variation of 36.0%, past the reliability screen used elsewhere in this report.

Two published figures need no correction. Median household income (\$62,032) and the poverty rate (17.0%) are built on household universes and exclude institutional residents entirely. So are housing tenure, home value, rent, and commute figures. B18101 (disability) and B17001 (poverty) both use the civilian noninstitutionalized universe — their totals of 6,572 and 6,584 against a resident population of 8,289 confirm the correctional population is already excluded.

Method note. The female correction removes an estimated 1,832 males in group quarters. The per capita correction distributes the implied \$195.6M in aggregate personal income across 6,413 household residents rather than 8,289; this implies a mean household income of \$82,956. That does not conflict with the published median household income of \$62,032 quoted elsewhere in this report: the two are different statistics, and a mean above a median is the normal shape of any income distribution. The ratio of 1.34 is unremarkable for a place of Hondo's size. **Median household income needs no group-quarters correction at all** — B19013 is measured on households, and group-quarters residents are not households, so \$62,032 stands as published. **The bachelor's adjustment cannot be resolved cleanly** — no standard ACS table cross-tabulates attainment by group-quarters status, and Hondo is not its own PUMA. Present ~16% with the method shown, or 11.1% with the caveat; never either as a clean measurement.

The headline

Hondo is not losing households. Hondo's households are emptying out — and its housing stock is shrinking while the city builds too little to replace it.

Between 2010 and 2020 Hondo lost 464 residents but only **two** households. Average household size fell from 2.88 to 2.72, and that shrinkage alone accounts for virtually the entire population decline. Over the same period total housing stock fell by 24 units, and by 2023 it had fallen 61 units below its 2010 level.

Hondo households earn **78 cents for every dollar earned statewide** — a gap significant against both the state and the county, in a county whose own income is indistinguishable from the state's. Only **79 housing units in the entire city** were actually available on the market in 2020, a 3.0% effective vacancy rate. **169 renter households spend half or more of their income on rent**, the largest single band in the local distribution.

The supply side is starker. **Permit records for 2020 and 2021 did not survive the City's system migration, so this report makes no claim about those two years.** The record resumes in 2022 and has since run at roughly sixteen dwellings a year — against a decade in which Hondo lost about 183 units while building 159, and against a county that has been building at four to six times that rate. **The median Hondo home dates from about 1975; the median home in Medina County and in Texas dates from the mid-1990s.** Hondo holds 14.4% of its county's housing units and captured 4.3% of the county's construction since the 2010s.

And the renters are young. **407 renter households are headed by someone aged 25–34 — 44.1% of every renter household in the city — against 15 homes for sale citywide.** Benchmarked, the pattern is unambiguous: **Hondo’s ownership rate for householders aged 25–54 is 38.5%, seventeen points below Texas and thirty-eight below Medina County. Above 55 it is 89.7%, matching the county and beating the state.**

Hondo is not failing to attract working-age households. It is failing to sell them a house — in a county that is exceptionally good at exactly that.

That is the story: **a city whose housing costs test as statistically ordinary, whose housing supply has stalled and has recovered only to a rate that cannot clear the backlog, whose resident base is aging, and which has added no new net households in over a decade.**

Story 1 — The city didn’t lose households. It lost the people inside them.

	2010	2020	2023 est.	Change 2010–20
Total population	8,753	8,289	8,119	–464 (–5.3%)
Household population	6,793	6,413	6,243	–380 (–5.6%)
Group quarters	1,960	1,876	1,876	–84 (–4.3%)
Total households	2,358	2,356	2,330	–2 (–0.1%)
Average household size	2.88	2.72	2.68	–0.16
Total housing units	2,620	2,596	2,559	–24

The decline is not a prison story. Group quarters fell by only 84 people. **82% of Hondo’s population loss was household population — actual residents, in actual homes, leaving or not being replaced.**

And it is not a household-loss story either. Hondo had 2,358 households in 2010 and 2,356 in 2020. The average household shrank by 0.16 persons, which across 2,356 households accounts for **377 people against an actual decline of 380.** The arithmetic closes to within three residents.

Hondo did not lose homes. It lost the children, the second earners, and the extended-family members inside them. That is a different problem with a different remedy: the city does not need to attract households it has never had, it needs to house the ones forming here now.

Between 2020 and 2023 the pattern changed. Household count had held flat for a decade; it then fell by 26, and housing units fell by 37. The emptying-out phase gave way to an actual contraction.

School enrollment confirms it from a second, independent direction

Hondo ISD K–12 enrollment fell from 2,115 to 1,656 between 2011–2012 and 2025–2026 — **down 459 students, 21.7%, and it fell in every one of the fourteen year-over-year transitions,** without a single year of growth. Over the same fifteen years enrollment in the four other Medina County districts rose from 6,593 to 13,359, **more than doubling,** and

Medina Valley ISD alone grew 193%. Four independent datasets from four different agencies now show the same shape: **city population, household size, housing units, and school enrollment have all fallen while the county grew.**

