

2014

**DEEP EAST
TEXAS
COUNCIL OF
GOVERNMENTS
& ECONOMIC
DEVELOPMENT
DISTRICT**



**[COMPREHENSIVE
ECONOMIC
DEVELOPMENT
STRATEGY]**

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Background:

Growth in 2014: The Economic Environment

The 2010's have been a time of strong, sustained growth for the Texas economy as a whole. Texas led all states in job creation in the 2010's, having added more than 1.3 million in 4 years. Continuing a recovery that actually began in the late 2011, the state saw employment gains in a broad array of industry sectors: electronics, software development, construction, health care services, and more. Job growth has attracted new residents, and the swelling population has in turn created more jobs.

In the Deep East Texas region, economic growth has been somewhat slower and not so broad based. Overall, the area's employment base is more highly concentrated in two industry sectors, education and health services along with manufacturing, while the service sector is less significant. These characterizations apply to individual counties to varying degrees, however; the growth experience among the 12 counties that comprise the Deep East Texas region has not been uniform in the 2010 to 2014 period.

While the statewide population grew at a rate of 20.6 percent between 2000 and 2010, the Deep East Texas regional population lagged at 6.4 percent. Yet one of the 12 DETCOG&EDD counties had close to the state's percentage growth: San Jacinto, at 18.6 percent. It is also notable that while the most recent estimates indicate population growth has been slow in the past few years for most Texas counties, it has accelerated for San Jacinto County.

Even with relatively modest growth in the labor supply, DETCOG&EDD's unemployment rate was slightly higher than the state rates but lower than the national rates in 2010. The regional average masks significant disparities in the counties' unemployment picture, however. While the regional average stood at 5.9 percent in September of 2014, rates ranged from 4.9 percent in Angelina County to 10.3 percent in Sabine County. The two most populous counties, Angelina and Nacogdoches, recorded lower or equal average unemployment in 2014 than either the state or nation.

Total employment in the Deep East Texas region contracted by 17% from 2010 to 2014. During the same period employment in the State of Texas grew 9%. Education and health services in Deep East Texas were particularly hard hit with a 3% reduction in workforce from 35,135 in 2010 to 34,081 in 2014. The recession and federal budget sequester led to a 1,207 person (17%) reduction in Public Administration (Government) jobs.

At \$16.48 an hour (\$34,287 Annual) Wages in the Deep East Texas region are nearly the lowest in the state. According to the Texas Occupational Employment and Wages report for 2013, the Deep East Texas Wages are significantly less than those of the state's major metropolitan areas. Only the Lower Rio Grande Council of Governments at \$15.82 (\$32,907 Annual) and the Rio Grande Council of Governments at \$16.27 (\$33,848 Annual) have lower wages. How significant this overall disparity with the rest of the state really is in terms of standard of living, though, is difficult to determine.

The "Living Wage Project" at the Massachusetts Institute of Technology (MIT) attempts to determine what hourly wage would be needed for minimal living expenses in each county

in the nation. Those figures show while the cost of living in Deep East Texas is generally considered lower than in many other areas of Texas, there is no standard cost-of-living measure for the region to quantify that differential. More significant than the absolute magnitude of difference in the regional and state average weekly wage is the fact that it grew more slowly in the region and is not making progress on catching up with the state as a whole.

MIT "Living Wage" Project*	"Living Wage" for One Person Household*	Cost of Living Diff.	Manufacturing Hourly Wages**	Hourly Wage Diff.
DETCOG&EDD Counties Median "Living Wage"	\$8.02		\$16.48	
Dallas County	\$9.29	15.9%	\$25.00	51.7%
Harris County	\$9.24	15.3%	\$26.13	58.6%
Travis County	\$9.43	17.7%	\$27.13	64.6%
Bexar County	\$8.66	8.0%	\$18.91	14.7%

** Texas Occupational Employment and Wages From Texas OES data

Most analysts expect Texas to continue outperforming the national economy, buoyed by a growing population and labor force, still-competitive business costs, and a central location for serving both domestic U.S. markets and the NAFTA partners. The current outlook for the DETCOG&EDD region is somewhat less robust. Population projections suggest that the area will continue to grow more slowly than the state as a whole. Forecasts of employment growth released by the Texas Workforce Commission show modest growth in the industries that are the area’s traditional strengths. The growth and expansion opportunities do not appear to be in the industries that have been the region’s traditional strength, but in new opportunities presented by restrictions on growth in the state’s urban and coastal areas.

Location

The DETCOG&EDD region consists of 12 counties bordered on the east by the Texas/Louisiana state line and between interstates 20 to the north, 10 to the south and 45 to the west. The region is largely rural, with four national forests, and a number of lakes and reservoirs including Lake Livingston, Sam Rayburn Reservoir and Toledo Bend Reservoir.



Location is one of the DETCOG&EDD region's challenges since it is a relatively rural area and does not have a major interstate highway within the region. Major manufacturing projects typically require interstate access within five miles, significantly reducing the DETCOG&EDD region's attractiveness for these types of projects. Proximity to Beaumont/Port Arthur, Houston, Dallas and Shreveport, however, offsets this disadvantage to some extent since the region presents a location alternative for companies that need to be near these areas and/or major deep water ports.

Shreveport is approximately 40 miles from the closest DETCOG&EDD county, Beaumont 20 miles, Houston 40 miles, Dallas 90 and Austin 150 miles. The current lack of interstates and rural nature of the region has isolated the region from strong economic development growth and but has made it a popular recreation destination.

There is not a metropolitan area within the DETCOG&EDD Region. The region's two largest cities, Lufkin and Nacogdoches, are located along US Highway 59, the main corridor connecting the region to Houston. This corridor has been identified as part of the future I 69 project connecting Port Huron, Michigan (adjacent to Ontario, Canada) to Laredo, Texas via Texarkana, Memphis, and Indianapolis.

Efforts are underway to further develop both the U.S.96 that travels north/south through the eastern part of the region and U.S. 287 that travels northwest/southeast through the center of the DETCOG Region. Both of these routes have great potential to relieve the congestion caused by traffic coming and going to the Ports at Beaumont, Port Arthur and Orange. These highways would also serve as additional evacuation routes from the coastal areas.

These projects will not only be an important state and national development, but also provide the DETCOG&EDD region with increased interstate access and far greater economic expansion opportunity.

