

# Central Texas Industrial Training Center

Waco City Council Presentation

February 15, 2022



## Critical Outcomes - ROI

- Skilled Workforce Pipeline
- Higher Wages for Underemployed
- Pathways Out of Poverty for Unemployed

# Statewide Skilled Workforce Crisis

**1.04 million job postings in Texas** (EMSI Burning Glass)

**717,828 unemployed Texans**

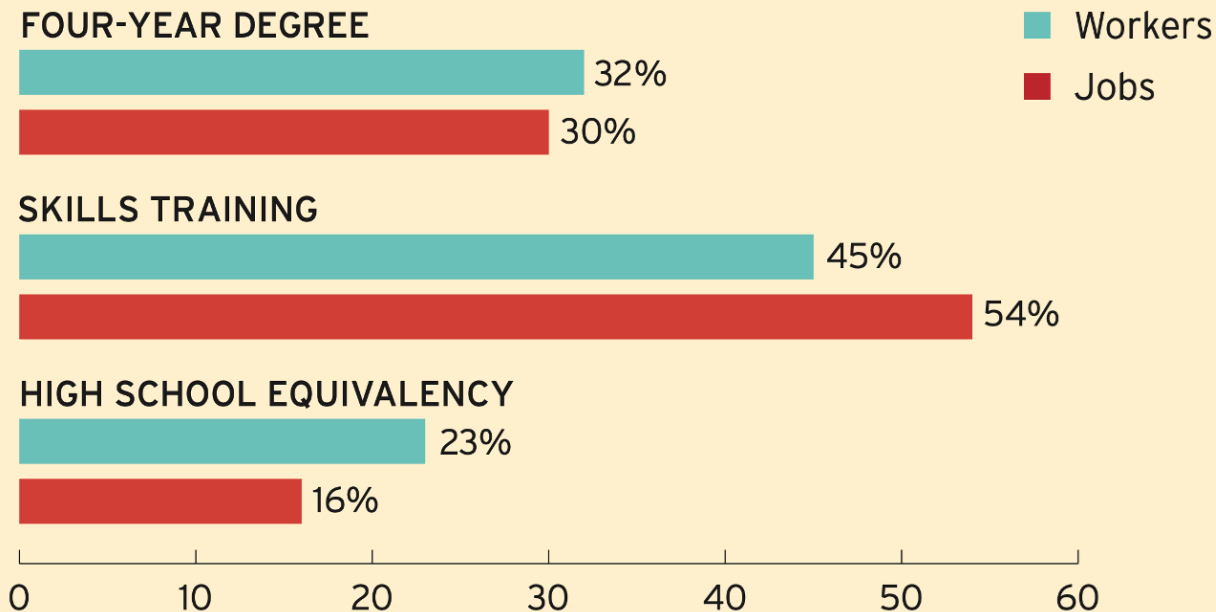
Source: Texas Workforce Commission

**December, 2021**



## TEXAS' JOBS AND WORKERS BY EDUCATION LEVEL, 2018

Source: National Skills Coalition