***Source and universe.** TEA PEIMS Standard Reports, Student Enrollment Reports, Selected Countywide District Totals for Medina County, pulled one year at a time for all fifteen available years. The universe is Kindergarten through Grade 12; Early Education and Pre-kindergarten are excluded because they carry every FERPA-masked cell in Hondo ISD's series and because their enrollment tracks program capacity decisions rather than resident population. On this universe Hondo ISD's series contains no masked cells at all. Nine masked cells remain in Natalia and D'Hanis, leaving the county total accurate to within about 80 students on a base near 15,000 — under 0.6%, which does not touch any comparison made here. The five-district roster was verified unchanged across all fifteen years, so the series carries no definitional break. TEA assigns each district wholly to the county of its administrative record, so this is enrollment in districts coded to Medina County, not enrollment of Medina County residents.*

School year	Hondo ISD	Medina County	Hondo's share of county
2011–2012	2,115	8,708	24.3%
2013–2014	2,054	9,022	22.8%
2015–2016	1,971	9,531	20.7%
2017–2018	1,911	10,097	18.9%
2019–2020	1,820	10,634	17.1%
2021–2022	1,706	11,452	14.9%
2023–2024	1,680	13,275	12.7%
2025–2026	1,656	15,015	11.0%

Hondo ISD held 24.3% of Medina County's K–12 enrollment in 2011–2012 and holds 11.0% today. That is the same capture-share collapse Story 2 finds in housing construction, measured on a different population by a different agency: the county grew, and Hondo did not take part in it.

How much of that is transfer rather than departure

Hondo ISD, all grades	2011–2012	2025–2026	Change
Attending Hondo ISD	2,214	~1,696	–518
less transfers in	99	60	–39
plus transfers out	49	180	+131
Residing in Hondo ISD	2,164	~1,816	–348

Hondo ISD has gone from a net importer of students to a net exporter. In 2011–2012 it took in 99 and sent out 49, a net gain of 50. In 2025–2026 it takes in 60 and sends out 180, a net loss of 120 — a swing of 170 students against the district.

That swing accounts for a third of the attendance decline. The other two thirds is a real loss of resident students. Netting transfers both ways, the count of students *residing* inside the Hondo ISD boundary fell by roughly 348 over the fifteen years, against an attendance decline of 518. **Transfer explains 33% of the fall; 67% is children no longer there to enroll.**

The residing series is not as clean as the attendance series, and that should be said plainly. Attendance fell in all fourteen year-over-year transitions. Residence fell in ten of fourteen, with four years of increase. The resident decline is real and large, but it is not the unbroken run the attendance figures show.

Where they go is not where the growth is. The three destinations with published counts in 2025–2026 are D’Hanis ISD at 68 students, Bandera ISD at 42, and Medina Valley ISD at 20. The dominant destination is a district of fewer than 300 students — roughly a quarter of D’Hanis ISD’s entire enrollment is made up of children who live in the Hondo ISD boundary. Families are not chasing the county’s growth corridor; they are choosing small neighboring districts.

Source and method. TEA PEIMS Standard Reports, Transfer Reports, Hondo ISD (163904), one pull per year for all fifteen available years. Netted on the all-grades universe, since transfer counts are total headcount and cannot be restricted to K–12; the attendance figures in this section therefore differ from the K–12 series above. Four published totals carry FERPA masking and are bounded from their detail rows; the bounds do not change any conclusion here. Two limits are structural. A student who leaves for private or home schooling is invisible to both datasets, so the residing series counts only residents enrolled in some Texas public school. And a transfer-out student still lives inside the Hondo ISD boundary — this measures school choice, not relocation.

What this does not establish. Two causes remain unseparated. Falling birth rates are national and affect every district in the comparison. Movement to private or home schooling is invisible to PEIMS altogether — a student who leaves for either disappears from the attendance and the transfer data at the same time, so the residing series above counts only residents enrolled in some Texas public school. Inter-district transfer, previously on this list, is now measured and separated above.

Story 2 — The housing stock is shrinking, and almost none of it is available

2020 housing inventory, Hondo city	Units	
Total housing units	2,596	Down 24 from 2010; down 61 by 2023
Owner-occupied	1,460	62.0% of occupied
Renter-occupied	896	38.0% of occupied
Vacant — for rent	64	
Vacant — for sale only	15	
Vacant — other vacant	116	Off market — 48.3% of all vacancies
Genuinely available (for rent + for sale)	86	3.0% of total housing stock

Just 86 units are genuinely available — 3.0% of the stock. Fifteen homes were for sale in the entire city. The largest single category of vacancy is neither for sale nor for rent: **116 “other vacant” units**, built, served, inside the city, on the tax roll at depressed value, and off the market entirely. They are the highest-leverage target in this dataset.

The stock is old, and it stopped growing

Share of housing stock	Hondo	Medina County	Texas
Built since 2010	5.6% ±3.9	23.7% ±2.5	25.3% ±0.3
Built before 1980	56.6% ±10.8	29.4% ±3.1	31.2% ±0.3
Built before 1940	9.9%	5.6%	2.9%
Median year built	~1975	~1996	~1994

The gap is significant on every threshold tested, at Z values from -17.24 to +4.01. The median Hondo home is roughly two decades older than the median home in either benchmark. Hondo holds 14.4% of the county’s housing units and captured **4.0% of the county’s construction in the 2010s** — down from better than a third in the 1940s and 1950s.