Population Characteristics

The DETCOG&EDD region is relatively rural, with a total 2010 population of 378,477 and a low population density. Over half of the region's population is located in the three most populous counties, Angelina, Nacogdoches, and Polk. Angelina County is by far the most populated area in the region, and the city of Lufkin serves as the region's major service center. Nacogdoches County, home of Stephen F. Austin University, is growing but is further from Houston. In the southern part of the region and only 50 miles from Houston, Polk County has experienced an average annual rate of 1 percent growth since 2000 and is becoming a bedroom community for north Houston employees. San Jacinto County is also positioned for growth and has seen nearly 1.9 percent annual growth since 2000.

Jasper County has over 35,000 residents and its proximity to the Beaumont/Port Arthur area makes it an attractive residential location for employees seeking a rural lifestyle. Shelby, San Jacinto, Houston, and Tyler Counties have populations ranging from 20,000 to 25,000 and the remaining counties in the region have a population base of less than 15,000.

The DETCOG&EDD region is a popular retirement area as evidenced by the region's high percentage of population in the 65 and over age range. The age structure suggests that the future labor availability in the region will be more limited compared to other areas in the state or nation. Some of the more populated counties (Angelina, Nacogdoches, and Jasper) have a younger population than the rest of the region, but – with the exception of Nacogdoches, the location of Stephen F. Austin State University – are still not below the state and national averages. As a college town, Nacogdoches has a far higher percentage of individuals between age 18 and 65 that are available to employers throughout the region. Polk (the residence center for the Escapees RV Club), Newton, Sabine, San Augustine, Trinity, Tyler and Shelby Counties are popular retirement areas.

2010 to 2013 Population Distribution	DETCOG&EDD Region			
	2013	Under 5 Years	Under 18 Years	65 Years & Older
Angelina County	87,441	7.0%	26.4%	14.6%
Houston County	22,911	5.1%	19.2%	20.6%
Jasper County	35,649	6.7%	24.4%	17.8%
Nacogdoches County	65,330	7.1%	23.3%	12.6%
Newton County	14,140	5.7%	22.2%	17.3%
Polk County	45,790	5.5%	20.7%	19.9%
Sabine County	10,361	4.1%	18.5%	28.7%
San Augustine County	8,769	5.9%	20.7%	24.5%
San Jacinto County	26,856	5.5%	22.5%	19.3%
Shelby County	25,972	7.2%	26.6%	15.9%
Trinity County	14,393	4.9%	20.3%	24.0%
Tyler County	21,464	5.2%	19.5%	20.3%
DETCOG&EDD Totals/Averages:	379,076	5.8%	22.0%	19.6%
Texas	26,448,193	7.3%	26.6%	11.2%

*Source: Quickfacts.Census.Gov

The DETCOG&EDD region's population base and growth statistics suggest that the area should target small- to medium-sized companies for business investment rather than large facility locations. Most location projects with significant human resource requirements look for a concentrated population of at least 500,000 to ensure an appropriate labor pool and proximity to business support services. The area's overall population growth is a positive trend for the area; however the high proportion of population in the retired age group demonstrates the region's need to develop employment opportunities that retain the younger age groups in the area. Moreover, faster population growth in the DETCOG&EDD tends to be concentrated in only a few counties, posing a real risk of increasing economic disparity within the region. Stephen F. Austin University attracts many college age individuals to the area from around the state and is an important resource for the region. Likewise, Angelina College educates many individuals in the region that are seeking local employment in their area of training.

DETCOG&EDD Population Growth

After growing at a 6.4% rate from 2000 to 2010 the Deep East Texas Region grew at a .2% rate in the 2010 to 2013 period. Data from Census.Gov shows that seven of the twelve counties lost population in this period. The five remaining counties; Angelina, Nacogdoches, Polk, San Jacinto and Shelby, made up those losses and kept the region as a whole from losing population. It is difficult to determine the cause of the declines in the seven counties, but WorkForce Solutions-Deep East Texas numbers indicate the labor force grew during this period.

2010 to 2013 Population Change	DETCOG&EDD Region			
	2010	2013	# Change	% Change
Angelina County	86,771	87,441	670	0.8%
Houston County	23,732	22,911	-821	-3.5%
Jasper County	35,710	35,649	-61	-0.2%
Nacogdoches County	64,524	65,330	806	1.2%
Newton County	14,445	14,140	-305	-2.1%
Polk County	45,413	45,790	377	0.8%
Sabine County	10,834	10,361	-473	-4.4%
San Augustine County	8,865	8,769	-96	-1.1%
San Jacinto County	26,384	26,856	472	1.8%
Shelby County	25,448	25,972	524	2.1%
Trinity County	14,585	14,393	-192	1.3%
Tyler County	21,766	21,464	-302	-1.4%
DETCOG&EDD Totals:	378,477	379,076	599	0.2%
Texas	25,145,561	26,448,193	1,302,632	5.2%
United States	308,745,538	316,128,839	7,383,301	2.4%

*Source: Quickfacts.Census.Gov

Population by Race

In comparison to Texas as a whole, most of the counties in the Deep East Texas Council of Governments & Economic Development District have a higher percentage of Black/African-American Population and a lower percentage of Hispanic Population.

County 2013 Population Estimate	Total Population	% White	% Black	% Hispanic
Angelina	87,441	62.0%	15.6%	20.8%
Houston	22,911	61.7%	26.1%	10.9%
Jasper	35,649	75.0%	16.5%	6.4%
Nacogdoches	65,330	60.4%	18.4%	18.5%
Newton	14,140	73.2%	20.8%	3.4%
Polk	45,790	71.5%	11.4%	14.0%
Sabine	10,361	86.7%	7.5%	3.8%
San Augustine	8,769	68.8%	22.6%	7.0%
San Jacinto	26,856	75.4%	10.5%	12.0%
Shelby	25,972	63.5%	17.6%	17.6%
Trinity	14,393	78.9%	9.6%	9.2%
Tyler	21,464	79.4%	11.6%	7.4%
Texas	26,448,193	44.0%	12.4%	38.4%

*Source: U.S. Census Bureau Quick Facts

Income Distribution

The income characteristics of the DETCOG&EDD region indicate relatively high levels of poverty in the area, which may be largely attributed to the unemployed and retirees in the region. Although the unemployed population presents an available labor pool, companies often seek to hire employees with education, skills and work experience. From a labor perspective, site selectors look for locations with a labor pool that either has significant experience in their particular industry or employees with relevant experience that is easily transferred and upgraded to meet their facilities' needs. One of the region's challenges is to retain skilled labor developed by Angelina College and Stephen F. Austin University, as well as build the skills of the existing population to ensure that companies have a trained labor pool.

