Austin Community
FOUNDATION

A Generous Community, A Growing Opportunity

How Central Texas can build an even stronger culture of giving





Executive Summary

Central Texas is one of the nation's fastest growing economies and a highly charitable region. **Austin's giving rate of 2.4% exceeds the national average**, generating an estimated $4.5–5.5 billion in charitable giving each year. This strong foundation reflects a community that cares deeply about investing in its people and future.

At the same time, the region is experiencing historic growth in wealth, population, and economic opportunity. New residents, entrepreneurs, and high-net worth households are establishing roots in Central Texas, creating an opportunity to strengthen connections between local wealth and local impact.

Research suggests that **an estimated $1–1.5 billion in annual charitable giving in the region is uncommitted**, meaning donors have not yet decided where funding will go. Combined with a significant generational transfer of wealth expected in the years ahead, Central Texas has a rare opportunity to shape the future of philanthropy in our region.

The goal is not simply to increase giving. It is to help more donors discover meaningful ways to invest in the community they call home. By building on the generosity that is already here, we can direct more charitable dollars toward local issues and the organizations creating a vibrant and thriving Central Texas.

The Market Opportunity

Central Texas is a massive, fast-growing philanthropic market—and the numbers tell the story.

$227 BILLION

Austin MSA gross domestic product (2022)[1]

- One of the **20 largest regional economies** in the U.S.
- Up from $164.7 billion in 2019—a **38% increase in three years**, among the fastest growth rates of any major U.S. metro

2.4%

Austin MSA charitable giving rate, based on IRS charitable contributions relative to income[2]

- **Above the national average** of approximately 2.2%
- Nationally, total giving has held close to 2% of GDP for decades, ranging roughly 1.7%–2.3%, **Austin's rate is consistently above that long-run band, not just a single strong year**

$4.5–$5.5 BILLION

Estimated annual charitable giving in Central Texas[3]

- Based on applying **Austin's giving rate to regional GDP**

$1–$1.5 BILLION

Estimated annual giving available to local influence[4]

- This represents annual charitable dollars that donors are **likely to give**, but are not yet committed to a specific organization or cause

Peer Comparisons

Austin's giving exceeds the national average and compares favorably to many peer regions. Several markets with long-established philanthropic cultures demonstrate what could be possible as Central Texas continues to strengthen its giving ecosystem.

Peer cities were selected for a combination of reasons. Dallas and Houston reflect Austin's regional and competitive context as major Texas metros. Cincinnati, Atlanta, and Pittsburgh were chosen for their demographic and economic similarities to Austin and the maturity of their community foundation infrastructure. San Diego serves as an aspirational comparison for its strong endowment culture, and Miami for its high giving rate and fast-growing philanthropic market.

What sets these regions apart often isn't just wealth. It's the strength of the local philanthropic culture and infrastructure. Miami has cultivated a highly visible philanthropic community that helps connect new wealth to local causes and civic priorities. Atlanta and Cincinnati have built decades-long traditions of multi-generational giving circles and legacy-planning networks that keep wealth-holders connected to community causes well beyond a single gift. These are proof points, not blueprints—but they suggest that giving rates rise when giving becomes visible, communal, and easy to join.

Metro Area	Giving Rate	Est. Annual Giving	GDP
Pittsburgh, PA MSA	1.3%	$2.3B	$183B
Cincinnati, OH-KY-IN MSA	1.7%	$3.1B	$187B
San Diego-Chula Vista-Carlsbad, CA MSA	2.2%	$6.5B	$296B
Austin-Round Rock-San Marcos, TX MSA	**2.4%**	**$5.5B**	**$227B**
Houston-The Woodlands-Sugar Land, TX MSA	2.6%	$16.6B	$646B
Dallas-Fort Worth-Arlington, TX MSA	2.8%	$19.1B	$693B
Miami-Fort Lauderdale-West Palm Beach, FL MSA	3.0%	$14.5B	$491B
Atlanta-Sandy Springs-Roswell, GA MSA	3.2%	$17.35B	$534B

Peer city giving rates are directional estimates derived from applying Giving USA benchmarks to U.S. Bureau of Economic Analysis metro GDP. Austin-Round Rock-San Marcos, Dallas-Fort Worth-Arlington, San Diego-Chula Vista-Carlsbad, Miami-Fort Lauderdale-West Palm Beach, Cincinnati OH-KY-IN, and Atlanta-Sandy Springs-Roswell are the official 2023 OMB MSA names.

What's Changing in Austin?

Austin has become one of the fastest-growing and wealthiest regions in America. It ranks #6 in millionaire growth nationally as of 2025.[5] Austin also ranked in the top 10 for annual real GDP growth among major metros in 2023, and that pace of wealth creation is still accelerating.[6] The metro area has grown from about 2.23 million residents in 2019 to roughly 2.57 million in 2024, a 15% increase in five years.[7] Tech migration and corporate relocations continue to bring in new wealth cohorts whose philanthropic identities in Austin are still forming.



NEW GENERATIONS OF DONORS ARE LOOKING FOR:

Trusted guidance on how to give effectively in their community

41% of next-gen philanthropists say they struggle to identify good causes to support, and younger donors are increasingly turning to financial advisors to help structure their giving.[8,9]

Visible, measurable impact tied to local outcomes

46% of next-gen philanthropists say they struggle to measure the impact of their own giving, and **64**% say they'd rather support specific, visible causes than give generally to institutions.[8,9]

Community connection and a sense of civic belonging

Donor-behavior research finds that highlighting a personal connection to a cause—and the feeling of joining a collective community effort—reliably increases people's intent to give.[10]

Meaningful ways to invest in Austin's future

93% of affluent donors believe their gift can make a difference in their community, and on average **79**% of their giving goes to organizations serving their local area.[11]

A caveat worth naming directly: this is a story of wealth growth, not just wealth spread. Within the city of Austin, the top 5% of households average roughly $611,000 a year—about 17 times the average income of the bottom 20%. "Many people have wealth" and "a relatively small cohort holds a lot of new wealth" are both true of Austin today, and any honest account of the region's philanthropic potential has to hold both realities at once rather than treating the opportunity as evenly spread across the population.[12]

> ***Austin's challenge is not a lack of generosity. It is connecting wealth to long-term community investment.***

Austin's wealth is growing—and that growth is an invitation, not just a fact. As a new generation of donors and a wave of households take shape across the region, a few hopeful questions come into focus:



How much of Central Texas' wealth could stay here, invested in the place its owners call home?



If even a fraction of the coming generational transfer of wealth were captured locally, what could it build?



What would it take for this region to be intentional about that moment, rather than letting it pass by default?

Our companion analysis, the Central Texas Transfer of Wealth report, scheduled for release in 2027, will model how much wealth is expected to transfer across the region in the years ahead, and what capturing even a modest share could mean for Central Texas philanthropy.

What comes next?

Central Texas has the resources, generosity, and momentum to shape an even stronger future. The next chapter of philanthropy in the region will be defined by how effectively charitable dollars are connected to the community's greatest opportunities and needs.

Austin Community Foundation is uniquely positioned to help donors make that connection. Through donor-advised funds, estate gifts, and knowledge of local needs, ACF helps people create meaningful impact today while building a lasting charitable legacy for future generations. Contact ACF at **512.472.4483** or email **heretohelp@austincf.org** to learn more.

Sources

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