Decade built	Hondo units	Medina County units	Hondo's share of county construction
Pre-1940	284	1,104	25.7%
1940s	234	683	34.3%
1950s	374	1,025	36.5%
1960s	341	1,313	26.0%
1970s	389	1,719	22.6%
1980s	193	2,084	9.3%
1990s	654	3,559	18.4%
2000s	236	3,696	6.4%
2010s	159	4,025	4.0%
2020s	45	682	6.6%

Through mid-century Hondo was where Medina County built housing — better than a third of all county construction in the 1940s and 1950s. Since the 1990s the series runs 18.4%, then 6.4%, then 4.0% — and the partial 2020s decade sits at 6.6% on 45 units against the county's 682, the first uptick in thirty years. **A city holding 14.4% of the county's housing units captured 4.0% of its last full decade of construction and is running at 6.6% of a decade only half elapsed. That is a real improvement on the 2010s and still less than half the share Hondo held through mid-century.**

The decade series above is built from Medina CAD parcel records and City permit data; the share-of-stock table is ACS B25034. The two are different products measured on different vintages and are not interchangeable. Neither is averaged against the other.

Construction has resumed at roughly sixteen dwellings a year since 2022 — real, and worth stating. But the City's permit records for 2020 and 2021 did not survive a system migration, so no claim is made about those two years. Against a decade in which Hondo lost about 183 units while building 159, and against **25 dwellings permitted for demolition since 2024**, that rate slows the backlog rather than clearing it. Of 59 certificates of occupancy issued since 2022, **six were residential and one was new construction.**

What is missing is a specific product

Studio and one-bedroom units are 4.1% of the stock against 15.7% statewide ($Z = -6.47$), against 618 one-person households and 533 households headed by someone aged 25–34. This is the largest tested gap in the report.

There is no attached ownership product at all. Owner-occupied stock is 86.6% single-family detached and 12.4% mobile home. No townhomes, no for-sale duplexes.

Manufactured housing is 22.9% of the entire stock — 655 units, significantly above the Texas share of 6.2% ($Z = +3.47$) — and it is predominantly a *rental* stock: **394 of the 655 are renter-occupied.** Roughly 192 of those sites sit on leased lots held across four

parcels under two private ownerships. That tenure structure, not credit history, is what determines the financing outcome in Story 3.

Story 3 — Housing costs are ordinary. The ownership ladder is not.

There is no affordability story in the data. Hondo's median gross rent, its renter cost burden, and its owner cost burden are all statistically indistinguishable from the county's and the state's. Every pair tested null; the largest Z was 1.48. **An affordability-led argument will not survive review by anyone with access to the same tables.** What is defensible is a count: **169 renter households pay 50% or more of their income in rent, and 149 mortgage-free owners pay 30% or more** — a capital-repair population, not a payment-shock one.

The income gap, by contrast, holds decisively. Median household income is **\$62,032** — 77.8% of the Texas figure and 79.5% of the county's, significant against both (**Z = -6.67** and **-4.44**). Median home value at \$228,400 is significantly below Texas but *not* below Medina County.

Median home value	Estimate	vs. Hondo
Hondo city	\$228,400	—
Medina County	\$239,600	Not significant
Texas	\$283,800	Significant

Hondo's median home value is significantly below the state's but statistically indistinguishable from the county's. The ownership gap in Hondo is therefore not a price gap against the surrounding market — houses here cost about what houses cost in Medina County. **What Hondo lacks is inventory at that price and a product young households can enter.**

The gap localizes almost entirely to **married-couple families** ($Z = -4.25$); female-headed and nonfamily households are statistically indistinguishable from state benchmarks. Two explanations were advanced and both were refuted on testing: it is **not** that fewer spouses work, and it is **not** that residents are sorted into low-paying occupations.

Hondo residents hold much the same jobs and are paid roughly three-quarters as much for the same work. Split by sex, the gap is almost entirely a women's earnings gap — full-time women earn 55.4% of what full-time men earn, against 73.1% statewide.

The ownership deficit is real, and it has a shape

Ownership rate	Hondo	Medina County	Texas
Householders 25–54	38.5% ±11.1	76.7% ±1.2	55.6% ±0.2
Householders 55+	89.7% ±7.5	91.1% ±0.4	77.7% ±0.1

Seventeen points below Texas and **thirty-eight points below Medina County** for working-age households — in a county that converts renters into owners at one of the

highest rates in Texas. Above 55, Hondo matches the county and beats the state. **407 renter households are headed by someone aged 25–34**, 44.1% of all renters, against 15 homes for sale.

Hondo is not failing to attract working-age households. It is failing to sell them a house.

Three mechanisms stack, and no single fix works

1. **Zoning rations replacement.** UDC §9.9.7 limits each of the 655 manufactured homes to a **single replacement**, and §§9.9.8–9.9.9 end the right entirely once damage or the cost of curing a substandard condition passes 50% of replacement cost.
2. **Financing denies 58% of young manufactured applicants**, overwhelmingly on credit history — an eight-fold gap against the 7.3% site-built denial rate for the same age band ($Z = -8.05$).
3. **USDA, priced for exactly this segment, reached 2 of 64 denied applicants** — and cannot reach the roughly 192 leasehold sites at all, because the guaranteed program requires the borrower to hold the land.

A land-tenure problem is presenting as a credit-access problem. A home on leased ground is personal property, underwritten as chattel rather than as real estate. Credit counseling treats the symptom; fee-simple lot creation treats the cause.