The median household income in the DETCOG&EDD is 25 percent below the state average. Nearly 20 percent of the population has an income below \$10,000, which is double the state and national rate. San Jacinto County has the wealthiest population base, with the highest median household income and the lowest proportion of residents with incomes below \$10,000. Although Nacogdoches county has significant population in the under \$10,000 range, this may be largely due to the student population at Stephen F. Austin University.

Income Characteristics

DETCOG&EDD Counties	Median Household Income 2012	Per Capita Money Income 2012	% People Below Poverty Level
Angelina	\$40,150	\$21,280	18.9%
Houston	\$32,859	\$19,654	19.5%
Jasper	\$40,603	\$20,582	17.4%
Nacogdoches	\$35,641	\$19,271	24.8%
Newton	\$38,574	\$20,245	16.2%
Polk	\$37,194	\$19,260	19.9%
Sabine	\$33,053	\$17,991	24.4%
San Augustine	\$27,580	\$18,009	25.8%
San Jacinto	\$46,413	\$23,331	17.6%
Shelby	\$35,732	\$21,457	25.0%
Trinity	\$37,223	\$19,243	16.8%
Tyler	\$36,785	\$18,534	19.6%
DETCOG&EDD Median	\$36,990	\$19,463	19.6%
Texas	\$51,563	\$25,809	17.4%

*Source: U.S. Census Quick Facts

Industry and Employment

As a whole, the Deep East Texas Region was starting to see an overall business cycle decline before the “Great Recession” began in late 2008 or early 2009. Not having participated in the development fueled expansion seen by most of the Metropolitan Areas in Texas, the construction industry in the region did not suffer the overwhelming contraction those areas experienced. However, the rapid decline in demand for building products being produced in the region’s forest products manufacturing facilities resulted in shift cuts, slowed production, mill closings and the loss of ancillary support jobs. Many of those facilities are not going to reopen.

During the same time period the demand for poultry products declined, affected by a drop in consumer demand made worse by the recession, global trade issues and the consolidation of the poultry industry. Growers and processing facilities that were being operated 24/7 in the early 2000’s are now operating at 80% of capacity. However, the production levels at the Pilgrims Pride processing plants in Nacogdoches and Lufkin have benefited from the closure of other company facilities in Dallas and North East Texas.

Deep East Texas Tourism, which is predominately based on outdoor recreation in the region’s lakes and forest, also took a major blow from the economic downturn. Much of that activity has returned but some of the facilities that closed during the recession were already suffering disrepair and have not reopened.

Even with these downturns in the three traditionally strongest regional resources, forest products – poultry industry – tourism, there have been encouraging developments. The renewable forests in Deep East Texas are now seeing the emergence of industries based on the use of wood (bio-mass) for fuel. European requirements for sustainable fuels to supplement coal being burned to generate electricity have led to the development of wood-pellet plants in the region. Operational wood pellet plants are already located in Houston and Tyler Counties and planning is underway to locate a third in the region. Those facilities would use railroads to bulk transport the loose pellets to gulf ports for shipment to Europe. Although the plants themselves do not require large staffs (30–35 people), the ancillary efforts to supply the wood, and other supplies, for the mills/power plants would require another 100+ employees for each facility. Two operational bio-mass fueled electrical generating facilities have been built in Nacogdoches and Angelina Counties. These plants were designed to burn wood chips to turn the turbines that generate electricity. However, the fuel and operational costs for these plants have made them not currently competitive in a market that has rapidly developed wind, solar and natural gas electrical generating facilities. The high availability, low cost, low “carbon footprint” and the ability to generate when the wind is not blowing and the sun is down has led to the construction of new natural gas generating facilities throughout the state. Plans have just been announced to construct one in Lufkin in Angelina County.

Another development in natural resources has just started benefiting the region. Southwestern sections of the "Haynesville Shale" formation extend from Louisiana into Shelby, San Augustine, Sabine and Eastern Nacogdoches Counties. Developments in directional drilling and formation fracturing technologies are allowing energy companies to extract the natural gas, and some petroleum related by-products, from the shale in profitable volumes. Land leases, production royalties and surface usage fees have benefitted effected landowners. Drilling, pipeline and processing plant construction and ongoing production operations are providing new jobs. Angelina College (Lufkin) and Panola College (Carthage) have teamed up with Nacogdoches County and the gas exploration/productions companies to train Natural Gas Production Technicians at the Angelina College extension facility in Nacogdoches.

As for the ongoing economy, the Texas Workforce Commission and Deep East Texas Workforce Solutions projections for the 2012 to 2022 period are reflective of a slowdown in Information Services and increased needs for workers in Education & Health Care, Leisure and Hospitality, Government and Financial Activities.

DEEP EAST TEXAS WORKFORCE DEVELOPMENT AREA*				
Employment by Industry				
Industry	Annual Average Employment		Number	Growth
	2012	2022	Change	Rate
Total All Industries	130,010	147,070	17,060	13.1%
<i>Self Employed & Unpaid Family Workers</i>	19,310	19,870	560	2.9%
<u>Goods Producing</u>	<u>21,720</u>	<u>23,420</u>	<u>1,700</u>	<u>7.8%</u>
Natural Resources & Mining	2,960	3,150	190	6.4%
Construction	5,070	5,470	400	7.9%
Manufacturing	13,690	14,810	1,120	8.2%
Trade, Transportation, & Utilities	20,750	23,200	2,450	11.8%
Information	1,010	1,060	50	5.0%
Financial Activities	3,960	4,520	560	14.1%
Professional & Business Services	7,380	8,180	800	10.8%
Education & Health Services	32,390	39,410	7,020	21.7%
Leisure & Hospitality	9,660	11,600	1,940	20.1%
Other Services, Ex. Government	3,860	4,390	530	13.7%
Government	9,970	11,420	1,450	14.5%

*Defined as Angelina, Houston, Jasper, Nacogdoches, Newton, Polk, Sabine, San Augustine, San Jacinto, Shelby, Trinity and Tyler Counties