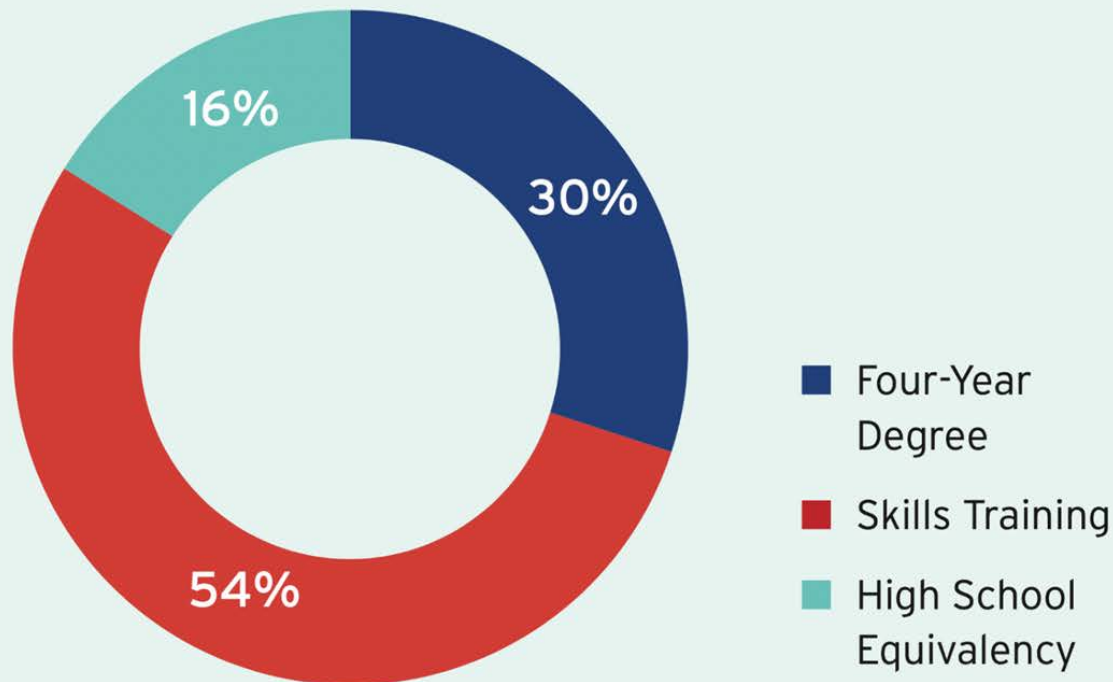


Middle-Skills jobs account for 54% of TX labor market while only 45% of workers have the right skills

# Middle-Skills Jobs are Half the Labor Market

## TEXAS' JOBS BY EDUCATION REQUIREMENT, 2018

Source: Federal Labor Statistics compiled by The National Skills Coalition



# **Greater Waco Skilled Workforce Shortage**

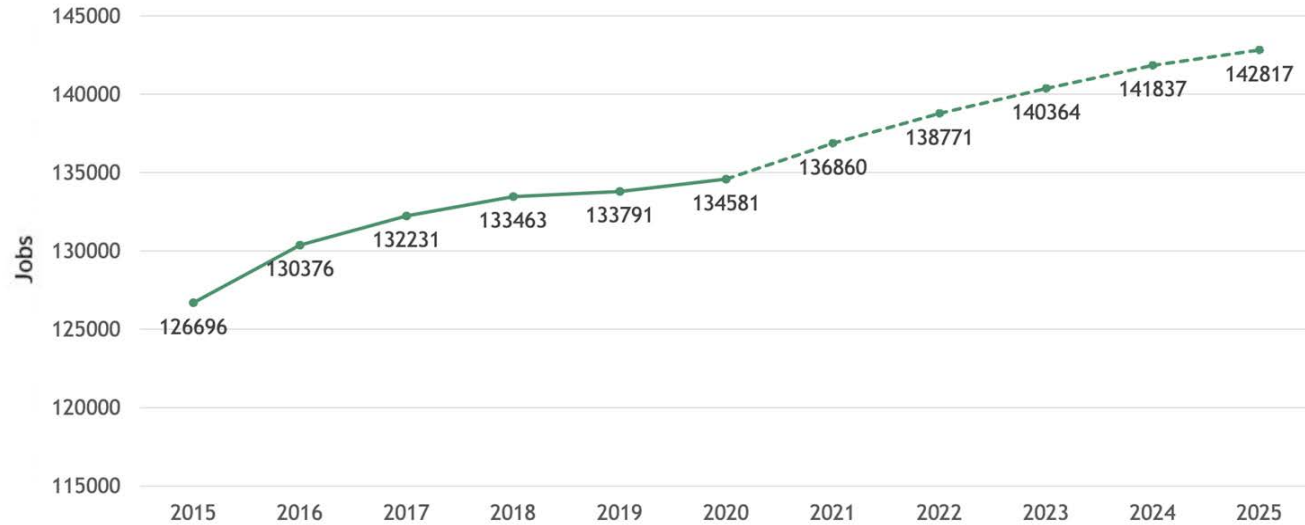
**5,000 new jobs announced for Greater Waco\***