Story 4 — Hondo imports workers and exports residents

Hondo city, 2023 (LEHD Primary Jobs)

Inflow — employed in Hondo, living elsewhere	1,810
Outflow — living in Hondo, employed elsewhere	2,618
Interior — live and work in Hondo	660
Jobs located in Hondo	2,470
Employed residents of Hondo	3,278
Jobs per employed resident	0.75

73.3% of the jobs located in Hondo are held by people who do not live there. In a city of 8,289, **1,810 people commute in every working day**, and Hondo houses 660 of the 2,470 people who hold jobs inside it.

Capturing 10% of the inflow means 181 additional households; capturing a quarter means 452. Either figure exceeds anything Hondo has net-built in twenty years. The city is not failing to attract employers or workers. It attracts nearly two thousand workers a day and houses almost none of them, because there is nothing for them to move into.

The outflow is not wage-driven. Hondo's jobs pay approximately what its residents earn elsewhere, and the wage comparison runs slightly in Hondo's favor. Its residents are not commuting out for better pay. They commute out because the jobs are not here: the city holds 2,470 jobs against 3,278 employed residents, and the mix compounds the shortfall — 227 residents hold manufacturing jobs against three located in Hondo, and 195 hold

administrative and support jobs against 27. **The two directions are different populations and must not be run together.** The outflow is 2,618 people who already live in Hondo; their constraint is the supply of local jobs. The inflow is 1,810 people who already work in Hondo and would need somewhere to live; theirs is the supply of housing. Only the second is a housing finding, and it is the one this report rests on.

Remote work is not an escape valve. 5.6% of Hondo workers work from home against 14.4% statewide (**Z = -5.11**). Whatever housing demand remote work creates elsewhere, it is not reaching Hondo.

The recruitment list is specific

The inflow is not diffuse. It concentrates in a small number of nearby places, and it concentrates by occupation. **Healthcare practitioners sit at a location quotient of 0.52 — significantly below the state despite a regional hospital inside the city.** Clinical staff are commuting in. That is a named, addressable housing-capture opportunity rather than a hypothetical labor shed.

Where Hondo's workers live	Workers	Share of all Hondo jobs
All other locations	1,274	51.6%
Hondo	660	26.7%
San Antonio	270	10.9%
Uvalde	76	3.1%
Devine	40	1.6%
Yancey CDP	30	1.2%
Eagle Pass	27	1.1%
Del Rio	26	1.1%
D'Hanis CDP	24	1.0%
Castroville	23	0.9%
LaCoste	20	0.8%

The dominant category is “All other locations” at 1,274 workers — 51.6% of every job in Hondo. In a rural county that bucket is overwhelmingly unincorporated Medina County: rural addresses inside no city or CDP boundary. Adding the nearby county towns gives **roughly 1,400 people, about 78% of Hondo's inbound workforce, living in unincorporated county or small nearby communities.** They already drive to Hondo daily and already shop here — which is why the retail location quotient is 2.12. **This is the most actionable list in the report.**

The institutional thesis is confirmed. Public Administration accounts for 241 jobs at 6.4% of employment, above the state share — consistent with a county seat hosting a courthouse, a city hall, a school district, and two state correctional units. *(Decomposing those 241 jobs among the four requires a QCEW-by-ownership pull that remains outstanding.)*

Industry sector	Jobs in Hondo	Hondo residents' jobs	Gap
Health Care & Social Assistance	439 — 17.8%	404 — 12.3%	+35
Retail Trade	377 — 15.3%	495 — 15.1%	-118
Educational Services	326 — 13.2%	236 — 7.2%	+90
Public Administration	241 — 9.8%	210 — 6.4%	+31
Accommodation & Food	224 — 9.1%	320 — 9.8%	-96
Construction	181 — 7.3%	235 — 7.2%	-54
Wholesale Trade	119 — 4.8%	140 — 4.3%	-21
Finance & Insurance	118 — 4.8%	157 — 4.8%	-39
Administrative & Support	27 — 1.1%	195 — 5.9%	-168
Manufacturing	3 — 0.1%	227 — 6.9%	-224
Mining / Oil & Gas	0	76 — 2.3%	-76

Health care, educational services, and public administration together account for 1,006 jobs — 40.7% of every job in Hondo. The institutional employment base is measured directly rather than inferred. The mirror image is manufacturing: **Hondo contains three manufacturing jobs while 227 of its residents hold one**, and administrative and support work runs 168 jobs short of resident demand. Those two sectors alone account for most of the outbound commute.

One caution on the destination data. LEHD's Destination Analysis reports where workers' *employers* are, not commuting distance or route, and it cannot be read as a commute-time series. The ACS mean commute of 23.2 minutes is the figure to quote; the LEHD distances are not.

Story 5 — A community with a heavy dependency load and a real education gap

Household population age structure (<i>group quarters removed</i>)	Hondo	Texas (approx.)
Under 18	1,689 — 26.3%	~25%
Age 18-64	~3,539 — 55.2%	~62%
Age 65+	~1,185 — 18.5%	~13%
Dependents per 100 working-age residents	81	~61

Hondo's household population carries a dependency ratio roughly **one-third higher than the state's**. Fewer working-age adults support more children and more seniors. **That, not low individual earnings, is why median household income sits at 79% of the state figure while per capita income sits at 93% of the county's.**

The age distribution is a barbell. **Roughly one in four households is headed by someone 65 or older; one in five by someone aged 25–34** — and the two ends occupy entirely different tenures, the young end renting at 76% and the old end owning at 90%. **297 seniors live alone**, 12.6% of all households. 421 grandchildren live in Hondo households, indicating substantial multigenerational and grandparent-headed caregiving.