Deep East Texas Jobs in Demand

WorkForce Solutions of Deep East Texas 2013 Demand Occupations						
Occupation Title	Annual Average Employment 2010	Projected Annual Average Employment 2020	Projected Number Change 2010-2020	Projected Percent Growth 2010-2020	Hourly Wage 2013	Annual Wage 2013
Registered Nurses	2,290	2,870	580	25.3%	\$ 27.60	\$57,408
Nursing Aides, Orderlies, and Attendants	1,850	2,260	410	22.2%	\$ 9.84	\$20,467
Correctional Officers and Jailers	2,160	2,520	360	16.7%	\$ 15.69	\$32,635
Customer Service Representatives	1,710	2,030	320	18.7%	\$ 12.54	\$26,083
Licensed Practical and Licensed Vocational Nurses	1,200	1,500	300	25.0%	\$ 19.44	\$40,435
Childcare Workers	1,360	1,650	290	21.3%	\$ 9.40	\$19,552
Medical Secretaries	640	870	230	35.9%	\$ 11.36	\$23,629
Heavy and Tractor-Trailer Truck Drivers	1,700	1,910	210	12.4%	\$ 17.96	\$37,357
Bookkeeping, Accounting, and Auditing Clerks	1,180	1,360	180	15.3%	\$ 14.96	\$31,117
Maintenance and Repair Workers, General	1,120	1,290	170	15.2%	\$ 13.58	\$28,246
Construction Managers	600	760	160	26.7%	\$ 34.45	\$71,656
Police and Sheriff's Patrol Officers	800	960	160	20.0%	\$ 21.69	\$45,115
Sales Reps, Wholesale & Manufg, Exc. Tech & Scientific Produc	1,020	1,180	160	15.7%	\$ 30.63	\$63,710
Welders, Cutters, Solderers, and Brazers	490	640	150	30.6%	\$ 18.97	\$39,458
Medical Assistants	550	700	150	27.3%	\$ 13.07	\$27,186
Receptionists and Information Clerks	590	720	130	22.0%	\$ 11.26	\$23,421
Secretaries & Admin Assist, Exc. Legal, Medical, Executive	1,700	1,830	130	7.6%	\$ 12.91	\$26,853
Machinists	260	370	110	42.3%	\$ 16.91	\$35,173
Industrial Machinery Mechanics	380	490	110	28.9%	\$ 23.80	\$49,504
Carpenters	450	560	110	24.4%	\$ 15.49	\$32,219

Analysis of Economic Development - Issues and Opportunities:

Location and Economic Trends

- The DETCOG&EDD region is relatively isolated from metropolitan areas and is rural in nature, limiting the region's ability to recruit large industry. The closest cities to the region are Houston, Beaumont, Shreveport and Dallas; however accessibility is limited due to the lack of a major interstate or a true regional airport in the area.
- The future development of I-69 along the US 59 route will have a major impact on the region and will enable the area to recruit companies more easily. Although this project will not be completed for a number of years, the high priority plans for I-69 will assist economic development to a great extent in the meantime.
- Development of three other transportation routes in the region will also enable further development through the region. The widening of the Beaumont to Dallas-Ft. Worth route of U.S. 287 would relieve some of the traffic off I-10 and I-45. The Gulf Coast Strategic Highway Coalition is working on the development of U.S. 190 as a connection between Ft. Hood in Killeen and Ft. Polk in Leesville, LA. The continuation of widening U.S. 96 will provide a north/south route through the eastern part of the region that would connect the Ports of Beaumont, Port Arthur and Orange to I-20 and on to the military vehicle rehabilitation center at the Red River Army Depot.
- With a total population of 379,076 and a population density less than half that of the state or nation, the region should not focus on recruiting industry with large human resource needs, unless the region's natural resources or other factors over-ride this issue.
- The region's population has increased by .2 percent since 2010, compared to an average of 5.2 percent in Texas and 2.4 percent in the US. Most of this growth has occurred in Angelina and Nacogdoches counties, the two most populated counties in the region, as well as Shelby County, which experienced substantial growth due to "Shale Gas" exploration and production. Polk and San Jacinto Counties have also experienced strong growths related to their proximity to Houston and Harris County and are positioned for continued healthy growth in the future.
- The region is a popular retirement area with only Nacogdoches County exhibiting population age demographics similar to the state and national average. If job opportunities are not available in the area that retain the younger working age group, the region's future labor pool could be limited. The region's tax base could also be strained by an aging population, as school property taxes are reduced by the homestead exemption for persons over the age of 65.

- The region's income distribution suggests a large fixed-income and unemployed population in the region. Although a large unemployed population indicates labor availability, typically companies look to hire workers that are employed but have the capability of performing at a higher level than their current job demands.
- San Jacinto is now the wealthiest county in the region, with the lowest proportion of population with income under \$10,000 and the highest median household incomes in the region – San Jacinto at \$46,413 and Angelina at \$40,150 compared to the State of Texas average of \$51,563. Jasper, Newton and Polk Counties also have better income statistics than most of the region, due to proximity to Beaumont and Houston with a wider range of higher paying job opportunities.
- Nacogdoches has a large proportion of its population with income under \$15,000; however this is likely due to the students at Stephen F. Austin University.
- Overall, the region has a strong manufacturing base, although it is heavily dependent on the timber industry and its suppliers. The DETCOG&EDD should focus on diversifying the economic base in the region due to dependence on a natural resource-based industry and a few large employers in the area.
- Georgia-Pacific, International Paper, Louisiana Pacific and Meadwestvaco are some of the major timber industry employers in the region that support a multitude of suppliers and loggers. In addition, many existing companies as well as new industry to the area rely on product from these plants as a raw material.
- The major foundry in the region, GE Oil & Gas, has just announced a \$60 million expansion and modernization of its metal foundry facilities in Lufkin. The company has less impact on the region than the timber industry but is a critical component of the regional economy and may serve as a basis for further diversification in the metalworking industry.
- Food processing in the region largely consists of the poultry industry, which has processing, hatcheries, and feed mill facilities located throughout Deep East Texas. Pilgrim's Pride and Tyson are two of the major poultry employers in the area. However, Holmes Smokehouse Foods has re-opened the formerly Con-Agra meat processing facility in Lufkin and is expected to have 200 employees by mid-2015.
- Food manufacturing has also developed in the region with the Pinto Pony Cookie Factory located in San Augustine. The company has developed specialty items such as "gluten free" cookies that can be found on the shelves at H.E.B grocery stores and Walgreens.
- Tourism, although not a traditional economic development sector, is an important component in the region and is a good fit with the area's rural quality. National forests, lakes, rivers, and reservoirs have made the area a popular regional destination for hunting, fishing, and boating. As a result, many counties are developing plans to increase tourism and to capture the tax dollars associated with visitors.

