Community Advisory Council Meeting

Meeting Minutes

Federal Reserve Bank of Dallas

October 1, 2026

Council Attendees:

Awais Azhar, HousingWorks Austin

Peter Beard, U.S. Chamber of Commerce Foundation

Zoraima Diaz-Pineda, Fannie Mae

Garrett Groves, Austin Community College

Dawn Hommer, Community Action Agency of Southern New Mexico

Melanie Johnson, Collaborative for Children

Gustavo Lasala, PeopleFund

Marissa Castro Mikoy, Jubilee Park & Community Center

Kathy Flanagan Payton, Fifth Ward Community Redevelopment Corp.

Amelia Reeves, Workforce Solutions of West Central Texas

Roxanne Saldaña Jones, United Ways of Texas

Kara Waddell, Child Care Associates

Federal Reserve Bank of Dallas Board of Directors in Attendance:

Leila H. Melendez, Workforce Solutions Borderplex

Federal Reserve Bank Staff in Attendance:

Lorie K. Logan, Kseniya Benderskaya, Donald Bowers, Roberto Coronado, Christa Deneault, Seth Dunbar, Molly Hubbert Doyle, Deborah Kilroe, Pia Orrenius, Jane Santa Cruz, Christoper Schreck, Elizabeth Souder

Administrative:

Kara Waddell called the meeting of the Community Advisory Council ("Council") to order at 1:00 PM. Waddell and President Logan made introductory remarks.

College Enrollment and Completion Trends in Texas Presentation

Christa Deneault, Senior Research Economist, delivered a presentation on college enrollment and completion trends in Texas to the council. Members had questions about comparisons to national trends, understanding regional variations across Texas, and estimated wages and long-term returns from earning associate and bachelor's degrees.

Labor Market Dynamics

Members discussed that lower income earners across many communities face significant financial insecurity, driven by low or stagnating wage levels and escalating costs in housing, healthcare, and childcare. A few members noted that childcare continues to be a significant concern for families due to rising costs as well as challenges around understanding program quality, availability, and options for families. A member with a community-based organization highlighted that New Mexico implemented universal childcare in the state last year, but resources are being strained and some families are also experiencing access issues.

In West Central Texas, data center development has driven construction wages up roughly 40% since 2021. A member from the region shared that individuals may be earning more money but other costs, especially housing, have skyrocketed. Workers may still struggle to support their families despite receiving higher pay. Additionally, data centers are putting a strain on the local labor market by pulling skilled workers from manufacturing and construction into higher-paying data center jobs. Local employers like small businesses are struggling to retain or recruit the skilled talent they need because the labor pool was already limited, particularly in rural areas. Some businesses have pivoted entirely to serve data center needs, while other businesses have opted to close.

A member with a higher education institution shared that broadly, economic shifts among manufacturing, construction, and technology-driven industries (space, biotechnology) are creating uneven labor market experiences. While experienced talent can earn premium wages, entry-level workers do not see the high demand they expect upon graduating from training programs. This environment raises concerns about mismatched expectations as new workers enter the field.

Financial Well-Being of Low- and Moderate-Income Households

A member in the housing industry observed mounting financial vulnerability among Texas households, despite recent national data reflecting signs of consumer resilience. Families are depleting their savings and relying on credit while navigating increasing costs of living because of high inflation. Another member explained that homeowners in their region are increasingly cost-burdened due to higher home insurance rates and growing property taxes. In fact, this is a national

trend that homeowners are cost-burdened with all the expenses required to maintain a home. A member representing a nonprofit organization shared 2-1-1 call data showing sharp increases in assistance requests for utilities and housing support. Another member representing a community development organization shared that their community is experiencing higher eviction rates for those residents in rental units. Their county recently instituted a semi-moratorium on evictions to give residents more time to find the funds necessary to avoid eviction. Their organization is seeing more residents ask for emergency assistance funds and financial counseling to avoid bankruptcy and/or displacement. Another member noted that their community-based organization is experiencing more demand for food pantry assistance, especially near the end of the month, so that families can make ends meet. This member explained that most residents in their community are employed. However, with rising prices of gas, food, and rent, their monthly income is not enough to reach the end of the month, so families are turning to food pantries and other community resources to address those gaps.

Data Centers and Effects on Communities

Council members discussed a range of questions, concerns, and experiences with local and regional data center efforts. Key themes include significant levels of community uncertainty and unprecedented speed of development, labor market disruption and displacement, resource concerns, local governance capacity concerns, and community representation and negotiation power. Data center growth is affecting multiple regions in ways that outpace normal planning processes. A member representing workforce development noted that even companies leading data center development cannot provide clear workforce numbers for construction and implementation needs, making it difficult for regions to adjust workforce development strategies. In New Mexico, another member shared that recent bond approvals for data centers moved faster than previous policy initiatives. Multiple members agreed that the speed of decision-making and implementation is leaving communities, especially rural ones with limited infrastructure or coordinated leadership, struggling to respond effectively and resulting in rushed, uncoordinated engagement with private companies.

As mentioned earlier, multiple members observed that data center projects are pulling existing manufacturing, trade, and technical talent from local roles through higher wages. Overall, the net effect is not more people being hired but rather redistributing the existing workforce. This context is squeezing other employers from the public sector and small to medium-sized businesses who cannot provide competitive wages. Specific worker shortages are emerging in roles like electricians and water technicians. In response, some local employers are working to improve wages, job quality, and offer training opportunities.

Members described concerns about data centers putting significant pressure on limited resources, specifically water and energy, and the need for community representation and negotiation power. Communities have been confronted with big questions such as who represents communities in negotiations with major technology companies and what agreed-upon benefits would a community advocate for? A member mentioned Community Benefits Agreements (CBAs) as a potential tool but some communities, especially rural areas, may not have the experience and infrastructure to effectively negotiate a CBA for their unique community needs and expectations.