Living arrangement, Hondo households	Number	Share
Married-couple households	970	41.2%
Female householder, no spouse or partner present	772	32.8%
One-person households (all ages)	618	26.2%
Householder 65+	690	26.9%
Householder aged 25–34	533	20.8%
Seniors (65+) living alone	297	12.6%
Grandchildren living in Hondo households	421	6.6% of household population

This is the engine of the household-size decline. Children age out and leave; the parents stay in the house; average household size falls from 2.88 to 2.72 to 2.68. The homes stay occupied until they come out of use altogether, and that is what began between 2020 and 2023: after a decade in which the household count did not move, Hondo lost 26 households and 37 housing units in three years. The emptying-out phase gave way to an actual contraction of the stock.

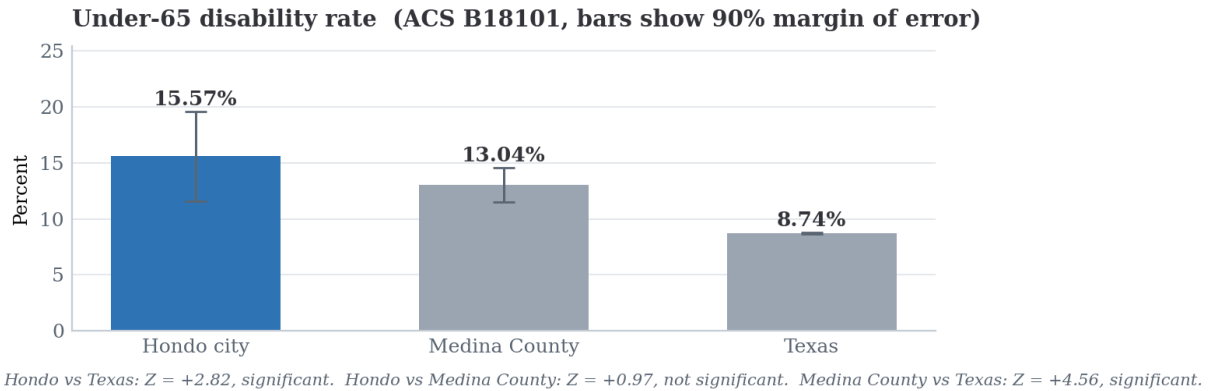
Education: one gap is real, the other is not

Bachelor’s-level attainment is 11.07% ±3.28 against 21.6–23.1% in Medina County and 33.8–35.1% statewide — significant against both, at $Z = -11.35$ to -12.03 against Texas. **Attainment is the strongest single predictor of median household income across Texas places**, and Story 3’s income finding is the direct consequence.

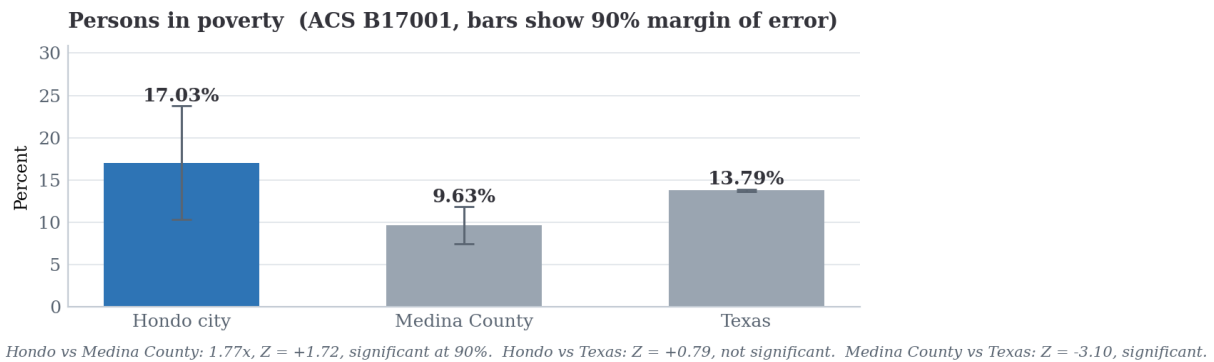
High school completion tests as a null. At 81.63% ±6.55 against 80.87% in the county and 86.63% statewide, Hondo is statistically indistinguishable from both. The report states this plainly rather than implying a broader education deficit than the data supports.

Disability, poverty, and community composition

Under-65 disability at 15.57% is significantly above Texas ($Z = +2.82$) but not above Medina County ($Z = +0.97$) — and Medina County itself sits significantly above the state.



Poverty at 17.03% is *not* significantly above Texas ($Z = +0.79$). It is significantly above Medina County, at **1.77 times the county rate** — and Medina County sits significantly *below* Texas. This is the recurring county-seat pattern: the county matches or beats the state while Hondo sits below both.