- Fishing tournaments have become big business on Sam Rayburn and Toledo Bend Reservoirs. Whereas there are several facilities that can host small to large tournaments on Sam Rayburn, all of the similar facilities on Toledo Bend are on the Louisiana side and competitive facilities need to be developed on the Texas shore.
- The Deep East Texas Region has been devastated by two Hurricanes in the past decade. The natural disasters dealt the region serious setbacks in development and accelerated the decline of businesses that were already experiencing a downward trend. However, recovery efforts have also provided opportunities such as the \$8 million in EDA Grants in the DETCOG&EDD Region and the \$5.8 million in HUD Recovery Funds that DETCOG&EDD allocated for economic development.
- The region benefits from being able to offer industry low electrical rates in the unregulated Texas Electrical grid. Readily available natural gas and water is leading to new Electrical Generating Facilities being built in the region.
- With a normally higher rainfall rate that has lead to the creation of large and medium size lakes, many of the cities in the twelve county region have water reserves to offer industry.
- The increased demand for “sustainable” fuel sources have caused the demand for wood pellets to dramatically increase. Availability of wood and its proximity to Gulf Coast Ports is leading to “Pellet Mills” being located in the DETCOG Region.

Business Climate

- Texas is typically viewed as having a favorable tax environment. The state does not have a corporate income tax, but does impose a franchise tax on businesses. There is also no personal income tax in Texas, which is a highly attractive quality for corporate executives. In comparison to surrounding states, Alabama, Arkansas, Mississippi and Louisiana, Texas taxes are quite competitive.
- Property tax rates in the region are not considered detrimental to attracting and retaining industry. Within the region, the cities of Evadale, Livingston, Hemphill, and Coldspring do not have a city property tax. Most of the areas have sales tax rates of the maximum 8.25 percent, except Evadale, Pineland, Coldspring and Groveton. In many counties, tourism is an important contributor to sales tax dollars.
- State incentives available to companies locating or expanding in Texas are primarily limited to job training assistance, Texas Capital Fund grants and limited tax benefits available in enterprise zones. In Texas, most incentive packages are provided for at the local level. Only twelve of the DETCOG region's forty three incorporated cities have local sales tax allocated for Economic Development.
- Locally, the DETCOG&EDD region includes six enterprise zones. The Jasper and Lufkin zones include available industrial property, which is an enticing benefit to locating businesses.
- Incentives need to be made available to new, as well as existing/expanding industry. Most economic growth is a result of local expansion and many areas in the DETCOG&EDD are very dependent on few employers. Building loyalty to the area among the existing industry base is an important economic development strategy. Some areas in the DETCOG&EDD have a strong industry retention program, however all the counties in the region would benefit from such a program.
- In addition to taxes and incentives, comparisons of workers compensation rates are used by site selectors to evaluate a state's business climate. Workers compensation costs are important for industry retention since increasing costs have a heavy impact on the bottom line.
- Although the workers compensation system in Texas has been restructured compared to other states the rates are among the highest in the nation. All surrounding states have significantly lower rates, as well. Although the situation has improved in Texas since the system was overhauled nearly 10 years ago – injuries are down, worker's compensation insurance rates have decreased, and more employers have come back into the system – the state's rate remains high compared to other states. However, high rates are largely a function of the state's fast economic growth and industrial structure.
- All areas within the DETCOG&EDD meet EPA air quality guidelines and DETCOG&EDD will need to be vigilant concerning efforts to make changes to this status.

- Regionally, an inventory of available economic development resources and information would be of benefit to local companies that are interested in learning about several areas within the region.

Workforce

- Workforce issues are critically important to companies, especially since increased automation has forced all employees to attain higher skill levels, a wider range of skills, and the ability to work in a team-based environment.
- Nationally, the labor market is very tight, especially for skilled employees. Within the DETCOG&EDD region, companies enjoy an available labor pool, especially for entry-level jobs at companies that pay a competitive wage.
- The poultry industry is experiencing some difficulty recruiting labor due to high turnover rates typical in the industry. Wage rates and working conditions are largely responsible for the high turnover.
- Employers report difficulty in not only recruiting the appropriately skilled workers, but also in finding applicants that can pass a drug test.
- Relatively high unemployment in the region indicates potential labor availability and a need to develop additional job opportunities in the region. In September 2014, the region registered 5.9 percent unemployment, .9% higher than the state average.
- The region's median population age is 39, well above the state and nation averages of 33 and 37, respectively, indicating more limited growth potential for the area's labor force.
- Employers in the region draw the majority of their labor from within a 25-mile radius. Jasper, Newton, and Tyler counties have the largest proportion of labor commuting to work in areas outside the DETCOG&EDD region, due to their proximity to high paying employers in the Beaumont-Port Arthur area. Angelina, Nacogdoches, and Houston counties offer enough job opportunities to retain most of their own residents.
- Earnings inflow and outflow data for the 12-county region indicate that Angelina County is a true regional employment center. In Newton and San Jacinto counties, residents working out-of-county jobs significantly boost local income.
- Stephen F. Austin University, Angelina College and Panola College, with a combined enrollment of 20,700, provide the region with the educational institutions needed to train and educate the region's labor force. Enrollment at Stephen F. Austin University totals about 13,000, with approximately 3,000 graduating each year. Angelina College has 5,200 students enrolled in credit courses and Panola College, including its Center, Texas campus has 2,500 students enrolled.
- While Angelina College focuses on training the workforce in the region, Stephen F. Austin University draws about two-thirds of its students from other metro areas in Texas, especially the Houston area. Many of these students would remain in the area given appropriate job opportunities. Note: A call center employer in Nacogdoches has benefited from access to the student workforce and limited competition from other employers for new graduates.

- Labor availability for higher-skilled positions is weak in the region, and as the labor market tightens, it will become more difficult for employers to recruit skilled labor.
- Employers in the region identified a need for improved workforce skills including basic skills such as communication, professionalism, follow-through and teamwork, as well as specific skills training. Angelina College has been a great asset and resource for many employers; however a relatively low educational attainment level of the adult population has resulted in a gap between employer needs and labor force skills.
- The low turnover during the recession and strong work ethic in the region have generally enabled employers to retain their workforce, thereby reducing their need to constantly recruit and train new employees.
- Angelina County College has off-campus centers throughout the DETCOG&EDD Region: Angelina College Career Center in Crockett, Jasper Higher Education and Technology Center, the Sabine County College and Career Center, Nacogdoches Center, Polk County Center in Livingston, Shelby County Regional Training Facility as well as facilities in Hemphill, San Augustine, Trinity and Woodville. These facilities offer college level “required” classes in English, Math and Social Studies as well as technical vocational training in manufacturing/industrial skills.
- The Sabine County College and Career Center in Pineland is a cooperative effort between Sabine County and Angelina College as well as two large national construction companies. The center will provide local residents with day and evening classes, greatly increasing access to training.
- The Jasper Higher Education and Technology Center will also increase the level of training and education accessibility to local residents. Angelina College will provide day and evening classes in occupational training and the first two years of college. In addition, Stephen F. Austin and Lamar Universities will provide upper level and graduate classes, many through interactive distance learning.
- Panola College’s two extension facilities in Center, Texas offer a variety of classes and career paths for their students. The Shelby College Center offers the first two college years of classes and training. The Shelby Regional Training Center concentrates on careers in an industrial environment with their Petroleum Technology, Industrial Technology and Welding classes.
- Educational attainment in the region is well below state and national averages, with 19 to 26 percent of the adult population in 11 of the 12 counties having less than a high school education. At 18 percent with less than a high school education, only Nacogdoches is lower than the state average of 20 percent.
- A DETCOG&EDD resident is half as likely to have a college degree as a typical Texas or US resident, and the percent of population with some college is also generally below average.