**At least ½ of new jobs will require advanced skills**

**2,000 more from businesses trying to locate and expand into the area**

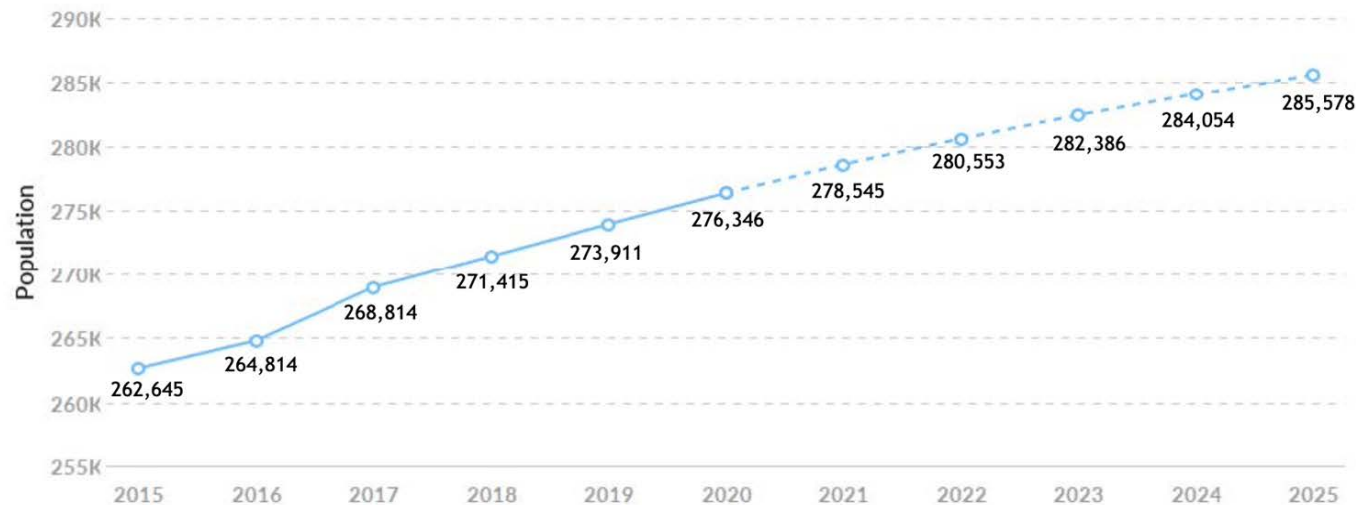
*\*Direct and Indirect Job Creation estimates for 2020-2021 announced industrial projects - Greater Waco Chamber*

## Labor Force Trends for Waco MSA



From 2015 to 2020, jobs increased by 6.2% in Waco MSA from 126,696 to 134,581. Labor force is expected to grow 6.1% 2020 to 2025

## Population Trends for Waco MSA



As of 2020, the Waco MSA's population increased by 5.2% since 2015, growing by 13,700. The population is expected to increase by 3.3% between 2020 and 2025, adding 9,233.



# Statewide Technical Training Arms Race



## Regional Developments

- Temple
- Waxahachie



# Recent Partner Models with TSTC

## Community Driven / Custom Designed



## **Central Texas Industrial Training Task Force (Industry Driven)**

- **Leadership Team - Private Industry, City of Waco, McLennan County, Greater Waco Chamber of Commerce, Waco Industrial Foundation, Prosper Waco, Region XII, Workforce Solutions in the Heart of Texas, TSTC**
- **Expanding Team Members and Partnerships Critical to Success:**
- **Working Groups –**
  1. **Capital/Financing**
  2. **Employer/Industry Needs (AIM)**
  3. **Recruiting Citizens / Outreach**
  4. **Marketing/Communications**

# Goal: Construct a Central Texas Industrial Training Center (located in the heart of Waco's industrial sector, Texas Central Park)

## Economic Development & Pathways Out of Poverty



# Phase 1: Temporary Launch

## Industrial Systems

### Bootcamp/Academy at Region XII (March 2022)

- PLCs/VFDs, Motor Controls, Pneumatics, Hydraulics, Basic Electrical

8-12 week sessions

Maximum – 15-20 per cohort in 4,000 sq ft temporary site



## **Phase 1 Needs: TSTC is financing**

- 1. Financing lease with Region XII - TBD**
- 2. Equipment - \$500,000**
- 3. Operations - \$100,000**



## **Phase 2: Central Texas Industrial Training Center**

**Initial Training Programs – Local Employer Demand Driven / Custom**

<b>Credit/Non-Credit Certifications</b>	<b>Avg. Starting Salary</b>
1. Industrial Systems/Mechatronics	\$50,579
2. Precision Machining	\$52,457
3. Welding	\$40,005
4. Electrical Power and Controls	\$87,066
5. HVAC	\$40,070

**Training Programs will continue to respond to local demand**

**Create training capacity of potentially 1,000 certifications annually**

## **Phase 2 Needs: Heavy Industrial Training Facility (30-60,000 sq ft)**

**@Cost: \$23,000,000 - Proposed Funding:**

**Down payment for local financing:**

<b>TSTC</b>	<b>\$1,000,000</b>
<b>City of Waco</b>	<b>\$1,000,000</b>
<b>McLennan County</b>	<b>\$1,000,000</b>

**Permanent Financing (15-20 years)**

<b>McLennan County</b>	<b>\$10,000,000</b>
<b>City of Waco</b>	<b>\$10,000,000</b>

**Equipment: Local industry opportunity**

**Annual Operations:**

<b>TSTC</b>	<b>\$1,000,000</b>
-------------	--------------------



## **Timeline:**

**Phase I Training Academy Tentative Launch Date:  
March 21, 2022**

**On-going Temporary Academies – March 2022 - Fall 2023**

**Funding Commitments/Design Services - Feb/March 2022**

**Tentative Central Texas ITC Opening – Fall 2023**