Hondo is 61.9% Hispanic by population and 59.9% by householder. The two figures sitting within two points of each other confirms this is a majority-Hispanic community of homeowners and renters, not an artifact of the institutional population — 58.3% of owner-occupied units and 62.5% of renter-occupied units. LEHD corroborates independently at 62.3%. **Plan all engagement as bilingual from the outset**, and design for a service-dependent, mobility-constrained population: level entries, curb cuts, shade, seating, and services inside the district rather than at its edges.

Story 6 — The retail engine works. The conversion doesn't.

Hondo captures 32% of Medina County's retail sales on 15% of its population — a location quotient of **2.12, the highest in twenty-three years**. Its existing businesses out-earn the county average by 1.8 times, and its real taxable sales have grown faster than the county's since 2019.

Every figure in this section reconciles to the Comptroller source extracts with no discrepancies. Three handling rules are applied identically to all three geographies, or the comparison is void: sum all four quarters of amount subject to state tax, never gross sales; Q1–Q3 average for outlets; deflate with CPI-U rebased to 2025. A structural break in

September 2004 — a half-cent rate change, not growth — means nothing before 2005 is comparable to anything after.

Against its structural peers, Hondo is outperforming

Medina County is an unusual benchmark: Medina Valley ISD's 193% enrollment growth and Castroville's retail expansion are Bexar County spillover, not a standard against which a rural county seat should be judged. So sixteen Texas cities were selected on a rule set **fixed before any figures were examined** — county seat, population roughly 5,000 to 15,000, own trade area rather than metro fringe, no tourism, border, or university distortion. Two overlapping groups control for different distortions: **Tier A**, South and West Texas seats on a US highway with an institutional anchor; **Tier C**, seats hosting a state correctional facility, which controls for the group-quarters effect running through every per-capita figure in this report.

Real taxable sales, 2019–2025 (2025 \$)	Real 2019	Real 2025	Change
Hondo	\$141.3M	\$175.3M	+24.0%

Hondo ranks second of sixteen on real sales growth and fourth on outlet growth — first of nine against Tier A, second against Tier C. **Nine of fifteen peers lost real sales.** Hondo also ranks fourth of sixteen on retail sales per resident, and first of five among high-group-quarters cities, on either population basis.

This changes how the share-loss finding must be stated. Earlier drafts read the county share loss as Hondo stalling. **The peer data shows it did not stall. Hondo lost share to a fast-growing county** — a materially different claim, and the defensible one.

Real taxable sales, 2019–2025 (2025 \$)	Real 2019	Real 2025	Change
Rusk	\$41.0M	\$52.5M	+28.1%
Hondo	\$141.3M	\$175.3M	+24.0%
Childress	\$82.7M	\$94.9M	+14.8%
Madisonville	\$122.4M	\$139.4M	+13.9%
Gonzales	\$197.6M	\$214.2M	+8.4%
Livingston	\$287.3M	\$301.2M	+4.8%
Crockett	\$118.3M	\$122.1M	+3.2%
Crystal City	\$27.1M	\$26.0M	–4.2%
Dalhart	\$129.1M	\$122.9M	–4.8%
Cuero	\$121.4M	\$113.4M	–6.5%
Uvalde	\$298.3M	\$269.2M	–9.8%
Raymondville	\$71.1M	\$62.9M	–11.5%
Carrizo Springs	\$88.6M	\$75.0M	–15.3%
Beeville	\$266.1M	\$197.9M	–25.6%
Pearsall	\$149.8M	\$100.7M	–32.8%

Real taxable sales, 2019–2025 (2025 \$)	Real 2019	Real 2025	Change
Fort Stockton	\$256.3M	\$160.4M	–37.4%

	Real sales growth	Outlet growth	Sales per outlet, 2025
Median of peer group			
Tier A (8 highway county seats)	–12.5%	+12.1%	\$451,994
Tier C (9 prison-hosting seats)	+3.2%	+26.5%	\$402,117
Hondo	+24.0%	+31.9%	\$545,581

Only Rusk grew faster, and nine of the fifteen peers lost real retail sales over the period. Hondo’s establishments do 36% more business than the Tier C median and 21% more than Tier A’s.

The conversion is where it breaks

Hondo’s share of county business formation fell from 23.8% to 17.5%. Existing establishments perform well; new ones are not forming here. That is the same shape as the housing capture-share collapse in Story 2 — the base performs, the increment goes elsewhere.

Story 7 — Downtown out-earns the retail that replaced it, acre for acre

Hondo’s downtown commercial district is **nine and three-quarter acres** — about two-fifths of the land occupied by H-E-B and Walmart together. It produces half again as much property tax: \$288,540 a year from the downtown parcels against \$193,405 from the two big-box sites — 49% more revenue on 43% of the land.

	Acres	Assessed value	Value per acre	Total tax per acre	City-only tax per acre
62 downtown parcels, aggregate	9.74	\$13,693,616	\$1,405,237	\$29,610	\$6,745
H-E-B	3.97	\$2,190,635	\$552,215	\$11,636	\$2,651
Walmart	18.81	\$6,988,000	\$371,485	\$7,828	\$1,783

Medina CAD assessments for the 62 parcels — 18th Street, Avenue K, Avenue M, and the 17th-through-20th Street cross streets — carry a combined assessed value of **\$13,693,616 on 9.74 acres**, producing **\$288,540 a year** in total ad valorem tax at an effective rate of 2.107%.