- Labor-management relations in the region are regarded as cooperative and peaceful. Unionized companies in the DETCOG&EDD were organized decades ago, and the right-to-work policy of the state is a positive for the area. Site selectors would generally view the area as having good labor-management relations. However, companies in some industries may be hesitant to locate due to the union presence.
- Labor costs in the region are very favorable and below the national average. Most entry-level manufacturing jobs range from \$7.35 to \$8.50 per hour, experienced operators at about \$11.00 to \$12.00, and skilled crafts from \$14.00 to \$19.00.
- Premier employers offer much higher compensation, with \$11.00 to \$14.00 entry wages and operators earning \$17.00 to \$18.00 per hour. The poultry industry hires labor at \$7.35, with most operators earning slightly above \$8.50.
- Clerical wages are favorable as well, with employers able to hire labor at \$7.35 and then increase wages to the \$8.00 to \$9.00 per hour range in order to retain employees.

Infrastructure

- The Deep East Texas Council of Governments & Economic Development District has led the way in forming one of the first Rural Transportation Planning Organizations, the Deep East Texas Rural Transportation Planning Organization (DETRTPO) in Texas. DETRTPO has signed memorandums of agreement with the East Texas Rural Transportation Planning Organization on its north and the Ark-Tex Rural Transportation Planning Organization in the northeast corner of the state which should give all three organizations elevated stature when dealing with the Texas Department of Transportation and Federal Transportation Agencies.
- San Jacinto, Polk, Angelina, Nacogdoches and Shelby counties enjoy the best highway transportation, largely because US 59 runs through their territory. Residents in other counties must travel via US highways (which may be four lane) or State routes that are primarily two-lane roads to reach US 59, I-10, I-20 or I-45.
- One of the most important planned developments in the region is I-69, which will be located along the US 59 corridor. I-69 will connect Mexico and Canada via Laredo, Texarkana, Memphis, and Indianapolis. Although this project will not be completed for a number of years, it will have a significant economic impact on the region even in years preceding completion because of its high national priority.
- Efforts are underway to enhance other transportation corridors in the region. The Gulf Coast Strategic Highway Coalition is promoting the National Security aspect of developing U.S. Highway 190 from Killeen, TX to the Louisiana border. U.S. 190 is the primary highway connection between the huge U.S. Army bases of Ft. Hood and Ft. Polk. Development of the U.S. 287 corridor from Beaumont to Dallas/Ft. Worth could relieve traffic on I-10 and I-45. Likewise, further widening of U.S. 96 north of Jasper would provide a north/south passageway to and from the ports in Beaumont, Port Arthur and Orange.
- Houston's George Bush International is the largest commercial airport serving the region, although for most areas in the DETCOG&EDD it is still quite a distance away. The Jack Brooks Regional Airport in Beaumont offers commuter service, as does Longview to the north. Shreveport is convenient for residents in Shelby County and San Augustine, although ticket prices tend to be higher and there are far fewer flights per day compared to George Bush International.
- Shipping by rail is less expensive than shipping by truck and is typically used to transport raw material or other commodities that will not suffer damage in the process. Rail access within the DETCOG&EDD region, except for Tyler County, is an asset for the region and assists in the attraction of some industry.
- All counties are served by either Union Pacific or Burlington Northern/Santa Fe rail lines, except Shelby and Tyler Counties. Shelby is served by both lines, while Tyler has no rail service.
- Electric power reliability and costs in the region are quite good, except in areas served by the City of Jasper or the City of Livingston, which have high cost

structures. Entergy, SWEPCO, TXU, and a number of coops serve the region, while CenterPoint Energy provides natural gas to most of the area. Shelby County is the only county in the region that is in the regulated electricity market.

- In general, telecommunications service is acceptable for office facilities, however some of the rural counties would benefit from improvements. Wireless and Satellite Broadband Internet are becoming more available in the region, overcoming the limitations and availability of DSL, cable and other hard-wired services.
- Water and wastewater infrastructure planning often demonstrates how well an area has planned for growth. Without sufficient water and wastewater infrastructure, a region significantly limits potential economic development. Texas has implemented a statewide water planning process to assess and plan for the future needs of areas throughout the state. Similar to other parts of the nation, metro areas in Texas are experiencing tight water supplies.
- Overall, counties in the DETCOG&EDD region have access to an adequate water supply and are in the process of securing agreements or are building a reservoir to ensure longer-term supply. Some of the rural counties and high growth counties however, have a need for infrastructure improvement and/or expansion in the near-term.
- Angelina and Nacogdoches have implemented plans to secure a reliable supply of water for the future. Center is just completing a long range water supply study.
- Polk and San Jacinto Counties will experience continued growth and will require additional infrastructure to meet future demand levels.
- Tyler and Houston Counties are below their infrastructure capacity and have relatively low growth projections. Jasper is also well situated for both water and wastewater demand.
- Health Care access continues to be an issue with the smaller population counties in the region. Beyond the struggle to maintain facilities with reimbursement for services being reduced, the Affordable Care Act has accelerated the consolidation of regional hospitals and often led to cutbacks in ancillary services such as ambulances.
- Site and building availability is important for attracting prospects since most projects are seeking an existing building, and at the very least a developed site. Although companies often do not locate in the building they visit in an area, it is an excellent method of drawing prospect traffic.
- Angelina, Nacogdoches, Houston, Jasper, and Shelby counties have sites and/or buildings that are either currently available or will become available in the near future. Other counties have either very small manufacturing facilities available or buildings that are less marketable due to infrastructure support.
- Throughout the region there is land available for industrial users that could be easily developed should the need arise.