Downtown produces 2.5 times H-E-B’s property tax per acre and 3.8 times Walmart’s — 3.5 times the two combined. At the City’s own rate of \$0.48 per \$100 the downtown parcels yield **\$65,729 a year to the city** against **\$44,057** from the two big-box sites. **The ratios are identical on either basis**, because the same overlapping levy applies to all

three, which forecloses the objection that the finding depends on which taxing units are counted.

As totals the comparison is starker. The 62 downtown parcels sit on 9.74 acres and yield \$288,540 a year. H-E-B and Walmart together occupy 22.78 acres — **2.3 times the land** — and yield \$193,405. **Downtown generates roughly 49% more property tax on 43% of the acreage.**

Published as an aggregate, not as a mean of per-parcel ratios. The workbook also reports a median of \$1,608,080 per acre and a mean of \$1,701,371, but both are unweighted and give a 0.014-acre parcel the same weight as a half-acre one. H-E-B and Walmart are single parcels whose figures are already aggregates, so a mean of ratios would not be like-for-like. The aggregate figures above are the smaller ones, and they withstand scrutiny.

This is the missing half of the retail finding

Story 6 measured a retail location quotient of 2.12. That is sales tax, and it is generated disproportionately at the highway edge. This is property tax, and it points the other way.

A downtown program is not competing with the big-box corridor for the same revenue. It defends a different revenue stream that no other part of the city produces at this density — one that does not move when a regional chain closes a store, and one that compounds with reinvestment rather than with traffic count.

The district's commercial character is also what makes it eligible for capital that nothing else in Hondo can reach. **Thirty-six of the 62 parcels carry pre-1940 structures.** Federal and state historic rehabilitation credits attach to income-producing certified structures, which in Hondo means precisely this commercial core — not the residential pre-war stock scattered elsewhere in the city.

Where the increment actually sits

The district is not uniformly productive, and the gap is the opportunity. **The ten lowest-value parcels occupy 24.5% of the district's land and hold 7.8% of its value** — \$448,382 per acre against the district's \$1,405,237.

Bringing those ten alone to the district average would raise the assessed base by **16.7%**, worth about **\$10,958 a year to the city** at its own rate and **\$48,102 across all taxing units. That is the increment, in named locations.**

And a finding that cuts against the argument

A tax increment reinvestment zone is the instrument usually proposed for a district like this. **On these numbers it is small.** The City collects 22.8% of the \$288,540; the rest goes to the county, the school district, and other overlapping units. On a \$13.7 million frozen base at full city participation:

Growth in downtown assessed value	City increment per year
+10%	\$6,573
+25%	\$16,432
+50%	\$32,865
+100%	\$65,729

Doubling downtown's assessed value would return about \$65,000 a year to the city. A Hondo TIRZ is therefore **not a funding mechanism; it is a value-capture mechanism.** It becomes material only with county participation and a boundary drawn well beyond these 62 parcels. Participation by other taxing units is discretionary and should not be assumed, and school district participation is separately constrained by the school finance system. Its distinctive merit is that it is the only local instrument whose revenue grows with the program's success.

Out-of-town ownership is not the problem either. Twenty of the 62 parcels are held by owners with addresses outside Hondo. They hold **32.7% of the district's land and 31.1% of its value, at \$1,334,369 per acre against \$1,439,722 for locally-addressed owners.** Absentee ownership was named as a threat and tested on the only measure available; it does not hold up, and it is recorded as tested and unsupported rather than left as an open question.

Method notes on the parcel file. The shared-lot ambiguity is resolved: eight parcels were re-measured and district acreage fell from 11.78 to 9.74, which is why every ratio here exceeds figures published in earlier drafts. The effective rate of 2.107% is identical on the downtown parcels and both big-box properties, confirming all three are measured against the same levy. Assessed value is not market value, and Texas non-disclosure means the two cannot be reconciled from public records. Before publication: confirm the 62-parcel selection matches the intended district boundary and pull current-year values from Medina CAD.

Appendix A — How to read this report

Every comparative claim has been tested

All comparisons in this report were tested against published ACS margins of error at **90% confidence**, using two-proportion or two-mean Z tests with standard errors derived as $MOE \div 1.645$ and a significance threshold of $|Z| > 1.645$. Decennial figures — population, group quarters, households, age, sex, tenure, occupancy — are complete counts and carry no sampling error. Claims that failed testing were withdrawn and are recorded below rather than quietly dropped.