Quality of Life

- The quality of life in the region is one of the main attractions of the area. The outdoor recreational opportunities are plentiful, and due to Stephen F. Austin University, programs at the Temple Theatre at Angelina College and the Pineywoods Fine Arts Association's programs in Houston County, there are more cultural opportunities in the region than one may expect. The cost of living is very favorable throughout the region and cost combined with recreation has attracted many retirees to the area.
- Many of the towns in the region either are, or have been, participating in the "Main Street Programs" to revitalize and encourage re-development of their downtowns. These efforts often include festivals and cultural events to bring people into the town centers at night or on weekends.
- Historical tourism has become a significant draw to the region. The route of the "El Camino Real" that Anglo settlers used to enter Texas from the northeastern United States enters the DETCOG Region at Milam in Sabine County and goes across four counties before leaving Houston County at the Trinity River. These early highways lead to the early development of the Nuestra Señora de los Dolores de los Ais Mission in San Augustine, the Town of Nacogdoches and the San Francisco de los Tejas Mission in Houston County. Many homes in San Augustine, Nacogdoches and Crockett have State of Texas Historical medallions signifying their connection to the founding fathers of the Republic of Texas.
- Due to the quality of life of the area, many graduates from Angelina College would prefer to remain in the region given appropriate job opportunities. Companies also find that they can recruit some labor from Houston that would like to be in a more rural and less congested setting to raise a family.
- Additional amenities to attract and retain white-collar labor would benefit local employers that need to recruit top engineering, financial, and other professional talent from large metro areas. Easier access to Houston via the planned I-69 and any regional commercial air service would lessen the perceived isolation of the region.
- Hunting and fishing have always played a part in the lives of the citizens of the DETCOG Region. However, the area still excels in the purchase of hunting and fishing licenses. Bass Tournaments have become big business for promoters and local hotel sales taxes are often used as incentives to lure them to local marinas. A 2006 study by the Texas Parks & Wildlife Department put retail sales associated with freshwater fishing in Texas at \$2.3 Billion involving 33,149 jobs. Hunting Clubs on leased forest lands are very social and the associated deer hunting contributes to the TP&W Study's findings of \$2.6 Billion in retail sales involving 44,119 jobs.

Image

- The image of the area to outsiders is quite positive to those seeking natural beauty, a rural lifestyle, abundant recreational opportunities, and a low cost of living.
- Angelina and Panola College facilities are located in most of the DETCOG counties. They offer courses covering requirements for the first two years of college and technical-vocational training and certification. Stephen F. Austin State University is located in Nacogdoches and offers undergraduate degrees in eighty eight majors and areas of study while also offering graduate degrees in forty eight programs. In recent years the university has invested heavily in upgrading and improving its residential, dining and recreational facilities and put additional efforts into developing its on-campus activities for students.
- The rural nature of the DETCOG Region is such that it offers a sense of community and individuality that is not often found in urban areas. The smaller size of the towns and cities means that children are not lost in large enrollment schools. Competition is less for participation in extra-curricular activities and parents become familiar because they see each other repeatedly. Church congregations are smaller leading to the development of relationships with their church staff. People in small towns make eye contact with they are in public because they expect to see other people in the community that they know.
- The culture of the region could be described as “southern” with a Southern Louisiana influence along the eastern border. Early adopters and urban residents are fast to notice the slower, more comfortable, rhythm to life in the region. Traffic congestion is hard to find and none of the DETCOG region is listed as “non-attaining” in Air Quality by the Environmental Protection Agency or the Texas Commission on Environmental Quality.

Goals and Objectives:

Given the background information about the region's trends and current conditions and the preceding listing of the region's economic development issues and opportunities, the district has adopted the following goals and objectives:

- ❖ **Support I-69 Planning, Development and Funding**
 - Participate in the I-69 Coalition
 - Actively encourage DETCOG&EDD members to participate in related public hearings
 - Have DETCOG&EDD and DETRTPO Officers appear in support of I-69 funding before Federal and State Highway boards and commissions

- ❖ **Support U.S. 96 Extension and Expansion up to I-20**
 - Widening to four lanes up to I-20 would facilitate shipments to and from the Ports of Beaumont and Orange
 - Increased roadway capacity would also facilitate evacuations from the Golden Triangle region of Beaumont, Port Arthur and Orange

- ❖ **Support the efforts to increase the capacity of U.S. 287 to Dallas-Ft. Worth**
 - Widening to four lanes would facilitate traffic moving from the Gulf Coast Ports to Dallas-Ft. Worth
 - Development of U.S. 287 would increase development opportunities across the DETCOG Region
 - The U.S. 287 northwest/southeast flow has the potential to relieve some of the bottlenecks on I-10 and I-45

- ❖ **Support the efforts of the Gulf Coast Strategic Highway Coalition**
 - Increase the capacity of U.S. 190 from Killeen to the Texas/Louisiana Border to connect Ft. Hood to Ft. Polk
 - Facilitates the connection of the Ports of Orange, Beaumont, Port Arthur, Houston, Galveston and Corpus Christi to Department of Defense facilities

- ❖ **Support the Study of a Potential Intermodal or Logistics Facility**
 - Crowding and Air Quality Restrictions are already causing land availability issues for freight trying to come in and out of the Ports of Houston and Galveston as well as Beaumont, Port Arthur and Orange.
 - Freight Traffic to and from these ports already comes through much of the DETCOG Region.
 - Efforts are underway to find funding for a feasibility study of a facility between Nacogdoches and Lufkin

- ❖ **Support the Forest Products Industry**
 - Participate related task forces, commissioner, coalitions and trade associations
 - Support and facilitate efforts to retain forest products industry jobs in the region
 - Work with the Texas Forest Service, Stephen F. Austin State University and the National Forest Service to support the commercial development of innovative new uses for regional wood supplies

- ❖ **Support the commercial use of “Bio-Mass” fuels**
 - Support and facilitate the location and construction of wood pellet mills in the region

- ❖ **Support the exploration and production of Natural Gas**
 - Work with local governments to minimize infrastructure issues related to Natural Gas exploration and production
 - Work with local governments to maximize the benefits of Natural Gas production
 - Support regional efforts in Natural Gas exploration & production workforce development

- ❖ **Encourage and support the continued development of regional Health Care programs, facilities and healthcare worker development programs**
 - Educate regional governmental leaders as to the aging population’s developing health care needs.
 - Support and facilitate the expansion of regional training health care worker training programs – Tyler County Hospital School of Vocational Nursing, Angelina College Nursing Program and Stephen F. Austin State University Nursing Program.

- ❖ **Develop and expand access to Broadband Internet service throughout the DETCOG&EDD Region**
 - Work with the Texas Department of Agriculture and its “Connect Texas” program to refine their pilot project model for providing Broadband Internet Access to underserved rural communities in the DETCOG&EDD Region.