Tested and withdrawn — do not reintroduce

Withdrawn claim	Table	Test result	What replaces it
Hondo's median gross rent is above the state's or the county's	B25064	vs Texas Z = +0.35; vs Medina Z = +1.44	Point estimate only, never as a finding. Medina is significantly below Texas (Z = -2.47)
Hondo's renters are more cost-burdened than the county's or the state's	B25070	No pair significant at 30%+ or 50%+; largest Z = 1.04	The count — 169 households pay 50% or more — plus the arrival framing in Story 3
Hondo's owners are more cost-burdened, including elderly owners	B25093	No pair or age cut significant; largest Z = 1.48	149 mortgage-free owners paying 30%+ (B25091): a count, and a capital-repair proxy
Hondo trails on high school attainment	B15003	vs Texas Z = -1.25; vs Medina +0.8 pts	A tested null — high school completion is indistinguishable from both
Hondo's poverty rate is above the state's	B17001	Z = +0.79	Hondo vs Medina at 1.77×, significant at 90%; and Medina significantly <i>below</i> Texas
Hondo families with married couples earn less because fewer spouses work	B19122	All cells null; 2-earner share Z = -0.06 vs TX and -0.05 vs Medina	Nothing. Hondo's two-earner share is 41.8% against 42.2% in both benchmarks. Advanced as a hypothesis and refuted on testing . Do not reintroduce
Hondo's married couples earn less because residents are sorted into low-paying occupations	B24011 / C24010	All five occupation shares within 5 points of Texas; shift-share attributes ~26% to mix	Nothing. Hondo's occupation mix is close to the state's; the gap is pay within occupation, not sorting. Advanced as the leading explanation and narrowed on testing

Withdrawn claim	Table	Test result	What replaces it
Hondo's below-average retail per resident shows headroom a downtown program can capture	Medina CAD / CPA	Not a measured claim at all	Nothing. "Retail ceiling" was never a defined quantity, and the inference proves too much: a high per-capita figure would have been read as strength and a low one as headroom. Advanced, then withdrawn on review. Retail is a precondition for the program, not an outcome it produces
Downtown decline is driven by out-of-town owners with no vested interest	Medina CAD	Out-of-town owners hold 32.7% of district land at \$1,334,369/ac vs \$1,439,722 for local owners	Nothing. Named as a threat in the Q2 worksheet and untestable until owner mailing addresses were added to the parcel file. Tested and unsupported
The City issued no residential permits in 2020 or 2021	City permit system	Records for those years did not survive system migration	Nothing. Stated as an administrative fact in earlier drafts. Withdrawn on review: the gap is missing data, not a zero. Permit activity in those years is unknown
Hondo has elevated unemployment	B23025	Z = +0.74 vs TX; +1.56 vs Medina	Nothing. 7.14% vs 5.27% and 3.05%; the 226 count has a 36.0% CV. Citable as a count only
Hondo participates in the labor force above the county rate	B23025	Z = +0.59 once the county base is corrected	Nothing. The county base contains the same 1,876 group-quarters residents; corrected, Medina is 56.0% and the gap vanishes. The Texas comparison stands
Hondo nonfamily households are poorer than the state's	B19202	Z = +0.25 vs TX; +1.59 vs Medina	Nothing in either direction. Hondo is nominally <i>higher</i> than Texas. The Medina gap of \$19,008 falls just short of threshold

Withdrawn claim	Table	Test result	What replaces it
Hondo families with own children under 18 earn less than the state's or the county's	B19125	vs Texas $Z = -1.44$; vs Medina -1.71 , but on an estimate with a 44.7% CV	Nothing. Estimate is \$55,469 $\pm 40,747$, a CV of 44.7%. All B19126 with-children cells for Hondo are Census-suppressed. Record as unavailable , not as a null

A null rate is not a null count. Withdrawing a rate comparison does not invalidate the underlying household counts, which remain citable throughout.

Source-class tiers for the planning documents

Two external documents inform this report. Each carries different evidentiary weight.

Tier 1 — Adopted policy. City of Hondo Master Plan, January 2017. Cited for adopted policy, stated priorities, and qualitative baseline conditions only. No figure from it enters any table, comparison, or significance test; where the plan's stated conditions are quantified, the quantification comes from ACS. (*The plan's housing section cites Census QuickFacts by name.*)

Tier 2 — Third-party professional observation. Texas Downtown Assessment Report, October 2024. Cited for on-the-ground observation, institutional findings, and recommendations by an independent team. **No figure from it is used** — it reports Hondo's population as 6,500, which matches no published product, and contains no sourced data tables.

Neither may support a comparative claim. All comparative claims rest on ACS, the 2020 Decennial Census, HMDA, LEHD, and Texas Comptroller data.

Appendix B — What survived testing

Every finding below was tested at 90% confidence and published. Claims that failed testing are recorded in the withdrawn register in Appendix A, not here.

Finding	Table	Holds against
Median household income	B19013	Texas and Medina County
Bachelor's attainment	B15003	Texas and Medina County
Ownership rate, ages 25–54	B25007	Texas and Medina County
Renter income compression	B25118	Both benchmarks
Housing stock age and production, every threshold	B25034	Texas and Medina County
Mobile-home and multifamily stock shares	B25024, B25032	Texas
Median home value	B25077	Texas only — not Medina County
Bedroom composition, every grouped comparison	B25041	Texas and Medina County
Renter small-unit share; owner large-unit share	B25042	Both benchmarks, both directions
Labor force participation, group-quarters corrected	B23025	Texas only
Median family and married-couple family income	B19125, B19126	Texas and Medina County
Full-time earnings; management, service, sales-and-office earnings	B24011	Texas
Production and transportation earnings — <i>above</i> benchmark	B24011	Texas and Medina County
Female full-time earnings	B24012	Texas, and against Hondo men
Under-ten-minute commute share	B08303	Texas
Work from home — $Z = -5.11$	B08006	Texas
Under-65 disability	B18101	Texas only — not Medina County
Poverty	B17001	Medina County only — not Texas
Manufactured vs. site-built denial gap — $Z = -8.05$	HMDA	Site-built applicants, same age band