- ❖ **Encourage the local development of business incubators**
 - The City of Center is currently studying the feasibility of creating a business incubator to facilitate and encourage the creation of local businesses

Community and Private Sector Participation:

The Deep East Texas Council of Governments and Economic Development District has a range of representation covering the private sector, economic development professionals and elected officials on its CEDS Committee and board:

DETCOG&EDD

Comprehensive Economic Development Strategy Committee

John Thompson,
Polk County Judge (Polk County Industrial Development Corp.)

Marilyn Hartsook,
Executive Director, WorkForce Solutions Deep East Texas

James Gibson,
Center Assistant City Manager (Economic Development Coordinator)

Jimmie Cooley,
Lower Neches River Authority

Nancy Windham,
President/CEO, Nacogdoches Economic Development Corporation

Thad Chambers,
Director, Lufkin Economic Development Corporation

Leroy Hughes,
San Augustine Mayor

Thom Lambert,
Executive Director, Crockett Economic & Industrial Development Corporation

Daryl Melton,
Sabine County Judge

Charles "Kilowatt" Thomson,
Nacogdoches County Commissioner (Owner, Kilowatt Electric)

Kari Ellis,
Executive Director, Jasper Economic Development Corporation

Betty Russo, PCED
Director of Operations, Polk County Economic & Industrial Development Corporation

DETCOG&EDD Regional Economic Development Committee

Mark Allen
Jasper County Judge
(Jasper County, Buna Area Chamber of Commerce)

Bob Brown
Mayor of Lufkin

Ben Bythewood
Mayor of Woodville

Fritz Faulkner
San Jacinto County Judge, (Lawyer)

Willie Kitchen
Houston County Commissioner (Soil and Water Conservation District, Small Business Owner)

Jacques Blanchette
Tyler County Judge (Mortician)

Rick Campbell
Shelby County Judge (Business Sector)

Erin Ford
Houston County Judge

Thom Lambert
Crockett Economic & Industrial Development Corporation

Robert Shankle
Lufkin City Council (Minister)

R.C. Horn
Jasper County Minority Representative

Elton Milstead
Nacogdoches County Commissioner

Truman Dougharty
Newton County Judge

Wes Suiter
Angelina County Judge

John Thompson
Polk County Judge (Polk County Industrial Development Corp.)

DETCOG&EDD Regional Economic Development Committee - Continued

Chad Nehring,
Center City Manager (City of Center Economic Development)

Jimmie Cooley,
Lower Neches River Authority

Jim Jeffers,
Nacogdoches City Manager (Nacogdoches Economic Development Corp.)

Samye Johnson,
San Augustine County Judge

Mike Keller
Nacogdoches City Council

Daryl Melton
Sabine County Judge (Sabine County Chamber of Commerce)

Lynn Torres
Lufkin City Council (Lufkin ISD)

Community & Private Sector Participation

Beyond its oversight committee, DETCOG&EDD has an ongoing relationship with the local economic development entities, river authorities and grant administrators in the region that are involved with economic development:

Crockett Economic & Industrial Development Corporation

Jasper Economic Development Corporation

Polk County Economic & Industrial Development Corporation

Lufkin Economic Development Corporation

Nacogdoches Economic Development Corporation

McClurg & Associates

David Waxman, Inc.

Raymond Van & Associates

Gary Traylor & Associates

The Angelina and Neches River Authority

Lower Neches River Authority

Sabine River Authority

Strategic Projects, Programs & Activities:

❖ **Strategic Projects:**

- Work with local governments to minimize infrastructure issues related to Natural Gas exploration and production while maximizing the benefits of Natural Gas production.
 - Create 150 direct jobs by 2018
- Encourage and support the continued development of regional Health Care programs, facilities and healthcare worker development programs
 - Create 1,000 direct jobs by 2018

❖ **Vital Projects:**

- Continue working through the DETRTPO and I-69 Coalition to advance the planning and construction of I-69 through the DETCOG&EDD region.
 - Would result in 100's of jobs created in the region
- Encourage and support the study of potential logistics facilities in the region.
 - Huge potential to create 100's of primary and secondary jobs in the region.
- Encourage job retention/creation with Hurricane Ike Recovery Economic Development forgivable loan program
 - Create or retain 77 jobs through this program by 2015
- Support and facilitate the development of the "Bio-Fuels" wood pellet mills in the region.
 - Create 30 direct jobs and 100 support/supplier jobs by 2018
- Develop and expand access to Broadband Internet service throughout the DETCOG&EDD Region
 - Create 150 jobs by 2018

Plan of Action:

The Deep East Texas Council of Governments and Economic Development District is in a unique and influential position to provide leadership and influence to local, regional and state economic development efforts. The Deep East Texas Council of Governments and Economic Development District participates and encourages a variety of collaborative efforts directed at improving the economic and quality of life of Deep East Texas.

At a regional level the Deep East Texas Council of Governments and Economic Development District has and will continue to participate in activities that:

- Promote economic development and opportunity
- Fosters effective transportation access
- Enhances and protects the natural beauty and environment
- Maximizes effective development and use of the workforce consistent with any applicable state or regional workforce investment strategy
- Promotes the use of technology in economic development, including access to high-speed telecommunications
- Support the coordination and collaborative implementation of all CEDS goals and strategies

Additionally, the Deep East Texas Council of Governments and Economic Development District will continue to work with local economic development, workforce development, educational and water development entities in support of their activities related to the economic development, and quality of life enhancing, programs that enhance the goals of this Comprehensive Economic Development Strategy.

Performance Measures:

Performance measures will be tied directly to the long-term economic development goals as previously identified in this document. The goals are to be accomplished in a manner protective of the region's environmental quality. The following data will be monitored as the data becomes available to monitor performance of the strategy:

- Computation and comparison of regional and county unemployment rates to state and national rates;
- Computation and comparison of regional and county job creation to state and national figures;
- Computation and comparison of regional and county per capita income levels to state and national figures;
- Computation and comparison of regional and county economic development investment to state and national figures;
- Computation and comparison of regional and county job retention to state and national figures;
- Comparison of regional and county changes in the economic environment after the implementation of the CEDS.

Trends in these key economic development indicators and any significant changes in the economy will be monitored by the Deep East Texas Council of Governments and Economic Development District on a consistent and timely basis. Effectiveness in meeting goals will be evaluated and adjustments will be made to the CEDS document as required to meet the performance goals of the document and/or the economic development needs of the region.

Notes:

2014

**Deep East Texas Council of Governments
& Economic Development District**

**[COMPREHENSIVE
ECONOMIC
DEVELOPMENT
STRATEGY]**